

# Fondita Nordic Small Cap

ESG Report

Q1 / 2024

## SFDR Classification

Article 8

Light Green

## MSCI ESG Rating

**AA**  
**VERY GOOD**

AAA	Excellent
AA	Very Good
A	Good
BBB	Average
BB	Satisfactory
B	Weak
CCC	Very weak

## Current Responsibility scores

Overall Score	AA
Environment	BBB
Social	BBB
Governance	A
Percent of portfolio covered	82 %

**Weighted Carbon intensity (Scope 1&2)**

**43** (t CO<sub>2</sub>e/\$M Sales)

**% of portfolio with set CO2 reduction initiatives**

**67,8%**

**% of portfolio with set equality related policy**

**67,5%**

## The fund excludes the following industries:

Max 5% of the turnover can be derived from the excluded sector.

Controversial weapons, Weapons, Nuclear power, Tobacco, Gambling, Adult entertainment, Coal, Uranium, Fossil fuels, Quick Loans and Recreational Cannabis.

Companies which have verified breaches of UN Global Compact, DNSH EU Taxonomy and OECD guidelines for multinational enterprises are excluded.

## ESG Approach

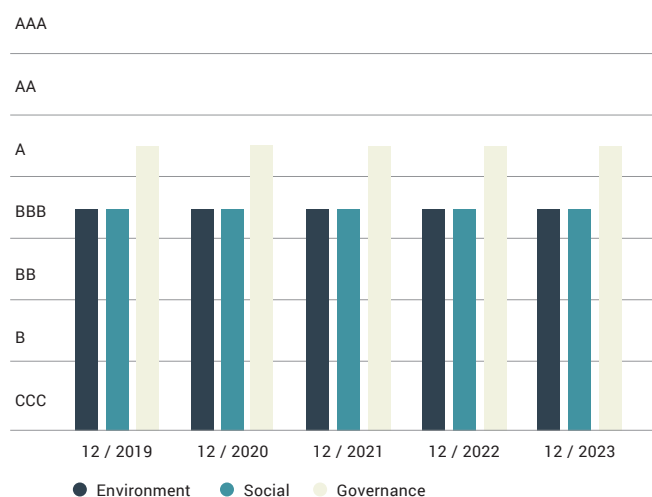
Fondita Nordic Small Cap invests in Nordic small cap companies with a bias towards companies with earnings growth and quality. The investment process includes certain qualitative and quantitative sustainability factors for all holdings. The sustainability data coverage for small companies is fairly poor, which means the construction of the holdings ESG profile is to some extent derived from our own subjective assessment. The fund excludes companies with exposure to sectors we perceive as unsustainable or unethical, as well as companies that have verified global norms breaches. If issues arise regarding ESG we engage through direct dialogue with management. If issues are not properly addressed, we divest the holding.

## Portfolio alignment with UN sustainable development goals (SDG)

80,17 % of portfolio covered by data

Operational		Product	
<b>GENDER EQUALITY</b> SDG5	73 %	<b>RESPONSIBLE CONSUMPTION &amp; PRODUCTION</b> SDG12	23 %
<b>CLIMATE ACTION</b> SDG13	64 %	<b>SUSTAINABLE CITIES AND COMMUNITIES</b> SDG11	8 %
<b>AFFORDABLE &amp; CLEAN ENERGY</b> SDG7	58 %	<b>INDUSTRY, INNOVATION AND INFRASTRUCTURE</b> SDG9	5 %
<b>DECENT WORK AND ECONOMIC GROWTH</b> SDG8	47 %	<b>HEALTH &amp; WELLBEING</b> SDG3	3 %

## Development of fund's responsibility scores



## Rating distribution

Rating	Amount
AAA	13 %
AA	25 %
A	34 %
BBB	10 %
BB	0 %
B	0 %
CCC	0 %
No rating	18 %

## Portfolio top 10 holdings

Rank	Company	Sector	Portfolio Weight	ESG Rating
1	BUFAB AB	Industrials	4,48%	AAA
2	BORREGAARD ASA	Materials	3,99%	A
3	MUNTERS GROUP AB	Industrials	3,69%	AAA
4	AFRY AB	Industrials	3,65%	A
5	AAK AB	Consumer	3,58%	AA
6	IAR SYSTEMS GROUP AB	IT	3,20%	A
7	VIMIAN AB	Health Care	3,18%	A
8	ATEA ASA	IT	3,12%	A
9	ELEKTA AB	Health Care	3,10%	BBB
10	OSSUR HF	Health Care	3,09%	AA

## Sustainability Impact

### Revenue exposure to sustainable impact solutions

86,6 % of portfolio covered by data

#### BASIC NEEDS

0,10 %

#### EMPOWERMENT

0 %

#### CLIMATE CHANGE

3,2%

#### NATURAL CAPITAL

1,5 %

#### TOTAL SUSTAINABLE IMPACT

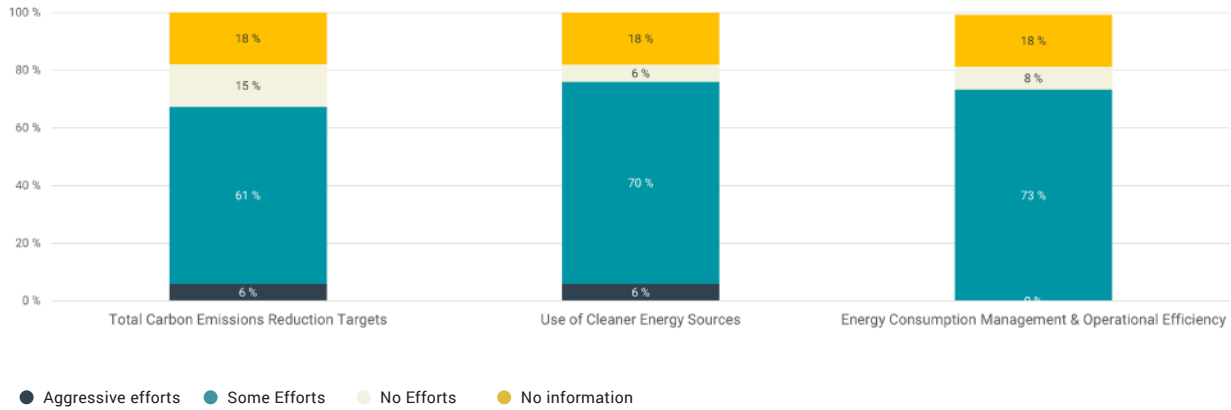
4,8%

Rank	Company	Portfolio Weight	Theme
1	CRAYON GROUP HOLDING	1,4%	Energy Efficiency
2	MUNTERS GROUP	1,0%	Pollution Prevention
3	NYFOSA AB	0,7%	Green Buildings
4	ATEA ASA	0,4%	Energy efficiency
5	METSA BOARD OYJ	0,3%	Sustainable agriculture

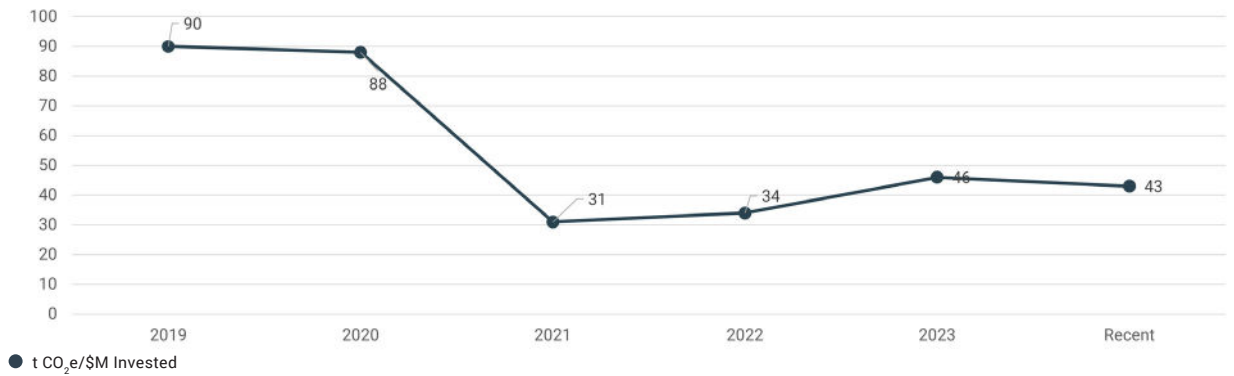
# Carbon Metrics

## Energy Initiatives of the current Holdings

84 % of portfolio covered by data



## Weighted Carbon Intensity Trend of the Fund



## Portfolio Holdings with Highest Weighted Carbon Intensity

Rank	Company	Sector	Country	Portfolio Weight	CO <sub>2</sub> Intensity	CO <sub>2</sub> Risk Management
1	BORREGAARD ASA	Materials	Norway	3,99%	307	Robust
2	METSÄ BOARD OYJ	Materials	Finland	2,55%	237	Modest
3	HUHTAMAKI OYJ	Materials	Finland	2,08%	228	Modest
4	NOTE AB	IT	Sweden	2,47%	128	Low
5	AAK AB	Consumer	Sweden	3,58%	71	Modest
6	TRELLEBORG	Industrials	Sweden	1,31%	86	Modest
7	SYNSAM AB	Consumer	Sweden	1,98%	55	Minimal
8	NYFOSA AB	Real Estate	Sweden	2,61%	32	Low
9	MUNTERS GROUP AB	Industrials	Sweden	3,69%	21	Modest
10	NOLATO AKTIEBOLAG	Industrials	Sweden	1,84%	30	Robust

### SFDR-Classification

SFDR aims to increase transparency on how financial market participants integrate sustainability into their investment decisions and recommendations. It introduces a classification system with new disclosure requirements for investment products.

Dark Green (Article 9) – The fund has sustainability as their objective.

Light Green (Article 8) – The fund promotes environmental or social characteristics, or a combination.

Grey (Article 6) – Funds which do not integrate any kind of sustainability into the investment process.

### MSCI ESG Rating

MSCI assesses thousands of datapoints across 35 ESG Key Issues, focusing on the intersection between a company's core business and the industry issues that can create significant risks and opportunities for the company. Companies are rated on a AAA-CCC scale relative to the standards and performance of their peers. Issue scores and weights combine to overall ESG rating. E, S and G scores are also calculated separately.

### Carbon Reduction Targets

This number indicated the percentage of holdings that have a set carbon reduction target as opposed to holdings with no set target. The targets can naturally be very different in terms of aggressiveness. The data is based on MSCI's ESG database complimented by our assessment.

### Carbon Metrics

MSCI ESG Research collects carbon emissions data for the companies in the coverage universe. Data is collected once per year from most recent sources, including annual reports, Corporate Social Responsibility reports or websites. In addition, MSCI ESG Research uses the carbon emissions data reported through CDP (formerly the Carbon Disclosure Project) or government databases when reported data is not available through direct corporate disclosure. When companies do not disclose data, MSCI ESG Research uses proprietary methodologies to estimate emissions.

Weighted Carbon Intensity – Carbon Intensity measures the carbon efficiency of a company as total carbon emissions normalized by total sales. At a portfolio level, carbon intensity is the ratio of portfolio carbon emissions normalized by the investor's claims on sales. This method expresses portfolio carbon efficiency and allows investors to know how many emissions per dollar of sales are generated from their investment. Weighted Carbon Intensity is the sum product of the constituent weights and intensities.

The Carbon Intensity data is based on Scope 1&2 emissions.

Scope 1 – All Direct Emissions from the activities of an organisation or under their control. Including fuel combustion on site such as gas boilers, fleet vehicles and air-conditioning leaks.

Scope 2 – Indirect Emissions from electricity purchased and used by the organisation. Emissions are created during the production of the energy and eventually used by the organisation.

**Sustainable Impact Solutions** – Revenue exposure to Sustainable Impact Solutions reflects the extent to which company revenue is exposed to products and services that help solve the world's major social and environmental challenges. It is calculated as a weighted average, using portfolio or index weights and each issuer's percent of revenue generated from Sustainable Impact Solutions.

### Product related and operational SDG alignment of the fund

The MSCI SDG Alignment framework provides 17 SDG Net Alignment scores and 17 SDG Net Alignment assessments (including Strongly Aligned, Aligned, Neutral, Misaligned and Strongly Misaligned) for each of the 17 global goals. In addition, the model offers assessments and scores for two dimensions, product alignment and operation alignment, for each company and for each of the 17 goals.

Signatory of:

