

# ANNUAL REPORT 2021

## Öhman Småbolagsfond

The English version of the Annual Report is a translation. In case of any discrepancy between the Swedish version and the English version, the Swedish version shall prevail.

**Öhman**

FAIR VALUES SINCE 1906

## Fair values since 1906

How do you build a company of enduring stability? You start by laying a solid foundation: a philosophy. Öhman is a family-owned company in business for more than a century. A company that builds its business on long-term relationships. The family traditions live on and today, the third generation of the Dinkelspiel family is engaged in board governance within the Öhman Group. As our client, we are always nearby.

### Contents

Investment strategy and Fund facts	3
Risk and reward profile	3
Accounting principles	3
Management report	4
The fund's level of active management	5
Financial instruments	6
Balance sheet and income statement	7
Notes	7
Performance	7
Key ratios	7
Sustainability information	8
Remuneration and payments	10
The fund company	11

### Important information

All indices used in this report include dividends, as in previous reports from Öhman Fonder.

The Swedish Investment Fund Association has adopted a Swedish Code of Conduct for Fund Management Companies. The aim of the Code is to promote a sound investment fund sector in order to instil and maintain public trust. Öhman Fonder is a member of the Investment Fund Association and intends to comply with the Code of Conduct for Fund Management Companies.

There are no guarantees that an investment in funds will generate good returns, regardless of positive performance in the financial markets. There are no guarantees that an investment in funds will not lead to loss. Historical returns are not a guarantee of future returns. The money invested in funds may increase or decrease in value and there is no guarantee that you will recover your entire investment. An investment in funds should be regarded as a long-term investment. We recommend that you read the fund's Key Investor Information Document (KIID) and the complete prospectus before you buy units in a fund. KIIDs and prospectuses are available on our website, [www.ohman.se/fonder](http://www.ohman.se/fonder).

# SMÅBOLAGSFOND

## Investment strategy

The fund is an actively managed equity fund that invests in small and medium cap companies with focus on Sweden. 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 capitalization does not exceed one percent of the total market capitalization on Nasdaq Stockholm. The fund is permitted to invest up to ten percent of its net asset value in other Nordic equity markets. Sustainability aspects are taken into account 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 analyzed and affect fund investments.

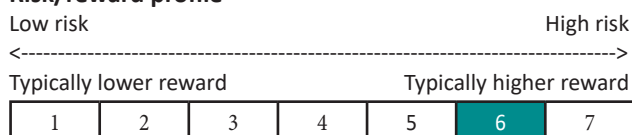
## Fund facts

Inception date	1991-09-20
Price quotation	Daily
Manager	Stefan Kopperud
Deputy manager	Viktor Elmsjö
Benchmark index	Carnegie Small Cap Total Return Net
Number with Swedish Pension Agency	694539
Registration number	802014-4617

## FEES

Ongoing charge A+B	1.50%
Ongoing charge C	0.75%
Entry fee	None
Exit fee	None

## Risk/reward profile



The risk and return indicator shows the relationship between risk and possible return on an investment in the fund. The indicator is based on how the fund's value has changed over the past five years.

The fund belongs to risk category 6, which means high risk for both ups and downs in the share value. Category 1 does not mean that the fund is risk-free. Over time, the fund can move both to the right and to the left of the scale. This is because the indicator is based on historical data that is not a guarantee of future risk / return.

The fund is an actively managed equity fund and thus the fund is exposed to price fluctuations in the form of stock market risk. The fund invests in smaller and medium-sized companies listed on the Stockholm Stock Exchange, whose share prices are generally characterized by greater price fluctuations than for large companies. The fund invests in securities that may have a higher liquidity risk at times, such as when the market is worried. The fund can invest up to ten percent of the fund's value in other Nordic stock markets.

The fund may hold a certain portion of the fund's assets in liquid funds, for example, in order to be able to handle unit holders' demands for redemption of fund units without delay.

The fund may invest in derivative instruments as part of its investment policy, which means that the fund can create leverage.

The Fund may use other techniques and instruments, in addition to derivative instruments, to reduce costs and risks in the management as well as to increase the return and create leverage in the Fund. This can be done through, for example that the fund lends securities, which may entail an increased risk linked to the counterparty suspending payments or otherwise not fulfilling its obligations.

The management endeavors to be exposed to the markets equivalent to 100 per cent of the fund's value, but taking into account the strategies stated above, the fund's exposure may both exceed or below this level, where an increased exposure entails an increased market risk. The fund does not normally use derivative instruments, or other techniques and instruments, to create leverage.

## Accounting principles

### SECURITIES FUNDS

The funds' operations are regulated by the Securities Funds Act (2004:46) and their fund regulations. The funds' accounts comply with the Swedish Financial Supervisory Authority's statutory collection (FFFS 2013:9) regarding securities funds.

### GENERAL ACCOUNTING PRINCIPLES

Furthermore, the funds apply essentially the accounting recommendations established by the Fund Companies Association. Otherwise, the provisions of the Accounting Act are followed where applicable. The fund's share value as of 2021-12-31 refers to the fund's NAV rate as of 2021-12-30, which was the fund's last trading day of the year. In the funds' balance sheet, the holdings of the funds have been valued at market value as of 2021-12-31. The market value refers to the latest payment price. If not, the holdings are valued at the latest purchase price, or if it is not representative, at the value determined by the Fund Company on objective grounds.

Assets in foreign currency are reported in SEK. Translation has been made at an exchange rate as of 2021-12-31. Currency forwards are valued on the basis of exchange rates on the balance sheet date.

## Management report

### FUND PERFORMANCE

The fund rose by 38 percent in 2021, while its benchmark index rose 37 percent. Fund assets decreased during the year from SEK 4,089 million to SEK 3,737 million and the fund had a net outflow of SEK 1,778 million in 2021.

### THE PAST YEAR

The stock market began the year on a strong note, in spite of a new wave of virus transmission during the spring that resulted in new restrictions and lockdowns. The lockdowns caused production and transport disruptions, which were a constant theme during the year. The economic recovery was vigorous despite continued virus transmission. This recovery, along with stimulus packages from central banks all over the world, resulted in strong stock market performance. Rising inflation has been a concern in the market, however, and has put pressure on the central banks to act, which dampened stock market performance in the second half. In addition to rising inflation, the Omicron variant of the coronavirus has spread uncertainty in the stock market after it turned out that this variant makes our vaccines less effective. Growth was 32.7 percent for the full year for the 30 largest companies traded on Nasdaq Stockholm (OMXS30). Small caps (CSX Return Sweden) began the year on a weaker note than large caps, but made a strong recovery and finished with an upturn of 37.1 percent for the full year. As a result, we are summing up yet another strong stock market year.

The main positive contributors to fund performance were Veoneer, Getinge and Lindab. Veoneer, which develops active safety products for the automotive industry, has become the fund's primary investment after double bids, first from Magna and then from Qualcomm. Getinge supplies several products that are used in vaccine production, which have made strong contributions to the company's sales. Lindab has divested unprofitable segments of its business and focused on areas with higher margin potential.

Two property companies, Samhällsbyggnadsbolaget (SBB) and Sagax, had the largest adverse impact on fund return compared to the benchmark. Both companies have undergone powerful expansion through acquisitions and have been rewarded with price upturns. The fund also lost on Lundin Energy, which extracts oil and gas, areas of business in which the fund has chosen not to invest.

The fund management company has not engaged voting advisers in relation to engagement with companies that have issued the shares included in the fund, and no known conflicts of interest have arisen in connection with the fund's investments.

### EVENTS AFTER THE REPORTING DATE

2022 has begun with downtrending markets and anxiety. The Russian invasion of Ukraine had negative impact on the market trend. The fund has no Russian holdings.

### DERIVATIVES AND SECURITIES LOANS

In accordance with the fund rules, the fund had the option to trade in derivatives, but did not exercise that option in 2021.

The fund opted not to use securities loans in 2021.

### MATERIAL RISKS

The following are a number of risks that are particularly prominent for the Fund:

#### MARKET RISK

The risk that the value of securities holdings may fall, affecting the Fund's net worth.

#### CURRENCY RISK

The risk that exchange 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 other currency.

#### LIQUIDITY RISK

The risk that securities holdings cannot be traded at the intended time without major price reductions or large costs.

#### CONCENTRATION RISK

The risk that the Fund's investment policy entails a concentrated exposure to a certain type of investment policy.

#### OPERATIONAL RISK

The risk of loss due to improper or unsuccessful processes, human error, faulty systems or external events.

#### COUNTER PARTY RISK

The risk associated with a counterparty suspending the payments or otherwise not fulfilling its obligations, for example in the event that the fund receives collateral for derivative holdings or for lending of securities.

#### LEVERAGE

The fund may use derivatives as part of its investment policy in order to create leverage/to increase returns. An increased leverage can, all else being equal, increase the fund's exposure to counterparty risk, liquidity risk and other risk factors, which are not necessarily fully included in the risk indicator.

### 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. Management of the fund is selective, meaning that the fund owns a limited number of equities compared to its benchmark, 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.

	2021	2020	2019	2018	2017
Active Risk*	5.52	4.75	5.36	5.36	2.87
	2016	2015	2014	2013	2012
Active Risk	2.81	2.67	2.99	4.13	4.02

\* 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 measurement goes up, 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 measurement 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 consequent upon the fund's prevailing market outlook.

## Financial instruments, SEK thousand

Transferable securities admitted to trading on a regulated market or equivalent market outside EEA	Quantity	Market value, SEKk	Share of fundassets	Issuer of fundassets
<b>Equities</b>				
<b>RETAIL</b>				
ITAB Shop Concept B	2 768 965	37 160	0.99%	0.99%
Nobia	870 006	47 415	1.27%	1.27%
Puuilo	103 200	9 935	0.27%	0.27%
		<b>94 510</b>	<b>2.53%</b>	
<b>REAL ESTATE</b>				
Castellum A	231 202	56 367	1.51%	1.51%
Corem Property Group	1 267 364	41 379	1.11%	1.11%
Fabege	804 834	121 973	3.26%	3.26%
Fastighets Balder B	65 882	42 942	1.15%	1.15%
Nivika Fastigheter	374 561	33 336	0.89%	0.89%
Nyfosa AB	237 896	37 112	0.99%	0.99%
Wastbygg Gruppen	253 893	26 862	0.72%	0.72%
Wihlborgs Fastigheter	542 548	111 439	2.98%	2.98%
		<b>471 410</b>	<b>12.62%</b>	
<b>FINANCE COMPANIES</b>				
Nordnet	732 879	127 228	3.40%	3.40%
		<b>127 228</b>	<b>3.40%</b>	
<b>VEHICLES</b>				
Autoliv SDB	76 406	71 822	1.92%	1.92%
Veoneer	398 129	127 799	3.42%	3.42%
		<b>199 621</b>	<b>5.34%</b>	
<b>HARDWARE &amp; PERIPHERALS</b>				
Mycronic	261 418	55 159	1.48%	1.48%
Nolato B	634 430	68 455	1.83%	1.83%
Tobii	1 281 780	47 067	1.26%	1.26%
Tobii Dynavox	1 281 780	41 286	1.10%	1.10%
		<b>211 967</b>	<b>5.67%</b>	
<b>HEALTH</b>				
Arjo B	592 372	65 635	1.76%	1.76%
Elekta B	176 058	20 167	0.54%	0.54%
Getinge B	361 594	142 866	3.82%	3.82%
Medicover B	196 398	72 667	1.94%	1.94%
Sectra B	509 535	102 009	2.73%	2.73%
		<b>403 344</b>	<b>10.79%</b>	
<b>CONSUMER STAPLES &amp; APPAREL</b>				
Desenio Group	237 342	5 758	0.15%	0.15%
Husqvarna B	684 448	99 142	2.65%	2.65%
		<b>104 900</b>	<b>2.81%</b>	
<b>CONSUMER SERVICES</b>				
Addtech B	53 556	11 568	0.31%	0.31%
Know IT	75 015	28 168	0.75%	0.75%
		<b>39 736</b>	<b>1.06%</b>	
<b>FOOD SALES</b>				
AAK AB	150 424	29 378	0.79%	0.79%
		<b>29 378</b>	<b>0.79%</b>	
<b>FOOD PRODUCTION</b>				
Bakkafrost	11 963	7 168	0.19%	0.19%
		<b>7 168</b>	<b>0.19%</b>	
<b>PHARMACEUTICALS</b>				
Alligator Bioscience	1 409 780	3 623	0.10%	0.10%
Bavarian Nordic	100 233	37 297	1.00%	1.00%
BioArctic	234 616	27 966	0.75%	0.75%
Biolnvent International	194 636	8 992	0.24%	0.24%
Calliditas Therapeutics AB	165 043	18 617	0.50%	0.50%
Camurus	113 572	17 127	0.46%	0.46%
Cantargia	113 794	2 101	0.06%	0.06%
Sedana Medical	1 788 247	175 338	4.69%	4.69%
Swedish Orphan Biovitrum	174 928	32 379	0.87%	0.87%
Vitrolife	72 432	40 562	1.09%	1.09%
Zealand Pharma	187 580	37 678	1.01%	1.01%
		<b>401 680</b>	<b>10.75%</b>	
<b>MEDIA</b>				
Nordic Entertainment Group B	152 223	71 423	1.91%	1.91%
Paradox Interactive	231 804	41 377	1.11%	1.11%
		<b>112 800</b>	<b>3.02%</b>	
<b>SOFTWARE &amp; SERVICES</b>				
Cint Group	277 963	40 124	1.07%	1.07%
Momentum Software Group	409 836	40 984	1.10%	1.10%
Nordic Semiconductor ASA	475 126	145 174	3.89%	3.89%
Smartcraft	335 400	7 025	0.19%	0.19%
		<b>233 307</b>	<b>6.24%</b>	
<b>COMMUDITIES &amp; MATERIALS</b>				
Beijer Ref B	1 026 097	203 065	5.43%	5.43%
Boliden	104 558	36 595	0.98%	0.98%
Holmen B	160 328	69 695	1.87%	1.87%
I-Tech AB	321 061	18 910	0.51%	0.51%
		<b>328 265</b>	<b>8.79%</b>	
<b>SERVICE</b>				
Sweco B	110 330	18 778	0.50%	0.50%
		<b>18 778</b>	<b>0.50%</b>	

## TELECOM

Tele2 B	380 514	49 124	1.31%	1.31%
		<b>49 124</b>	<b>1.31%</b>	

## FACTORY

Beijer Alma B	266 320	73 105	1.96%	1.96%
Cary Group Holding	297 702	31 914	0.85%	0.85%
Concentric	173 503	48 754	1.30%	1.30%
Ctek	151 000	30 517	0.82%	0.82%
Gränges	390 196	41 400	1.11%	1.11%
Hexpol B	356 704	43 268	1.16%	1.16%
Lindab International A	594 294	191 006	5.11%	5.11%
Nibe Industrier B	697 699	95 410	2.55%	2.55%
Systemair	900 522	91 763	2.46%	2.46%
Thule Group	101 027	55 363	1.48%	1.48%
Trelleborg B	326 608	77 667	2.08%	2.08%

**780 168**      **20.88%**

**Total shares**      **3 613 385**      **96.70%**

**Total transferable securities**      **3 613 385**      **96.70%**

## Financial instruments with positive and negative market value

With positive market value      3 613 385      96.70%

With negative market value      -      -

**Total financial instruments**      **3 613 385**      **96.70%**

Other assets and liabilities      123 202      3.30%

Of which cash and cash equivalents      130 851      3.50%

**Fund assets**      **3 736 586**      **100.00%**

The fund had no derivative positions with underlying exposure during the year.

## Balance sheet per 31 Dec, SEK thousand

ASSETS	2021	2020
Transferable securities	3 613 385	3 953 021
Money market instruments	-	-
OTC derivatives	-	-
Other derivative instruments	-	-
Fund units	-	-
<b>Total financial instruments with positive market value</b>	<b>3 613 385</b>	<b>3 953 021</b>
Deposits in accounts with credit institutions	-	-
<b>Total investments with positive market value</b>	<b>3 613 385</b>	<b>3 953 021</b>
Bank balances and other cash equivalents	130 851	163 888
Prepaid expenses and accrued income	178	515
Other assets (Note 2)	-	1 402
<b>TOTAL ASSETS</b>	<b>3 744 414</b>	<b>4 118 827</b>
<b>LIABILITIES</b>		
OTC derivatives	-	-
Other derivative instruments	-	-
Other financial instruments	-	-
<b>Total financial instruments with negative market value</b>	<b>-</b>	<b>-</b>
Tax liabilities	-	-
Accrued expenses and prepaid income	4 883	5 344
Other liabilities (Note 2)	2 945	24 529
<b>TOTAL LIABILITIES</b>	<b>7 828</b>	<b>29 873</b>
<b>FUND ASSETS (Note 1)</b>	<b>3 736 586</b>	<b>4 088 953</b>

## MEMORANDUM ITEMS

Financial instruments lent	-	-
Portion of transferable securities lent out	-	-
Collateral received for lent financial instruments	-	-
Collateral received for OTC derivative instruments	-	-
Collateral received for other derivative instruments	-	-
Other collateral received	-	-
Collateral pledged for borrowed financial instruments	-	-
Collateral pledged for OTC derivatives	-	-
Collateral pledged for other derivative instruments	-	-
Other pledged assets	-	-

## Income statement 1 Jan - 31 Dec, SEK thousand

INCOME	2021	2020
Change in value of transferable securities	1 440 633	791 378
Change in value of money market instruments	-	-
Change in value of OTC derivatives	-	-
Change in value of other derivative instruments	-	-
Change in value of fund units	-	-
Interest income	-	2
Dividends	57 787	29 107
Net exchange rate gains and losses	388	-184
Other financial income (Note 3)	-	-
Other income (Note 4)	0	0
<b>TOTAL INCOME</b>	<b>1 498 807</b>	<b>820 303</b>
<b>EXPENSES</b>		
Management costs	-63 668	-47 603
Payments to the company operating the fund business	-63 668	-47 603
of which performance based compensation	-	-
Payments to depositary	-	-
Payments to supervisory authority	-	-
Payments to auditors	-	-
Interest expenses	-276	-126
Other financial expenses	-	-
Other expenses (Note 5)	-2 981	-2 233
<b>TOTAL EXPENSES</b>	<b>-66 924</b>	<b>-49 962</b>
Tax	-	-
<b>NET PROFIT FOR THE YEAR</b>	<b>1 431 883</b>	<b>770 340</b>

## Notes per 31 Dec, SEK thousand

NOTE 1. CHANGE IN THE FUND ASSETS	2021	2020
Fund assets at 1 January	4 088 953	3 190 965
Unit issues	549 611	446 303
Unit redemptions	-2 327 749	-315 070
Net profit for the year	1 431 883	770 340
Dividends paid	-6 112	-3 585
<b>TOTAL Fund assets</b>	<b>3 736 586</b>	<b>4 088 953</b>
<b>NOTE 2. OTHER ASSETS AND LIABILITIES</b>		
I övriga tillgångar ingår olikviderade affärer	-	1 402
I övriga skulder ingår olikviderade affärer	-2 945	-24 529
<b>NOTE 3. OTHER FINANCIAL INCOME</b>		
Premium income securities loan	-	-
<b>NOTE 4. OTHER INCOME</b>		
Discounts on fees	-	-
<b>NOTE 5. OTHER EXPENSES</b>		
Analysis costs	-1 427	-1 355
Transaction costs	-1 554	-878

## Performance

	2021	2020	2019	2018	2017
Fund assets, SEK thousand	3 736 586	4 088 953	3 190 965	2 647 025	2 655 344
<b>Share class A</b>					
Total return, %	38.0	24.6	34.8	-3.1	14.0
Benchmark index, %	37.1	23.0	43.2	-0.2	8.8
Units value, SEK	8 226.93	5 961.67	4 784.73	3 549.82	3 661.41
Units outstanding	423 493	656 037	637 763	679 665	701 743
Dividend SEK/unit	-	-	-	-	-
<b>Share class B</b>					
Total return, %	38.0	24.6	34.8	-3.1	14.0
Benchmark index, %	37.1	23.0	43.2	-0.2	8.8
Units value, SEK	6 279.52	4 691.26	3 881.64	2 968.86	3 156.83
Units outstanding	39 739	37 410	35 622	37 745	27 235
Dividend SEK/unit	159.71	102.40	106.69	102.40	94.52
<b>Share class C</b>					
Total return, %	39.0	25.5	35.8	-13.7	-
Benchmark index, %	37.1	23.0	43.2	-5.6	-
Units value, SEK	2 045.63	1 471.30	1 172.02	862.98	-
Units outstanding	1 465	1 618	996	141 692	-
Dividend SEK/unit	-	-	-	-	-
	2016	2015	2014	2013	2012
Fund assets, SEK thousand	2 653 974	3 138 743	2 594 382	1 913 859	1 283 378
Total return, %	10.7	25.9	19.9	33.8	9.6
Benchmark index, %	12.2	30.1	21.6	36.6	12.7
<b>Share class A</b>					
Units value, SEK	3 211.38	2 900.63	2 304.41	1 921.98	1 436.44
Units outstanding	790 282	1 040 635	1 083 973	960 471	893 408
Dividend SEK/unit	-	-	-	-	45.02
<b>Share class B</b>					
Units value, SEK	2 854.42	2 657.96	2 176.63	1 860.24	-
Units outstanding	40 703	45 190	44 267	36 436	-
Dividend SEK/unit	77.64	78.51	49.86	50.75	-
<b>Key ratios</b>					
Risk measurement at 31 Dec				A+B	C
Average annual return (2 years)				31.1%	32.1%
Average annual return (5 years)				20.7%	N/A
Average total risk, fund (2 years)				22.6%	22.6%
Average total risk, index (2 years)				24.1%	24.1%
Active risk (2 years)				5.5%	5.5%
<b>Expenses 1 Jan - 31 Dec</b>			Total fund	A+B	C
Ongoing charge				1.53%	0.78%
Transaction costs, share of turnover			0.04%		
Turnover rate in the fund			0.25 times/year		
Percentage of turnover traded with related institutions			-		
Percentage of turnover via internal trading between own funds or fund companies managed by the company			-		
Example of ongoing charges taken out during the year for a one-time investment of SEK 10,000				SEK 177	SEK 89



## Follow-up of sustainability work

New regulations on the disclosure of sustainability information under “SFDR”, the Sustainable Finance Disclosure Regulation (EU 2019/2088), took effect on 10 March 2021.

The fund’s sustainability review, which shows the fund’s aspects and methods used in the sustainability programme is provided below, followed by an ESG report on activities carried out in the sustainability programme.

### Sustainability review

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

- The fund promotes, among other characteristics, environmental or social characteristics.

#### **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)

#### **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 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 och Distribution 5%

- Tobacco

**Fund management company's comments:**

Production 0%, Distribution 5%

- Commercial gambling operations

**Fund management company's comments:**

Production och Distribution 5%

- Pornography

**Fund management company's comments:**

Production 0%, 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 och 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 coalbased 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 comments:**

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 comments:**

Öhman 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 <https://www.ohman.se/hallbarhet>.

- Voting at general meetings.

**Fund management company's comments:**

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.

## ESG report

### Methods used to promote environmental or social characteristics

#### THE FUND HAS SCREENED OUT

The fund excludes investments in munitions. That applies not only to simple production of weapons, but also to companies that provide services to customers operating in the military sector. Mildef Group and Invisio are examples of companies in which the fund refrains from investing.

#### THE FUND HAS SCREENED IN

Tobii Dynavox is a world leader in assistive communications technology for people with disabilities. The company's products make it possible for users to communicate with others

#### THE FUND MANAGEMENT COMPANY HAS INFLUENCED

Twenty-four holdings in the fund were the object of shareholder engagement during the year.

Several engagement processes were initiated during the year with companies that account for a large share of the carbon emissions in our funds. The aim of engagement is to persuade the companies to adopt science based targets, which means that the climate targets should be consistent the 1.5 degree target, that is, limiting global heating to a maximum of 1.5 degrees Celsius. One of the companies is Millicom, a telecommunications and media company that generates emissions primarily from data centres. The company had no emissions targets when the engagement process was initiated and Öhman Fonder therefore recommended that the company should adopt science based climate targets. The company joined SBTi (Science Based Targets initiative) in the autumn. SBTi is an organization that helps companies set science based climate targets and Millicom is expected to set climate targets in 2022.

#### GENERAL COMMENTS ON THE ESG PROGRAMME

The fund worked according to the same ESG criteria throughout 2021.

## Information on remuneration

### Background

The information on remuneration below follows Law (2004: 46) on mutual funds, Chapter 4. 18 § 3 paragraph. The Öhman Group's remuneration policy has been prepared in accordance with Chapter 8 of the Swedish Financial Supervisory Authority's regulations (FFFS 2013: 9) on securities funds, and can be read in its entirety on the website: <https://www.ohman.se/legalt/ohmanfonder/hallbarhetsrelaterade-upplysningar/>

During the financial year, no material changes to the policy have been made and the control functions have reviewed compliance with the fund company's remuneration policy without remarks.

### Bonus criteria

The calculation of the total bonus is based on the profit for the year, minus the owners' return requirements.

The distribution of variable remuneration at the individual level is decided at a discretionary basis based on an evaluation of the employee's performance during the past financial year. The evaluation relates, among other things, to how well the employee has met set goals, contributed to the profitability of the group company concerned and complied with applicable rules, both internal and external.

### Remuneration

Fixed remuneration in 2021 amounts to SEK 56,938 thousand (53,982). Variable remuneration in 2021 is allocated SEK 25,000 thousand (16,046) gross.

Distribution of fixed remuneration to specially regulated staff:

- Employees in senior strategic positions SEK 10,127 thousand (8,945).
- Employees in charge of control functions SEK 3,204 thousand (2,653).
- Managers SEK 17,317 thousand (17,163).

Other employees: SEK 26,290 thousand (25,221).

2021 variable remuneration of SEK 25,000 thousand is not yet distributed. In total variable remuneration from 2020 and previous years:

- SEK 5,867 thousand (4,280) has been disbursed in cash or via pension payments.
- SEK 4,483 thousand (2,933) has been disbursed into a ISK-depo to hold for at least a year.
- SEK 2,398 thousand (1,988) has been invested by the company and intends to hold according to current regulations, three + one year.

Distribution of variable remuneration paid in 2021:

- Employees in senior strategic positions SEK 2,054 thousand (1,228).
- Employees in charge of control functions SEK 0 (0) kr.
- Managers SEK 3,909 thousand (2,745).

Other employees: SEK 4,387 thousand (3,240).

No employee's remuneration amounts to, or exceeds, the total remuneration of anyone in the executive management.

No severance pay was recorded during the year.

### Number of employees

Employees of E. Öhman J: or Fonder AB as of 31 December 2021 were 72 (78) persons, of whom 79 (74) received variable remuneration during the respective year.

## The fund company

### Fund company

E. Öhman J:or Fonder AB  
 Box 7837  
 103 98 Stockholm  
 Customer Service: +46 (0)20-52 53 00 (9.00-17.00)  
 E-mail: fonder@ohman.se  
 Website: www.ohman.se  
 Registration number: 556050-3020  
 Registered: 27 januari 1994  
 Share capital: SEK 4,200,000

Authorisation to conduct fund business in accordance with the Swedish Investment Funds Act (2004:46) was granted to E. Öhman J:or Fonder AB by Finansinspektionen 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). E. Öhman J:or Fonder AB is a wholly owned subsidiary of E. Öhman J:or Asset Management AB.

### Board of Directors

*Chairman of the board:*  
 Johan Malm, CEO of E. Öhman J:or AB

*Other members:*  
 Mats Andersson  
 Björn Fröling  
 Håkan Gustavson  
 Åsa Hedin  
 Catharina Versteegh  
 Ann Öberg

### CEO

Jamal Abida Norling

### Depository

SEB, Securities Services  
 106 40 STOCKHOLM

### Auditor

Revisionsbolaget Ernst & Young AB  
 Box 7850  
 103 99 Stockholm  
 Auditor in charge is Mona Alfredsson

### Funds under management

#### Securities funds:

Öhman Emerging Markets  
 Öhman Etisk Index Sverige  
 Öhman FRN  
 Öhman Företagsobligationsfond  
 Öhman Global  
 Öhman Global Growth  
 Öhman Global Småbolag  
 Öhman Grön Obligationsfond  
 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  
 Lärarfond 21-44 år  
 Lärarfond 45-58 år  
 Lärarfond 59 +  
 Nordnet Hållbar Pension  
 Nordnet Indexfond Danmark  
 Nordnet Indexfond Norge  
 Nordnet Indeksirahasto Suomi  
 Nordnet Indexfond Sverige

#### Special funds:

Öhman Sverige Fokus

Öhman Fonder  
Box 7837  
103 98 Stockholm  
Customer service:  
+46 (0)20-520 53 00  
fonder@ohman.se  
[www.ohman.se/fonder](http://www.ohman.se/fonder)

Öhman  
FAIR VALUES SINCE 1906