

FONDITA EUROPEAN SMALL CAP SIJOITUSRAHASTO

TILINPÄÄTÖS

31.12.2023

FONDITA EUROPEAN SMALL CAP SIJOITUSRAHASTO

SISÄLTÖ

	sivu
Toimintakertomus	1
Tuloslaskelma	2
Tase	3
Liitetiedot	6

Toimintakertomus 2023

Fondita European Small Cap Sijoitusrahasto on osakerahasto, joka aloitti toimintansa 19.5.2009. Se sijoittaa varansa ensisijaisesti pienten ja keskisuurten eurooppalaisten julkisesti noteerattujen yhtiöiden osakkeisiin.

Seuraava taulukko kuvaa rahaston kehitystä:

	2023	2022	2021
Markkina-arvo tilikauden lopussa	52 825 648,71	51 387 839,72	87 338 242,29
Rahasto-osuuden arvo 31.12 (Tuotto/A)	178,18	180,74	280,55
Rahasto-osuuden arvo 31.12 (Kasvu/B)	361,94	350,33	512,57
Kasvu-osuuksien kehitys tilikauden aikana	3,3 %	-31,7 %	37,5 %
Tilikauden tulos 1.1.-31.12.	1 189 048,06	-26 641 973,58	23 303 387,27
Hallintopalkkio rahastoyhtiölle	1 043 766,39	1 251 943,61	1 472 318,15
A-osuuksien tuotonjako	9,05	14,05	10,70
Kiertonopeus (kerta/vuosi)	0,38	0,23	0,39
Volatiliteetti (%/vuosi)	16,4	27,2	15,6
TER (Total Expense Ratio)	2,00 %	2,00 %	2,00 %
Osuudenomistajia 31.12.	339	346	355

Rahasto ei ole toimintavuoden aikana osallistunut yhtiökokouksiin eikä käyttänyt äänioikeuttaan.

Rahaston SFDR-luokitus: artikla 8

Rahastoyhtiön hallitus on päättänyt A-osuuksien tuotonjaoksi 8,90 € / osuus 13.2.2024.

Rahastoyhtiö on vuoden 2023 aikana maksanut 2 040 173,46 euroa palkkioita työntekijöilleen, josta 0,00 euroa palkkojen liikkuvia osia.

Johto (Toim.joht., varatoim.joht. ja hallituksenpuh.joht.)

741 585,70euroa, ei palkkojen liikkuvia osia

Tehtävät jotka vaativat riskienottoa (kaikki salkunhoitajat)

924 633,18 euroa, ei palkkojen liikkuvia osia

He jotka hoitavat sisäisiä valvontatehtäviä (riskienhallintatoiminto, compliancetoiminto ja sisäinen tarkastaja)

651 891,67 euroa, ei palkkojen liikkuvia osia

Huomioitavaa on, että sama henkilö voi sisältyä useisiin tehtäviin.

TULOSLASKELMA 1.1.2023-31.12.2023

(euroa)

TULOT	1.1.-31.12.2023	1.1.-31.12.2022
Arvopapereiden nettotulos	1 254 442,96	-26 417 315,63
Osingot	956 373,12	1 033 931,73
Korkotuotot	21 998,37	0,00
Tulot yhteensä	<u>2 232 814,45</u>	<u>-25 383 383,90</u>
KULUT		
Palkkiot		
Rahastoyhtiölle	1 043 766,39	1 251 943,61
Korkokulut	0,00	6 646,07
Kulut yhteensä	<u>1 043 766,39</u>	<u>1 258 589,68</u>
TILIKAUDEN TULOS	<u>1 189 048,06</u>	<u>-26 641 973,58</u>

TASE 31.12.2023

(euroa)

VARAT	31.12.2023	31.12.2022
Lyhytaikaiset varat		
Lyhytaikaiset varat		
Arvopapereiden markkina-arvo	52 243 642,79	50 401 948,62
Saamiset		
Osingot	<u>8 414,04</u>	<u>8 575,19</u>
	8 414,04	8 575,19
Rahat ja pankkisaamiset	654 200,62	1 064 452,44
VARAT YHTEENSÄ	<u>52 906 257,45</u>	<u>51 474 976,25</u>
VELAT JA OMA PÄÄOMA	31.12.2023	31.12.2022
Rahaston arvo		
Rahaston arvo	52 825 648,71	51 387 839,72
Velat		
Lyhytaikaiset velat		
Siirtovelat	<u>80 608,74</u>	<u>87 136,53</u>
	80 608,74	87 136,53
VELAT JA OMA PÄÄOMA YHTEENSÄ	<u>52 906 257,45</u>	<u>51 474 976,25</u>

Fondita European Small Cap Sijoitusrahasto

Salkun sisältö 31.12.2023

Saksa	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	25,20 %
Dermapharm Holding	Terveydenhuolto	47 765	42,34	2 022 370,10 €	3,83 %
Jenoptik	Informaatioteknologia	65 000	28,44	1 848 600,00 €	3,50 %
Kontron	Informaatioteknologia	84 593	21,50	1 818 749,50 €	3,44 %
Adesso	Informaatioteknologia	14 672	107,40	1 575 772,80 €	2,98 %
All For One Group	Informaatioteknologia	33 003	47,20	1 557 741,60 €	2,95 %
Befesa	Teollisuustuotteet ja -palvelut	34 904	35,20	1 228 620,80 €	2,33 %
Junghenrich	Teollisuustuotteet ja -palvelut	32 000	33,22	1 063 040,00 €	2,01 %
Verbio	Teollisuustuotteet ja -palvelut	26 888	29,88	803 413,44 €	1,52 %
TAG Immobilien	Kiinteistöt	58 000	13,20	765 310,00 €	1,45 %
Secunet	Informaatioteknologia	4 300	146,00	627 800,00 €	1,19 %
Sveitsi	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	13,02 %
Siegfried	Terveydenhuolto	2 250	928,19	2 088 417,93	3,95 %
Kardex	Teollisuustuotteet ja -palvelut	7 063	235,42	1 662 779,70	3,15 %
Inficon Holding	Informaatioteknologia	1 250	1302,38	1 627 969,76	3,08 %
Zehnder Group	Teollisuustuotteet ja -palvelut	25 944	57,78	1 498 924,41	2,84 %
Ruotsi	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	20,22 %
Bufab	Teollisuustuotteet ja -palvelut	67 464	34,92	2 355 660,99	4,46 %
NCAB	Informaatioteknologia	266 574	6,60	1 759 782,40	3,33 %
Dometic	Teollisuustuotteet ja -palvelut	215 000	8,12	1 746 196,83	3,31 %
AFRY	Teollisuustuotteet ja -palvelut	137 111	12,59	1 726 244,30	3,27 %
Synsam	Teollisuustuotteet ja -palvelut	315 598	4,13	1 302 666,58	2,47 %
Lagercrantz B	Informaatioteknologia	77 976	12,18	949 401,37	1,80 %
Hexatronic	Teollisuustuotteet ja -palvelut	342 500	2,46	843 285,87	1,60 %
Italia	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	7,42 %
Reply	Informaatioteknologia	11 982	119,50	1 431 849,00	2,71 %
Piaggio	Kestokulutushyödykkeet	420 000	2,98	1 250 760,00	2,37 %
Interpump Group	Teollisuustuotteet ja -palvelut	26 431	46,87	1 238 820,97	2,35 %
Alankomaat	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	3,80 %
Alfen	Teollisuustuotteet ja -palvelut	20 000	60,28	1 205 600,00	2,28 %
IMCD	Teollisuustuotteet ja -palvelut	5 091	157,55	802 087,05	1,52 %
Iso-Britannia	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	5,52 %
Discoverie Group	Teollisuustuotteet ja -palvelut	193 220	9,09	1 756 444,39	3,32 %
CVS Group	Terveydenhuolto	60 000	19,37	1 161 958,46	2,20 %
Suomi	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	5,36 %
Mandatum	Rahoitus	385 000	4,07	1 566 950,00	2,97 %
Konecranes	Teollisuustuotteet ja -palvelut	31 000	40,78	1 264 180,00	2,39 %
Norja	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	6,40 %
Borregaard	Perusteollisuus	126 000	15,25	1 921 302,43	3,64 %
Crayon Group	Informaatioteknologia	194 000	7,54	1 461 838,89	2,77 %
Belgia	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	3,66 %
Recticel	Perusteollisuus	105 000	10,60	1 113 000,00	2,11 %
Montea	Kiinteistöt	9 500	86,20	818 900,00	1,55 %
Tanska	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	2,42 %
Össur	Terveydenhuolto	346 734	3,68	1 277 066,42	2,42 %
Ranska	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	2,51 %
Vetoquinol	Terveydenhuolto	12 932	102,40	1 324 236,80	2,51 %
Espanja	GICS	Osakkeiden lkm	Kurssi (euroa)	Markkina-arvo	3,36 %
Laboratorios Farma Rovi	Terveydenhuolto	29 500	60,20	1 775 900,00	3,36 %
Salkku Yhteensä				52 243 642,79	
Kassa ja muut varat, netto				582 005,92	1,10 %
Rahaston arvo				52 825 648,71	
Osuuksien lkm					
Tuotto-osuuksia (A)			93 789,1020		
Kasvu-osuuksia (B)			99 778,9604	193 568,0624	
Osuuden arvo					
Tuotto-osuuden arvo (A)				178,1823	
Kasvu-osuuden arvo (B)				361,9410	

Fondita European Small Cap Sijoitusrahasto

Arvopapereiden kehitys salkussa 1.1.-31.12.2023

(%-yksiköissä)

Saksa	-8,5	Alankomaat	-2,0
Jungheinrich	2,0 *	Alfen	2,3 *
TAG Immobilien	1,5 *	IMCD	-1,0 *
Jenoptik	1,1 *	Corbion	-1,3
Dermapharm Holding	-0,3 *	TKH Group	-2,0
Kontron	-0,6 *		
Secunet	-0,8 *	Iso-Britannia	1,3
Befesa	-1,0 *	CVS Group	2,2 *
Adesso	-1,0 *	Discoverie Group	0,0 *
Stratec	-1,3	Genuit Group	-0,9
Verbio	-1,4 *		
Basler	-1,6	Norja	2,6
All For One Group	-1,9 *	Crayon Group	2,8 *
7C Solarparken	-3,1	Borregaard	-0,1 *
Sveitsi	-2,2	Belgia	0,5
Inficon Holding	3,1 *	Montea	1,6 *
Kardex	0,3 *	Recticel	-1,1 *
Siegfried Holding	-0,4 *		
Zehnder Group	-1,2 *	Tanska	-0,6
Huber + Suhner	-4,0	Össur	-0,6 *
Ruotsi	6,6	Ranska	-0,4
Dometic	3,3 *	Vetoquinol	-0,4 *
Afry	3,3 *		
Bufab	2,1 *	Espanja	0,6
NCAB	0,8 *	Rovi	0,6 *
Synsam	0,2 *		
Lagercrantz	-1,5 *	Portugali	-2,7
Hexatronic	-1,7 *	Greenvolt	-2,7
Italia	1,2	Itävalta	-0,8
Piaggio	2,4 *	UBM Development	-0,8 *
Interpump Group	-0,4 *		
Reply	-0,8 *		
		Kassa	-0,8
Suomi	5,4		
Mandatum	3,0 *		
Konecranes	2,4 *		

* = Edelleen salkussa 31.12.2023

FONDITA EUROPEAN SMALL CAP SIJOITUSRAHASTO

TULOSLASKELMAN LIITE 31.12.2023

(euroa)

	31.12.2023	31.12.2022
Arvopapereiden nettotulos		
Arvopapereiden myyntivoitot	3 519 243,73	9 534 106,15
Arvopapereiden myyntitappiot	(-) 4 141 907,88	(-) 4 165 289,86
Realisoitumattomat voitot	8 429 900,12	2 181 985,56
Realisoitumattomat tappiot	(-) 6 552 793,01	(-) 33 968 117,48
Yhteensä	<u>1 254 442,96</u>	<u>-26 417 315,63</u>
Kaupankäyntikulut	69 100,85	72 236,27

TASEEN LIITE 31.12.2023

Rahaston arvo		
Rahaston arvo 1.1.	51 387 839,72	87 338 242,29
Rahasto-osuuksien merkinnät	5 617 297,53	1 813 415,91
Rahasto-osuuksien lunastukset	(-) 4 686 938,40	(-) 9 679 138,82
Tuotonjako	(-) 681 598,20	(-) 1 442 706,08
Tilikauden tulos	<u>1 189 048,06</u>	<u>-26 641 973,58</u>
Rahaston arvo 31.12.	<u>52 825 648,71</u>	<u>51 387 839,72</u>

Helsinki 28 / 2 2024

7



Markus Larsson
toimitusjohtaja

Tämä suomenkielinen versio on käännös alkuperäisestä ruotsinkielisestä tilinpäätöksestä.



**Building a better
working world**

Ernst & Young Oy
Korkeavuorenkatu 32-34
00130 Helsinki
Finland

Puhelin: 020 728 0190
www.ey.com/fin
Y-tunnus 2204039-6,
kotipaikka Helsinki

Tilintarkastajan raportti arvonlaskennan yleisluonteisesta tarkastuksesta

Fondita Rahastoyhtiö Oy:lle

Olemme tarkastaneet yleisluonteisesti Fondita Rahastoyhtiö Oy:n hallinnoimien sijoitusrahastojen: Fondita Nordic Small Cap, Fondita Global Megatrends, Fondita Nordic Micro Cap, Fondita European Small Cap, Fondita Sustainable Europe, Fondita Healthcare, Fondita Finland Micro Cap ja Fondita European Micro Cap arvonlaskennan 31.12.2023 sijoitusrahastolain (213/2019) 7 luvun 3 §:n mukaisesti.

Fondita Rahastoyhtiö Oy:n hallitus ja toimitusjohtaja vastaavat siitä, että sijoitusrahastojen rahasto-osuuksien arvo lasketaan sijoitusrahastolain ja sen nojalla annettujen säännösten ja määräysten sekä sijoitusrahastojen sääntöjen mukaisesti. Yleisluonteinen tarkastuksemme on kohdistunut arvonlaskennan oikeellisuuden varmistamiseen sekä arvonlaskentapäivän rahaston arvon oikeellisuuteen. Velvollisuutenamme on esittää suorittamamme yleisluonteisen tarkastuksen perusteella johtopäätös edellä mainittujen sijoitusrahastojen arvonlaskennasta 31.12.2023.


Yleisluonteisen tarkastuksen laajuus

Yleisluonteinen tarkastus on suoritettu kansainvälisen yleisluonteista tarkastusta koskevan standardin ISRE 2410 "Yhteisön tilintarkastajan suorittama osavuosi- informaation yleisluonteinen tarkastus" mukaisesti. Yleisluonteiseen tarkastukseen kuuluu tiedustelujen tekemistä pääasiassa talouteen ja kirjanpitoon liittyvistä asioista vastaaville henkilöille sekä analyyttisiä toimenpiteitä ja muita yleisluonteisen tarkastuksen toimenpiteitä. Yleisluonteinen tarkastus on laajuudeltaan huomattavasti suppeampi kuin tilintarkastusstandardien mukaisesti suoritettava tilintarkastus, ja siksi emme pysty sen perusteella varmistamaan siitä, että saamme tietoomme kaikki sellaiset merkittävät seikat, jotka ehkä tunnistettaisiin tilintarkastuksessa. Näin ollen emme anna tilintarkastuskertomusta.

Johtopäätös

Yleisluonteisen tarkastuksen perusteella tietoomme ei ole tullut mitään, mikä antaisi meille syyn uskoa, ettei rahasto-osuuksien arvoa 31.12.2023 ole kaikilta olennaisilta osin laskettu oikein sijoitusrahastolain ja sen nojalla annettujen säännösten ja määräysten sekä sijoitusrahastojen sääntöjen mukaisesti.

Helsingissä 1.2.2024


Anders Svennas
KHT


Matias Jäntti
KHT



Brussels, 6.4.2022
C(2022) 1931 final

ANNEX 4

ANNEX

to the

Commission Delegated Regulation (EU) .../...

supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Fondita European Small Cap

Legal entity identifier: 743700250XW1G45XK174

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

It made **sustainable investments with an environmental objective:** ___%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:** ___%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 50% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product has as its primary environmental objective to promote climate change mitigation and as a social objective to promote equality including safeguarding fundamental human rights. For Fondita, sustainable investments in an Article 8 fund are investments that contribute to sustainable development in environmental, social and economic terms. Several aspects are considered. Fondita has defined the main criteria for a sustainable investment as follows; an environmentally sustainable investment means that the company has in its strategy set CO2 reduction initiative and/or has a plan for CO2

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.



neutrality. In 2023 the set environmental target, that at least 75% of the holdings classified as sustainable investments (50% of the total allocation) have a carbon reduction target or initiative, was met. In the end of the year the fund could report that 46,3% of the total holdings had a CO2 reduction initiative, with a 88,7% coverage in MSCI.

In 2023 the social sustainability target, that at least 25% of the sustainable investments (50% of the total allocation) have a equality/diversity policy in place, was met. In the end of the year the fund could report that 50 % of the holdings had a equality and/or diversity policy, with a 88,7% MSCI coverage. Also companies followed good governance practices.

Fondita uses primarily data from MSCI ESG Research which is complimented by manual ESG assessments on a best effort basis which is dependent on publicly disclosed information by the holdings.

- ***How did the sustainability indicators perform?***

The sustainability indicators performed well over the year, and the expected minimum thresholds were met with improvements in both carbon reduction targets and equality related policies. Furthermore, the fund did not hold any companies against our exclusion policy.

Additionally, the PAI indicators were closely monitored and they were published in July on the Fondita webpage (<https://fondita.com/reports-and-documents/>) where 14 mandatory and 2 voluntary indicators were reported, on both a fund- and company level.

The ESG rating for the fund in the end of 2023 was AA (very good) in MSCI.

- ***...and compared to previous periods?***

In year 2022 35,4% of the holdings had a carbon reduction target with a 76% coverage of the funds holdings in MSCI. We are able to report an improvement in both areas, as MSCI coverage for 2023 was 88,7% and 46,3% of the holdings had a carbon reduction target. We have limited historical data for the equality/diversity policies, and can not compare to 2022.

The ESG rating of the fund in the end of 2022 was AA (very good), compared to A (good) in the end of 2023. The change was mainly linked to MSCI's new methodology of rating principles before the summer 2023.

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The Fund's environmental objective is to promote climate change mitigation. The Fund's primary climate change objectives focus both on companies' carbon

emission targets and on excluding environmentally unsustainable sectors from the Fund's investment universe. The fund's environmental objective is mainly aligned with UN SDG 13 Climate Action and SDG 7 Affordable and Clean Energy.

The Fund's social objectives include improving equality and safeguarding fundamental human rights. By screening for international norms and for equality policies the Fund's social objectives are in line mainly with SDG 5 gender equality and SDG 9 Industry Innovation & Infrastructure.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The investments did not cause significant harm to any sustainable investment objective by excluding environmentally unsustainable sectors, considering sustainability risks and opportunities in the business analysis, and investing in companies that follow good corporate governance practices. In addition, all holdings met the MSCI's EU Taxonomy DNSH "do no significant harm" screen that is conducted on a monthly basis. Furthermore, the companies did not violate UN Global Compact and OECD guidelines for multinational enterprises. These international norms and standards consider what Fondita views as fundamental environmental, social and governance aspects which serves as a minimum requirement. A screen is conducted monthly against all of Fondita's exclusion criteria and if a company is found in violation, an escalation process is conducted which if verified results in selling the company from our holding. There was no holdings in the fund which violated any of the international norms during the year 2023. Early exclusion helps to ensure that investments do not contribute to either negative or harmful environmental and social impacts.

How were the indicators for adverse impacts on sustainability factors taken into account?

The portfolio manager takes into account the adverse impacts on sustainability factors before making an investment decision and monitor them during the lifetime of the investment. The PAI map is updated at least annually of all holdings. The fund considers all 14 mandatory and two voluntary factors which have been chosen based on relevance for all of our funds, which can be reviewed on our homepage (published on a fund level and company level.). Fondita uses data from several sources to make the assessment, mainly MSCI data. If data is not attainable from MSCI we search company public disclosures and use thirdparty providers for estimates. We expect more reliable data availability when regulation such as CSRD enter into force.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Yes, the investments were aligned. The fund conducts a monthly screen for breaches of UN Global Compact, OECD multinational guidelines for enterprises and the EU Taxonomy ". In case a company is found in violation of our exclusion criteria, an escalation process is conducted and if the violation is verified with the company, the holding is removed.



The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

Yes, the fund takes into account the potential negative impact of the investment decision on sustainability factors. Before making an investment, we evaluate the sustainability risks associated with the company. In order to assess the potential negative sustainability impacts of an investment, we pay close attention to the sector to which the holding belongs, where production takes place geographically and what the company produces. Certain sectors and geographies are simply associated with a higher risk of sustainability-related incidents. We also take into account a number of qualitative and quantitative indicators relating to the company's management and their ESG priorities.

The following mandatory PAI indicators are considered and tracked.

1. GHG Emissions (Scope 1, Scope 2, Scope 3 and Total GHG Emissions)
2. Carbon Footprint
3. GHG intensity of investee company
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector (NACE A-L)
7. Activities negatively affecting biodiversity-sensitive areas

8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

The following voluntary PAI indicators are considered and tracked.

15. Investments in companies without carbon emissions reduction initiatives.
16. Number of identified cases of severe human rights issues and incidents.

The PAI-reports are published in the Fondita Fund Management Company's annual report and on Fondita's webpage.



What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
<i>Bufab</i>	<i>IT</i>	<i>4,46%</i>	<i>Sweden</i>
<i>Siegfried Holding</i>	<i>Health Care</i>	<i>3,95%</i>	<i>Switzerkand</i>
<i>Dermapharm</i>	<i>Health Care</i>	<i>3,83%</i>	<i>Germany</i>
<i>Borregaard</i>	<i>Materials</i>	<i>3,64%</i>	<i>Norway</i>
<i>Jenoptik</i>	<i>IT</i>	<i>3,50%</i>	<i>Germany</i>
<i>Kontron</i>	<i>IT</i>	<i>3,44%</i>	<i>Germany</i>
<i>Laboratorios Farma</i>	<i>Health Care</i>	<i>3,36%</i>	<i>Spain</i>
<i>NCAB Group</i>	<i>IT</i>	<i>3,33%</i>	<i>Sweden</i>
<i>Discoverie Group</i>	<i>Industrials</i>	<i>3,32%</i>	<i>UK</i>
<i>Dometic Group</i>	<i>Consumer Discr</i>	<i>3,31%</i>	<i>Sweden</i>

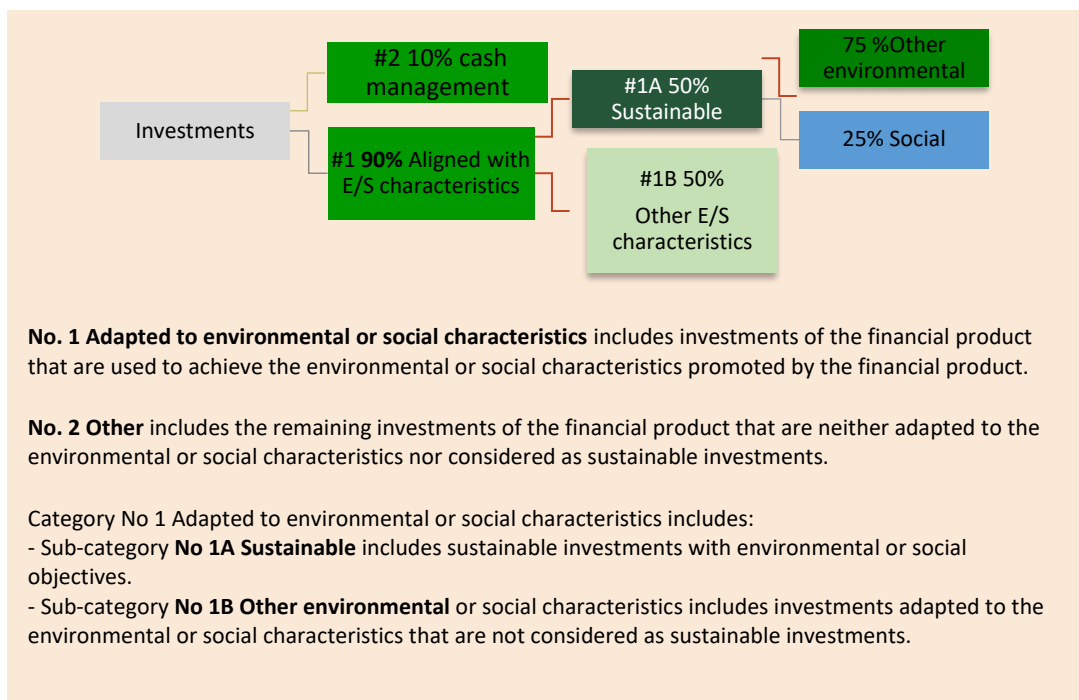
What was the proportion of sustainability-related investments?

Over 50% of the funds holdings meet the aforementioned goals of promoting environmental and social sustainable investments. The proportion is ensured by a monthly screening in MSCI.



Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?



● In which economic sectors were the investments made?

Health care, industrials, information technology, consumer staples, consumer discretionary and materials.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Although the fund promotes environmental aspects, the fund is not committed to making sustainable investments or investments in environmentally sustainable activities that meet the requirements of the EU Taxonomy Regulation and therefore the fund do not have a target of a certain proportion of investments being sustainable investments according to Taxonomy.

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 31.12.2023

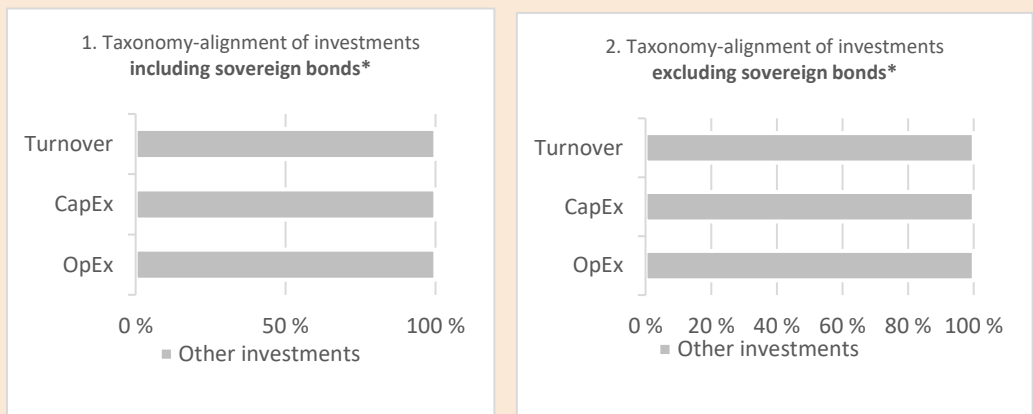
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?**

No, the financial product does not invest in fossil gas or nuclear energy related activities as the sectors are part of the Fondita exclusion list.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**

The fund does not have a minimum requirement of share of investments in transitional or enabling activities.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The fund does not have a minimum requirement regarding alignment with the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

75% of the sustainable investments promote an environmental objective not aligned with the EU Taxonomy.



What was the share of socially sustainable investments

25% of the sustainable investments promote an socially sustainable investments according to aformentioned paremeters.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The fund integrates ESG factors equally for all holdings in the investment process, promotes environmental and social characteristics, excludes unsustainable sectors and it considers principal adverse impacts for all holdings. The companies are not allowed to have revenue streams of over 5% from our exluded sectors or violation of UN Global Compact, OECD Guidelines for multinational enterprises or the EU Taxonomy “Do No Significant Harm” principle. In case a company is found in violation of our exclusion criteria, an escalation process is conducted and if the violation is verified with the company, the holding is removed.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

We regularly screen the holdings via MSCI and can thus monitor the performance. For those companies for which there is no coverage, discussions are conducted in order to influence and contribute to better reporting by the companies. Furthermore, if a company was found in our screening to be watchlisted for international norms, or similar, a dialogue with conducted with the Investor Relations unit of the holding to investigate the matter and conduct an escalation process according to aformentioned process.

How did this financial product perform compared to the reference benchmark?

The fund has no offical benchmark.



- ***How does the reference benchmark differ from a broad market index?***
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***
- ***How did this financial product perform compared with the reference benchmark?***

The fund underperformed the European small-cap index (MSCI Europe Small NTR).

- ***How did this financial product perform compared with the broad market index?***

The fund underperformed the broad European large-cap index (MSCI Europe NTR).