

FONDITA HEALTHCARE INVESTMENT FUND

ANNUAL REPORT

31.12.2023

FONDITA HEALTHCARE INVESTMENT FUND

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Activity Report 2023

Fondita Healthcare Investment Fund began operations on June 14, 2018. The fund invests in companies whose activities promote health and wellbeing.

The development of the fund is described in the following table:

	2023	2022	2021
Market value 31.12.	47 672 943,97	48 804 674,91	92 903 037,49
Unit value 31.12. (return / A)	108,98	105,95	155,25
Unit value 31.12. (growth / B)	140,04	129,76	179,14
Unit value 31.12. (growth / D)	144,39	132,73	181,79
Growth unit price change during period	7,9 %	-27,6 %	29,8 %
Fiscal period profit	3 784 185,75	-24 133 436,52	18 622 818,63
Management fees paid to Fund Company	965 597,95	1 247 651,04	1 472 271,10
A-unit returns	5,30	7,75	6,3
Turnover rate (times/year)	0,17	0,12	0,15
Volatility (%/year)	10,9	21,0	12,6
TER (Total Expense Ratio) A- and B-units	2,00 %	2,00 %	2,00 %
TER (Total Expense Ratio) I-units	1,20 %	1,20 %	1,20 %
Number of unitholders at end of period	283	284	265

During the year the fund has not participated in any shareholders' general meetings. Thereby the right to vote has not been used.

SFDR classification of the fund: Article 9

The Board of Directors suggested that the A-units return will be 5,45 € / share.

The return is paid on February 13, 2024.

The Fund Company has during 2022 paid 2 040 173,46 euros in remuneration to the employees whereof 0,00 euros in variable remuneration.

executive management (CEO, deputy CEO and chairman of the board)

741 585,70 euro, no variable part

risk requiring actions (portfolio managers)

924 633,18 euro, no variable part

those who manage the internal supervisory functions (all members of the Risk Control Function, Compliance Function and Internal Control Function)

651 891,67 euro, no variable part

Note that some people may belong to several groups

INCOME STATEMENT 1.1.2023-31.12.2023

(euros)

REVENUE	1.1.-31.12.2023	1.1.-31.12.2022
Net profit from securities	4 242 173,47	-23 642 200,80
Dividends	485 593,99	761 963,32
Interest	22 016,24	0,00
Total revenue	<u>4 749 783,70</u>	<u>-22 880 237,48</u>
COSTS		
Commissions		
to the Fund Company	965 597,95	1 247 651,04
Interest fees	0,00	5 548,00
Total Costs	<u>965 597,95</u>	<u>1 253 199,04</u>
FISCAL PERIOD PROFIT	<u>3 784 185,75</u>	<u>-24 133 436,52</u>

BALANCE SHEET 31.12.2023

(euros)

ASSETS	31.12.2023	31.12.2022
Current assets		
Current assets		
Market value of securities	47 175 942,82	48 287 659,92
Receivables		
Dividends	28 163,90	23 064,70
Cash and bank deposits	546 319,33	595 556,30
TOTAL ASSETS	<u>47 750 426,05</u>	<u>48 906 280,92</u>
LIABILITIES AND SHAREHOLDER EQUITY	31.12.2023	31.12.2022
Fund value		
Fund value	47 672 943,97	48 804 674,91
Liabilities		
Current liabilities		
Accruals	77 482,08	101 606,01
TOTAL LIABILITIES AND EQUITY	<u>47 750 426,05</u>	<u>48 906 280,92</u>

Fondita Healthcare Investment Fund

Portfolio content 31.12.2023

USA	GICS	Shares	Price (euro)	Market value	38,84 %
Eli Lilly	Health care	5 000	527,53	2 637 647,06	5,53 %
Boston Scientific Corp.	Health care	40 000	52,32	2 092 669,68	4,39 %
Stryker	Health care	7 000	271,00	1 897 031,67	3,98 %
Hologic	Health care	27 500	64,66	1 778 167,42	3,73 %
Medtronic	Health care	22 000	74,55	1 640 144,80	3,44 %
Unitedhealth Group	Health care	3 400	476,44	1 619 907,69	3,40 %
Zimmer Biomet	Health care	13 700	110,14	1 508 859,73	3,17 %
Zoetis	Health care	8 100	178,62	1 446 784,62	3,03 %
Merck & Co	Health care	11 000	98,66	1 085 266,97	2,28 %
Danaher	Health care	4 800	209,36	1 004 915,84	2,11 %
Jazz Pharmaceuticals	Health care	8 900	111,31	990 678,73	2,08 %
Catalent	Health care	20 000	40,66	813 212,67	1,71 %
Switzerland	GICS	Shares	Price (euro)	Market value	20,74 %
Siegfried Holding	Health care	1 900	928,19	1 763 552,92	3,70 %
Tecan Group	Health care	4 291	370,84	1 591 284,45	3,34 %
Straumann Holding	Health care	10 000	146,44	1 464 362,85	3,07 %
Novartis	Health care	15 500	91,65	1 420 610,15	2,98 %
Coltene Holding	Health care	16 474	77,32	1 273 799,57	2,67 %
Roche Holding	Health care	4 659	264,04	1 230 157,13	2,58 %
Lonza Group	Health care	3 000	381,97	1 145 896,33	2,40 %
Denmark	GICS	Shares	Price (euro)	Market value	13,68 %
Novo Nordisk B	Health care	30 000	93,67	2 810 047,10	5,89 %
GN Store Nord	Health care	57 468	23,05	1 324 719,56	2,78 %
ALK-Abelló B	Health care	97 300	13,58	1 321 198,46	2,77 %
Össur	Health care	288 707	3,68	1 063 345,43	2,23 %
Germany	GICS	Shares	Price (euro)	Market value	7,33 %
Siemens Healthineers	Health care	26 001	52,60	1 367 652,60	2,87 %
Sartorius (Vortzug)	Health care	2 810	333,20	936 292,00	1,96 %
Merck	Health care	5 941	144,10	856 098,10	1,80 %
Schott Pharma	Health care	10 000	33,60	336 000,00	0,70 %
Sweden	GICS	Shares	Price (euro)	Market value	6,69 %
AstraZeneca	Health care	17 500	121,98	2 134 665,65	4,48 %
Medicover	Health care	78 118	13,53	1 056 733,22	2,22 %
Finland	GICS	Shares	Price (euro)	Market value	4,95 %
Faron	Health care	330 491	3,77	1 245 951,07	2,61 %
Pihlajalinna	Health care	157 568	7,06	1 112 430,08	2,33 %
Great Britain	GICS	Shares	Price (euro)	Market value	2,34 %
Smith & Nephew	Health care	90 000	12,41	1 116 909,27	2,34 %
Spain	GICS	Shares	Price (euro)	Market value	3,16 %
Laboratorios Farma Rovi	Health care	25 000	60,2	1 505 000,00	3,16 %
Belgium	GICS	Shares	Price (euro)	Market value	1,22 %
Argenx	Health care	1 700	343,50	583 950,00	1,22 %
Portfolio value				47 175 942,82	
Cash and other asset, net				497 001,15	1,04 %
Fund value				47 672 943,97	
Number of outstanding units					
Return units (A)			94 526,2429		
Growth units (B)			255 511,0779		
Growth units (I)			11 012,9798	<u>361 050,3006</u>	
Unit value					
Return unit value (A)				108,9849	
Growth unit value (B)				140,0363	
Growth unit value (I)				144,3908	

Fondita Healthcare Investment Fund

Securities' change in the portfolio 1.1.-31.12.2023

(%-points)

USA	7,3	Germany	-5,1
Unitedhealth Group	3,4 *	Schott Pharma	0,7 *
Merck & Co	2,3 *	Sartorius (Vortzug)	-0,2 *
Jazz Pharmaceuticals	2,1 *	Merck	-0,4 *
Catalent	1,7 *	Siemens Healthineers	-1,1 *
Zoetis	0,8 *	Stratec Biomedical	-1,1
Medtronic	0,2 *	Carl Zeiss Meditec	-3,1
Boston Scientific Corp.	0,2 *		
Zimmer Biomet	-0,2 *	Sweden	-1,8
Hologic	-0,2 *	Medicover	-0,3 *
Stryker	-0,3 *	AstraZeneca	-1,5 *
Danaher	-0,3 *		
Eli & Lilly	-0,4 *	Finland	0,7
Align Technology	-1,8	Faron	1,1 *
Veralto		Pihlajalinna	-0,4 *
Switzerland	-0,7	Great Britain	-1,9
Novartis	3,0 *	Ergomed	-0,8
Straumann Holding	0,5 *	Smith & Nephew	-1,0 *
Coltene Holding	0,4 *		
Siegfried	-0,1 *	Spain	1,3
Roche Holding	-0,2 *	Laboratorios Farma Rovi	1,3 *
Tecan Group	-0,3 *		
Lonza Group	-0,9 *	Belgium	0,5
Alcon	-2,9	Argenx	1,2 *
Sandoz		Mithra	-0,7
Denmark	-0,4	Cash	0,0
GN Store Nord	0,4 *		
ALK-Abelló	0,2 *		
Össur	-0,4 *		
Novo Nordisk	-0,6 *		

* = Current holding at 31.12.2023

FONDITA HEALTHCARE INVESTMENT FUND

INCOME STATEMENT APPENDIX 31.12.2023

(euros)

	31.12.2023	31.12.2022
Net profit of securities		
Sales profit of securities	4 647 734,00	6 796 880,22
Sales losses of securities	(-) 3 061 711,73	4 452 489,99
Unrealized gains	5 813 182,89	2 284 938,37
Unrealized losses	(-) 3 157 031,69	28 271 529,40
Total	<u>4 242 173,47</u>	<u>-23 642 200,80</u>
Transaction costs	33 103,86	55 735,00

BALANCE SHEET APPENDIX 31.12.2023

Fund value		
Fund value 1.1.	48 804 674,91	92 903 037,49
Unit subscriptions	3 402 449,06	7 190 453,99
Unit redemptions	(-) 7 697 299,40	(-) 25 106 381,10
Distribution of returns	(-) 621 066,35	(-) 2 048 998,95
Fiscal year profits	3 784 185,75	-24 133 436,52
Fund value 31.12.	<u>47 672 943,97</u>	<u>48 804 674,91</u>

Helsinki 28 / 2 2024

CEO

A handwritten signature in blue ink, appearing to read 'ML', with a long horizontal flourish extending to the right.

Markus Larsson

This is an unofficial translation of the original in Swedish.



**Building a better
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AUDITOR'S REPORT (Translation of the Swedish original)

To Fondita Fund Management Company Ltd and to the unit holders of special mutual funds managed Fondita Fund Management Company Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fondita Fund Management Company Ltd (business identity code 0899688-5) and the mutual funds managed by Fondita Fund Management Company Ltd for the financial year ending 31.12.2023. The financial statements comprise the balance sheet, income statement, cash flow statement for the mutual fund company and notes.

In our opinion

- the financial statements of Fondita Fund Management Company Ltd give a true and fair view of the financial performance and financial position of the mutual fund company in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.
- the financial statements of the mutual funds managed by Fondita Fund Management Company Ltd give a true and fair view of the financial performance and financial position of the mutual funds in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements

The mutual funds managed by Fondita Fund Management Company Ltd are Fondita Nordic Small Cap Placeringsfond, Fondita Global Megatrends Placeringsfond, Fondita Nordic Micro Cap Placeringsfond, Fondita European Small Cap Placeringsfond, Fondita Sustainable Europe Placeringsfond, Fondita Healthcare Placeringsfond, Fondita Finland Micro Cap Placeringsfond and Fondita European Micro Cap Placeringsfond.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company/mutual fund in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the company's/mutual fund's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company/mutual fund or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



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As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's/mutual fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's/mutual fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company/mutual fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other reporting requirements

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki 1.2.2024

Anders Svennas
Authorized Public Accountant

Matias Jäntti
Authorized Public Accountant



Brussels, 6.4.2022
C(2022) 1931 final

ANNEX 5

ANNEX

to the

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

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

ANNEX V

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: Fondita Healthcare

Legal entity identifier: 743700MVNRFJ15WVIB93

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: 90%**

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 ___% 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?

This global healthcare fund has a social sustainability investment objective. The fund holdings economic activities works toward supporting several UN SDG goals, mainly the fund aims to improve Health and wellbeing (UN SDG 3) and Gender Equality (SDG 5).

The fund invests in companies that address current and unmet medical needs and provide access to medicine and medical care. This is achieved by investing in companies active in innovation, production and distribution of medicines and healthcare equipment, tools and supplies as well as diagnostics- and healthcare services.



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.

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

Operationally the companies are to act in a socially and environmentally responsible way. The holdings are to focus on social sustainability aspects such as improved diversity, inclusion and equality and environmental objectives should have targets such as CO2 neutrality inline with Fonditas targets for the Net Zero Asset Manager initiative.

The companies do not operate in sectors stated as not sustainable according to Fonditas Responsible Investment Policy. The companies' activities are required to be in line with UN Global Compact and OECD Guidelines for Multinational Enterprises criteria regarding human rights, labor, environment and anti-corruption. All companies in the fund follow good governance practices and need to comply with the EU Taxonomy DNSH (Do no significant harm) principle.

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

The data has been gathered for year end 2023. The fund was reclassified to an article 9 (previously article 8) fund with new sustainability objectives and indicators in November 2023.

Sustainability indicators to measure how the funds holdings aims at ensuring healthy lives and promote well-being for all at all ages (SDG 3) and help achieve gender equality and empower women (SDG 5) are the following:

- 1) At least 90% of the investments are made in companies that address and prevent current and unmet medical needs. This is done by investing in companies active in r&d, production and distribution of medicines and healthcare equipment, tools and supplies as well as diagnostics- and healthcare services primarily for humans but also animals. *2023: 100% of the investments were made in companies that adress and prevent current and unment medical needs.*
- 2) At least 80 % of holdings have a strategy or policy for increased access to medicine or healthcare
 - a. a proprietary framework based on the Access to Medicine index for pharma companies and an internal qualitative framework for other subsectors in the healthcare sector is applied. *2023: Approximately 84% of the holdings have a strategy or policy for increased access to medicine or healthcare.*
- 3) DI&E (Diversity, Inclusion & Equality)
 - a. At least 75 % of the holdings have a minimum 50 % share of female members in board composition. *2023: In over 75% of the holdings the minimum requirement of 50% share of female boardmember was exceeded (median 64,44%).*
 - b. At least 50 % of holdings have a stated anti-discrimination policy and/or diversity policy. *2023: 75% of the holdings have an stated anti-discrimination and/or diversity policy.*
- 4) Social and environmental responsibility

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.

- a. No UN Global compact or OECD Guidelines for Multinational Enterprises breaches allowed (human rights, labor, environment and anti-corruption). 2023: *The fund had no breaches (fails) on international norms.*
 - b. At least 75 % have a stated CO2 reduction target. 2023 :*82,8% have a stated CO2 reduction target.*
 - c. All holdings are required to comply with EU Taxonomy DNSH principle. 2023: *The fund had no breaches of the EU Taxonomy DNSH principle.*
- 5) All holdings follow good governance practices. 2023: All companies follows good governance practices (according to MSCI good governance test).

The screening is conducted in MSCI with an approximate coverage of 93%

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

As the fund was reclassified to article 9 in November 2023 the first period of comparison will be 2023 to 2024, in the next years Periodic report.

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

The funds thematic and geographical focus including the investment process results in a portfolio of companies that do not cause any significant harm to environmental or social sustainable investment objective.

- 1) We exclude certain non-sustainable/controversial sectors.
- 2) We exclude companies breaching international norms and conventions (UN Global Compact and OECD Guidelines for Multinational Enterprises)
- 3) We assess all companies PAI (Principle Adverse Impacts) indicators
- 4) We run a monthly screen of the portfolios holdings against the MSCI EU Taxonomy DNSH (Do No Significant Harm) indicators and international norm violations.

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

The portfolio manager considers the adverse impacts on sustainability factors before making an investment decision and monitors them during the lifetime of the investment. The fund considers all 14 mandatory and two voluntary adverse sustainability impact factors. Fondita uses data from several sources to make the assessment, if available MSCI data is used as the main source. If data is not attainable from MSCI we search company disclosures and use third party providers for estimates. We expect more reliable data will be used when CSRD reporting standards will come into force.

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

The holdings are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. We base this assessment on the fact that we exclude companies that have breached any of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. We also strengthen this assessment on our thematic and geographical focus, sector exclusion policy and the criteria in the funds investment process. Furthermore, we also conduct a monthly screen in MSCI for compliance to ILO (International Labour Organizations) broader standards.



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

This fund considers principal adverse impact on sustainability factors in the investment process. Before investment decisions are made, we assess the principal adverse impacts of the company. As part of the assessment of the principle adverse sustainability impacts on a potential investment, we pay close attention to the sector in which the holding operates in, the geographical location of production, and what the company offers in terms of service or products. Certain sectors and geographical we associate with a higher inherited ESG risk. We also take into account a number of qualitative and quantitative indicators of the company, including management and their priorities in regards of ESG.

The following mandatory PAI indicators are considered and tracked.

1. GHG Emissions (Scope 1, Scope 2, Scope 3 and Total GHG Emissions)
2. Carbon Footprint
3. GHG intensity of investee company
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector (NACE A-L)
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap

Asset allocation
describes the share
of investments in
specific assets.



- 13. Board gender diversity
- 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

The following voluntary PAI indicators are considered and tracked.

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

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

What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Novo Nordisk	<i>Health Care</i>	5,89%	<i>Denmark</i>
Eli Lilly and Company	<i>Health Care</i>	5,53%	<i>USA</i>
AstraZeneca	<i>Health Care</i>	4,48%	<i>Sweden</i>
Boston Scientific	<i>Health Care</i>	4,39%	<i>USA</i>
Stryker	<i>Health Care</i>	3,98%	<i>USA</i>
Hologic	<i>Health Care</i>	3,73%	<i>USA</i>
Siegfried Holding	<i>Health Care</i>	3,70%	<i>Germany</i>
Medtronic	<i>Health Care</i>	3,44%	<i>USA</i>
UnitedHealth	<i>Health Care</i>	3,40%	<i>USA</i>
Tecan Group	<i>Health Care</i>	3,34%	<i>USA</i>

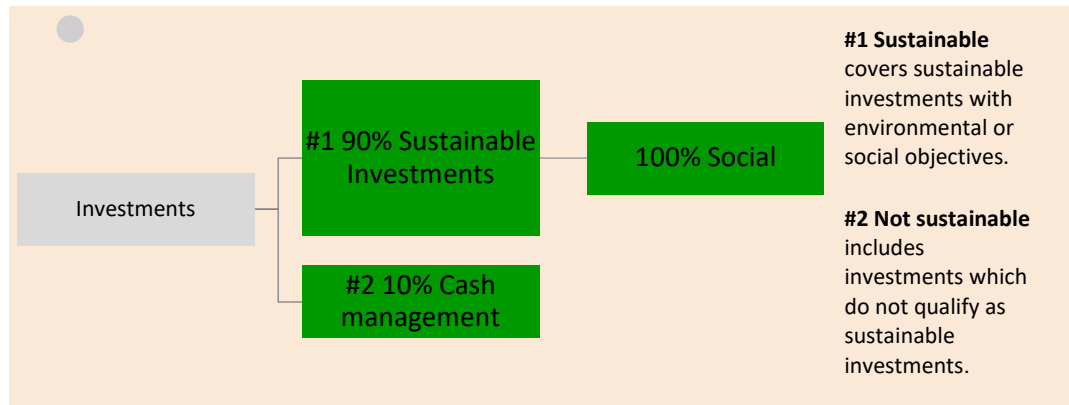
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31.12.2023



What was the proportion of sustainability-related investments?

A minimum of 90% of the funds assets under management is considered sustainable investments (while a maximum of 10% is reserved for cash management).

● **What was the asset allocation?**



In which economic sectors were the investments made?

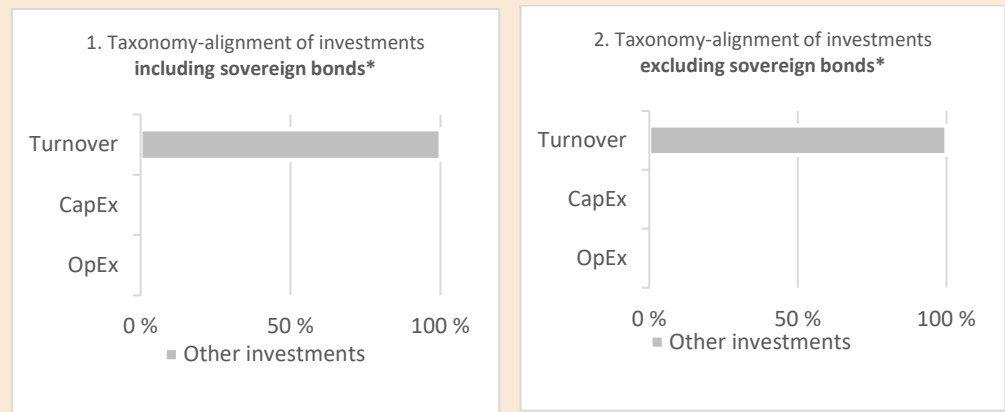
Health Care.



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

The fund does not have an environmental objective aligned with the EU Taxonomy.

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



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

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

The fund does not have a minimum regarding the share of investments in transitional and enabling activities.

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

The fund does not have an environmental objective aligned with the EU Taxonomy.

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.

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 sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The fund has an environmental target that at least 75% of the companies should have an CO2 reduction target.



What was the share of socially sustainable investments?

The minimum share of sustainable investments with a social objective is 90 % .



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

No investments are in the “#2 Not Sustainable” allocation. The 10 % taken into account in the allocation table is for cash management of the fund.



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

No actions have yet been taken, since the fund was updated to an article 9 fund in November 2023.



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

No. The fund uses as an unofficial reference index the MSCI Global Healthcare Index. No sustainable investment is linked to the index.

● **How did the reference benchmark differ from a broad market index?**

The fund has no reference benchmark

● **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

No sustainability indicator links since no reference benchmark

● **How did this financial product perform compared with the reference benchmark?**

The fund has no reference benchmark

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

The fund had an annual return of 7,92 % compared to the unofficial benchmark index MSCI World Healthcare that returned 0,45 %. The broad market index MSCI World had an annual return of 19,60 %.

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