

# PROSPECTUS

Öhman Sweden Micro Cap  
2 May 2022

  
**UCITS funds**

Öhman Emerging Markets  
Öhman Etisk Index Sverige  
Öhman FRN  
Öhman Företagsobligationsfond  
Öhman Global  
Öhman Global Growth  
Öhman Global Småbolag  
Öhman Grön Obligationsfond  
Öhman Hälsa och Ny Teknik  
Öhman Investment Grade  
Öhman Kort Ränta  
Öhman Marknad Europa  
Öhman Marknad Global  
Öhman Marknad Japan  
Öhman Marknad Pacific  
Öhman Marknad Sverige  
Öhman Marknad USA  
Öhman Navigator  
Öhman Obligationsfond  
Öhman Realräntefond  
Öhman Räntefond Kompass  
Öhman Småbolagsfond  
Öhman Sverige  
Öhman Sweden Micro Cap  
Lärarymd 21-44 år  
Lärarymd 45-58 år  
Lärarymd 59+  
Nordnet Hållbar Pension  
Nordnet Indeksfond Danmark  
Nordnet Indeksfond Norge  
Nordnet Indeksirahasto Suomi  
Nordnet Indexfond Sverige

**Special funds:**

Öhman Sverige Fokus

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## General information

The prospectus for the funds specified above was prepared in compliance with the Swedish Investment Funds Act (2004:46), Finansinspektionen's Regulations regarding Swedish UCITS funds (FFFS 2013:9), The Swedish Alternative Investment Fund Managers Act (2013:561) and Finansinspektionen's Regulations on Alternative Investment Fund Managers (FFFS 2013:10). This publication and the fund rules for each fund together constitute the prospectus. Fund rules are available online at [www.ohman.se/fonder](http://www.ohman.se/fonder)

### The fund management company

E. Öhman J:or Fonder AB  
Address: Box 7837, 103 98 Stockholm  
Street address: Mäster Samuelsgatan 6, Stockholm  
Email: [fonder@ohman.se](mailto:fonder@ohman.se)  
Phone: +46 20 52 53 00  
Website: [www.ohman.se/fonder](http://www.ohman.se/fonder)  
Corporate Reg. No. 556050-3020  
Founded: 27 January 1994  
Share capital SEK 4,200,000

Authorisation to conduct fund business in accordance with the Swedish Investment Funds Act (2004:46) was granted 28 March 1994 and reauthorisation was granted 4 May 2005. As of 8 January 2016, the company is also authorised to manage alternative investment funds in accordance with the Swedish Alternative Investment Fund Managers Act (2013:561).

### Board of Directors

#### Chairman:

Johan Malm, *CEO E. Öhman J:or AB*

#### Directors:

Björn Fröling, *director E. Öhman J:or AB*

Håkan Gustavson, *CFO Beijer Invest AB*

Åsa Hedin, *director*

Catharina Versteegh, *director E. Öhman J:or AB*

Ann Öberg, *director*

Mats Andersson, *director*

### Executive management

Jamal Abida Norling, *CEO*

Anders Johansson, *Deputy CEO*

Jamal Abida Norling, *Chief Investment Officer*

Fredric Nyström, *Chief Responsible Investments*

Veronica Selander Rosengren, *Chief Compliance Officer & Complaints Officer*

Fredrik Lindell, *Chief Risk Officer*

### Auditors

The fund's audit firm is Ernst & Young AB and Mona Alfredsson is the auditor-in-charge.

## Delegation agreements

The fund management company has made an agreement with Deloitte AB on performance of the internal audit function. Michael Bernhardt (Partner, Enterprise Risk Services, Deloitte AB), is in charge of internal audit.

The fund management company has entered into an agreement under which the accounting department and the IT department have been outsourced to E. Öhman J:or AB. Anna Henebratt (Head of Accounting, E. Öhman J:or AB) is head of the accounting department. Anders Åkesson (Head of IT, E. Öhman J:or AB), is head of the IT department).

## Depositary

Skandinaviska Enskilda Banken AB (publ), 106 40 Stockholm, Sweden. The company's registered office is in Stockholm and its principal business is banking.

The depositary has a system for managing conflicts of interest in connection with performance of its custody mandate. The depositary must act exclusively in the interests of unitholders and independently of the funds and the fund management company. The depositary has established procedures for identifying, managing and monitoring any conflicts of interest. The depositary is engaged in a wide range of activities and conflicts of interest may consequently arise from time to time. In order to prevent conflicts of interest, different areas of operation are segregated and, if conflicts of interest cannot be avoided, internal rules have been established to ensure due and proper treatment of customers. Conflicts of interest may arise in areas such as between the depositary's duties as the depositary and its obligations when the depositary is the counterparty to the fund management company with regard to other services, such as trading in financial instruments. Current information about the depositary, its business and the conflicts of interest that may arise is available from the fund management company on request.

## Target group

The fund management company is oriented primarily towards companies and institutions.

## Unitholder register

The fund management company maintains a register of all unitholders and their holdings. Units must be registered to qualify for the right to shares in the fund and associated rights. Unitholders receive reports in the form of annual statements.

## Cessation of the fund or transfer of fund operations

If the fund management company decides that a fund should cease or that the management of a fund, upon approval by Finansinspektionen, shall be transferred to another fund company, all unitholders will be informed. The information will be published in Post- och Inrikes Tidningar and be available for inspection at the fund management company and the depositary. Finansinspektionen may decide on an exemption from publication if special reason exists. If Finansinspektionen withdraws the fund management company's authorisation or if the fund management company enters into liquidation or is declared bankrupt, the depositary must immediately take over management of the funds.

## Marketing in other countries

Marketing of funds managed by the fund management company is permitted in other countries as follows:

### Norway:

Öhman Emerging Markets, Öhman Etisk Index Sverige, Öhman Företagsobligationsfond, Öhman Global Growth, Öhman Global, Öhman Global Småbolag, Öhman Marknad Europa, Öhman Marknad Global, Öhman Marknad Japan, Öhman Marknad Pacific, Öhman Marknad USA, Nordnet Indeksfond Danmark, Nordnet Indeksfond Norge, Nordnet Indeksrahasto Suomi, Nordnet Indexfond Sverige.

Luxembourg:

Öhman Företagsobligationsfond, Öhman Småbolagsfond, Öhman Sweden Micro Cap.

Denmark:

Nordnet Indeksfond Danmark, Nordnet Indeksfond Norge, Nordnet Indeksrahasto Suomi, Nordnet Indexfond Sverige.

Finland:

Nordnet Indeksfond Danmark, Nordnet Indeksfond Norge, Nordnet Indeksrahasto Suomi, Nordnet Indexfond Sverige.

The fund management company has contracted with distributors in the countries where some of the funds are marketed. Under these agreements, the distributor agrees to ensure the subscription/redemption of units and the provision of information related to the funds.

## Tax rules

Tax liability of the fund: As of 2012, fund income is not taxable. Funds do, however, pay withholding tax on dividends received on their foreign equity holdings. The withholding tax varies from country to country. For reasons including legal uncertainty about the application of double taxation treaties and developments within the EU in the tax area, the withholding tax may be either higher or lower than the preliminary withholding tax deducted when the dividend is received.


Tax liability of investors: Swedish unitholders pay income tax on an annual standardised income calculated on the value of fund units at the beginning of each year, as well as tax on profits and any dividends received on fund units. The annual standardised income corresponds to 0.4 percent of the value of the units at 1 January each year. The standardised income is reported as capital income and taxed at 30 percent. Income statements for tax purposes are issued for natural persons and estates taxable in Sweden, while legal persons must independently calculate the standardised income and pay the tax. The tax may be affected by individual circumstances and investors who have questions about possible tax consequences should seek expert advice.

## Statements for tax purposes

Income statements for tax purposes are submitted to the Swedish Tax Agency for natural persons and estates taxable in Sweden. Statements are issued for dividends, capital gains and capital losses. Statements for tax returns are issued to unitholders with the annual statement.

## Liability to pay damages

The fund management company and the depositary shall not be held liable for loss arising from Swedish or foreign legal enactment, measures taken by the Swedish government or a foreign government, act of war, strike, lockout, boycott, blockade or comparable circumstance. The proviso in respect of strike, blockade, boycott and lockout will apply whether the fund management company or the depositary initiates or is the object of such labour action. Loss that has arisen in cases other than those referred to in the first paragraph above shall not be compensated by the company or the depositary if they have exercised due care. The company and the depositary shall not under any circumstances be held liable for indirect loss or for loss caused by a custodian bank or other delegate that the company or the depositary has engaged with due care or for loss arising by reason of restrictions upon disposition that may be imposed on the company or the depositary.



If the fund management company or the depositary is prevented from taking measures as a consequence of a circumstance set forth in the first paragraph above, these measures may be delayed until the impediment has ceased to exist.

The foregoing limitations of liability do not limit the unitholder's right to damages in accordance with chapter 2, section 21 and chapter 3, sections 14-16 of the Swedish Investment Funds Act (2004:46).

### Amendments to fund rules

The company is permitted to amend fund rules. Such amendments are subject to approval by Finansinspektionen. Amendments may affect the characteristics of the fund, such as the fund's investment strategy, risk profile, fees and charges. After the amendment has been approved, the decision must be made available for inspection at the company and the depositary and be published in the manner instructed by Finansinspektionen.

### Remuneration policy

The board of directors of the fund management company has adopted a remuneration policy that is consistent with and promotes sound and effective risk management. The remuneration policy is designed to discourage risk-taking that is incompatible with the risk profiles of the funds managed by the fund management company. Moreover, the remuneration policy should discourage excessive risk-taking and encourage employees to deliver sustainable performance at all times, as well as sound and effective risk management for unitholders, the fund management company and the funds managed by the fund management company. Information about the fund management company's current remuneration policy is available online at [www.ohman.se](http://www.ohman.se). A printed copy of the information will be provided free of charge upon request. Please contact the fund management company.

## Cut-off times for sale and redemption of fund units

Fund	Cut-off (CET)
Öhman Etisk Index Sverige	15:00 same banking day
Öhman FRN	
Öhman Företagsobligationsfond	
Öhman Global	
Öhman Global Growth	
Öhman Global Småbolag	
Öhman Grön Obligationsfond	
Öhman Hälsa och Ny Teknik	
Öhman Investment Grade	
Öhman Kort Ränta	
Öhman Marknad Europa	
Öhman Marknad Global	
Öhman Marknad Sverige	
Öhman Marknad USA	
Öhman Obligationsfond	
Öhman Realräntefond	
Öhman Räntefond Kompass	
Öhman Småbolagsfond	
Öhman Sverige	
Öhman Sverige Fokus	
Öhman Sweden Micro Cap	
Läraryfond 21-44 år	
Läraryfond 45-58 år	
Läraryfond 59 +	
Nordnet Indexfond Sverige	
Nordnet Indexfond Danmark	
Nordnet Indexfond Norge	
Nordnet Indeksirahasto Suomi	
Öhman Emerging Markets	15:00 preceding banking day
Öhman Marknad Japan	
Öhman Marknad Pacific	
Öhman Navigator	
Nordnet Hållbar Pension	

Further information about subscription and redemption of fund units and the necessary forms are available on the fund management company's website. Öhman Fonder has made agreements with distributors to sell the fund management company's funds. The current list is available online at <https://www.ohman.se/fonder/distributorer/>

### Limiting orders

Subscription and redemption orders for fund units cannot be limited.

### Investment in own funds

The fund management company may from time to time invest on funds' behalf in other funds managed by the fund management company (own funds). The selection among own funds is evaluated in the same way and on the same terms as for external funds.



## Current and maximum charges

	Management fee	Management fee Includ.custody, supervision and auditing fee		Subscription charge		Redemption charge	
	Current	Current	Max	Current	Max	Current	Max
Öhman Emerging Markets	0.90%	0.93%	2.00%	0.00%	0.00%	0.00%	0.00%
Öhman Etisk Index Sverige	0.48%	0.49%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman FRN A och B	0.60%	0.61%	0.75%	0.00%	0.00%	0.00%	0.00%
Öhman FRN C	0.30%	0.31%	0.50%	0.00%	0.00%	0.00%	0.00%
Öhman Företagsobligationsfond A och B	1.00%	1.01%	2.00%	0.00%	0.00%	0.00%	0.00%
Öhman Företagsobligationsfond C	0.50%	0.51%	1.50%	0.00%	0.00%	0.00%	0.00%
Öhman Global	1.25%	1.26%	2.00%	0.00%	0.00%	0.00%	0.00%
Öhman Global Growth A	1.80%	1.81%	2.00%	0.00%	0.00%	0.00%	0.00%
Öhman Global Growth C	1.00%	1.01%	1.50%	0.00%	0.00%	0.00%	0.00%
Öhman Global Småbolag	1.50%	1.52%	2.00%	0.00%	0.00%	0.00%	0.00%
Öhman Grön Obligationsfond	0.60%	0.61%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman Hälsa och Ny Teknik A och B	1.50%	1.50%	2.00%	0.00%	0.00%	0.00%	0.00%
Öhman Hälsa och Ny Teknik C	1.00%	1.00%	1.50%	0.00%	0.00%	0.00%	0.00%
Öhman Hälsa och Ny Teknik D <sup>1</sup>	1.00%	1.00%	1.50%	0.00%	0.00%	0.00%	0.00%
Öhman Investment Grade A och B	0.60%	0.61%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman Investment Grade C	0.30%	0.31%	0.75%	0.00%	0.00%	0.00%	0.00%
Öhman Kort Ränta	0.10%	0.11%	2.00%	0.00%	0.00%	0.00%	0.00%
Öhman Marknad Europa	0.65%	0.67%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman Marknad Global	0.40%	0.41%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman Marknad Japan	0.65%	0.68%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman Marknad Pacific	0.65%	0.67%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman Marknad Sverige	0.30%	0.31%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman Marknad USA	0.65%	0.66%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman Navigator <sup>2</sup>	1.50%	1.54%	2.00%	0.00%	0.00%	0.00%	0.00%
Öhman Obligationsfond	0.30%	0.30%	0.80%	0.00%	0.00%	0.00%	0.00%
Öhman Realräntefond	0.50%	0.51%	0.85%	0.00%	0.00%	0.00%	0.00%
Öhman Räntefond Kompass A och B	0.60%	0.61%	0.70%	0.00%	0.00%	0.00%	0.00%
Öhman Räntefond Kompass C	0.30%	0.31%	0.40%	0.00%	0.00%	0.00%	0.00%
Öhman Småbolagsfond A och B	1.50%	1.50%	1.50%	0.00%	0.00%	0.00%	0.00%
Öhman Småbolagsfond C	0.75%	0.75%	1.00%	0.00%	0.00%	0.00%	0.00%
Öhman Sverige	1.25%	1.26%	1.75%	0.00%	0.00%	0.00%	0.00%
Öhman Sverige Fokus A och B	1.50%	1.51%	2.00%	0.00%	0.00%	0.00%	0.00%
Öhman Sverige Fokus C	0.75%	0.76%	1.50%	0.00%	0.00%	0.00%	0.00%
Öhman Sverige Fokus D	1.00%	1.01%	1.50%	0.00%	0.00%	0.00%	0.00%
Öhman Sweden Micro Cap	1.50%	1.50%	1.50%	0.00%	0.00%	0.00%	0.00%
Lärfond 21-44 år	0.55%	0.56%	0.60%	0.00%	0.00%	0.00%	0.00%
Lärfond 45-58 år	0.55%	0.56%	0.60%	0.00%	0.00%	0.00%	0.00%
Lärfond 59+	0.55%	0.57%	0.60%	0.00%	0.00%	0.00%	0.00%
Nordnet Hållbar Pension <sup>2</sup>	0.72%	0.75%	1.00%	0.00%	0.00%	0.00%	0.00%
Nordnet Indeksfond Danmark A	0.20%	0.20%	0.20%	0.00%	0.00%	0.00%	0.00%
Nordnet Indeksfond Danmark B <sup>3</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Nordnet Indexfond Sverige <sup>3</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Nordnet Indeksfond Norge <sup>3</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Nordnet Indeksrahasto Suomi <sup>3</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<sup>1</sup> For share class D, the current fixed management fee amounts to 1% and the performance-based fee corresponds to 20% of the return threshold.

<sup>2</sup> The fund invests a significant portion of fund assets in funds managed by Öhman. When the fund invests in other funds managed by Öhman, the fund is compensated for the fixed management fee in the underlying fund.

<sup>3</sup> No management fees or other operating expenses, whether direct or indirect, are taken out of the fund. Nor does the fund pay any commissions related to transactions in financial instruments. These costs are entirely covered by Nordnet.

The current management fee covers the fund management company's costs for management, administration, marketing and distribution. The charge also covers the costs of custody of securities, supervision and auditing, as shown in the table above. The term "ongoing charge" is used in the Key

Investor Information Document (KIID) for each fund. In addition to the aforementioned costs, the ongoing charge includes the costs of purchases of external research.

### Research costs

The fund management company obtains external investment research in the course managing some of the fund management company's funds. Based on a budget prepared by the fund management company, investment research costs are taken out of the funds daily and are reported separately. As of February 2015, external investment research costs are separated from transaction costs, which makes it clearer to unitholders what costs are charged to the funds and what they are for. External investment research is obtained for the following funds: Öhman Emerging Markets, Öhman Etisk Index Sverige, Öhman FRN, Öhman Företagsobligationsfond, Öhman Global, Öhman Global Growth, Öhman Global Småbolag, Öhman Grön Obligationsfond, Öhman Hälsa och Ny Teknik, Öhman Investment Grade, Öhman Kort Ränta, Öhman Marknad Europa, Öhman Marknad Global, Öhman Marknad Japan, Öhman Marknad Pacific, Öhman Marknad Sverige, Öhman Marknad USA, Öhman Obligationsfond, Öhman Realräntefond, Öhman Räntefond Kompass, Öhman Småbolagsfond, Öhman Sverige, Öhman Sverige Fokus, Öhman Sweden Micro Cap, Läraryfond 21–44 år, Läraryfond 45–58 år, Läraryfond 59+ och Nordnet Hållbar Pension.

### Historical returns

Please refer to the KIID for each fund for information about the funds' historical returns.

### Securities lending

The fund management company uses securities lending as a technique/instrument to generate income to the respective funds. A description follows of how securities loans are managed for all of the fund management company's funds, to the extent that a fund lends securities. For more detailed information about a fund's actual use of securities lending, please see the relevant fund's annual and semi-annual reports.

The fund management company's funds lend equities and fixed income securities. The respective funds are permitted to lend securities to an extent corresponding to a maximum of 20 percent of fund assets. An estimated maximum of 18 percent of fund assets may be considered for securities loans. The funds specified as engaging in securities lending are normally expected to lend less than 10 percent of fund assets, but the volume may vary significantly from time to time. Lending of 100 percent of a single equity position is not permitted. The fund retains at least one share so that the fund management company receives notice of corporate events.

Securities loans are arranged only with Skandinaviska Enskilda Banken (SEB) as the counterparty. Cash and cash equivalents are the only acceptable collateral from SEB. Assets that are the objects of securities loans are also in custody with SEB, which is the depository for the fund management company's funds.

In connection with securities loans, the fund is exposed to risk that the counterparty will not return lent securities combined with failure of the depository to segregate collateral, as well as to the risk of differing interpretations of the securities lending agreement.

All income arising from the use of securities loans accrues to the fund.

Collateral is managed by the fund's depository.

## Responsible investment

At Öhman Fonder, we know that the future challenges we are facing are going to put new demands on us as managers of our clients' capital. Through our work with responsible investment, we are encouraging a more long-term investment climate in which environmental, social and governance factors (ESG) are included in the investment process. Responsible investment thus becomes a key prerequisite for achieving our objective of generating good long-term returns. Öhman Fonder must act as a responsible owner. We advocate high environmental and social standards as well as good ethics in the companies in which we invest. Öhman Fonder has signed the UN-supported initiative Principles for Responsible Investment (PRI) and complies with international conventions.

Our Responsible Investment Policy covers all funds managed by Öhman Fonder. The policy applies to the funds' direct investments in Swedish and foreign equities and bonds. When indirect investments are made via fund units and derivatives, the policy is applied to the greatest possible extent. Funds that Öhman Fonder manages on behalf of Nordnet are exempt from this policy.

Responsible investment at Öhman Fonder proceeds from three strategies: negative screening, positive screening and influence.

1. Negative screening – Öhman Fonder does not invest in companies that profit by business activities that we deem unethical.
2. Positive screening – Öhman Fonder invests in companies that are economically, environmentally and socially sustainable and which are best aligned with our high standards for sustainable business.
3. Influence – Öhman Fonder is an active owner and promotes responsible governance and good business ethics in the companies in which it invests. We work to exert influence through corporate engagement – engaging in dialogue with the companies and attending general meetings. Corporate engagement is most effective in cooperation with other investors who share our values. The work to exert influence is pursued by the fund management company on behalf of funds. Refer also to Öhman Fonder's Corporate Governance Instruction.

### Sustainability-related disclosures

Information is provided below about the management of each fund with regard to sustainability, including in matters pertaining to the environment, social conditions, labour, respect for human rights and anti-corruption. The review describes the sustainability factors taken into account in fund management and the methods used in sustainability work. The report has been prepared in accordance with Regulation (EU) 2019/2099 on Sustainability-related Disclosures in the Financial Services sector (the Disclosure Regulation) and the Swedish Investment Fund Association's Guidance on Sustainability-related Disclosures for Funds. A report on follow-up of sustainability work by the fund management company is provided in the annual report for each fund.

Sustainability-related disclosures for small cap funds  
Öhman Småbolagsfond and Öhman Sweden Micro Cap

**Transparency regarding the integration of sustainability risks, promotion of environmental or social characteristics and sustainable investing**

- The fund has sustainable investments as an objective  
 The fund promotes, among other characteristics, environmental or social characteristics  
 Sustainability risks are integrated into investment decisions, but the fund does not promote environmental or social characteristics or have sustainable investments as an objective  
 Sustainability risks are deemed not to be relevant (explanation below)

Fund management company's comments:

*A sustainability analysis is a logical component of the research performed before investing in a new company and on an ongoing basis after a security is acquired. Within the framework of the sustainability analysis, the fund management company evaluates how the companies are working with their most significant sustainability risks and opportunities. Within the framework of this analysis, the fund management company also searches for innovative companies that are, through products or services, seeking solutions to long-term sustainability challenges.*

*The analysis promotes the composition of a portfolio of companies whose sustainability programmes will be strengthened over time or companies that are already leaders within such programmes. In so doing, the fund avoids companies with high sustainability risks that can have adverse impact on return and invests in companies that can make a positive contribution to return and to sustainable development.*

**Sustainability-related characteristics promoted in fund management**

- Environmental characteristics (e.g. the companies' environmental and climate impact)  
 Social characteristics, e.g. human rights, employee rights and equal opportunity  
 Good governance practices (e.g. shareholders' rights, issues relating to remuneration for senior executives and anti-corruption work)  
 Other sustainability-related characteristics

Fund management company's comments:

*Öhman believes that an economic system in which companies and investors think and act long-term, i.e., seek to minimise adverse impact and maximise positive impact on people and the environment, is optimal for sustainable growth.*

*Öhman's definition of "sustainability" is based on the corporate activities that maintain or improve a company's capacity to generate long-term financial and social value.*

*Sustainability risks may encompass numerous factors and the fund management company must, in its sustainability analysis, identify and focus on a limited number of "material criteria" that could actually have impact on the individual company's financial performance.*

*The characteristics that Öhman promotes are:*

- **The Environment component of ESG refers to environmental criteria.** This includes factors such as use of resources, carbon emissions and waste and their impact on the environment and climate. Every company has impact on and is impacted by the environment, but to varying extents based on the individual company and its sector.
- **The Social component of ESG refers to social criteria** and addresses the relationships and interactions between a company and the people in the communities where they operate their business. Social criteria also include relationships with employees, diversity and fundamental human rights. Every company operates in and is dependent upon a fair and functional society.
- **The Governance component of ESG refers to corporate governance criteria.** Corporate governance encompasses the internal governance systems, procedures and controls that a company

*implements to make effective decisions, comply with the law and live up to the expectations of external stakeholders. Every company needs an efficient and effective governance system for sustainable and profitable development.*

The fund considers the environmental objectives of the EU taxonomy: Climate change mitigation and Climate change adaptation.

*Refer to the section "Methods used to promote environmental or social characteristics" for a description of how social characteristics are promoted.*

#### **Reference benchmarks**

- The fund has designated the following index as the reference benchmark:  
 The fund has not designated an index as a reference benchmark

Fund management company's comments:

*The fund does not use an index to compare the fund's integration of sustainability risks against a reference benchmark.*

#### **Information on the EU taxonomy for environmentally sustainable activities**

The EU taxonomy is a classification system that aims to establish common criteria for environmentally sustainable economic activities.

According to legislation, disclosure of the proportion of a fund's investments that are taxonomy aligned is required.

The taxonomy is under development and the criteria for all environmental objectives are not yet complete. Also, there is no established methodology for the calculation of the proportion of a fund's investments that are taxonomy aligned. The companies in which the fund invests have not yet started reporting the extent to which their activities are aligned with the EU taxonomy. For these reasons, it is the assessment of the fund management company that it is presently not possible to disclose reliable information on the proportion of the fund's investments that are aligned with the taxonomy.

The legislation includes a "do no significant harm" principle which requires that investments that contribute to a sustainable objective, do not simultaneously significantly harm any of the other sustainable objectives. The "do no significant harm" principle is only applicable to the proportion of the fund that consists of investments that are deemed sustainable either according to the regulation on sustainability-related disclosures or the EU taxonomy. The remaining proportion of this fund has underlying investments that do not take into account the EU criteria for environmentally sustainable economic activities.

#### **Methods used to promote environmental or social characteristics**

##### **Positive screening**

Fund management company's comments:

*A sustainability analysis is performed before investing in a new company and on an ongoing basis after a security is acquired.*

*Supported by an integrated sustainability analysis, Öhman identifies companies it believes are sustainable investments:*

- *The company operates in accordance with international norms and conventions*
- *The company develops and offers innovative products and services*
- *The company acts to minimise adverse impacts on people and the environment*
- *The company has good business ethics*
- *The company sets clear and measurable sustainability-related targets*

The fund makes every effort to invest in companies that:

- Have a comprehensive sustainability programme that addresses material risks, taking into consideration factors including the company's size and geographical presence, but where its sustainability programme is not yet reflected in the valuation of the security
- Have only recently begun to develop a sustainability strategy but are showing clear signs of prioritisation and improvement in the area
- Have interesting products and services with a clear sustainability link (links to the Sustainable Development Goals and/or the EU Taxonomy), for which clearly higher demand has been identified

**Negative screening**

The fund does not invest in companies that are involved in the following products and services. A maximum of 5% of the turnover in the company in which the investment is made may entail operations attributable to the specified product or service.

**Products and services**

Cluster bombs, land mines

Fund management company's comments: 0 %

Chemical and biological weapons

Fund management company's comments: 0%

Nuclear weapons

Fund management company's comments: 0%

Weapons and/or munitions

Fund management company's comments:

*Weapons: Production 0%, Distribution 5%. Munitions: Production and Distribution 5%*

Alcohol

Fund management company's comments:

*Production and Distribution 5%*

Tobacco

Fund management company's comments:

*Production 0% Distribution 5%*

Commercial gambling operations

Fund management company's comments:

*Production and Distribution 5%*

Pornography

Fund management company's comments:

*Production 0% and Distribution 5%*

Fossil fuels (oil, gas, coal)

Fund management company's comments:

*The exclusion refers to companies that extract fossil fuels. 0%*

Other

Fund management company's comments:

*Cannabis (production and distribution) 5%*

#### **International norms**

“International norms” refers to international conventions, laws and agreements such as the UN Global Compact and OECD guidelines for multinational companies in relation to the environment, human rights, labour practices and business ethics.

The fund does not invest in companies that violate international norms. The assessment is carried out either by the fund management company itself or by a subcontractor.

#### **Other**

Other

Fund management company's comments:

*The fund does not invest in companies involved in oil and gas service (max 25 percent of turnover) or coal-based energy production (max 25 percent of turnover).*

**The fund management company influences**

The fund management company exercises its investor influence to influence companies on sustainability issues. The fund management company engages with companies with a view to influencing them to adopt a more sustainable approach.

In-house investor influence

Fund management company's remarks:

*Öhman initiates shareholder engagement when a company is assessed as being exposed to high sustainability risk that is not being managed to satisfaction or demonstrates shortcomings in its operations. By expressing Öhman's expectations, as an investor, related to corporate sustainability programmes, companies are influenced to adopt a more sustainable approach.*

Investor influence in cooperation with other investors

Fund management company's remarks:

*Öhman Fonder works with other investors in several different forums and initiatives to achieve greater impact, including via PRI, IIGCC, Climate Action 100+ and others. For further information, please see [www.ohman.se/ansvarsfulla-investeringar](http://www.ohman.se/ansvarsfulla-investeringar)*

Voting at general meetings

Fund management company's remarks:

*Öhman votes at general meetings of companies in which we have a significant interest and at general meetings where there is special reason related to ESG aspects.*



## Risk information

### Risk profiles of the funds

Each fund's risk rating category is based on a synthetic risk and reward indicator, which shows the connection between the risk and potential return of an investment in the fund. The indicator is an EU standard and is based on how the value of the fund has changed over the past five years. Category 1 does not mean the fund is risk free. The fund's risk rating category may change over time. This is because the indicator is based on historical data, which is not a guarantee of future risk and reward. Information about each fund's risk rating is provided in the KIID.

Risk-taking in the funds is monitored and checked regularly and carefully in order to ensure compliance with laws and investment limits.

Historical returns are not a guarantee of future return. The money invested in funds may increase or decrease in value and there is no guarantee that you will recoup your entire investment.

### Risk assessment method

Certain funds invest in derivative instruments. The "commitment method" is used to calculate the global exposure of the funds. According to the commitment method, derivative positions are converted to an equivalent position in the underlying assets.



# Öhman Sweden Micro Cap

## Objective and investment strategy

Öhman Sweden Micro Cap is an equity fund whose objective is to achieve the highest capital growth possible within the confines of the investment strategy.

The fund is managed actively and sustainably. The fund invests in small and medium cap companies, with emphasis on Sweden. The fund invests in companies whose market capitalisation does not exceed 0.5% of the total market capitalisation on Nasdaq Stockholm. The fund is permitted to invest up to 10 percent of its net asset value in other Nordic equity markets. Sustainability aspects are considered in the context of corporate economic analyses and investment decisions, and play a part, but not necessarily a crucial one, in determining which companies are selected for inclusion in the fund. Sustainability aspects are an explicit component of the investment process, are continuously analysed and affect fund investments. More detailed information about the fund's sustainability programme is provided in the section on sustainability information earlier in this document.

The fund is permitted to invest its assets in transferable securities, money market instruments, derivative instruments, fund units and accounts with credit institutions. The use of derivative instruments is permitted to improve management efficiency in order to: i) reduce management-related costs and risk or, ii) to increase returns by creating leverage in the fund. The fund is permitted to use such derivative instruments referred to in chapter 5, section 12, subsection 2, IFA (OTC derivatives). The fund is permitted to invest a maximum of 10 percent of its net asset value in fund units. The fund is permitted to invest its assets in transferable securities and money market instruments as referred to in chapter 5, section 5 IFA (OTC securities), up to a maximum of 10 percent of the net asset value of the fund.

## Risk profile

The fund is an actively managed equity fund and is consequently exposed to price variations in the form of equity market risk. The fund invests in small cap companies listed on Nasdaq Stockholm, whose share prices are generally characterised by higher price volatility than are large cap companies. The fund invests in securities that may have higher liquidity risk on occasion, such as when the market is unsettled. The fund is permitted to invest up to 10 percent of its net asset value in other Nordic equity markets.

The fund is permitted to keep a certain portion of the fund's assets in cash and cash equivalents, for example in order to manage unitholders' demands to redeem fund units without delay. The fund is permitted to invest in derivative instruments as part of its investment strategy, which means that the fund can create leverage. The fund is permitted to use other techniques and instruments, except derivative instruments, to reduce management-related costs and risks and to increase returns and create leverage in the fund. This may be accomplished by means including the fund lending securities, which may entail higher risk related to the counterparty suspending payments or otherwise failing to perform its obligations. Management aims to be exposed to the markets corresponding to 100 percent of the net asset value of the fund, but with consideration given to the strategies laid out above, the fund's exposure may both exceed and fall short of this level, where increased exposure involves higher market risk. The fund does not normally use derivative instruments or other techniques and instruments to create leverage.

A number of risks that are particularly relevant to the fund are described below:

- Market risk – The risk that the value of securities holdings may fall, which will affect the net asset value of the fund. Market risks may include the following:
  - Equity market risk – The risk that the value of equity holdings may fall, which will affect the net asset value of the fund.
  - Currency risk – The risk that exchange rate fluctuations will affect the net asset value of the fund expressed in the base currency of the fund, if the fund has securities holdings denominated in another currency.
- Liquidity risk – Entails a risk that it will be difficult or impossible to sell fund assets at a particular point in time because the price of the assets is not considered favourable or cannot readily be

valued. Small cap equities are generally not traded (turned over) as frequently as large cap equities. In rare cases, assets in small cap funds can therefore be difficult to sell and/or value. If assets cannot be valued or need to be sold at an unfavourable price, this could in the worst case mean that a request for redemption (withdrawal) of fund units cannot be immediately executed.

- Concentration risk – The risk that the investment strategy of the fund will entail concentrated exposure to a particular type of investment strategy.
- Operational risk – The risk of loss due to inadequate or failed procedures, human error, systems failure, or external events.
- Counterparty risk – The risk associated with a counterparty that suspends payments or otherwise fails to perform its obligations, for example when the fund has accepted collateral for derivatives holdings or securities lending.

### **The Fund's level of active management**

The fund's benchmark index is Carnegie Small Cap Total Return Net, which the fund management company has deemed relevant because the index most closely reflects the fund's investment strategy. The fund's objective is to outperform its benchmark index.

The fund engages in active management in relation to the benchmark index. This means that through its investment process, the fund selects the equities considered as having the greatest potential to outperform their benchmark index. Management of the fund is selective, meaning that the fund owns a limited number of equities compared to its benchmark index, normally 50-70. The fund management company believes that long-term stock market performance is controlled by corporate capacity to generate profits and cash flow and our strategy is to own a combination of stable, cash flow-generating companies and high-growth companies. In connection with an investment, growth is evaluated in relation to market pricing based on a GARP analysis (Growth at a Reasonable Price) and the fundamental premise is that companies should aim for growth while maintaining cost control. The fund management company also puts strong emphasis on assessing the capacity of company management to deliver results.

Active risk (tracking error) for the past 10 years

2012	5.60
2013	6.19
2014	5.39
2015	4.33
2016	4.08
2017	4.25
2018	5.76
2019	5.52
2020	5.29
2021	5.84

The fund applies a stock picking approach, which governs portfolio structure. Depending on the size of the selected companies and the nature of the individual companies, the fund has a varied outcome in active risk. When the active management score rises, this may be due to overweight or underweight compared to the benchmark index in an individual security; it may also be due to changes in the market. The fund's active management score for the past ten years is within the range of the level of active management that the fund is expected to have. The annual variations are explained mainly by market conditions in individual years, application of sustainability criteria and variations in the fund's active risk-taking due to the fund's prevailing market outlook.

### **Unit classes**

Dividend policies differ among the unit classes of the fund. Unit Class A does not distribute dividends. Unit Class B distributes dividends. Further information about dividend distribution is provided in the fund rules.