Simplicity.
ASSET MANAGEMENT

ANNUAL REPORT 2023

SIMPLICITY SMÅBOLAG GLOBAL

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 com-panies' 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 environ-ment and climate. All other Simplicity funds promote environmental or social characteristics con-tributing 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 experi-enced 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 manage-ment, administration, accounting, board administration, and application management.
Our overall goal is to build long-lasting and transparent relationships with both customers and part-ners through good management results with lower risk, continuity in management, and a high de-gree 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.**

ANNUAL REPORT 2023 FOR

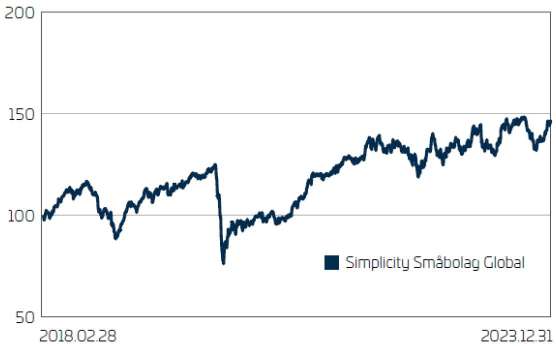
SIMPLICITY SMÅBOLAG GLOBAL

Fund start date	2018-02-28
Benchmark index	S&P Global SmallCap Total Return Index
NAV (Net Asset Value) / Trading	Daily
Subscription fee	0%
Redemption fee	0%
Management fee	Maximum 1.6% (of which 1.4% 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)	5068-6666
Custodian institution	Skandinaviska Enskilda Banken AB

MANAGEMENT REPORT SIMPLICITY SMÅBOLAG GLOBAL

THE FUND'S PERFORMANCE DURING THE YEAR

Simplicity Småbolag Global had a return of 11.1% during the year, while the fund's benchmark index, the S&P Global Small Cap Total Return Index, had a development of 11.8%. The fund's holdings in the banking sector developed negatively after three US banks outside of the fund's portfolio collapsed but dragged the entire sector down with it. Despite this, the fund managed to return in line with the index, largely thanks to strong performance for the fund's industrial and consumer companies. A high proportion of the fund's holdings performed very well during the year and reported better sales and earnings than expected. Cosmetics company E.L.F. Beauty smashed expectations and continued to have high sales growth during the year. The share was the fund's third largest contributor during the year. The fund's two largest contributors were system installer Comfort Systems USA and timber product producer Stella-Jones.



EQUITY AND FOREIGN EXCHANGE MARKETS

Developments in equity markets were largely driven by a surprisingly positive development for the global economy. The recession that was previously expected to come, was absent as GDP growth was generally stronger than expected. Labour markets also remained strong, not least in the US where unemployment was low. Developments were also driven by monetary policy developments. Inflation continued to fall in most parts of the world and hopes were raised that a soft landing in the economy could be realized despite tightening measures from central banks. After raising their key interest rates until the third quarter, the US Fed, the European ECB and the Swedish Riksbank all paused their interest rate hikes. The Fed also signaled that interest rate cuts are to be expected next year, which caused market interest rates to fall steeply and give new fuel to the stock markets.

The resilience of the economy was evident in the reports of public companies during the year. Cyclical industrial companies in particular performed very well and greatly exceeded the generally low expectations. However, the overall company reports were unusually strong in terms of the share of listed companies that exceeded expectations. The strong company reports were a contributing factor to the positive development of the stock markets. Another reason was the emergence of artificial intelligence (AI) and generative AI in particular, which had its breakthrough in 2023. Several companies raised their forecasts as a result of increased AI use, and the technology is considered by many to be able to create value for companies through efficiency improvements and the ability to analyze large amounts of data.

Geopolitical tensions increased slightly in the world but at the same time had a limited impact on financial markets. In the Middle East, war broke out between Israel and Hamas, prompting other Iranian-backed rebel groups to attack Israel, U.S. bases, and cargo ships in the area.

In the foreign exchange markets, interest rate developments largely controlled currency movements and the Swedish krona had a volatile year. As the Riksbank was somewhat more cautious with interest rate hikes than, for example, the ECB, the krona weakened until November, when the situation turned abruptly and the euro and the US dollar, among others, fell sharply against the krona. At the end of the year, the fall had compensated for the entire weakening of the krona and then some. The currency effect in the fund was thus surprisingly negative.

RISK MANAGEMENT AND KEY FIGURES

The fund has managed market, industry, country and regional risk by investing in several highly liquid equities in different industries, countries and regions. The fund has chosen not to hedge against the currency risk. The currency risk amounts to approximately the size of the investment in each country. The standard deviation has amounted to 16.6% over the past two years. The corresponding figure for the benchmark index is 15.7%. The fund's activity level is described by the key figure active risk, a measure of how much the difference in the performance of the fund and its benchmark index varies over time. The deviation can be both positive and negative. The fund's benchmark index is relevant as it provides a good representation of the global equity market for small and medium-sized companies as well as the fund's long-term return and risk profile. The fund's active risk has been 7.7% over the past two years. The level of activity is high as the fund is actively managed and often deviates significantly from its benchmark index in terms of sector distribution, country distribution and weight in specific stocks. Compared to the index, for example, the fund has had a clearly higher weight in the banking sector over the past two years. On those occasions when bank stocks' performance has deviated greatly from the index, the fund's return has often also deviated greatly from the index, which has contributed to a high active risk for the fund.

HOLDINGS AND POSITIONS

The geographical allocation of the fund was relatively stable during the period. The regional allocation at the end of the year was broadly similar to that at the beginning of the year, and the biggest change in the country distribution was that Italy increased by three percentage points. Major changes took place in the distribution of sectors. The largest decline occurred among financial companies as the weight of US banks fell sharply after the turmoil that followed the bank collapses. The weight of the sector fell from 19% to 9%. The weight of the material companies also decreased, from 11% to 5%, partly due to the divestment of Metsä Board. The resilience of the economy was a contributing factor to the increase in the weight of the industrial sector in the Fund, from 27% to 34% at the end of the period. Simpson

Manufacturing and GMS Inc were among the industrial companies whose weight increased the most. Consumer durables also increased, by fifteen percentage points to 25%, partly due to the inclusion of Frontdoor and Shimamura as new holdings. At the end of the period, Installed Building Products, Sprouts Farmers Market and Russel Metals were the fund's three largest holdings.

DEVELOPMENT OF FUND ASSETS

The fund had a net inflow during the period of SEK 2 million. As of the end of December 2023, the fund's assets amounted to SEK 171 million, an increase of SEK 18 million.

DERIVATIVES AND SECURITIES LOANS

During the year, the Fund has engaged in securities lending, which has contributed SEK 10 thousand to the Fund's income. In order to streamline management and protect the Fund's assets against exchange rate and currency risks, the Fund may trade in options and forward contracts. The Fund has not used this option during the year.

SIGNIFICANT EVENTS

No significant events occurred during the year.

FOLLOW-UP OF SUSTAINABILITY EFFORTS

The fund is an Article 8 fund under the SFDR framework and promotes environmental or social characteristics but does not have sustainable investments as its objective. At least 20% of the Fund shall be made up of sustainable investments. At year-end, this type of investment accounted for 31.9% of the fund's assets.

A full description of the Fund's sustainability performance can be found below under "Template relating to regular disclosures for the financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and the first paragraph of Article 6 of Regulation (EU) 2020/852".

Information on the EU Taxonomy for environmentally sustainable activities

The fund made investments that are compatible with the EU taxonomy.

For more information, see below under 'Template relating to regular disclosures for the financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and the first paragraph of Article 6 of Regulation (EU) 2020/852'.

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

The fund includes

The Fund's investments have to some extent been made in securities issued by companies that are deemed to have environmentally sustainable operations in line with the EU Taxonomy and in companies that are deemed to contribute to meeting the UN's climate and environment-related goals. At year-end, sustainable investments accounted for 31.9% of the fund's assets.

For more information, see below under 'Template relating to regular disclosures for the financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and the first paragraph of Article 6 of Regulation (EU) 2020/852'.

The fund excludes

The fund management company's exclusion policy excludes companies in certain businesses and industries. The exclusion process has been conducted in accordance with the pre-emption information regarding the fund company's sustainability work.

The fund management company has impacted

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

Overall comments on sustainability efforts

More information about sustainability-related criteria can be found in the fund's information brochure and on the website.

Performance

	2023-12-31	2022-12-31	2021-12-31	2020-12-31	2019-12-31	2018-12-31
Net assets, SEK thousands	171 130	153 323	141 082	74 248	69 941	61 020
NAV	146,77	132,83	138,64	100,41	118,98	89,83
Trading NAV*	147,06	132,38	139,14	100,41	118,99	89,84
Number of outstanding units	1 165 967	1 154 253	1 017 644	738 086	585 002	683 145
Annual return, %	11,1%	-4,9%	38,6%	-15,6%	32,5%	-10,2%
Annual return benchmark, %	11,8%	-5,8%	27,1%	2,4%	32,5%	-7,7%
Active risk**	7,7%	6,5%	9,7%	8,5%		

* NAV for the last trading day of the period.
** The portfolios Active Risk is high as a result of active management and large deviations between the fund portfolio and its benchmark index concerning both 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	163 464
Total return since inception	47,0%
Average annual return last 2 years	2,8%
Average annual return last 5 years	10,4%
Turnover ratio	1,1
Benchmark*	S&P Global SmallCap Total Return Index
Benchmarks return since the fund's inception	65,8%
Average annual return last 2 years benchmark	2,6%
Average annual return last 5 years benchmark	12,4%
RISK**	
Standard deviation	16,6%
Standard deviation benchmark	15,7%

*S&P Global SmallCap Total Return Index is calculated in SEK and is a total return index that takes into account dividends.
**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		153 323
Unit issue, SEK thousands		22 845
Unit redemption, SEK thousands	-	21 084
Net result according to income statement, SEK thousands		**16 046**
Net assets, SEK thousands		**171 130**

Income statement

	Notes		2023
INCOME AND VALUE CHANGES			tkr
Value changes on transferable securities	1		14 972
Total value changes			**14 972**
Interest income			52
Dividends			3 575
Net gains and losses on currency exchange		-	31
Total income and value changes			**18 568**
EXPENSES			
Management expenses			
Compensation to the company operating the fund management		-	2 286
Compensation to the custodian institution		-	48
Compensation to regulatory authorities		-	2
Compensation to auditors		-	51
Total management expenses		**-**	**2 387**
Other expenses		-	1
Interest expenses		-	134
Total expenses		**-**	**2 522**
Annual result			**16 046**

Balance sheet

ASSETS	Notes	
Transferable securities		167 591
Total financial instruments with a positive market value		**167 591**
Total investments with a positive market value		**167 591**
Cash and cash equivalents		3 846
Prepayments and accrued income		23
Other assets		1 741
Total assets		**173 201**
LIABILITIES		
Accrued expenses and prepaid income		208
Other liabilities		1 863
Total liabilities		**2 071**
NET ASSETS		**171 130**
Memorandum		
Lent financial instruments		4 305
Collateral received for lent financial instruments		4 311

Notes

Note 1 Value Changes	
Value changes on transferable securities	
Realized gains	19 852
Realized losses	- 19 831
Unrealized gains/losses	14 951
Total	**14 972**

Note 2 Prepaid expenses and accrued revenues	
Accrued interest	16
Accrued dividends	7
Total	**23**

Note 3 Accrued expenses and prepaid revenues	
Accrued management fees	199
Accrued expense interest	9
Total	**208**

Note 4 Lent financial instruments	
Exposure	4 305
Share of total lendable assets	2,57%
Counterparty	SEB

Note 5 Received collateral for lent instruments

Collateral received for lent financial instrument 2023.12.31

	Quantity	Market value (tSEK)	Currency	Type	Issuer
NDASS 1 09/17/25 #5535	100 000	97	SEK	Residential Bond	Nordea Hypotek AB
SGBI 0 1/8 06/01/26 #3112	2 635 000	3 369	SEK	Government Bond	Swedish State
SGBI 1 06/01/25	650 000	845	SEK	Government Bond	Swedish State
Total Collateral received		**4 311**			

Collateral received for lent financial instrument 2022.12.31

	Quantity	Market value (tSEK)	Currency	Type	Issuer
NDASS 1 06/16/27 #5537	2 000 000	1 795,00	SEK	Residential bond	Nordea Hypotek AB
SGB 1 1/2 11/13/23 #1057	45 000	45,00	SEK	Government Bond	Swedish State
SGB 1 11/12/26 #1059	805 000	759,00	SEK	Government Bond	Swedish State
SGB 2 ½ 05/12/25 #1058	35 000	35	SEK	Government Bond	Swedish State
SGBI 0 1/8 06/01/26 #3112	170 000	211,00	SEK	Government Bond	Swedish State
SGBI 1 06/01/25	1 235 000	1 570,00	SEK	Government Bond	Swedish State
SWED 0 1/8 04/24/23	134 000	1 484,00	EUR	Government Bond	Swedish State
SWTB 0 02/15/23	110 000	110,00	SEK	Government Bond	Swedish State
Total Collateral received		**6 009**			

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 assets
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET			
MATERIALS			
Cementir Holding NV (IT)	16 500	1 753	1,0%
Eagle Materials INC (US)	1 550	3 167	1,9%
Kemira (FI)	9 000	1 683	1,0%
Stella-Jones INC (CA)	2 600	1 528	0,9%
Total Materials		**8 131**	**4,8%**
INDUSTRIALS			
Allison Transmission (US)	5 200	3 046	1,8%
Applied Industrial (US)	1 900	3 305	1,9%
Atkore International (US)	1 990	3 207	1,9%
Barret Business Svcs (US)	1 500	1 750	1,0%
Beacon Roofing Suppl (US)	1 940	1 701	1,0%
Blue Bird Corp (US)	3 700	1 005	0,6%
Boise Cascade Co (US)	2 560	3 336	1,9%
Comfort Systems (US)	1 600	3 315	1,9%
Danieli & C Officine (IT)	5 000	1 634	1,0%
Emcor Group INC (US)	1 500	3 255	1,9%
GMS INC (US)	4 050	3 363	2,0%
Griffon Corp (US)	1 700	1 044	0,6%
Grupo Aeroportuario (MX)	2 500	2 131	1,2%
Hexpol B (SE)	19 500	2 379	1,4%
Kadant INC (US)	700	1 977	1,2%
Konecranes (FI)	3 800	1 726	1,0%
Matson INC (US)	1 000	1 104	0,6%
Meitec Group Holding (JP)	14 700	2 972	1,7%
Russel Metals INC (CA)	10 000	3 430	2,0%
Simpson Manufactur (US)	1 700	3 390	2,0%
Sohgo Security Servi (JP)	30 200	1 752	1,0%
Terex Corp (US)	5 100	2 952	1,7%
UFP Industries INC (US)	1 400	1 771	1,0%
Wabash National Corp (US)	3 530	911	0,5%
Watts Water Tech (US)	600	1 259	0,7%
Total Industrials		**57 716**	**33,7%**
CONSUMER DISCRETIONARY			
Abercrombie & Fitch (US)	1 000	889	0,5%
AM Eagle Outfitters (US)	4 000	853	0,5%
Boshiwa Internationa (CN)	420 000	0	0,0%
Europris ASA (NO)	41 900	3 189	1,9%
FCC Co LTD (JP)	14 500	1 805	1,1%
Frontdoor (US)	9 300	3 300	1,9%
G Iii Apparel (US)	2 700	924	0,5%
Goldwin INC (JP)	2 400	1 740	1,0%
Group 1 Automotive I (US)	750	2 302	1,3%
Installed Building P (US)	2 000	3 683	2,2%
JB Hi-Fi (AU)	9 400	3 426	2,0%
JNBY Design LTD (CN)	120 000	1 628	1,0%
KB Home (US)	3 200	2 013	1,2%
Meritage Homes Corp (US)	1 700	2 983	1,7%
Nifco Inc/Japan (JP)	3 000	782	0,5%
Piaggio & C Spa (IT)	28 000	929	0,5%
Shimamura CO (JP)	2 400	2 705	1,6%
Signet Jewelers LTD (US)	2 000	2 161	1,3%
Taylor Morrison Home (US)	6 174	3 318	1,9%
Truworths Intl (ZA)	41 000	1 680	1,0%
Youngone Holdings CO (KR)	6 300	2 245	1,3%
Total Consumer Discretionary		**42 555**	**24,9%**
CONSUMER STAPLES			
ELF Beauty INC (US)	2 300	3 344	2,0%
Orion Corp/Republic (KR)	3 320	3 012	1,8%
Sheng Siong Group (SG)	190 000	2 324	1,4%
Sprouts Farmers Mkt (US)	7 100	3 441	2,0%
Stride INC (US)	1 500	897	0,5%
Total Consumer Staples		**13 019**	**7,6%**
HEALTH CARE			
Amphastar Pharma (US)	1 500	935	0,5%
Catalyst Pharmaceuti (US)	2 500	423	0,2%
Corcept Therapeutics (US)	3 600	1 178	0,7%
Pharmaresearch CO LTD (KR)	1 000	856	0,5%
United Laboratories (HK)	180 000	1 630	1,0%
Total Health Care		**5 021**	**2,9%**
FINANCIALS			
City Holding CO (US)	2 650	2 943	1,7%
CNO Financial Group (US)	3 000	843	0,5%
Grupo Catalana Occid (ES)	6 300	2 168	1,3%
JB Financial Group C (KR)	23 000	2 047	1,2%
Radian Group INC (US)	9 600	2 761	1,6%
Sparebanken Vest (NO)	21 000	2 279	1,3%
Sydbank (DK)	6 500	2 851	1,7%
Total Financials		**15 892**	**9,3%**
IT			
Badger Meter INC (US)	2 200	3 421	2,0%
Celestica INC (CA)	4 600	1 360	0,8%

Evertec INC (PR)	3 400	1 402	0,8%
Exlservice Holdings (US)	9 300	2 890	1,7%
Indra Sistemas Sa (ES)	11 000	1 715	1,0%
Interdigital INC (US)	2 000	2 187	1,3%
Lagercrantz Group B (SE)	17 000	2 297	1,3%
Perion Network (IL)	1 500	466	0,3%
Qualys Inc (US)	1 500	2 966	1,7%
Vishay Intertechnolo (US)	3 000	724	0,4%
Total IT		**19 429**	**11,4%**
TELECOMMUNICATIONS			
China Comm Service (CN)	660 000	2 762	1,6%
Rai Way Spa (IT)	34 000	1 935	1,1%
Total Telecommunications		**4 697**	**2,7%**
Total Transferable securities admitted to trading on a regulated market		**166 459**	**97,3%**
TRANSFERABLE SECURITIES SUBJECT TO REGULAR TRADE ON ANOTHER MARKET THAT IS REGULATED AND OPEN FOR THE PUBLIC			
INDUSTRIALS			
Jost Werke (DE)	2 300	1 132	0,7%
Total Industrials		**1 132**	**0,7%**
Total Transferable securities subject to regular trade on another market that is regulated and open for the public		**1 132**	**0,7%**
TOTAL FINANCIAL INSTRUMENTS		**167 591**	**97,9%**
OTHER ASSETS AND LIABILITIES, NET		**3 539**	**2,1%**
TOTAL NET ASSETS		**171 130**	**100,0%**

(AU) Australia, (CA) Canada, (CN) China, (DE) Germany, (DK) Denmark, (ES) Spain, (FI) Finland, (HK) Hong Kong, (IL) Israel, (IT) Italy, (JP) Japan, (KR) South Korea, (MX) Mexico, (NO) Norway, (PR) Puerto Rico, (SE) Sweden, (SG) Singapore, (US) USA, (ZA) South Africa

ANNEX IV

ANNEX V

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 Småbolag Global
Legal entity identifier: 549300YWF0S5US0D8I49

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental 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 31.9 % of sustainable investments .
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments 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.

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.	31,9 % of the fund.	10,9 % of the fund.
Exclusion	Refer to the current exclusion criteria in the fund's information brochure under the section "What investment strategy does this financial product follow?".	The fund has excluded this type of companies.	The fund has excluded this type of companies.

	Task: The fund should not have any exposure to companies that exceed the fund's exclusion criteria.		
Norm-Based Screening	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. **Task**: The fund excludes 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.	The fund has excluded companies that systematically violate international conventions and norms without demonstrated willingness to change.
Scientifically Anchored Climate Goals	Proportion of holdings with climate goals verified by the Science Based Targets Initiative (SBTi). 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. **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.	2,3% of the fund. 8 of the fund's portfolio companies have been contacted with the aim of encouraging the company to adopt a scientifically anchored climate goal.	NA.
FN:s Global Compact	Proportion of holdings that have joined the UN Global Compact and thus committed to ten principles regarding human rights, labor rights, the environment, and anti-corruption. 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. **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,	23,3% of the fund. 9 of the fund's portfolio companies has been contacted with the aim of encouraging the company to join the UN Global Compact.	NA.

	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 join the UN Global Compact.		

…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 or social objective, provided that the investments do not cause significant harm to any of these objectives and that the investment objects adhere to good governance practices. All sustainable investments in the fund are aligned with a social or environmental objective. The company has established thresholds to assess whether an investment substantially contributes to an environmental or social objective in accordance with Article 2(17) of the EU 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.

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 analyzing the indicators of adverse impacts on sustainability factors (PAI indicators) outlined in the section below titled "How were the main adverse impacts on sustainability factors considered in this financial product?", the criterion of not causing significant harm to any environmental or social objective for the fund's sustainable investments was met.

In addition to considering PAI indicators, the fund excluded a further number of different sectors and activities deemed to contribute to negative consequences for environmental and social sustainability, are ethically controversial, or for other reasons, in our view, are not considered to positively contribute to a sustainable society. The fund's exclusion criteria are available in the fund's information brochure under the heading "What investment strategy does this financial product follow?".

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 adhere to the aforementioned guidelines and principles. All holdings in Simplicity's funds have been regularly screened to ensure compliance. The norm-based screening has been conducted by a third party. The screening forms the basis for assessing the good governance practices of the fund's holdings.

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.

In the EU taxonomy, a principle is established regarding not causing significant harm, under which taxonomy-compliant investments must not cause significant harm to the objectives of the EU taxonomy, and is accompanied by specific union criteria.

The principle of not causing significant harm applies only to the underlying investments of the financial product that consider the EU criteria for environmentally sustainable economic activities. The remaining portion of this financial product has underlying investments that do not consider the EU criteria for environmentally sustainable economic activities.

No other potential sustainable investments may cause significant harm to any environmental or social objectives either.

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

The fund considered the main negative impacts on sustainability factors when making investment decisions. The fund mitigated the negative impacts on 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, meaning that companies with particularly negative characteristics are excluded from the Company's funds (see more in the fund's information brochure under the section "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.

Asset allocation describes the share of investments in specific assets.

Norm-based screening was used to identify potential 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). 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 of the negative impact associated with the area occurring and its severity if it does occur. Investments were analyzed based on data availability. The analysis and assessment also varied depending on the companies' industry, geography, and business model. Significant negative impacts on the other PAI factors may have resulted in investments being omitted, even if the Company did 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.

Largest investments	Sector	% Assets	Country
COMFORT SYSTEMS USA	Industrials	2,2%	USA
ALLISON TRANSMISSION	Industrials	2,2%	USA
BADGER METER	IT	2,2%	USA
SYDBANK	Finance	2,1%	Denmark
APPLIED INDUSTRIAL	Industrials	2,1%	USA
STELLA-JONES	Materials	2,0%	Canada
GMS INC	Industrials	2,0%	USA
EXLSERVICE HOLDINGS	IT	2,0%	USA
SIMPSON MANUFACTURING	Industrials	2,0%	USA
TEREX	Industrials	1,9%	USA
EUROPRIS	Consumer discretionary	1,8%	Norway
EMCOR GROUP	Industrials	1,8%	USA
YOUNGONE HOLDINGS	Consumer discretionary	1,8%	South Korea
ORION CORP	Consumer staples	1,8%	South Korea
BELDEN	IT	1,8%	USA

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

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?

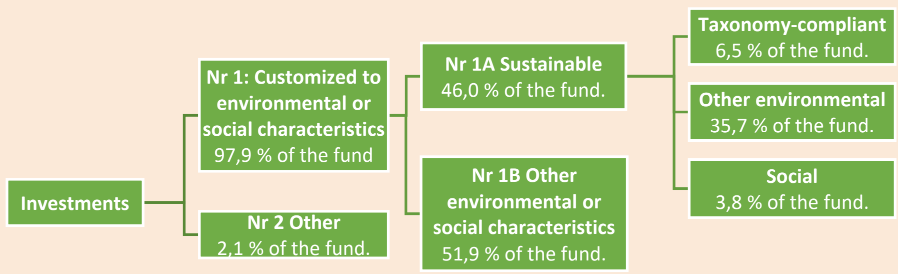
Nr 1 Adapted to Environmental or Social Characteristics
All direct investments in stocks.

Nr 1A. Sustainable
These investments are divided between taxonomy-aligned investments and other sustainable investments with environmental or social goals.

In the diagram below, "Taxonomy-aligned" sustainable investments only include the portion of holdings with a reported taxonomy-aligned turnover of at least 10%. Other sustainable investments with environmental goals are categorized as "Other environmentally related" sustainable investments. "Social" sustainable investments are those that solely contribute to the fund's social objectives.

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 as well as derivatives. According to the fund regulations, the fund may hold cash for liquidity management up to a maximum of 10%.



No 1: Customized to environmental or social characteristics, the financial product includes investments used to achieve the environmental or social characteristics promoted by the financial product.

Nr 2 Otherwise, the financial product includes remaining investments that are neither customized to the environmental or social characteristics nor considered sustainable investments.

Category **Number 1: Customized to environmental or social characteristics** includes:
- Subcategory **Number 1A:** Sustainable encompasses environmentally and socially sustainable investments.
- Subcategory **Number 1B: Other environmental or social characteristics** include investments tailored to environmental or social characteristics that are not considered sustainable investments.

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.

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.

Sector	Weight
Industrials	33,1%
Consumer discretionary	18,3%
IT	17,8%
Finance	10,7%
Consumer staples	7,2%
Materials	7,1%
Communication services	3,4%

Health care	1,5%

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 quarter-end during the year. The calculations are based on reported company data made public at the beginning of 2024. Estimated taxonomy compatibility is not included in the calculations. No further checks have been performed by a third party.

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 share of sustainable investments aligned with EU taxonomy environmental objectives was 6.5%. This percentage includes holdings in companies with at least 10% of their revenues reported as environmentally sustainable according to the EU taxonomy (which is the fund's threshold for sustainable investments aligned with EU taxonomy environmental objectives). Estimated taxonomy compatibility is not included in this calculation, even though revenues exceed the threshold for sustainable investment.

The fund's average taxonomy compatibility

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

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

	Climate change mitigation	Climate change adaptation
Operating expenses	0,1%	0,1%
Capital expenditures	0,2%	0,1%
Turnover	0,1%	0,1%

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes

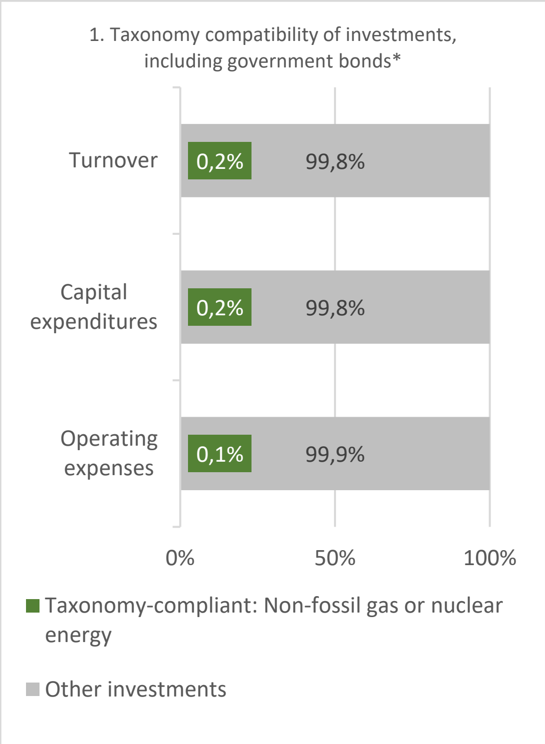
☐ In fossil gas ☐ In nuclear energy

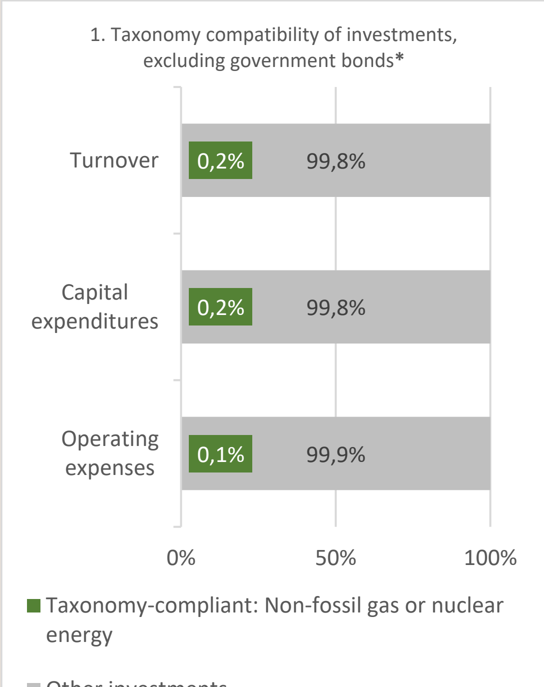
☒ No

[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.

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.

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.





This graph represents 100% of total investments.

* *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 figures in the table below represent the sum of all holdings' weights multiplied by each holding's reported taxonomy-aligned turnover, capital expenditures, and operating expenses from transition activities and enabling activities. Companies with only estimated taxonomy-aligned contributions to environmental objectives are not included in the compilation.

	Transition activities	Enabling activities
Operating expenses	0,2%	0,1%
Capital expenditures	0,0%	0,2%
Turnover	0,0%	0,2%

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 fund had no holdings with a reported taxonomy-aligned turnover, capital expenditures or operating expenditure in 2022 (based on public data at the beginning of 2023). Companies that are estimated to have environmental objectives consistent with the EU taxonomy are not included. No further checks have been carried out by third party. At the time, most companies had not yet reported to what extent their activities were compatible with the EU Taxonomy. In addition, the fund invests globally in non-EU markets that do not report taxonomy alignment.

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

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

The proportion of sustainable investments with an environmental objective that are not aligned with the EU taxonomy for the fund is 28,0%. This proportion is calculated by subtracting the share 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 aligned with the EU taxonomy as defined by the fund) from the total share of sustainable investments with an environmental objective.

The fund made sustainable investments with an environmental objective that were not aligned with the EU taxonomy. Examples of investments in this group include companies with scientifically grounded climate goals or companies whose products and services contribute to achieving one or more of the UN's environmentally related global goals.

What was the share of socially sustainable investments?

The fund's share of socially sustainable investments was 3.3%. This portion represents investments in companies that contribute to achieving one or more of the UN's social sustainable development goals.

To avoid overlap, investments that contribute to both the fund's social and environmental goals are primarily counted as environmental 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. According to the fund's regulations, the fund may hold cash for liquidity management up to a maximum of 10%. The fund company has assessed that cash does not represent either 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 divested holdings that are no longer deemed to meet the fund's environmental or social criteria.

• The fund has selected sustainable investments to meet the minimum threshold of sustainable investments at 20%.

• Holdings have been discussed in the Sustainability Committee. The focus has been on assessing whether the holdings comply with good governance practices. Some holdings are currently under surveillance by the sustainability committee.

• Proactive engagement efforts have been carried out to encourage the fund's portfolio companies to adopt scientifically grounded climate goals and to join the UN's Global Compact.

• Holdings have been regularly screened for norm-based incidents. A dialogue has been initiated.