

Pre-contractual disclosure for the financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852

Product name: Öhman Småbolagsfond

Legal entity identifier: 549300BD2S214JUMTI52

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

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

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

<input type="checkbox"/>	It will make a minimum of sustainable investments with an environmental objective:	<input checked="" type="checkbox"/>	It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 35% of sustainable investments.
<input type="checkbox"/>	in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/>	with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/>	in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/>	with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/>	It will make a minimum of sustainable investments with a social objective:	<input checked="" type="checkbox"/>	with a social objective
<input type="checkbox"/>	It will make a minimum of sustainable investments with a social objective:	<input type="checkbox"/>	It promotes E/S characteristics, but will not make any sustainable investments



What environmental and/or social characteristics are promoted by this financial product?

The fund promotes:

1. The transition to a low-carbon economy to limit global warming to 1.5°C
2. Good governance and sustainable business practices through active ownership and advocacy
3. Contribution to an environmental or social objective through sustainable investments
4. Compliance with international standards and conventions on environment, human rights, labor and diversity
5. Minimization of negative environmental and social impact through product-based exclusion (weapons, alcohol, tobacco, pornography, gambling, cannabis and fossil fuels)

- What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

1. To measure the transition to a low-carbon economy, the following indicators are used:

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

- Share of fund's total investments that have set science-based emission reduction targets and had them approved by the Science Based Target initiative
 - The fund's carbon footprint measured as the holdings' greenhouse gas emissions (scope 1 & 2) divided by the company value [tCO₂e/ EVIC million EUR]
 - The fund's implied temperature rise, i.e. the future temperature rise to which the fund contributes based on each holding's projected carbon emissions
- 2. To measure good governance and sustainable business practices through active ownership, the following indicators are used:**
- Number of annual general meetings at which the fund has voted
 - Number of engagement dialogues in the fund
 - Average gender distribution on the Boards of investee companies
- 3. To measure contribution to an environmental or social objective through sustainable investments, the following indicator is used:**
- Proportion of the fund in sustainable investments
- 4. To measure compliance with international standards and conventions on environment, human rights, labor and diversity, the following indicator is used:**
- Exclusion of companies that fail to comply with international standards and conventions
- 5. To measure minimization of environmental and social impact through product-based exclusion, the following indicators are used:**
- The fund's consideration of principal adverse impacts (PAI)
 - Exclusion of companies that violate the fund company's product-based exclusion criteria, as outlined in the fund company's Responsible Investment Policy available at lannebo.se.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The objective of the sustainable investments is to contribute to an environmental or social objective. For an investment to be considered as contributing, it must meet at least one of the following criteria:

- At least 20 % of the company's turnover contributes to one of the 17 UN Sustainable Development Goals (SDGs)
- At least 20 % of the company's revenue, capital expenditure or operating expenditure is taxonomy aligned*
- The company has approved science-based emission reduction targets (SBT) in line with the Paris Agreement
- The investment is a sustainability-labeled bond, such as green, social or sustainable

*The fund's sustainable investments can contribute to one or more of the six EU taxonomy objectives (i) climate change mitigation, (ii) climate change adaptation, (iii) sustainable use and protection of water and marine resources, (iv) transition to a circular economy, (v) pollution prevention and control, and (vi) protection and restoration of biodiversity and ecosystems.

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.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the sustainable investments do not cause significant harm (DNSH), principal adverse impacts (PAIs) are analyzed. In addition, it is ensured that the investment meets the fund company's product and norm-based exclusion criteria. The investment is also assessed to cause significant harm and thus cannot be classified as sustainable if it meets any of the criteria below:

- The business is involved in serious ongoing or recent controversies that could lead to violations of the UN Global Compact guiding principles
- The business emits significant amounts of greenhouse gases and lacks science-based emission reduction targets (SBT)
- The business is involved in thermal coal power generation at more than 1% of turnover

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

The principal adverse impact indicators (PAI) have been considered to ensure that a sustainable investment does not cause significant harm (DNSH). The investment is deemed to cause significant harm if it meets any of the criteria below:

- The company emits significant amounts of greenhouse gas emissions while not having SBT (PAI 1)
- The business is exposed to the fossil fuel sector, that violate Lannebo's exclusion criteria (PAI 4)
- The business violates any of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises (PAI 10)
- Operations are exposed to controversial weapons (PAI 14)

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

A sustainable investment must comply with the above-mentioned international guidelines and principles related to the environment, human rights, labor, tax or anti-corruption and anti-bribery. This is analyzed and evaluated in the investment process. Companies that systematically breach these guidelines and principles are excluded. The fund's compliance with these requirements is ensured through daily monitoring.

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

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

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



Does this financial product consider principal adverse impacts on sustainability factors?

Yes, the fund managers consider PAI indicators for all investments in the sustainability analysis. The analysis of the PAI indicators is conducted using a proprietary tool "ESG Studio". The selection of relevant PAI indicators is based on data availability, data quality and the indicator's relevance to the company's sector. Exclusion criteria are applied to indicators related to fossil fuels, violations of international conventions and controversial weapons. For the remaining indicators, thresholds are established to define an increased sustainability risk. When an increased sustainability risk is identified, a more detailed analysis of the potential negative impact associated with the sustainability factor is conducted. Information on how the fund has considered PAI is presented in the fund's annual report, which is available on Lannebo's website.

No



What investment strategy does this financial product follow?

Sustainability is integrated into the investment process through three main strategies: sustainability analysis (include), exclusions (exclude) and active ownership (engage).

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Sustainability analysis (include): As a part of the investment process, the fund managers integrate environmental, social and governance (ESG) factors into their investment decisions using ESG Studio, a tool for conducting sustainability analysis based on relevant sustainability information. Before making an investment, the portfolio managers ensure that it meets Lannebo's exclusion criteria. The main purpose with the sustainability analysis is to:

- Identify the company's key sustainability risks and opportunities
- Ensure good governance practices
- Assess whether the investment meets the criteria for a sustainable investment
- Consider principal adverse impacts (PAI)

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The portfolio managers are responsible for conducting a sustainability analysis and incorporating its results into their investment decisions. This analysis covers various factors, such as the company's greenhouse gas emissions and whether it has science-based targets, the quality of working conditions, respect for human rights and the risk of corruption. The insights gained from this analysis provide the portfolio managers with key environmental, social and governance considerations.

Exclusions (exclude): The fund will not invest in companies involved in sectors or activities with significant sustainability challenges. This includes companies that violate international norms and conventions related to the environment, human rights, labor law, or anti-corruption and anti-bribery efforts, as well as companies active in fossil fuels or controversial weapons. Additionally, the fund will not invest in tobacco, cannabis, alcohol, weapons, gambling or pornography. Detailed exclusion criteria are outlined in Lannebo's Policy for Responsible Investments, available at lannebo.se. Compliance with these criteria is ensured through screening of all companies both prior to investment and throughout the holding period, with daily monitoring.

Active ownership (engage): Lannebo's commitment as active owners is a central part of Lannebo's work. The goal of Lannebo's active ownership is to promote long-term sustainable business practices within the holdings while minimizing negative impacts on the environment and people. Lannebo works with active ownership through three strategies:

- Participation in Nomination Committees
- Voting at General Meetings

- Engagement dialogues

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The binding elements of the fund's investment strategy are the fund's norm- and product-based exclusion criteria and the requirement to invest a minimum proportion in sustainable investments. The Fund is also bound to a minimum proportion of investments that promote environmental or social characteristics. These binding elements are monitored daily.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The fund had no minimum rate before the investment strategy was applied.

- **What is the policy to assess good governance practices of the investee companies?**

The fund's investments policy as regards good governance practices i

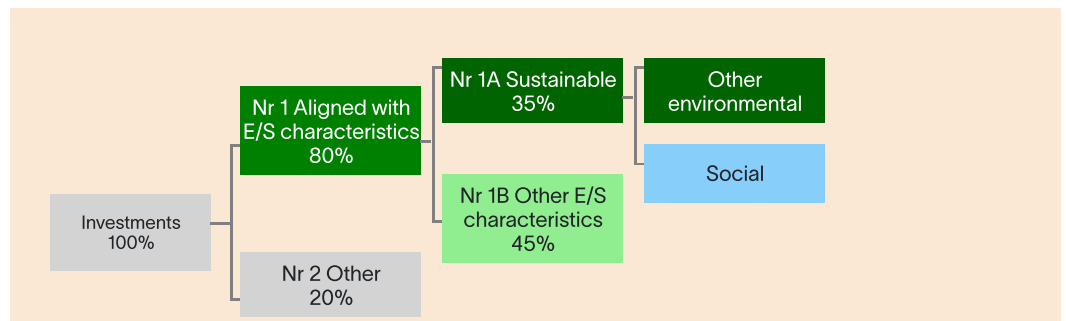
What is the asset allocation planned for this financial product?



Asset allocation describes the share of investments in specific assets.

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.



Nr 1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

Nr 2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category Nr 1 Aligned with E/S characteristics covers:

- The sub-category Nr 1A Sustainable covers sustainable investments with environmental or social objectives.
- The sub-category Nr 1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The use of derivatives is unrelated to promoting the funds' environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for

fossil gas include fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

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



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

The fund commits to a minimum proportion of sustainable investments as per Article 2.17 of the SFDR. These sustainable investments can be either taxonomy aligned, other environmental or social. The distribution between the different categories of sustainable investments will vary over time. The fund does therefore not commit to achieving a minimum proportion of sustainable investments with an environmental objective consistent with the requirements of the EU taxonomy.

The compliance of investments with the requirements set out in the EU Taxonomy will not be subject to auditors' approval or third-party verification. However, the information is based on companies' reported data and provided by a third-party provider.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy? Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**¹

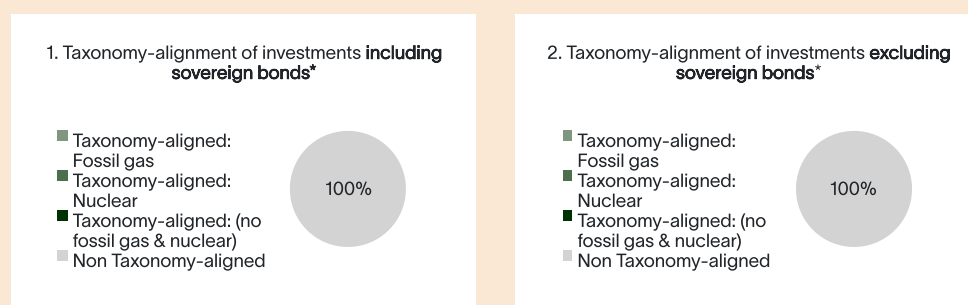
Yes:

In fossil gas In nuclear energy

No

¹Fossil 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 not significantly harm 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 two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



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

- **What is the minimum share of investments in transitional and enabling activities?**

The fund does not commit to a certain minimum proportion of investments in transitional or enabling activities, although the fund may invest in those activities.

 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 is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The fund commits to a minimum proportion of sustainable investments as per Article 2.17 of the SFDR. These sustainable investments can be either taxonomy aligned, other environmental or social. The distribution between the different categories of sustainable investments will vary over time. The fund does not commit to achieving a certain minimum share of sustainable investments with environmental objectives that are not aligned with the EU taxonomy.



What is the minimum share of socially sustainable investments?

The fund commits to a minimum proportion of sustainable investments as per Article 2.17 of the SFDR. These sustainable investments can be either taxonomy aligned, other environmental or social. The distribution between the different categories of sustainable investments will vary over time. The fund does not commit to achieving a minimum percentage of socially sustainable investments.



What investments are included under "Nr 2 Other", what is their purpose and are there any minimum environmental or social safeguards?

This includes the fund's cash and cash equivalents, which are used to supplement and/or balance risk and may vary over time. A certain amount of cash is required to manage the daily trades of fund units by unitholders. Derivative instruments may also be used as part of the investment policy to improve the efficiency of management. The proportion of cash and cash equivalents held with institutions and any derivatives complies with Lannebo's requirements for good governance practices and meets minimum social safeguards.



Where can I find more product specific information online?

More product-specific information is available at lannebo.se.