

Simplicity.

ASSET MANAGEMENT

ANNUAL REPORT 2023

SIMPLICITY FÖRETAGSOBLIGATIONER



The fund company Simplicity AB

We manage securities funds according to an efficient and disciplined management model

Simplicity is authorized by the Swedish Financial Supervisory Authority to manage funds and has been under its supervision since 2002. We manage over 24 billion Swedish kronor across six equity funds, five fixed-income funds, and one balanced fund. All our funds are characterized by active management, a strong awareness of risk, sustainability considerations, with a focus on long-term risk-adjusted returns. Our equity management is based on facts and measurable factors with a clear connection to companies' performances and prospects. We seek the leading quality companies based on profitability, value, risk, company development, and positive stock trends. Our latest addition among the equity funds, launched in 2022, Simplicity Green Impact, meets the highest sustainability standards and is classified as dark green, Article 9 according to the Disclosure Regulation. The fund invests solely in companies that contribute to and benefit from sustainable transition with a focus on the environment and climate. All other Simplicity funds promote environmental or social characteristics contributing

to sustainability, without sustainability being an explicit goal of the investments, and are therefore classified as light green, i.e., Article 8 according to the Disclosure Regulation. Simplicity's portfolio management service, established in the fall of 2023, offers discretionary and advisory management to foundations, institutions, companies, and wealthy individuals. Our experienced management team conducts active asset allocation within broad frameworks and the ability to use all asset classes and available financial instruments. Based on market conditions and risk analysis, repositioning is carried out according to a systematic investment process. Since the fall of 2023, Simplicity also offers a tailored comprehensive solution for foundations regarding management, administration, accounting, board administration, and application management. Our overall goal is to build long-lasting and transparent relationships with both customers and partners through good management results with lower risk, continuity in management, and a high degree of accessibility.

Responsible investments

At Simplicity, responsible investments and sustainability are integral parts of our management approach

At Simplicity, our philosophy is to invest in sustainable and well-managed companies, which we believe is one of the most critical prerequisites for generating high-risk adjusted returns for our clients. One of the key factors in this regard is that companies conduct their operations in a responsible and sustainable manner. Simplicity's work on responsible investments and consideration of sustainability risks occurs in fund management, discretionary portfolio management, and investment advisory services. We are convinced that this approach leads to sustainable and long-term value creation.

Simplicity has identified several sectors where sustainability risks are deemed significant, leading us to completely exclude fund investments in these sectors. The excluded sectors include tobacco, cannabis, alcohol, pornography, commercial gambling services, weapons, fossil fuels, and GICS sector 10. In addition to the mentioned sectors, our funds also have specific requirements regarding energy production based on fossil fuels and nuclear power. Furthermore, norm-based exclusions are made for companies subject to current EU or UN sanctions. Individual funds may have stricter requirements. Thresholds are applied to determine if a company is associated with any of the aforementioned sectors or activities.

Fund management integrates sustainability risks by including assets that positively contribute to a more sustainable society, whether through their business activities or specific characteristics related to sustainability. Our funds work towards promoting the goals of the Paris Agreement, aiming for all fund holdings to have climate targets verified by the Science Based Targets Initiative (SBTi) by 2040. Additionally, we aim for all investments through our funds to be aligned with

the UN Global Compact by 2040. Green, social, sustainable, and sustainability-linked bonds have specific conditions attached to them, ensuring that the capital raised through bond issuance is used for projects deemed to have positive impacts in these areas. At least five percent of the capital in our fixed-income funds should consist of one or more types of such bonds.

Investments in companies that do not operate responsibly pose sustainability risks. Therefore, Simplicity uses norm-based screening to identify any violations of international norms, such as the UN Global Compact, OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights (UNGPs), but also to identify other types of environmental, social, and governance-related incidents. All funds are screened regularly.

If it is found that a company in which Simplicity's funds have invested has been involved in an incident or violation, actions must be taken by Simplicity. These actions may include initiating an engagement dialogue to understand the company's perspective on what happened and what actions have been taken or will be taken to address the issue. The dialogue and other information gathered by Simplicity will then form the basis for the actions to be taken by Simplicity, which may include divesting the holding if the actions taken are deemed insufficient.

Simplicity's funds should not invest in companies that systematically violate international norms and conventions without demonstrated willingness to change. Engagement dialogues may also be used here to influence and encourage companies to act more sustainably.

Become a customer at Simplicity

It's easy to become a shareholder in Simplicity's funds

Investing in our funds is very simple. If you choose to open a fund account or *Investringssparkonto* (ISK) directly with us at Simplicity, you'll have access to the personalized service that only an independent fund company can provide. In addition to a more personalized contact regarding your investments, we also offer personalized login access directly on simplicity.se. Through this personalized login, you can track the performance of your own, your family's, or your company's fund holdings with us. At the end of each month, you'll receive our monthly reporting on the most significant market events of the past month, along with more specific comments on the performance of our funds.

If you value the convenience of consolidating investments, accounts, and loans in one place, you'll also find

our funds available at most Swedish banks and investment platforms. For a complete list of banks and platforms offering our funds, please visit our website – see below. Several of our funds are also available through the pension system. If you're interested in purchasing or switching to our funds in the pension system, this can be done through the Swedish Pensions Agency, which also handles all information dissemination and administers the buying and selling of shares. The Swedish Pensions Agency can be reached most easily through their website (www.pensionsmyndigheten.se) or by phone at 0771-776 776.

More information about Simplicity and our funds can be found at www.simplicity.se.

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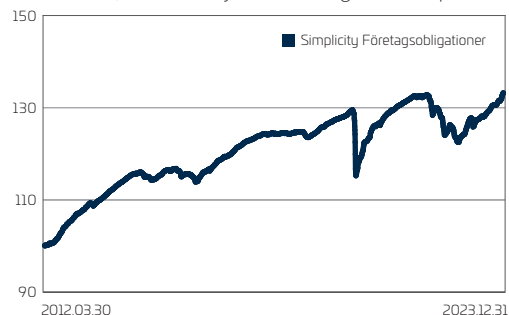
SIMPLICITY FÖRETAGSOBLIGATIONER

Fund start date	2012.03.30
Benchmark index	S&P Sweden Investment Grade Corporate Bond Index TR
NAV (Net Asset Value) / Trading	Daily
Subscription fee	0%
Redemption fee	0%
Management fee class A	Maximum 0.9% (of which 0.8% is compensation to the fund company).
Management fee class B	Maximum 0.9% (of which 0.8% is compensation to the fund company).
Management fee class C	Maximum 0.5% (of which 0.4% is compensation to the fund company).
Minimum initial deposit	100
Monthly savings plan	100
One-time deposits	100
Bankgiro (a type of bank payment system in Sweden)	768-7718
Custodian institution	Swedbank AB
PPM Fund number	832717

Management report Simplicity Företagsobligationer

DEVELOPMENT OF THE FUND DURING THE YEAR

Simplicity Företagsobligationer generated a return of 7.31% after management fees in 2023, while the fund's benchmark, the S&P Sweden Investment Grade Corporate Bond Index Total Return, increased by 6.68% during the same period.



Throughout the year, the fund maintained a short duration, averaging slightly less than one year. The credit exposure duration was longer, averaging just over two and a half years. The short duration and limited credit exposure were tailored to create a balanced risk in the portfolio.

The average yield, which stood at around 8.1% at the beginning of the year before management fees, increased to approximately 8.8% by year-end. The higher yield rate was attributed to rising short-term rates and higher credit spreads. The Swedish interbank rate, three-month Stibor, which serves as the reference rate for a significant portion of the fund's variable rate bonds, was 4.05% at year-end, compared to 2.70% at the end of 2022.

The positive return for the year was primarily driven by the fund's current yield and partly by declining credit spreads, resulting in price appreciation for the bonds held in the fund. Higher rates also affected returns to some extent, but due to the fund's short interest rate exposure, the effect of rising rates was mainly positive.

Since its inception in 2012, the fund has risen by 33.41%, with an effective, average annual return of 2.48%.

The fund's performance was influenced by its high yield, with most holdings contributing positively to returns. Additionally, the fund received a positive contribution from several individual holdings such as Momox, Corem, Castellum, and Nordnet. Among the holdings that performed poorly and thus negatively affected the fund's performance are Oriflame, Heimstaden, Solis, and Viaplay.

Volatility varied throughout the year, peaking in March when uncertainty related to American and European banks caused significant declines in the bond market. Liquidity varied widely among different types of bonds but can generally be considered normal.

FIXED INCOME MARKET

The development of the financial markets in 2023 has been largely influenced by the growth of the global economy, inflation, and central bank actions. Throughout the year, clearer signs of an economic slowdown have emerged. Despite this, economic growth has proven to be more resilient than many analysts had anticipated, with the exception of a few sectors such as construction, real estate, and consumer

goods, the rest of the economy has shown relatively strong performance.

Inflation has been high for much of the year, but the rate of increase has gradually declined, which can be explained by base effects from factors such as energy prices, as well as to some extent by the economic slowdown. Most central banks have continued to raise their policy rates to address the situation, but as inflation has moderated, the majority have now chosen to leave their rates unchanged. Market expectations regarding the continued actions of central banks have significantly influenced overall sentiment. Both short-term and long-term market interest rates rose sharply during the spring and summer as the market priced in increasingly higher policy rates. In the fall, rates declined as a result of lower inflation figures and signals from various central banks about a less restrictive monetary policy. Long-term bond yields have remained lower than short-term yields throughout the year, historically indicating an impending recession.

The international banking system came under pressure in March when the American niche bank Silicon Valley Bank collapsed. The bank, which primarily served larger clients, especially in the tech sector, had invested a large portion of its liquidity in long-term US government bonds, which declined significantly in value as interest rates rose. As a large number of the bank's clients wanted to withdraw their deposited funds, the bank was forced to sell off significant portions of its bond portfolio, resulting in substantial losses. When the bank communicated this, it led to further outflows of funds, making the situation untenable, and the bank was taken over by US authorities. The situation spread to the rest of the banking system, and Signature Bank also had to shut down its operations in March. However, the real test for the banking system occurred when the Swiss multinational bank, Credit Suisse, came under pressure. The bank had been facing significant issues for some time, but in the wake of the events in the US, Credit Suisse also experienced large outflows, which ultimately led the Swiss authorities to broker a solution where the bank was taken over by its local competitor, UBS. The notable aspect of the deal was that Credit Suisse's shareholders received some compensation for their shares, while holders of so-called AT1 bonds saw the value of their securities written down to zero, contrary to the usual priority order in insolvency situations. This action, initiated by the Swiss financial regulator, caused bank bond prices to plummet. However, after EU supervisory authorities stated that a similar arrangement would not be applicable within the EU, the market recovered.

The corporate bond market performed well at the beginning of the year. However, volatility increased as uncertainty about central banks' future actions and the state of the banking system grew. Nevertheless, the situation calmed down fairly quickly, and the market had a relatively strong performance during the spring and summer. Volatility increased again in the fall due to concerns about rising inflation and high interest rates. Towards the end of October, optimism returned to the market, and the year ended with both falling interest rates and higher prices for corporate bonds. The average interest rate, or yield, has been at very

high levels due to a higher general interest rate environment and higher credit spreads, contributing to the strong overall returns in both the Nordic and international credit markets.

The Swedish real estate sector remained in focus throughout the year, with considerable skepticism from international investors. A few smaller companies faced serious problems, but the majority managed the situation by selling assets or issuing new shares. Many companies also chose to refinance their debt within the banking system rather than in the bond market. The weaker economic conditions have affected some companies in other sectors, leading them to take various measures to manage high indebtedness and weaker profitability. Among the companies forced into various forms of refinancing processes are the airline SAS and the media company Viaplay. In most cases, these situations have been resolved through a combination of extended maturities and better terms for bondholders.

Primary market activity was strong in Europe and the USA but relatively low in the Nordic region. This is explained by many companies in the real estate sector choosing to refinance within the banking system rather than in the bond market, as they consider bond prices to be too high. Liquidity in the market has varied but has generally been at an acceptable level.

RISK MANAGEMENT AND KEY RATIOS

During the past two years, the fund has had a standard deviation of 3.98%, and over the last twelve months, it has been 2.36%. Volatility has decreased over the past year due to more favorable market conditions. However, for the last two-year period, volatility has increased slightly because the downturn in 2022 was followed by an upturn in 2023. Our assessment is that it is reasonable to expect the standard deviation to be lower over a longer period. Company-specific risk is managed by diversifying the portfolio with holdings in several bonds with a relatively short average maturity. The fund has maintained a short duration throughout the current year, which has helped keep interest rate risk at a low level. At year-end, the duration was 0.86 years. The average portfolio maturity at the same time was 2.41 years. The distribution between companies with an official rating and those without an official rating was approximately 67% and 25%, respectively. Cash and cash equivalents accounted for approximately eight percent of the fund's value.

The fund's activity level is described by the metric of active risk, a measure of how much the difference in performance between the fund and its benchmark varies over time. The fund's benchmark is the S&P Sweden Investment Grade Corporate Bond Index Total Return, which is considered relevant as it provides a good representation

of the fund's long-term investment focus regarding asset class, maturity, and currency, among other factors. The fund's active risk has been 3.5% over the past two years. The activity level is high because the fund is actively managed and often deviates significantly from its benchmark in terms of sector allocation, geographic allocation, and weighting in specific bonds.

HOLDINGS AND POSITIONS

Since the fund's inception, the management strategy has been to invest in high-yield bonds issued by companies with good credit ratings in both the investment-grade and high-yield segments. At year-end, investment-grade holdings and cash accounted for approximately 67% of the fund's assets. Regarding geographical exposure, Swedish companies have constituted a significant portion of the portfolio, accounting for around 68% of the fund's assets, including cash, at year-end. The remaining portion was primarily invested in other Nordic countries and, to some extent, in other European countries. Sector-wise, the largest industry exposures have been in the banking, finance, real estate, and industrial sectors.

DEVELOPMENT OF FUND WEALTH

During the year, the fund had a net inflow of 1,180 million SEK, and the managed capital amounted to 5 889 million SEK as of December 31, 2023.

DERIVATIVES

To streamline management and protect the fund's assets against price and currency risks, the fund is allowed to engage in trading options and futures contracts. The fund has utilized this opportunity by hedging its holdings in foreign currency, and as of year-end, the entire fund was hedged to Swedish krona.

SIGNIFICANT EVENTS

No significant events were noted.

Follow-up of sustainability work

The fund is classified as an Article 8 fund according to the SFDR regulations and promotes environmental or social characteristics but does not have sustainable investments as its objective. At least 20% of the fund should consist of sustainable investments. As of year-end, this type of investment constituted [34%] of the fund's assets.

A comprehensive overview of the fund's sustainability efforts is provided below under "Template for regular disclosures for financial products referred to in Article 8 points 1, 2, and 2a of Regulation (EU) 2019/2088 and Article 6(1) of Regulation (EU) 2020/852".

Information on the EU taxonomy for environmentally sustainable activities

The fund made investments that are in line with the EU Taxonomy.

Further information can be found below under "Template for regular disclosures for financial products referred to in Article 8 points 1, 2, and 2a of Regulation (EU) 2019/2088 and Article 6(1) of Regulation (EU) 2020/852".

Methods used to integrate sustainability risks, promote environmental or social characteristics, or achieve a sustainability-related goal.

The Fund includes

The fund's investments have to some extent been made in securities issued by companies deemed to have environmentally sustainable operations in line with the EU taxonomy and in companies assessed to contribute to achieving the

UN's climate and environmental goals. At year-end, sustainable investments constituted [34%] of the fund's assets.

More information is available below under "Template for regular disclosures for financial products referred to in Article 8 points 1, 2, and 2a of Regulation (EU) 2019/2088 and Article 6(1) of Regulation (EU) 2020/852".

The Fund excludes

Through the fund company's exclusion policy, companies in certain industries and sectors are excluded. The exclusion process has been conducted in accordance with the pre-purchase information regarding the fund company's sustainability efforts.

The fund company has affected

The fund's holdings have been screened in MSCI's databases for incidents related to environmental issues, social factors, and corporate governance. Engagement has been conducted in accordance with the pre-purchase information regarding the fund company's sustainability efforts.

General comments on sustainability work

More information on sustainability-related criteria is available in the fund's information brochure and on its website.

Performance

	2023.12.31	2022.12.31	2021.12.31	2020.12.31	2019.12.31	2018.12.31	2017.12.31	2016.12.31	2015.12.31	2014.12.31
Net assets, SEK thousands	5,888,963	4,356,486	6,511,321	5,286,169	8,032,723	6,289,104	5,359,411	3,852,676	3,156,768	3,375,736
Share class A	4,826,391	3,954,448	5,141,144	4,789,410	7,261,164	6,054,532	5,294,608	3,827,485	3,155,169	
Share class B	147,340	64,176	144,022	89,767	127,935	91,231	64,803	25,191	1,599	
Share class C	915,232	337,862	1,226,155	406,992	643,624	143,341				
NAV, SEK class A	13341	124.34	132.82	128.44	128.53	123.65	124.28	119.85	115.49	114.39
NAV, SEK class B	105.79	102.10	112.44	112.15	115.64	114.59	119.63	119.85	115.49	
NAV, SEK class C	109.79	101.94	108.48	104.50	104.12	99.84				
Trading NAV*, SEK class A	13340	124.32	132.81	128.44	128.53	123.66	124.29	119.85	115.49	114.39
Trading NAV*, SEK class B	105.78	102.08	112.43	112.16	115.64	114.59	119.64	119.85	115.49	
Trading NAV*, SEK class C	109.78	101.92	108.48	104.50	104.12	99.85				
Number of outstanding units										
Share class A	36,176,918	31,803,940	38,708,769	37,915,994	57,454,203	49,230,723	42,621,251	31,932,801	27,320,382	29,509,924
Share class B	1,392,782	628,587	1,280,931	710,655	1,012,291	741,822	521,663	210,168	13,845	
Share class C	8,336,294	3,314,479	11,302,544	3,222,004	5,092,695	1,165,536				
Dividend per share, Share Class B	3.60	3.25	3.45	3.17	3.32	4.43	4.53			
Annual return, %										
Share class A	7.30%	-6.39%	3.40%	-0.07%	3.95%	-0.51%	3.70%	3.78%	0.96%	1.73%
Share class B	7.34%	-6.44%	3.38%	-0.04%	3.88%	-0.54%	3.70%	3.78%	-1.08%	
Share class C	7.71%	-6.05%	3.81%	0.36%	4.29%	-0.16%				
Annual return benchmark, %	6.68%	-4.97%	0.17%	2.03%	-0.54%	-0.81%	-0.77%	-0.65%	-0.27%	0.47%
Active risk**	3.5%	2.9%	5.8%	5.8%						

*NAV for the last trading day of the period

**As the fund did not have a benchmark index prior to 2020-01-01, Active Risk is not presented for the period before that date. The portfolio's Active Risk is high due to active management and significant deviations between the fund's portfolio and its benchmark index, both in terms of sectors and specific bonds. The ways in which the portfolio deviates from its benchmark index will also vary over time.

Key ratios

	2023.12.31
Average net assets, SEK thousands	5,127,727
Total return since inception	33.4%
Average annual return last 2 years	0.2%
Average annual return last 5 years	1.5%
Turnover ratio	0.4
Benchmark	S&P Sweden Investment Grade Corporate Bond Index TR
Benchmarks return since the fund's inception	8.8%
Average annual return last 2 years benchmark	0.7%
Average annual return last 5 years benchmark	1.1%
RISK*	
Correlation	0.52
Standard deviation	3.98%
Standard deviation benchmark	3.01%
Duration	0.77
Spread exposure	11.31

*The key ratios are calculated using the last 24 months data, in accordance with the Swedish Investment Fund Associations guidelines.

Change in net assets

	2023.12.31
Net assets in the beginning of the year, SEK thousands	4,356,486
Unit issue, SEK thousands	2,816,379
Unit redemption, SEK thousands	-1,636,826
Net result according to income statement, SEK thousands	356,383
Dividend SEK per unit	-3,459
Net assets, SEK thousands	5,888,963

Income statement

	Not	2023
INCOME AND VALUE CHANGES		tkr
Value changes on transferable securities and money market instruments	1	356,063
Value changes on other derivative instruments	1	-
Value changes on OTC derivatives	1	30,722
Total value changes		386,785
Interest income		10,128
Net gains and losses on currency exchange		-591
Other financial income		5
Total income and value changes		396,327
EXPENSES		
Management expenses		
Compensation to the company operating the fund management		-38,618
Compensation to the custodian institution		-916
Compensation to regulatory authorities		-62
Compensation to auditors		-76
Total management expenses		-39,672
Interest expenses		0
Other expenses		-272
Total expenses		-39,944
Annual result		356,383

Balance sheet

	Not	2023.12.31
ASSETS		tkr
Transferable securities		4,362,135
Money market instruments		1,013,440
OTC derivative instruments with positive market value		8,989
Other derivatives with positive market value		-
Total financial instruments with positive market value		5,384,564
Total investments with positive market value		5,384,564
Cash and cash equivalents		519,285
Prepaid expenses and accrued revenues	2	3,011
Other assets		94
Total assets		5,906,954
LIABILITIES		
OTC derivative instruments with negative market value		-
Other derivatives with negative market value		-
Total financial instruments with negative market value		0
Accrued expenses and prepaid revenues	3	3,735
Other liabilities		14,256
Total liabilities		17,991
FUND ASSETS		5,888,963
Note 1 Value Changes		
Value changes on transferable securities and money market instruments		
Realized gains		355,609
Realized losses		-61,893
Unrealized gains/losses		62,347
Total		356,063
Value changes on other derivative instruments		
Realized gains		-
Realized losses		-
Unrealized gains/losses		-
Total		-
Value changes on OTC derivative instruments		
Unrealized gains/losses		30,722
Total		30,722
Total value changes		386,785
Note 2 Prepaid expenses and accrued revenues		
Accrued interest		3,011
Total		3,011
Note 3 Accrued expenses and prepaid revenues		
Accrued management fees		3,596
Accrued expense interest		139
Total		3,735

Accounting and valuation principles

This annual report has been prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9 and the Swedish Investment Fund Associations guidelines.

Financial instruments

Realized earnings consist of the difference between the sales value and the original acquisition value. When calculating realized earnings, the average method has been used. Transaction costs are included in the acquisition value and are deducted from the sales value. Financial instruments have been valued at market value corresponding to the current closing price on the closing date.

Holdings as of 2023.12.31

FINANCIAL INSTRUMENTS

	Quantity	Market value (tSEK)	% of net asset
Transferable securities admitted to trading on a regulated market			
CORPORATE BONDS			
4finance 261026 (LU) ¹	3,300,000	34,897	0.6%
4finance 280523 (LU) ¹	1,575,000	17,382	0.3%
Addvise 260526 (SE)	12,500,000	13,014	0.2%
ALM brand 261014 (DK)	39,000,000	54,601	0.9%
Assemb 290705 (SE)	1,800,000	20,873	0.4%
Atrium Ijungb 270125 (SE) ²	6,000,000	6,303	0.1%
Atrium Ijungb 270906 (SE) ²	28,000,000	27,184	0.5%
Axactor 260915 (NO) ³	800,000	8,497	0.1%
Axactor 270907 (NO) ³	38,000,000	38,398	0.7%
B2 holding 260922 (NO)	2,800,000	31,863	0.5%
Balder 250314 (SE) ⁴	4,000,000	43,299	0.7%
Balder 260123 (SE) ⁴	2,900,000	30,081	0.5%
Balder 270129 (SE) ⁴	200,000	1,928	0.0%
Balder 280128 (SE) ⁴	2,000,000	18,449	0.3%
Bayport 251120 (MU) ⁴	1,200,000	8,076	0.1%
Bayport SNR 250520 (MU) ⁴	4,500,000	34,595	0.6%
Bewi 260903 (NO)	2,000,000	20,996	0.4%
Billerud 260209 (SE)	16,000,000	16,719	0.3%
Boliden 270922 (SE)	4,000,000	4,277	0.1%
Bonnier fast 260506 (SE)	22,000,000	21,599	0.4%
Castellum 250324 (SE) ⁵	4,050,000	44,252	0.8%
Castellum 260506 (SE) ⁶	20,000,000	20,319	0.3%
Castellum 260528 (SE) ⁶	14,000,000	13,874	0.2%
Castellum 261204 (SE) ⁶	12,000,000	12,112	0.2%
Castellum 270419 (SE) ⁶	26,000,000	26,247	0.4%
Castellum 290917 (SE) ⁵	1,200,000	10,393	0.2%
Compactor 240915 (SE) ⁸	45,000,000	44,472	0.8%
Compactor 250925 (SE) ⁸	8,750,000	8,837	0.2%
Corem prop 241021 (SE)	70,000,000	69,864	1.2%
Danske Bank 250902 (DK) ¹⁰	800,000	8,544	0.1%
DDM 260419 (CH)	4,300,000	34,649	0.6%
Diös 250512 (SE)	20,000,000	21,028	0.4%
DNB Bank 280223 (NO) ¹¹	24,000,000	23,844	0.4%
DNB Bank NOK 261117 (NO) ¹¹	4,000,000	3,960	0.1%
DNB disco2 250101 (NO) ¹¹	410,000	4,142	0.1%
Electrolux 251208 (SE) ¹²	20,000,000	20,289	0.3%
Electrolux 271118 (SE) ¹²	2,000,000	2,085	0.0%
Electrolux 280901 (SE) ¹²	30,000,000	30,072	0.5%
Elekta 261214 (SE)	24,000,000	23,798	0.4%
Ellevio 270611 (SE)	10,000,000	10,211	0.2%
Epiroc 260518 (SE) ¹³	52,000,000	52,550	0.9%
Epiroc 280510 (SE) ¹³	12,000,000	12,191	0.2%
Epiroc FIX 290321 (SE) ¹³	25,000,000	26,567	0.5%
Fastpartner 250527 (SE) ⁹	16,000,000	15,170	0.3%
Fastpartner 270202 (SE) ⁹	52,000,000	45,765	0.8%
Fastpartner 270825 (SE) ⁹	8,000,000	6,767	0.1%
Fertib 251222 (ES)	3,650,000	41,205	0.7%
Foxway 280712 (SE)	1,800,000	20,779	0.4%
Getinge 261104 (SE)	24,000,000	24,035	0.4%
Gjensidige 260407 (NO) ¹⁴	41,000,000	40,552	0.7%
Gjensidige 280929 (NO) ¹⁴	28,000,000	27,897	0.5%
Golden hei 241214 (SE)	25,000,000	24,799	0.4%
Gränges 260929 (SE)	42,000,000	41,750	0.7%
Hedin bil 260706 (SE)	42,500,000	42,854	0.7%
Heims bostad 261123 (SE) ¹⁷	40,000,000	35,687	0.6%
Heims bostad 270222 (SE) ¹⁷	20,000,000	17,724	0.3%
Heimstaden 260309 (SE) ¹⁶	2,300,000	12,617	0.2%
Heimstaden 270115 (SE) ¹⁶	2,500,000	7,786	0.1%
Heimstaden 270306 (SE) ¹⁶	4,500,000	22,138	0.4%
Hexagon 280927 (SE)	22,000,000	22,129	0.4%
Hoist 241127 (SE) ¹⁹	5,700,000	61,657	1.0%

Hoist 250317 (SE) ¹⁹	25,000,000	27,002	0.5%
Hoist 261005 (SE) ¹⁹	22,500,000	23,928	0.4%
Hoist 270504 (SE) ¹⁹	4,700,000	48,159	0.8%
Hoist 280524 (SE) ¹⁹	15,000,000	15,323	0.3%
Husqvarna 271123 (SE)	36,000,000	37,495	0.6%
ICA 250228 (SE) ²⁰	24,000,000	24,056	0.4%
ICA 270224 (SE) ²⁰	4,000,000	4,297	0.1%
IF 260317 (SE)	7,000,000	6,959	0.1%
Impero 241020 (GB)	2,500,000	1,781	0.0%
Indutrade 261112 (SE)	14,000,000	13,989	0.2%
Intea 260312 (SE) ²¹	20,000,000	19,564	0.3%
Intea 261019 (SE) ²¹	38,000,000	36,981	0.6%
Inteno 260906 (SE)	2,300,000	20,679	0.4%
Intrum 250703 (SE) ²²	22,000,000	22,839	0.4%
Intrum 250912 (SE) ²²	12,000,000	11,823	0.2%
Islandsbanki 250326 (IS)	20,000,000	19,838	0.3%
Islandsbanki 261108 (IS)	30,000,000	30,465	0.5%
Jyske Bank 270831 (DK) ²³	15,000,000	15,244	0.3%
Kinnevik 250219 (SE)	38,000,000	38,151	0.6%
Klarna 250317 (SE)	30,000,000	29,291	0.5%
Klövern 250210 (SE) ²⁸	50,000,000	49,324	0.8%
Kungsleden 270115 (SE)	44,000,000	43,829	0.7%
Kvika 260511 (IS)	38,000,000	38,616	0.7%
Kährs 261207 (SE)	11,400,000	10,863	0.2%
Link mobility 251215 (NO)	5,300,000	56,679	1.0%
Logent 261205 (SE)	10,000,000	10,233	0.2%
Loomis 261130 (SE)	72,000,000	72,032	1.2%
M2 asset MGT 250115 (SE)	27,500,000	26,129	0.4%
Media & games 260621 (SE) ²⁵	1,500,000	16,127	0.3%
Media & games 270324 (SE) ²⁵	1,700,000	18,202	0.3%
Media central 270623 (DE)	600,000	6,689	0.1%
Moba 260526 (SE)	2,300,000	25,343	0.4%
Momox 250710 (DE)	2,300,000	26,715	0.5%
Mowi 250131 (NO)	1,400,000	15,838	0.3%
Nent 250626 (SE)	16,000,000	8,780	0.1%
Nordax hold 261029 (SE)	50,000,000	45,705	0.8%
Nordea 250915 (FI) ²⁶	30,000,000	30,380	0.5%
Nordea COV 240918 (SE)	80,000,000	78,651	1.3%
Nordiska kre 260629 (SE)	3,750,000	3,222	0.1%
Nordnet 261116 (SE)	54,000,000	54,786	0.9%
Nya SFF 250130 (SE) ³⁰	14,000,000	14,138	0.2%
Nykredit 260331 (DK) ¹⁵	22,000,000	21,512	0.4%
Nykredit 271206 (DK) ¹⁵	30,000,000	30,106	0.5%
Nykredit real 241001 (DK) ¹⁵	50,000,000	50,246	0.9%
Nytto 240921 (SE)	1,250,000	1,214	0.0%
OP corporate 250603 (FI)	30,000,000	30,379	0.5%
Openinf 251111 (SE)	45,000,000	45,654	0.8%
Oriflame FIX 260504 (CH) ²⁹	2,500,000	7,625	0.1%
PEAB 260907 (SE)	30,000,000	29,000	0.5%
Resurs Bank 280308 (SE)	4,000,000	4,015	0.1%
Resurs Bank 281214 (SE)	7,500,000	7,589	0.1%
Romanov NOK 261022 (GB) ⁷	39,139,586	40,310	0.7%
Romanov SEK 261022 (GB) ⁷	35,891,231	36,983	0.6%
Sagax 270130 (SE)	3,000,000	30,440	0.5%
SBAB 260203 (SE)	20,000,000	20,828	0.4%
SCA 250923 (SE)	14,000,000	14,050	0.2%
Scania 250117 (SE) ¹⁴	13,000,000	13,606	0.2%
Scania 250417 (SE) ¹⁴	9,000,000	9,386	0.2%
Scania 270331 (SE) ¹⁴	58,000,000	57,545	1.0%
SEB 280207 (SE) ³¹	1,800,000	20,956	0.4%
SEB 280817 (SE) ³¹	2,500,000	29,505	0.5%
SEB 281103 (SE) ³¹	30,000,000	30,644	0.5%
SEB COV 251217 (SE) ³¹	50,000,000	48,066	0.8%
SFSS 250519 (SE) ³⁴	28,750,000	28,798	0.5%
SFSS 270914 (SE) ³⁴	2,500,000	2,523	0.0%
SGL 280302 (DK)	4,772,000	54,066	0.9%

Sirius INT. 270922 (BM)	37,000,000	28,705	0.5%
Skanska 281124 (SE) ³²	24,000,000	25,035	0.4%
Skanska FRN 281124 (SE) ³²	24,000,000	24,226	0.4%
Spar. rekarne 260318 (SE)	12,000,000	11,526	0.2%
Sparb sjuh 270519 (SE)	8,000,000	8,133	0.1%
Sparnord 270309 (DK)	4,000,000	4,167	0.1%
SSAB 260616 (SE) ³³	29,000,000	29,607	0.5%
SSAB 280621 (SE) ³³	15,000,000	15,216	0.3%
Stadshyp COV 251203 (SE)	50,000,000	51,029	0.9%
Stora enso 281108 (FI)	25,000,000	25,353	0.4%
Storebrand 240916 (NO) ³⁵	38,000,000	38,174	0.6%
Storebrand 260901 (NO) ³⁵	8,000,000	7,901	0.1%
Storebrand 271117 (NO) ³⁵	42,000,000	44,049	0.7%
Storebrand 281102 (NO) ³⁵	12,000,000	12,227	0.2%
Storskogen 251201 (SE) ³⁶	20,000,000	19,955	0.3%
Storskogen 270322 (SE) ³⁶	2,500,000	2,621	0.0%
Svea 250910 (SE) ³⁷	16,250,000	16,363	0.3%
Svea 280403 (SE) ³⁷	2,500,000	2,518	0.0%
Svsk handels 250603 (SE)	16,000,000	15,165	0.3%
Swedb COV 240918 (SE)	75,000,000	73,733	1.3%
Swedbank 280609 (SE) ³⁹	30,000,000	30,901	0.5%
Tele2 271103 (SE)	40,000,000	40,460	0.7%
Tornator 261014 (FI)	2,500,000	26,165	0.4%
Trelleborg 270308 (SE)	30,000,000	29,712	0.5%
Tryg 251113 (DK) ⁴⁰	10,000,000	10,124	0.2%
Tryg 260226 (DK) ⁴⁰	18,000,000	17,907	0.3%
Tryg 280320 (DK) ⁴⁰	24,000,000	24,044	0.4%
Vacse 270406 (SE)	20,000,000	20,344	0.3%
Viacon 251104 (SE)	3,400,000	35,517	0.6%
Volvofinans 261123 (SE) ⁴²	30,000,000	30,659	0.5%
Volvofinans 270519 (SE) ⁴²	18,000,000	18,307	0.3%
Vonovia 270408 (DE)	40,000,000	39,171	0.7%
Vostok new 250131 (SE)	47,500,000	45,501	0.8%
Walwil 270421 (NO) ⁴³	21,000,000	22,209	0.4%
Walwil 280831 (NO) ⁴³	23,000,000	23,361	0.4%
Zeta 260216 (SE)	3,750,000	3,696	0.1%
ÅF 261201 (SE)	8,000,000	8,086	0.1%
Åland 261214 (FI)	18,000,000	17,633	0.3%
Total Corporate bonds		4,153,332	70.5%
Total Transferable securities admitted to trading on a regulated market		4,153,332	70.5%
OTHER FINANCIAL INSTRUMENTS ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF EES			
MONEY MARKET INSTRUMENTS			
BNP 240325 (FR)	2,000,000	20,441	0.3%
FNGBB 240725 (SE)	27,000,000	21,014	0.4%
Jyske Bank 260324 (DK) ²³	11,000,000	10,671	0.2%
Klövern 240416 (SE) ²⁸	82,500,000	83,764	1.4%
Nya SFF 240311 (SE) ³⁰	8,000,000	8,018	0.1%
Offentligahus 240412 (SE)	21,250,000	20,603	0.3%
SHB 240301 (SE) ³⁸	5,400,000	57,163	1.0%
Svea 240620 (SE) ³⁷	13,750,000	13,763	0.2%
Total Money market instruments		235,437	4.0%
Total Other financial instruments admitted to trading on a regulated market or equivalent market outside of EES		235,437	4.0%
TRANSFERABLE SECURITIES SUBJECT TO REGULAR TRADE ON ANOTHER MARKET THAT IS REGULATED AND OPEN FOR THE PUBLIC			
CORPORATE BONDS			
Advanzia 260324 (LU)	6,000,000	6,005	0.1%
Arion 250226 (IS)	1,000,000	9,836	0.2%
Balder 260302 (SE) ⁴⁴	2,000,000	17,256	0.3%
Castellum 261202 (SE) ⁴	5,300,000	46,354	0.8%

Danaos 280301 (GR)	2,700,000	28,335	0.5%
Danske Bank 250626 (DK) ¹⁰	4,170,000	41,486	0.7%
Danske Bank 260518 (DK) ¹⁰	2,000,000	18,375	0.3%
DNB Bank 241112 (NO) ¹¹	6,000,000	59,252	1.0%
Fortaco 270722 (FI)	800,000	8,839	0.2%
Frende 281017 (NO)	13,000,000	13,113	0.2%
Heims bostad 241119 (SE) ¹⁷	5,300,000	32,479	0.6%
Heims bostad 270202 (SE) ¹⁷	1,500,000	6,216	0.1%
Intrum 250815 (SE) ²²	700,000	7,366	0.1%
Intrum 260715 (SE) ²²	1,425,000	13,757	0.2%
Intrum 270915 (SE) ²²	500,000	4,288	0.1%
Intrum 280315 (SE) ²²	4,600,000	48,267	0.8%
Islandsbanki 260928 (IS)	38,000,000	35,263	0.6%
Kistefos 270726 (NO) ²⁴	4,000,000	4,067	0.1%
Kistefos 280913 (NO) ²⁴	15,000,000	14,695	0.2%
Mandatum 241004 (FI)	3,000,000	32,802	0.6%
Nordea 240923 (FI) ²⁶	1,600,000	16,304	0.3%
Nordea 250312 (FI) ²⁶	3,000,000	33,343	0.6%
Nordea 260326 (FI) ²⁶	1,030,000	10,399	0.2%
Nordea 290301 (FI) ²⁶	1,300,000	10,560	0.2%
Nortura 270512 (NO) ²⁷	43,000,000	41,072	0.7%
Nortura 290108 (NO) ²⁷	5,000,000	5,020	0.1%
Nykredit 260415 (DK) ¹⁵	2,400,000	25,874	0.4%
Oriflame 260504 (CH) ²⁹	1,500,000	5,179	0.1%
PHM group 260619 (FI)	1,000,000	11,340	0.2%
SEB 250513 (SE) ³¹	5,400,000	52,693	0.9%
SHB 270301 (SE) ³⁸	3,600,000	34,105	0.6%
Swedbank 240917 (SE) ³⁹	4,000,000	40,239	0.7%
Swedbank 280317 (SE) ³⁹	2,600,000	26,119	0.4%
Telia 260211 (SE)	1,600,000	16,754	0.3%
VEF 261208 (SE)	23,750,000	24,316	0.4%
Volvo car 260302 (SE)	51,000,000	51,593	0.9%
Total Corporate bonds		852,962	14.5%
Total Transferable securities subject to regular trade on another market that is regulated and open for the public		852,962	14.5%
OTHER FINANCIAL INSTRUMENTS ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF EES			
MONEY MARKET INSTRUMENTS			
Danske Bank 240328 (DK) ¹⁰	4,290,000	43,652	0.7%
Total Money market instruments		43,652	0.7%
Total Other financial instruments admitted to trading on a regulated market or equivalent market outside of EES		43,652	0.7%
TRANSFERABLE SECURITIES WHICH WILL BE ADMITTED TO OFFICIAL LISTING WITHIN A YEAR			
CORPORATE BONDS			
Bonheur 280915 (NO)	16,500,000	16,546	0.3%
Creditas 261103 (CI)	2,200,000	22,912	0.4%
Grontv 270111 (NO)	12,500,000	12,459	0.2%
NRC 271025 (NO)	3,500,000	3,561	0.1%
Protector 281207 (NO)	17,000,000	17,054	0.3%
Titania hold 261221 (SE)	6,250,000	6,237	0.1%
Total Corporate bonds		78,769	1.3%
Total Transferable securities which will be admitted to official listing within a year		78,769	1.3%
OTHER FINANCIAL INSTRUMENTS			
UNLISTED TRANSFERABLE SECURITIES			
Niam VI 250305 (LU)	1,063,699	11,423	0.2%
Total Other financial instruments unlisted transferable securities		11,423	0.2%
OTC- DERIVATIVES			
NOK/SEK 240129 (SE)	-374,681,572	-4,503	-0.1%
EUR/SEK 240129 (SE)	-112,645,000	4,652	0.1%

USD/SEK 24.01.29 (SE)	-54,140,000	8,601	0.1%
DKK/SEK 24.01.29 (SE)	-36,800,000	240	0.0%
Total OTC-derivatives		8,989	0.2%
Total Other financial instruments		20,412	0.3%
TOTAL FINANCIAL INSTRUMENTS		5,384,564	91.4%
OTHER ASSETS AND LIABILITIES, NET		504,399	8.6%
TOTAL NET ASSET		5,888,963	100.0%

(BM) Bermuda, (CH) Switzerland, (CI) Cayman Islands, (DE) Germany, (DK) Denmark, (ES) Spain, (FI) Finland, (FR) France, (GB) United Kingdom, (GR) Greece, (IS) Iceland, (LU) Luxembourg, (MU) Mauritius, (NO) Norway, (SE) Sweden

1. Belongs to the corporate group 4finance Group SA and represents 0.89%
2. Belongs to the corporate group Atrium Ljungberg AB and represents 0.57%
3. Belongs to the corporate group Axactor ASA and represents 0.8%
4. Belongs to the corporate group Bayport Management Ltd and represents 0.72%
5. Belongs to the corporate group Castellum AB and represents 0.93%
6. Belongs to the corporate group Castellum AB and represents 2.02%
7. Belongs to the corporate group Cidron Romanov Ltd and represents 1.31%
8. Belongs to the corporate group Compactor Fastigheter AB and represents 0.91%
9. Belongs to the corporate group Compactor Fastigheter AB and represents 1.15%
10. Belongs to the corporate group Danske Bank A/S and represents 1.9%
11. Belongs to the corporate group DNB Bank ASA and represents 1.55%
12. Belongs to the corporate group Electrolux AB and represents 0.89%
13. Belongs to the corporate group Epiroc AB and represents 1.55%
14. Belongs to the corporate group Fastighets AB Balder and represents 1.89%
15. Belongs to the corporate group Forenet Kredit FMBA and represents 2.17%
16. Belongs to the corporate group Fredensborg AS and represents 0.72%
17. Belongs to the corporate group Fredensborg AS and represents 1.56%
18. Belongs to the corporate group Gjensidigestiftelsen and represents 1.16%
19. Belongs to the corporate group Hoist Finance AB and represents 2.99%
20. Belongs to the corporate group ICA-handlarnas Forbund AB and represents 0.48%
21. Belongs to the corporate group Inte fastigheter AB and represents 0.96%
22. Belongs to the corporate group Intrum AB and represents 1.84%
23. Belongs to the corporate group Jyske Bank A/S and represents 0.44%
24. Belongs to the corporate group Kistefos AS and represents 0.32%
25. Belongs to the corporate group MGI - Media and Games Invest S and represents 0.58%
26. Belongs to the corporate group Nordea Bank Abp and represents 1.71%
27. Belongs to the corporate group Nortura SA and represents 0.78%
28. Belongs to the corporate group NREP A/S and represents 2.26%
29. Belongs to the corporate group Oriflame Holding Ltd and represents 0.22%
30. Belongs to the corporate group SFF Holding AB and represents 0.38%
31. Belongs to the corporate group Skandinaviska Enskilda Banken and represents 3.09%
32. Belongs to the corporate group Skanska AB and represents 0.84%
33. Belongs to the corporate group SSAB AB and represents 0.76%
34. Belongs to the corporate group Stillfront Group AB and represents 0.53%
35. Belongs to the corporate group Storebrand ASA and represents 1.74%
36. Belongs to the corporate group Storskogen Group AB and represents 0.38%
37. Belongs to the corporate group Svea Bank AB and represents 0.55%
38. Belongs to the corporate group Svenska Handelsbanken AB and represents 1.55%
39. Belongs to the corporate group Swedbank AB and represents 1.65%
40. Belongs to the corporate group Trygg A/S and represents 0.88%
41. Belongs to the corporate group Volkswagen AG and represents 1.37%
42. Belongs to the corporate group Volvofinans Bank AB and represents 0.83%
43. Belongs to the corporate group Wallenius Wilhelmsen ASA and represents 0.77%

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Simplicity Företagsobligationer

Legal entity identifier: 549300M3YR0EYNHWWI30

Sustainable investment objective

Did this financial product have a sustainable investment objective?

Yes

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:** ___%

No

It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of **36,0 %** 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**

To what extent was the sustainable investment objective of this financial product met?



The fund promoted environmental and social characteristics through exclusion, inclusion, norm-based screening, and engagement. Additionally, the fund made investments with sustainability goals. More information about the goals of sustainable investments is provided below under the

heading "What were the objectives of the sustainable investments partially made by the financial product, and how did the sustainable investment contribute to these goals? The fund promoted the following environmental characteristics:

- **Combatting climate change (UN Goal 13)** by selecting companies with scientifically anchored climate goals. Proactive dialogues were conducted to encourage companies to adopt climate goals verified by the Science Based Targets initiative (SBTi). The fund also contributed to combating climate change by excluding fossil fuels.
- **Sustainable energy for all (UN Goal 7)** by excluding companies with more than 25% of their energy production based on fossil fuels. The fund only invested in companies that produce or distribute electricity that is largely generated by nuclear power, considered to be a leader in sustainability in their industry.

The fund promotes the following social characteristics:

- **Responsible business** conduct by selecting companies affiliated with the UN Global Compact. Proactive dialogues were conducted to encourage companies to join the UN Global Compact.
- **Global health and well-being (UN Goal 3)** by excluding companies involved in alcohol, tobacco, and cannabis.
- **Reducing violence in the world (UN Goal 16)** by excluding companies that produce or distribute weapons.
- **Social responsibility** by excluding companies involved in pornography and commercial gambling.
- **Good governance** practices by excluding companies that systematically violate international conventions and norms without demonstrated willingness to change.

Sustainability

indicators measure how the sustainable objectives of this financial product are attained.

The fund invested in green, social, sustainable, and/or sustainability-linked bonds, where capital is earmarked for projects assessed to have positive effects within the environmental and social areas.

Under the heading "What investment strategy does this financial product follow" in the fund's information brochure, further details are provided on how the fund promoted environmental and social characteristics.

● How did the sustainability indicators perform?

The table below shows the results for the sustainability indicators during the year. The measurement is based on the fund's holdings at each quarterly interval throughout the year.

Sustainability Indicator	Description of Indicator	Result 2023	Result 2022
Sustainable Investments	The proportion of the fund that meets the fund company's definition of a sustainable investment according to Article 2(17) of the EU's Disclosure Regulation (SFDR). See the definition in the fund's information brochure under "What investment strategy does this financial product follow?" Task: At least 20% of holdings should meet the fund's thresholds for sustainable investment.	36,0 % of the fund.	36,9 % of the fund.

Exclusion	<p>Refer to the current exclusion criteria in the fund's information brochure under the section "What investment strategy does this financial product follow?".</p> <p>Task: The fund should not have any exposure to companies that exceed the fund's exclusion criteria.</p>	The fund has excluded this type of companies.	The fund has excluded this type of companies.
Green, Social, Sustainable, and Sustainability-Linked Bonds	<p>The proportion of the fund's assets represented by green, social, sustainable, and/or sustainability-linked bonds. Task: At least 5% should consist of this type of bonds.</p>	23,6% of the fund (including both sustainable and non-sustainable investments in these bonds).	25,7% of the fund (including only sustainable investments in these bonds).
Norm-Based Screening	<p>Exposure to companies that violate, for example, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises, or other types of environmental, social, and governance-related incidents.</p> <p>Task: The fund excludes companies that systematically violate international conventions and norms without demonstrated willingness to change.</p>	The fund has excluded companies that systematically violate international conventions and norms without demonstrated willingness to change.	The fund has excluded companies that systematically violate international conventions and norms without demonstrated willingness to change.
Scientifically Anchored Climate Goals	<p>Proportion of holdings with climate goals verified by the Science Based Targets Initiative (SBTi).</p> <p>SBTi is an organization that guides and ensures companies set scientific climate goals to reduce their greenhouse gas emissions in line with the Paris Agreement to limit global warming to 1.5 degrees Celsius. Adopting climate goals according to SBTi signals high climate ambitions and credibility as the climate efforts have been validated by an independent third party.</p> <p>Task: Simplicity, as a fund company, has set a goal that all investments through Simplicity's funds should have climate goals verified by SBTi by 2040. By 2025, the interim goal is 50%, and by 2030, the interim goal is 75%. The goals are company-wide, meaning the proportion may be lower than the interim goals for an individual fund. Proactive dialogues are conducted to encourage companies to adopt climate goals verified by SBTi.</p>	<p>21,2% of the fund.</p> <p>7 of the fund's portfolio companies have been contacted with the aim of encouraging the company to adopt a scientifically anchored climate goal.</p>	NA.
FN:s Global Compact	<p>Proportion of holdings that have joined the UN Global Compact and thus committed to ten principles regarding human rights, labor</p>	<p>64,6% of the fund.</p> <p>6 of the fund's portfolio companies has been contacted with the aim of</p>	34,6 % of the fund.

	<p>rights, the environment, and anti-corruption.</p> <p>As a member of the Global Compact, companies are required to annually report on their efforts related to the ten principles and how they contribute to the UN's global goals.</p> <p>Task: Simplicity, as a fund company, has set a goal that all investments through Simplicity's funds should be aligned with the UN Global Compact by 2040. By 2025, the interim goal is 50%, and by 2030, the interim goal is 75%. The goals are company-wide, meaning the proportion may be lower than the interim goals for an individual fund.</p> <p>Proactive dialogues are conducted to encourage companies to join the UN Global Compact.</p>	<p>encouraging the company to join the UN Global Compact.</p>	
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● ***...and compared to previous periods?***

See above under the column 'Results 2022'. Note that since the previous period, the fund company's exclusion criteria and thresholds for sustainable investment according to Article 2(17) of the EU's Disclosure Regulation (SFDR) have been updated. Results for the indicator 'Scientifically Anchored Climate Goals' for the year 2022 are not included in the table as the method has changed since then.

● ***What were the objectives of the sustainable investments partially made by the financial product, and how did the sustainable investment contribute to these goals?***

A sustainable investment is an investment in an economic activity that contributes to an environmental goal or a social goal, provided that the investments do not cause significant harm to any of these goals and that the investment objects adhere to good governance practices. All sustainable investments in the fund are consistent with a social goal or an environmental goal. The company has established thresholds to assess whether an investment substantially contributes to an environmental goal or a social goal in accordance with Article 2(17) of the EU's Disclosure Regulation (SFDR). At least one of the criteria below has been met for the fund's sustainable investments.

- **Contribution to the environmental objectives of the EU taxonomy.** Refers to investments in companies where at least 10% of the company's revenues are reported or estimated to be environmentally sustainable according to the EU taxonomy regulation. These investments contribute to the taxonomy's environmental objectives of **limiting climate change**.

- **Contribution to the UN's global goals.** Refers to investments in companies where at least 10% of the company's revenue is linked to activities assessed to contribute to one or more of the UN's 17 global goals for sustainable development.

- **Contribution to the Paris Agreement and the UN's Global Compact.** Refers to investments in companies that have climate goals verified by the Science Based Targets

initiative (SBTi) and are also signatories to the UN's Global Compact. These investments contribute to UN goal 13 (combatting climate change) and the fulfillment of the climate goals in the Paris Agreement while promoting responsible business practices.

- **Specific securities with sustainability-related goals.** Refers to investments in green, social, sustainable, and sustainability-linked bonds. Investments in these bonds are directly linked to one or more sustainability goals. For green and social bonds, capital is earmarked for projects assessed to have positive effects within the environmental or social areas. Sustainability-linked and sustainable bonds are linked to various sustainability goals.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Fund took into account indicators of adverse impacts on sustainability factors in order to ensure that the Fund's sustainable investments do not cause significant harm to any environmental or social objective. More information can be found under the headings below.

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

By analysing the indicators of adverse impacts on sustainability factors (PAI indicators) set out in the section below entitled 'How were principal adverse impacts on sustainability factors taken into account in this financial product?', the 'do no significant harm' criterion to any environmental or social objective of the Fund's sustainable investments was met.

In addition to taking PAI indicators into account, the Fund excluded a number of additional sectors and activities that are deemed to contribute to negative impacts on environmental and social sustainability, are ethically controversial or for other reasons, in our view, are not considered to contribute positively to a sustainable society. The Fund's exclusion criteria can be found in the Fund's information brochure under the heading "What is the investment strategy for this financial product?".

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

All sustainable investments are adapted to the above-mentioned guidelines and principles. All holdings in Simplicity's funds have been screened on a regular basis to check that no violations have occurred. The norm-based screening has been carried out by a third party. The screening forms the basis for assessing good governance practices for the fund's holdings.

The EU Taxonomy sets out a 'do no significant harm' principle, as set out in which taxonomy-aligned investments shall not cause significant harm to the objectives of the EU taxonomy, and are accompanied by specific Union criteria.

The DNSH principle applies only to those of the Member States concerned by the investments of the financial product that take into account the EU criteria for environmentally sustainable economic activities. The remaining part of this underlying investments that do not take into account the EU criteria for environmentally sustainable economic activities.

In addition, any other sustainable investment may not cause significant harm to the environmental or social objectives.



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

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.

The fund considered the main adverse impacts on sustainability factors when making investment decisions. The fund limited the negative consequences for sustainability factors caused by the activities of the fund's holdings through two main methods: exclusion and norm-based screening.

In the first step, the Company's exclusion criteria were used, which means that companies of particular negative nature are excluded from the Company's funds (see more in the fund's information brochure under the heading "What investment strategy does this financial product follow?"). The funds excluded fossil fuels (PAI factor 1.4), companies with more than 25% of their energy production based on fossil fuels (PAI factor 1.5), and controversial weapons (PAI factor 1.14). The funds excluded additional types of activities, but these are not directly linked to any PAI factor.

Norm-based screening was used to identify any breaches of international norms, such as the UN Global Compact, OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights (UNGPs). Simplicity's funds should not invest in companies that systematically violate international norms and conventions without demonstrated willingness to change (PAI factor 1.10).

Other PAI factors were considered based on the likelihood that the negative consequence associated with the area occurs and its severity if it does. Investments were analyzed based on data availability. The analysis and assessment also varied depending on the companies' industry, geography, and business model. Very negative consequences for the other PAI factors may have resulted in investments being avoided, even if the Company does not have set thresholds for these PAI factors.



What were the top investments of this financial product?

Below table shows the fund's key investments during the year. The measurement is based on the fund's holdings at each quarterly turnover during the year.

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 2023

Largest investments	Sector	% Assets	Country
NORDEA COV 240918	Finance	1,5%	Sweden
KLÖVERN 240416	Real estate	1,5%	Sweden
LOOMIS 261130	Industrials	1,4%	Sweden
COREM PROP 241021	Real estate	1,3%	Sweden
DNB BANK 241112	Finance	1,2%	Norway
SCANIA 270331	Industrials	1,1%	Sweden
ALM BRAND 261014	Finance	1,1%	Denmark
VOLVO CAR 260302	Consumer discretionary	1,0%	Sweden
NORDNET 261116	Finance	1,0%	Sweden
EPIROC 260518	Industrials	1,0%	Sweden
HOIST 241127	Finance	1,0%	Sweden
STADSHYP COV 251203	Finance	1,0%	Sweden
BAYPORT SNR 250520	Finance	0,9%	Mauritius
NORTURA 270512	Consumer staples	0,9%	Norway
KLÖVERN 250210	Real estate	0,9%	Sweden



What was the proportion of sustainability-related investments?

All measurements in this section are based on the fund's holdings at each quarterly turnover during the year.

● *What was the asset allocation?*

Nr 1 Adapted to Environmental or Social Characteristics

All direct investments in corporate bonds.

Nr 1A. Sustainable

These investments are divided between taxonomy-compliant investments and other sustainable investments with environmental or social goals.

In the diagram below, "Taxonomy-compliant" sustainable investments only include the proportion of holdings with reported taxonomy-compliant revenue of at least 10%. Other sustainable investments with environmental goals are categorized as "Other environmentally-related" sustainable investments. "Social" sustainable investments are sustainable investments that only contribute to the fund's social goals.

Nr 1B. Other Environmentally-Related or Social Characteristics

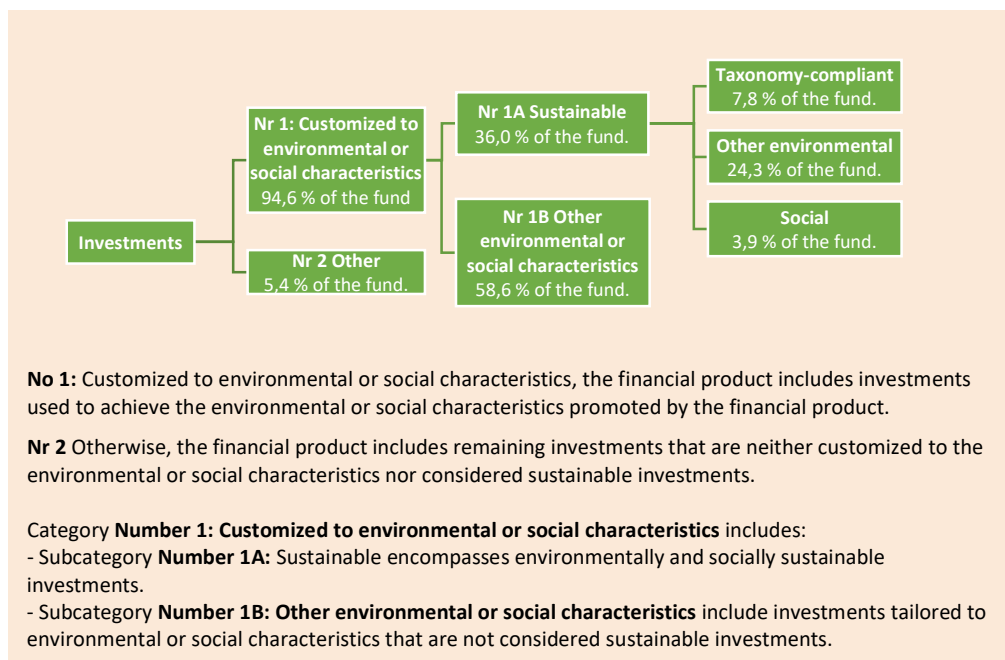
Investments that align with environmental or social characteristics but do not qualify as sustainable investments according to the fund's definition.

Nr 2. Other

Cash for liquidity management and derivatives. According to the fund regulations, the fund may hold cash for liquidity management up to a maximum of 10%. The fund may use derivative instruments to optimize management in order to reduce costs and risks, and

Asset allocation describes the share of investments in specific assets.

these fall into the category. Derivatives are assessed to have a neutral impact on the environmental or social characteristics that the fund promotes.



● **In which economic sectors were the investments made?**

The fund has not invested in companies engaged in the extraction of fossil fuels or any other company within sector 10 according to the GICS classification.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Sektor	Vikt
Räntefond	32,9%
Aktiefond	20,0%
Finans	12,6%
Dagligvaror	5,3%
Industri	4,5%
Fastigheter	4,4%
Sällanköpsvaror	3,6%
IT	2,0%
Kommunikationsservice	1,1%
Material	0,5%



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

All calculations in this section are based on the fund's holdings at each quarterly turnover during the year. The calculations are based on reported company data publicly available at the beginning of 2024. Estimated taxonomy compatibility is not included in the calculations. No further third-party checks have been performed.

The proportion of sustainable investments according to Article 2(17) of the SFDR with an environmental objective compatible with the EU taxonomy.

The fund's proportion of sustainable investments compatible with an environmental objective of the EU taxonomy was 7.8%. This includes holdings in companies with at least 10% of their revenue reported as environmentally sustainable according to the EU taxonomy (which is the fund's threshold for sustainable investments compatible with an environmental objective of the EU taxonomy). Estimated taxonomy compatibility is not included in this calculation, even though the revenue exceeds the threshold for sustainable investment.

The fund's average taxonomy compatibility

The bars in the chart below show the fund's taxonomy compatibility for all holdings, i.e., the sum of each holding's weight multiplied by the holding's taxonomy-compatible share of turnover, capital expenditures, and operational expenses. Only reported taxonomy compatibility is used. Companies estimated to have environmental objectives compatible with the EU taxonomy are not included in the compilation below.

Reported taxonomy compatibility currently covers two of the taxonomy regulation's six environmental objectives: Climate Change Mitigation and Climate Change Adaptation. Based on reported taxonomy compatibility, the fund's investments contribute to the environmental objectives as follows:

	Climate change mitigation	Climate change adaptation
Operating expenses	3,0%	0,0%
Capital expenditures	2,3%	0,0%
Turnover	2,6%	0,0%

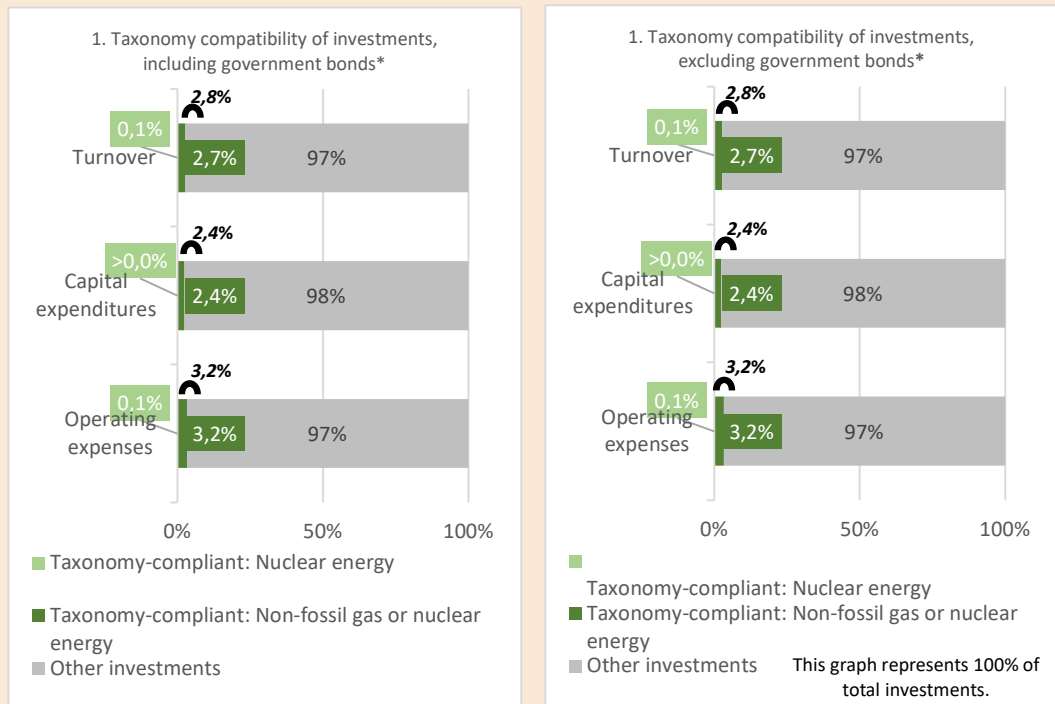
● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

Yes
 In fossil gas In nuclear energy
 No

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

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

The numbers in the bars below are the sum of the weight of all holdings multiplied by the reported taxonomy-compliant turnover, capital expenditures, and operational expenses from transition activities and enabling activities, respectively. Companies that only have estimated taxonomy-compliant contributions to environmental objectives are not included in the compilation.

	Transition activities	Enabling activities
Operating expenses	0,4%	0,9%
Capital expenditures	0,5%	0,8%
Turnover	0,5%	0,4%


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

The fund's average taxonomy compatibility for 2022

The numbers in the table below are the sum of each holding's weight multiplied by all holdings' taxonomy-compatible share of turnover, capital expenditures, and operational expenses for the year 2022. Only reported taxonomy compatibility from companies has been used. No further third-party checks have been performed. The measurement was based on reported data publicly available at the beginning of 2023. The figure is low as most companies had not yet reported the extent to which their activities were compatible with the EU taxonomy at that time. Companies estimated to have environmental objectives compatible with the EU taxonomy were not included.

Data was missing to disaggregate the contributions of investments to each taxonomy's environmental objective and to specify the proportion of investments made in transition activities and enabling activities.

	Taxonomy-compliant investments (excluding fossil gas or nuclear energy)
Operating expenses	1,4 %
Capital expenditures	1,0 %
Turnover	1,3 %

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



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

The proportion of sustainable investments with an environmental objective that is not compatible with the EU taxonomy for the fund is 24,3%. This proportion is calculated by subtracting the proportion of investments in companies with at least 10% of their revenue reported as environmentally sustainable according to the EU taxonomy (sustainable investments with an environmental objective compatible with the EU taxonomy according to the fund's definition) from the total proportion of sustainable investments with an environmental objective.

The fund made sustainable investments with an environmental objective that were not compatible with the EU taxonomy. Examples of investments belonging to this group include green bonds, bonds issued by companies with scientifically anchored climate goals, or bonds issued by companies whose products and services contribute to achieving one or more of the UN's environmental global goals.



What was the share of socially sustainable investments?

The fund's share of socially sustainable investments was 3,9%. This portion represents investments in social bonds or in companies that contribute to achieving one or more of the UN's social global goals.

To avoid overlap, investments that contribute to both the fund's social and environmental goals are primarily counted as environmentally sustainable investments, and therefore are not included in the figure for the fund's share of socially sustainable investments.



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

Investments included in the "Other" category consisted solely of cash for liquidity management and derivatives. The fund may use derivative instruments to streamline management with the aim of reducing costs and risks. According to the fund regulations, the fund may have cash for liquidity management amounting to a maximum of 10%. The fund management company has assessed that any cash and derivatives do not represent environmental or social risks.



What actions have been taken to attain the sustainable investment objective during the reference period?

The fund has taken the following actions during the year:

- The fund has excluded companies that are not deemed to meet the fund's environmental or social criteria.
- The fund has selected sustainable investments to meet the minimum requirement of sustainable investments at 20%.
- Holdings have been discussed in the Sustainability Committee. The focus has been on assessing whether the holdings meet good governance practices. Some holdings are currently under surveillance in the sustainability committee.
- Proactive engagement work has been carried out to encourage the fund's portfolio companies to adopt scientifically anchored climate goals and to join the UN's Global Compact.
- Holdings have been regularly screened for norm-based incidents. Three engagement dialogues have been initiated.
- Green, social, and sustainable bonds have been included in the fund.



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