

Simplicity.

ASSET MANAGEMENT

SIMPLICITY
SMÅBOLAG GLOBAL

PROSPECTUS

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Simplicity Småbolag Global

An actively managed equity fund that invests in small cap companies globally.

Objective and Investment Strategy

The fund is an equity fund and primarily invests in shares issued by small and medium-sized companies globally. The criterion for company size is that its market capitalization at the time of investment must not exceed USD 5 billion or the equivalent in another currency.

The investment strategy is based on a structured investment process with the ambition to identify stocks that perform best across different sectors and geographies. We look for companies that perform well, show positive development, have healthy cash flows, and are undervalued according to our own analysis. To avoid major disappointments among our holdings, we conduct risk analyses to actively exclude underperforming stocks. The fund's global investment focus with a broad selection of stocks provides good diversification and lower volatility compared to an equivalent investment in a geographically limited strategy.

The fund invests without any requirement or ambition to achieve correlation with its benchmark index and will therefore, under certain market conditions, have significantly higher or lower weighting in certain sectors than its benchmark index or other funds in the same category. The fund's financial objective is to create long-term positive value growth and higher risk-adjusted returns than its benchmark index. The fund's benchmark index is S&P Global Small Cap Index.

The fund promotes social and environmental characteristics and will make at least 10% sustainable investments.

The fund may invest its assets in transferable securities, fund units, and money market instruments and may invest up to 10% in unlisted shares.

The fund may invest up to 10% of its assets in fund units. The fund may use derivative instruments to streamline management and protect the fund's assets.

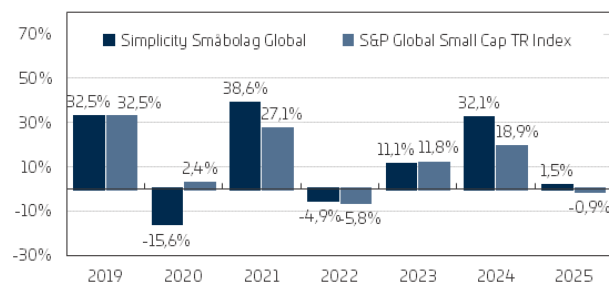
Subscriptions and redemptions can normally be made on any business day. The fund normally does not distribute income; all earnings are reinvested in the fund.

Historical Return

This chart shows the fund's performance as a loss or gain in percentage per year for the past six years. Past performance is not a reliable indicator of future results. Markets may develop completely differently in the future. However, it can help you assess how the fund has been managed previously.

The fund's performance (return) is calculated after deduction of the annual fee. The value for all years is calculated in Swedish kronor and with distributions reinvested in the fund. No adjustment has been made for inflation. Past performance is no guarantee of future results.

The fund was launched on 28 February 2018.



Who should invest in the fund?

Simplicity Småbolag Global is aimed at investors who believe in equities issued by small companies globally. Simplicity's investment model is designed to operate during long-term trends, and therefore it is important that our unit holders also have a long-term investment horizon of at least five years.

The unit holder must be able to accept that significant price fluctuations may occur.

Risk Level / Potential Return



The risk indicator is based on the assumption that you will retain the product for 5 years.

The summary risk indicator provides guidance on the risk level of this product compared to other products. It shows how likely it is that the product will decrease in value due to market developments. The fund is classified as 4 out of 7, i.e., a medium risk class. This means that the fund has a medium level of risk for fluctuations in unit value. The indicator primarily reflects the ups and downs of the equities in which the fund invests. Our investment strategy means that the risk in our funds varies over time. Since the fund's history is shorter than five years, the indicator has been determined using data from the S&P Global Small Cap Index for the period where the fund lacks historical data. Below is a description of the specific risks associated with the fund's investment strategy.

MARKET RISK – the risk consists of a security decreasing in value. A decline in the stock market as a result of an economic downturn, unexpected global events, natural disasters, etc., are examples of market risk. Investing in equities and equity funds always involves high market risk. Simplicity Småbolag Global must invest at least 75% of its assets in equities or equity-related instruments. This means that the fund always has significant exposure to the underlying market, making it very difficult to withstand a sharp downturn.

CURRENCY RISK – the risk consists of securities decreasing in value when investments are made in another currency due to changes in the exchange rate. This risk is not considered in Simplicity's quantitative models. Reallocations therefore normally do not take currency risk into account.

LIQUIDITY RISK – the risk arises if a fund needs liquid assets but cannot sell holdings to meet liquidity needs. Since shares in small companies often have lower liquidity than shares in larger companies, liquidity risk increases in funds that invest solely in small companies. Liquidity risk in Simplicity Småbolag Global may therefore be higher than, for example, a fund that invests only in large companies with high turnover of their shares. This places greater demands on cash management and the composition of the fund to effectively manage liquidity risk.

SUSTAINABILITY RISK – this risk means that the occurrence of an environmental, social, or governance-related circumstance may have an actual or potential significant negative impact on the value of an investment. Weak corporate governance and control structures in a company can, for example, lead to irregularities that may negatively affect

the company's share price. Integrating sustainability risks into investment decisions is crucial to achieving long-term good returns. The fund manages sustainability risks partly by integrating sustainability into the investment process and decisions, and partly through the exclusion criteria applied by Simplicity.

DERIVATIVES – the fund may trade in derivative instruments as part of its investment strategy. However, the fund will normally not use derivative instruments, and the possibility of using such instruments is therefore not expected to affect the fund's risk profile. When calculating the fund's total exposure, the so-called commitment approach is applied, which means that positions are converted into an equivalent position in the underlying assets.

SECURITIES LENDING – Simplicity Småbolag Global has the ability to lend out part of its holdings and, in return, receives interest that accrues to the fund and contributes to its return. Securities lending entails counterparty risk, credit risk, and so-called settlement risk, which means the risk that the shares are not returned to Simplicity on the agreed date. The risk is limited by lending securities only to counterparties with high creditworthiness and requiring the counterparty to provide collateral at least equal to the value of the lent securities. Due to this, the risk is not expected to affect the fund's risk profile.

The fund's grade of activity

Description of grade of activity

The fund is actively managed. The fund manager conducts continuous analysis and makes active decisions about the fund's holdings and composition. The manager regularly monitors and changes the portfolio in order to achieve the fund's objectives.

Benchmark

The fund's benchmark index is S&P Global Small Cap Index, a reinvesting index that tracks the total return of small and medium-sized companies globally.

The company considers the index to provide a good representation of the fund's long-term investment strategy in terms of choice of geographic markets, company size, and return and risk profile.

Grade of activity

The fund's level of activity is described using the activity measure tracking error. Tracking error is a metric that shows how much the difference between the fund's return and the benchmark index return varies over time. The activity level is reported as a percentage and calculated as the standard deviation of the difference in returns between the fund and the benchmark index. The higher the fund's activity level, the greater the average deviation. The calculation does not take into account whether the deviation is positive or negative.

Below is the historical activity level achieved by the fund for the past ten calendar years, or, if the fund has existed for less than 10 years but more than two years, for as many full years as the fund has existed. The calculation of active risk is based on monthly data from the two most recent calendar years.

Year	Tracking error
2025	4.6%
2024	7.3%
2023	7.7%
2022	6.5%
2021	9.7%
2020	8.5%

The volatility in the activity level during the period is largely due to varying market risks.

The fund's investment strategy has resulted in an activity level that is normal for the market.

Current fees

Below is information on the applicable fees charged by the fund company for the sale and redemption of fund units, as well as the fees during 2025 that were charged to the fund for management, including costs for custody, supervision, and auditors:

• Subscription fee	0%
• Redemption fee	0%
• Management fee including custody, supervision, and audit	1.42%

Maximum fees

Below is information on the maximum fee that the fund company may charge according to the fund rules for the sale and redemption of fund units, as well as for management, including costs for custody, supervision, and auditors. Brokerage fees and other costs, as well as taxes incurred when the fund buys and sells financial instruments, are charged to the fund, as well as any compensation to providers of research services and similar services. The fund may be charged for research costs.

• Subscription fee	0%
• Redemption fee	0%
• Management fee including custody, supervision, and audit	1.60%

Depository

Skandinaviska Enskilda Banken AB (publ) ("SEB")

Legal Residence (HQ): Stockholm

Corporate identity no: 502032-9081

Main business of the depository: Banking

The custodian shall, among other things, monitor the fund's cash flows, safeguard the fund's assets, and execute the company's instructions. Furthermore, the custodian shall ensure that the sale and redemption of fund units, valuation of fund units, and use of the fund's assets are carried out in accordance with the law and the fund's rules.

SEB has procedures in place to identify, manage, monitor, and report any potential conflicts of interest. Since the custodian is part of SEB, conflicts of interest may arise between the custodian's operations and other activities within SEB and its subsidiaries. By law, the custodian is obliged to identify and manage such conflicts of interest and to disclose them to the fund's investors.

Examples of activities that may involve conflicts of interest include:

(i) Providing nominee registration, performing fund administration, maintaining the unit holder register, analysis, handling securities lending, asset management, investment advice, and/or other advisory services to the fund;

(ii) Participation in banking operations, securities trading including currency trading, derivatives trading, lending, brokerage, market making, or other financial transactions with the fund, either for its own account or on behalf of other clients.

To ensure that potential conflicts of interest do not negatively affect the fund and its investors, the custodian and other SEB operations are functionally and organizationally separated. The custodian's activities are always conducted with the aim of safeguarding the interests of unit holders and in accordance with prevailing market conditions.

SEB may delegate parts of its operations to one or more external companies, including other depository banks appointed by the custodian from time to time. The tasks that may be delegated, according to the

UCITS Directive and applicable Swedish regulations, are safekeeping and record-keeping. The custodian shall act with due skill, care, and diligence when selecting, continuing to engage, and monitoring the party to whom custodian functions have been delegated.

For the markets relevant to the fund, the custodian has appointed the following depositary banks to perform safekeeping functions:

Country	Depository
Australia	HSBC Bank Australia Ltd
Belgium	BNP Paribas SA
Denmark	SEB AB, filial i Danmark
Finland	SEB AB, filial i Finland
France	Caceis Bank France
Hong Kong	HSBC Ltd
Ireland	Euroclear Bank S.A./N.V.
Italy	BNP Paribas SA
Japan	MUFG Bank, Ltd.
Canada	RBC Investor & Treasury Services
Netherlands	BNP Paribas SA
Norway	SEB AB, filial i Norge
Portugal	BNP Paribas SA
Switzerland	UBS Switzerland AG
Singapore	HSBC Bank Singapore
Spain	BNP Paribas Securities Services Espana
United Kingdom	Citibank N.A
South Africa	Standard Chartered Bank
South Korea	Citibank Korea Inc.
Germany	Deutsche Bank AG
USA	Brown Brothers Harriman & Co

Austria	Unicredit Bank Austria AG
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Responsible Investments

More information about the fund’s sustainability work is provided in the appendix to this document.

Fund rules - Simplicity Småbolag Global

§ 1 Legal Status of the Fund

The name of the fund is Simplicity Småbolag Global, hereinafter referred to as the Fund. The Fund is an investment fund in accordance with the Swedish Investment Funds Act (2004:46) (LVF).

The fund assets are jointly owned by the unit holders. Each unit confers equal rights to the property included in the Fund.

The Fund cannot acquire rights or assume obligations. The fund company specified in § 2 represents the unit holders in matters concerning the investment fund, decides on the property included in the Fund, and exercises the rights arising from such property.

Operations are conducted in accordance with these fund rules, the articles of association of the fund company, LVF, and other applicable regulations.

§ 2 Fund Manager

The Fund is managed by Simplicity AB, corporate registration number 556611-4723, hereinafter referred to as the fund company.

§ 3 Custodian and its tasks

The custodian of the Fund's assets is Skandinaviska Enskilda Banken AB (publ), corporate registration number 502032-9081.

The custodian shall execute the fund company's decisions regarding the Fund and receive and safeguard the Fund's assets. The custodian shall ensure that decisions made by the fund company regarding the Fund, such as valuation, redemption, and sale of fund units, are carried out in accordance with law, regulations, and these fund rules.

The custodian shall act independently of the fund company and exclusively in the common interest of the unit holders.

§ 4 Characteristics of the Fund

The Fund is an equity fund that invests globally in small and medium-sized companies across various sectors.

The companies' market capitalization at the time of investment must not exceed USD 5 billion or the equivalent in another currency. At least 90% of the Fund's investments shall relate to such companies.

The Fund's financial objective is to create long-term positive value growth and higher risk-adjusted returns than its benchmark index. The Fund's benchmark index is stated in the information brochure. The benchmark index is a global small-cap index with broad exposure across different markets.

§ 5 Investment Strategy of the Fund

The Fund may invest in transferable securities, fund units, money market instruments, deposits with credit institutions, and derivative instruments.

Quantitative models are used in management to statistically justify each transaction.

At least 75% of the Fund's assets shall be invested in equities, equity-related transferable securities, and equity-related financial instruments.

The Fund may invest up to 10% of its value in other funds or fund companies.

Underlying assets for derivative instruments included in the Fund shall consist of or relate to assets as referred to in Chapter 5, Section 12, first paragraph of LVF.

The Fund follows the fund company's policy for responsible investments. More information regarding the fund company's policy for responsible investments is available in the Fund's information brochure.

§ 6 Market places

The Fund's assets may be invested on a regulated market within the EEA or on an equivalent market outside the EEA. Trading may also take place

on another market within or outside the EEA that is regulated and open to the public.

§ 7 Special Investment Focus

The Fund may invest in such transferable securities as referred to in Chapter 5, Section 5 of LVF. The Fund may not invest in such money market instruments as referred to in Chapter 5, Section 5 of LVF.

The Fund may use derivative instruments to streamline management for the purpose of reducing costs and risks.

The Fund may not invest in such derivative instruments as referred to in Chapter 5, Section 12, second paragraph of LVF (OTC derivatives).

§ 8 Valuation

The value per fund unit is the Fund's value divided by the total number of fund units.

All units in the Fund shall be of equal size.

The Fund's value is calculated by deducting liabilities relating to the Fund from its assets, including, among other things, unpaid taxes as determined by the fund company and the fees stated in § 11 below.

Valuation of transferable securities, fund units, money market instruments, deposits with credit institutions, and derivative instruments is made at current market value. Market value refers to the latest paid price or, if unavailable, the latest bid price or, if this is not quoted, the latest ask price. If such market value cannot be obtained or is misleading according to the fund company's assessment, they may be recorded at a value determined by the fund company on an objective basis. Objective basis means that a market value is obtained according to a special valuation based on information on the last paid price or indicative bid prices from a market maker, if one has been appointed for the issuer. If such information is missing or deemed unreliable by the fund company, the market value is determined based on information from an independent party or other external, independent sources. If the market for a particular security is not active, valuation may be made using a generally accepted valuation method established in the market, such as cash flow analysis or comparison with other similar transactions that have taken place under market conditions in the recent past.

For such transferable securities as referred to in Chapter 5, Section 5 of LVF, a market value is determined according to a special valuation. This special valuation may be based on, among other things:

- Market price from an active non-regulated market,
- Market value obtained according to a special valuation based on information on the last paid price or indicative bid prices from a market maker,
- Another valuation method established in the market, such as cash flow analysis or comparison with other similar transactions that have taken place under market conditions in the recent past.

The value per fund unit shall be determined by the fund company on each banking day.

§ 9 Subscription and Redemption of Fund Units

Fund units are sold and redeemed by the fund company. Sale (unit holder's purchase) and redemption can normally take place on any banking day. However, the Fund is not open for sale and redemption on banking days when valuation of the Fund's assets cannot be made in a way that ensures equal rights for unit holders due to one or more of the trading venues specified in § 6 being wholly or partially closed.

Requests for subscription are made by depositing a minimum amount of SEK 100 into the fund company's bank account or bank giro account.

Requests for redemption of fund units are made in writing or by fax to the fund company or, by special agreement, via electronic media.

Requests for redemption must be in writing and, except when using electronic media, signed by the unit holder.

Requests received by the fund company no later than 14:00 on full banking days, or 11:00 on half days, shall be executed no later than the following banking day. If the request is received after 14:00 on full banking days or after 11:00 on half days, the fund company has the right to execute the request no later than the banking day following the next banking day.

If funds for redemption must be obtained through the sale of securities, such sale shall be made and redemption executed as soon as possible. If a sale could significantly disadvantage other unit holders, the fund company may, after notifying Finansinspektionen, postpone the sale.

Upon redemption of fund units, payment is made no later than three (3) banking days after the redemption has been executed.

The price of fund units at sale and redemption is determined at the end of the banking day on which the sale or redemption is executed. Sale and redemption therefore take place at a price not known to the unit holder at the time of the request.

Requests for redemption may only be withdrawn with the fund company's consent.

The price at sale (unit holder's purchase) shall be the unit value on the day of sale. The redemption price shall be the unit value on the day of redemption. The unit value is published on the fund company's website (www.simplicity.se) and in a number of newspapers through the Fund Companies Association.

The fund company has the right to close the Fund for sale of units when the fund assets exceed one billion (1,000,000,000) SEK and to decide if and when the Fund shall reopen for sale of units after closure. All unit holders in the unit holder register shall be notified by letter of any closure and reopening no later than 15 banking days before the closure or reopening takes place.

§ 10 Closure of the Fund under Extraordinary Circumstances

The Fund may be closed for sale and redemption if extraordinary circumstances have occurred that make it impossible to value the Fund's assets in a way that ensures equal rights for unit holders.

§ 11 Fees and Compensation

From the Fund's assets, compensation shall be paid to the fund company for its management of the Fund. This compensation shall not exceed 1.6% and includes costs for custody (the custodian), supervision, and auditors. The compensation is calculated daily at 1/365 of the annual amount.

Fees relating to underlying funds are charged to the Fund. Further information is available in the Fund's information brochure, key investor information document, and annual report.

Brokerage fees and other costs, as well as taxes incurred when the Fund buys and sells financial instruments, are charged to the Fund, as well as compensation to providers of research services and similar services.

Value-added tax may be added to the fees.

§ 12 Dividends

As a general rule, the Fund does not distribute income. However, the fund company may decide to distribute income to unit holders if, in the fund company's opinion, it is necessary to safeguard the common interests of unit holders. Distribution is then made to the extent and on the date deemed appropriate.

For distributions attributable to a fund unit, the fund company shall, after deduction of preliminary tax where applicable, acquire new fund units on behalf of the unit holder registered for the fund unit on the date determined by the fund company.

Upon request to the fund company, the distribution may instead be paid in cash to the unit holder's bank account, after deduction of

preliminary tax where applicable. Such request must be submitted no later than the date determined by the fund company.

§ 13 Financial Year of the Fund

The Fund's financial year is the calendar year.

§ 14 Semi-Annual Report and Annual Report, Amendments to Fund Rules

The fund company shall provide a semi-annual report for the first six months of the financial year within two months of the end of the half-year and an annual report on the Fund within four months of the end of the financial year. These documents shall be sent free of charge to unit holders who request them and be available at the fund company and the custodian.

Amendments to the fund rules may only be made by decision of the fund company's board and must be submitted to Finansinspektionen for approval. Once approved, the decision shall be available at the fund company and the custodian and announced as directed by Finansinspektionen.

§ 15 Pledge and Transfer

Pledging of fund units shall be reported in writing to the fund company. The notification shall state the unit holder, the pledgee, which units are covered by the pledge, and any limitations on the scope of the pledge. The unit holder shall be notified in writing that the fund company has recorded the pledge in the register of unit holders.

The pledge ceases when the pledgee has notified the fund company in writing. When the pledge ceases, the information about the pledge is removed.

The fund company is entitled to compensation from the unit holder for the registration of up to SEK 500.

§ 16 Limitation of Liability

Each unit holder should carefully review the risks described in the key investor information document and the information brochure associated with the financial instruments in which the Fund invests.

The fund company is not liable for damage caused by legal provisions, government actions, acts of war, strikes, blockades, boycotts, lockouts, or other similar circumstances, such as data or telecommunication failures. The reservation regarding strikes, blockades, boycotts, and lockouts also applies if the fund company is subject to or undertakes such conflict measures.

Damage arising in other cases shall not be compensated by the fund company if normal care has been exercised.

The fund company is not liable in any case for indirect damage and is not liable for damage caused by a custodian bank or other contractor engaged by the fund company with due care. The fund company is also not liable for damage that may arise due to restrictions on disposal that may be applied against the fund company.

If the fund company is prevented from taking action due to circumstances mentioned above, the action may be postponed until the obstacle has ceased. If the fund company is prevented from executing or receiving payment due to such circumstances, the fund company shall not be obliged to pay default interest.

The above does not limit the unit holder's right to compensation under Chapter 2, Section 21 of LVF.

If the custodian or a depositary bank has lost financial instruments held in custody, the custodian shall, without undue delay, return financial instruments of the same kind or pay an amount corresponding to the value to the fund company on behalf of the Fund. However, the custodian is not liable if the loss of the financial instruments is caused by an external event beyond the custodian's reasonable control and whose consequences were impossible to avoid despite all reasonable efforts, such as damage caused by Swedish or foreign law, Swedish or foreign government action, acts of war, strikes, blockades, boycotts, lockouts, or

other similar circumstances. The reservation regarding strikes, blockades, boycotts, and lockouts also applies if the custodian is subject to or undertakes such conflict measures.

The custodian is not liable for other damage unless the custodian has intentionally or negligently caused such damage. The custodian is also not liable for such other damage if the circumstances mentioned above exist.

The custodian is not liable for damage caused by a Swedish or foreign exchange or other marketplace, registrar, clearing organization, or others providing equivalent services, and – with respect to other damage than those mentioned above – not for damage caused by a depository bank or other contractor engaged by the custodian with due skill, care, and diligence and regularly monitored, or appointed by the fund company. The custodian is not liable for damage caused by such organizations or contractors becoming insolvent. However, an outsourcing agreement regarding custody of assets and control of ownership does not relieve the custodian of its liability for losses and other damage under the Investment Funds Act.

The custodian is not liable for damage arising for the fund company, unit holders in the Fund, the Fund, or others due to restrictions on disposal that may be applied against the custodian regarding securities.

The custodian is not liable in any case for indirect damage.

If the custodian is prevented from fully or partially executing an action under this agreement due to circumstances mentioned above, the action may be postponed until the obstacle has ceased. In the event of deferred payment, the custodian shall not pay default interest. If interest is promised, the custodian shall pay interest at the rate applicable on the due date.

If the custodian is prevented from receiving payment for the Funds due to circumstances mentioned above, the custodian shall, for the time during which the obstacle existed, be entitled to interest only under the terms applicable on the due date.

Otherwise, the custodian's liability for damages is governed by Chapter 3, Sections 14–16 of LVF.

§ 17 Permitted Investors

The Fund is intended for the general public, but not for such investors whose subscription for units in the Fund contravenes provisions in Swedish or foreign law or regulation. The Fund is also not intended for such investors whose subscription or holding of units in the Fund would cause the Fund or the fund company to be obliged to take registration measures or other actions that the Fund or the fund company would not otherwise be obliged to take. The fund company has the right to refuse subscription to such investors as referred to in this paragraph.

The fund company may redeem a unit holder's units in the Fund against the unit holder's objection if it turns out that the unit holder has subscribed for units in the Fund in violation of provisions in Swedish or foreign law or regulation or if the fund company, due to the unit holder's subscription or holding in the Fund, becomes obliged to take registration measures or other actions for the Fund or the fund company that the Fund or the fund company would not otherwise be obliged to take if the unit holder did not hold units in the Fund.

In case of any discrepancy between the Swedish-language version of this Fund terms and conditions and any translation thereof, the Swedish-language version shall prevail and the Fund terms and conditions shall be construed in accordance with the Swedish-language version.

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Produktnamn: Simplicity Småbolag Global

Identifieringskod för juridiska personer: 549300YWF0S5US0D8I49

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

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



Yes



No

☐ It will make a minimum of **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 will make a minimum of **sustainable investments with a social objective: ____%**

☒ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20 % 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 promotes E/S characteristics, but **will not make any sustainable investments**



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

The fund promotes environmental and social characteristics by exclusion, inclusion, norm-based screening, and engagement.

In addition, the fund must contain at least 20% sustainable investments. Further details regarding the objectives of the fund's sustainable investments can be found below under "What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?"

The fund promotes the following environmental characteristics:

- **Climate action (SDG 13)** by investing in companies with science-based climate targets and by excluding fossil fuels. Proactive dialogues are conducted with the aim of encouraging companies to set science-based targets verified by the Science Based Targets initiative (SBTi)
- **Affordable and clean energy (SDG 7)** by excluding electricity producers with more than 25% of their installed generation capacity based on fossil fuels, and electricity distributors for which more than 25% of the electricity distributed originates from fossil fuel sources.

The fund promotes the following social characteristics:

- **Responsible business conduct** by norm-based screening and investing in companies that are signatories to the UN Global Compact. Proactive dialogues are conducted with the aim of encouraging companies to become signatories to the UN Global Compact.

- *Good health and well-being (SDG 3)* by excluding companies involved in alcohol, tobacco, and cannabis.
- *Reduce violence everywhere (in SDG 16)* by excluding companies that produce or distribute weapons.
- *Social responsibility* by excluding companies that are involved in pornography or commercial gambling services.
- *Good governance praxis* by excluding companies that systematically violate international norms and conventions, without demonstrating a willingness to change.

No index is designated as a reference benchmark to meet the environmental and social characteristics that are promoted by this fund. Instead, the sustainability indicators described in the section below are used to measure the attainment of the fund's sustainable characteristics. Find more information on how the fund promotes environmental and social characteristics under "What investment strategy does this financial product follow?".

Sustainability indicators

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

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

The table below includes the sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by the fund. The indicators are considered in investment decisions and are controlled regularly.

Sustainability indicators	Description of indicator	Purpose
Sustainable Investments	The share of investments that fulfill the fund's definition of a sustainable investment according to Article 2 (17) of SFDR. Find the definition under "What investment strategy does this financial product follow?".	At least 20 % of the fund should be sustainable investments.
Exclusion	Find the fund's exclusion criteria under "What investment strategy does this financial product follow?".	The fund should not have any exposure to companies that exceed the Sub-Fund's exclusion criteria.
Norm-based screening	Exposure to companies that violate international norms and conventions, such as the ILO Conventions, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises, or that are involved in other types of incidents.	As a management company, Simplicity seeks to ensure that investments are made in well-managed companies that conduct their operations in accordance with international norms and conventions for responsible business conduct. The fund excludes companies that systematically violate international norms and conventions without demonstrating a willingness to change and/or that have not compensated third parties who have suffered serious harm from a verified violation.
Science Based Targets	Percentage of the fund's net assets with climate targets approved by the Science Based Targets Initiative (SBTi).	As a management company, Simplicity seeks to ensure that the management of the fund is, over time, aligned with the objectives of the Paris Agreement to limit global warming to 1.5°C and contribute to the transition to net-zero emissions. The proportion of investments in companies with climate targets validated by the Science Based Targets initiative (SBTi) is used as an indicator of the extent to which the portfolio is invested in companies with climate targets aligned with the objectives of the Paris Agreement. Proactive dialogues are conducted with the aim of encouraging companies to adopt climate targets verified by the Science Based Targets initiative (SBTi).
UN Global Compact	Percentage of the fund's net assets that are signatories to the UN Global Compact and have thereby committed to ten principles related to human rights, labor, environment, and anti-corruption.	As a management company, Simplicity seeks to ensure that the management of the fund is characterised by investments in well-managed companies that conduct their business in accordance with internationally

		recognised norms and conventions for responsible business conduct. The proportion of investments in companies that are signatories to the United Nations Global Compact is used as an indicator of the extent to which the portfolio is invested in companies that conduct their business in accordance with internationally recognised norms and conventions for responsible business conduct. Proactive dialogues are conducted with the aim of encouraging companies to become signatories to the UN Global Compact.
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● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

A sustainable investment is an investment in an economic activity that contributes to an environmental objective or a social objective, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices. All sustainable investments of the fund are aligned with an environmental or a social objective. The objectives of the fund's sustainable investments are the following:

- *The EU Taxonomy's environmental objectives* by investing in companies that report being taxonomy-aligned, or are estimated to be so.
- *The UN Sustainable Development Goals* by investing in companies whose products and services contribute positively to achieving one or more of the UN's 17 Sustainable Development Goals.
- *The Paris Agreement* and *the UN Global Compact* by investing in companies that have climate targets verified by the Science Based Targets initiative (SBTi) and are also signatories to the UN Global Compact.

No index is designated as a reference benchmark to meet the environmental and social characteristics and the sustainable investment objectives that are promoted by this fund.

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

The fund considers principal adverse impact indicators on sustainability factors to ensure that its sustainable investments do not significantly harm any environmental or social objective. More information can be found below.

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

By considering the indicators for adverse impacts on sustainability factors (PAI indicators) set out in the section below "Does this financial product consider principal adverse impacts on sustainability factors?", the criterion of not causing significant harm to any environmental or social investment objective for the fund's sustainable investments is met.

In addition to considering PAI indicators, the fund excludes various sectors and activities that are considered to contribute to negative impacts on environmental and social sustainability, are ethically controversial, or for other reasons, in our view do not contribute positively to a sustainable society. The fund's exclusion criteria are provided under the heading 'What investment strategy does this financial product follow?'

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

Simplicity does not invest in companies that systematically violate international norms and conventions without demonstrating a willingness to change, and/or that have not compensated third parties who have suffered serious harm from a verified violation, such as the ILO Conventions, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. The guidelines for each principle indicate how global companies should act on issues related to employment, working conditions, human rights, trade union organization, taxation, and promote a corporate culture aimed at combating, among other things, human rights violations, corruption, and bribery. Companies may be placed on a 'watchlist' if these principles are breached.

The fund's compliance with the above norms and conventions is ensured through regular monitoring using data from external data providers. The fund managers are responsible for adhering to the Company's responsible investment guidelines when making investment decisions and continuously throughout the holding period. Simplicity has a Sustainability Committee whose function is to assist the managers in fulfilling the funds' sustainability-related commitments. The Sustainability Committee meets regularly. Its

role is to discuss relevant issues, violations, and incidents, conduct engagement activities, and provide guidance regarding potential exclusions of individual companies from the funds.

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

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

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



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

☒ Yes,

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.

The fund considers principal adverse impacts on sustainability factors in investment decisions. The fund strives to limit the adverse impacts on sustainability factors caused by the fund holdings' activities through two main methods: exclusion and norm-based screening.

As a first step, the company's exclusion criteria are applied, meaning that companies of a particularly negative nature are excluded from the company's funds (see more below under the heading "What investment strategy does this financial product follow?"). The funds exclude fossil fuels (PAI factor 1.4), electricity producers with more than 25% of their installed generation capacity based on fossil fuels (PAI factor 1.5), and controversial weapons (PAI factor 1.14). The funds also exclude additional types of activities, but these do not have a direct connection to any PAI factor.

Norm-based screening is used to identify potential violations of international norms, such as the ILO conventions, the UN Global Compact, OECD guidelines for multinational enterprises, and the UN Guiding Principles on Business and Human Rights (UNGPs). Simplicity's funds should not invest in companies that systematically violate international norms and conventions without demonstrating a willingness to change (PAI factor 1.10).

Other PAI factors are considered based on the likelihood that the negative impact associated with the area will occur and its severity if it does. Investments are analyzed based on data availability, and the analysis and assessment vary depending on the companies' industry, geography, and business model. Very negative impacts related to the other PAI factors may lead the Company to determine that an investment should not be made, even if the Company has not set specific thresholds for these PAI factors.

Below is a list of all PAI indicators and two optional ones (PAI 2.4, 3.4 and 3.6)

PAI 1.1 GHG emissions

PAI 1.2 Carbon footprint

PAI 1.3 GHG intensity of investee companies

PAI 1.4 Exposure to companies active in the fossil fuel sector

PAI 1.5 Share of non-renewable energy consumption and production

PAI 1.6 Energy consumption intensity per high impact climate sector

PAI 1.7 Activities negatively affecting biodiversity-sensitive areas

PAI 1.8 Emissions to water

PAI 1.9 Hazardous waste and radioactive waste ratio

PAI 1.10 Violations of the UN Global Compact principles and Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises

PAI 1.11 Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

PAI 1.12 Unadjusted gender pay gap

PAI 1.13 Board gender diversity

PAI 1.14 Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)

PAI 2.4 Investments in companies without carbon emission reduction initiatives

PAI 3.4 Lack of a supplier code of conduct

PAI 3.6 Insufficient whistleblower protection

☐ No



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

What investment strategy does this financial product follow?

The fund is an actively managed equity fund that invests in small and mid-sized companies across the world. Sustainability is a central part of the investment process, and the fund follows the company's policy for responsible investments. The fund aims to deliver good risk-adjusted returns while promoting environmental and social characteristics. Sustainability factors are assessed to have a neutral impact on the fund's returns.

The Company has established threshold values to assess whether an investment significantly contributes to an environmental or a social objective in accordance with Article 2 (17) of the EU's Disclosure Regulation (SFDR). At least one of the criteria below must be met.

- **Contribution to the environmental objectives of the EU Taxonomy.** Refers to investments in companies where at least 10 % of the company's revenue is reported or estimated as environmentally sustainable according to the EU taxonomy regulation.
- **Contribution to the SDGs.** Refers to investments in companies where at least 10 % of the company's turnover is linked to activities that are deemed to contribute to achieving one or more of the SDGs.
- **Contribution to the Paris Agreement and the UN Global Compact.** Refers to investments in companies that have climate targets verified by the Science Based Targets initiative (SBTi) and are also signatories to the UN Global Compact. These investments contribute to UN Sustainable Development Goal 13 (Climate Action) and to the achievement of the objectives of the Paris Agreement, while promoting responsible business conduct.

The fund applies both inclusions and exclusions strategies in the investment process to promote social and environmental characteristics.

Including. The fund includes:

- Companies that are signatories to the UN Global Compact. As a management company, Simplicity seeks to ensure that the management of the fund is characterized by investments in well-managed companies that conduct their business in accordance with internationally recognized norms and conventions for responsible business conduct. Becoming a signatory to the United Nations Global Compact is regarded as a commitment to conducting business in accordance with internationally accepted principles of responsible business conduct.
- Companies with climate targets verified by the Science Based Targets initiative (SBTi) to promote the objectives of the Paris Agreement and the UN Sustainable Development Goal 13 (Climate Action). As a management company, Simplicity seeks to ensure that the management of the fund is, over time, aligned with the objectives of the Paris Agreement to limit global warming to 1.5°C and contribute to the transition to net-zero emissions. Climate targets verified by the Science Based Targets initiative (SBTi) are regarded as a commitment

Exclusions criteria. The fund excludes companies that produce or distribute tobacco, cannabis, alcohol, pornography, commercial gaming, weapons, or fossil fuels, as well as other companies within sector 10 according to the GICS classification. The table below shows the thresholds, as a share of revenue, for exclusion:

Sector	Production	Distribution
Tobacco	0%	5%
Cannabis	0%	5%
Alcohol	5%	5%
Pornography	0%	1%
Commercial gambling	5%	5%
Conventional weapons & Military Equipment	0%	0%
Controversial & nuclear weapons	0%	0%
Fossil fuels	0%	25%

The fund is also excluding companies:

- Within GICS Sector 10 (Energy)
- With more than 5% of revenue derived from the exploration or extraction of coal
- With more than 25% of revenue derived from the distribution of, or services related to, oil, gas or coal.
- From other sectors with more than 25% of revenue derived from activities related to the fossil fuel industry.
- That are electricity producers with more than 25% of their installed generation capacity based on fossil fuels
- That are electricity distributors for which more than 25% of the electricity distributed originates from fossil fuel sources.
- With more than 5% of revenue derived from electricity generation through the combustion of thermal coal.

- That produce or distribute electricity where more than 25% of the generated energy comes from nuclear power.
- That are investment companies and majority owners of companies that extract fossil fuels or of other companies within GICS Sector 10 (Energy).
- Subject to norm-based exclusions where they are subject to applicable EU or UN sanctions.

The investment strategies are continuously checked. Holdings that no longer meet the fund's sustainability requirements will be discussed in the Sustainability Committee, which may lead to initiating a dialogue or that the holding will be excluded.

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

The binding elements of the investment strategy are:

- The share of sustainable investments should be at least 20 % of the fund.
- Simplicity's policy for responsible investments, including exclusion, inclusion, norm-based screening, and engagement.

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

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

To manage sustainability risks, it is crucial that the companies in which Simplicity invests through its funds conduct their operations in a responsible manner. The company uses norm-based screening to ensure compliance with good governance practices. As a minimum, Simplicity expects companies to comply with laws and international norms and conventions, such as the ILO conventions, UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD guidelines for multinational enterprises. All holdings in Simplicity's funds undergo regular screening to verify that no violations have occurred. The norm-based screening is conducted by a third party.



Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

What is the asset allocation planned for this financial product?

The asset allocation has the following split as described below. The shares may vary depending on market movements throughout the year.

#1 Aligned with E/S characteristics: > 90 %

All equity investments.

#1A Sustainable: > 20%

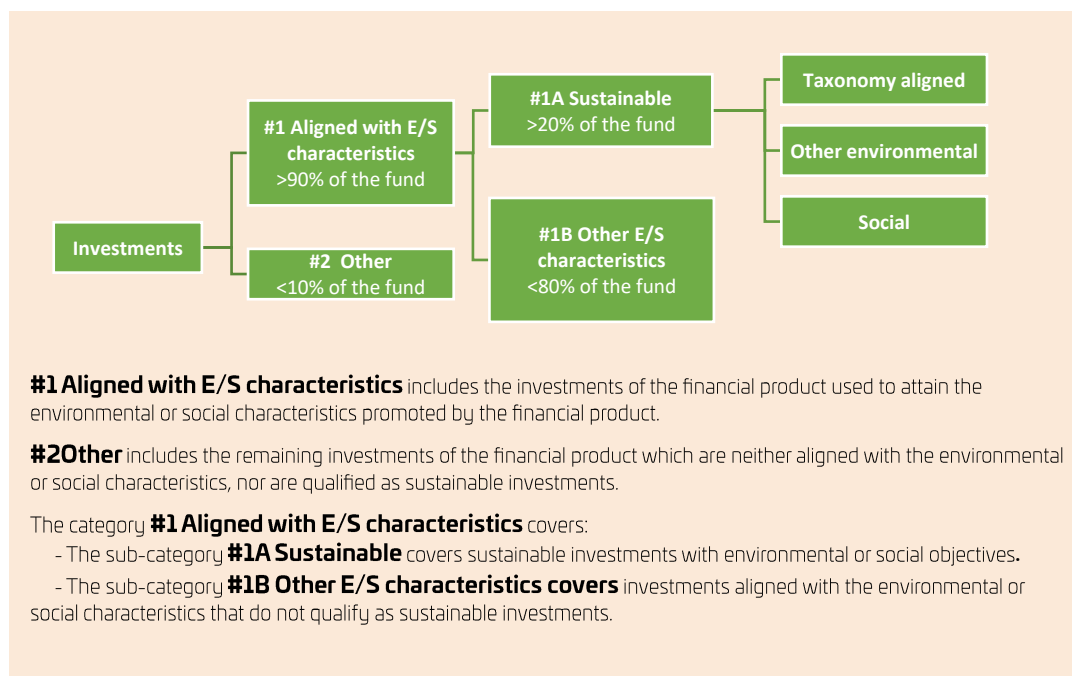
Investments that fulfil binding parts of the fund's investment strategy described in more detail above under the question "What investment strategy does this financial product follow?". These investments are divided between taxonomy compatible investments and other investments with environmental or social objectives.

#1B Other E/S characteristics: < 80%

Investments that promote environmental or social characteristics but do not qualify as sustainable investments.

#2 Other: < 10%

Cash for liquidity management.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to



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

The fund has no commitments to make a minimum share of sustainable investments with an environmental objective aligned with the requirements of the EU Taxonomy.

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

☒ Yes,

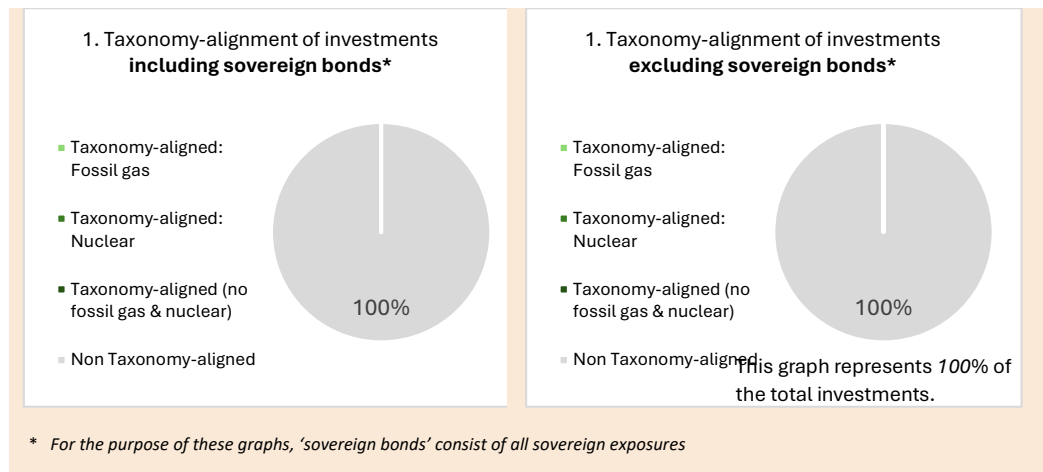
☒ In fossil gas

☒ In nuclear energy

☐ No

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

¹ Fossil gas and /or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory notes in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in the Commission Delegated Regulation (EU) 2022/1214.



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

The fund has no commitments to make a minimum share of investments in transition activities or enabling activities.

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



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

The fund may invest in economic activities that are not considered as environmentally sustainable economic activities according to the EU taxonomy. The fund's investments that may fall within this category include, for example, green bonds, bonds issued by companies with science-based climate targets or bonds issued by companies whose products and services contribute to achieving one or more of the environmental-related SDGs. The fund has no commitments to make a minimum share of sustainable investments with an environmental objective that is not aligned with the requirements of the EU Taxonomy.



What is the minimum share of socially sustainable investments?

All sustainable investments in the fund are compatible with a social or environmental objective. The fund has no commitments to make a minimum share of sustainable investments with a social objective. However, the fund can make sustainable investments in financial products that are deemed to contribute to a social objective. The fund makes socially sustainable investments by investing in social bonds or in companies that contribute to achieving one or more of the social SDGs.



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

The following are included in “#2 Other”:

- **Cash.** According to the fund terms, the fund may have cash held as liquidity up to 10% of the fund.

The fund company has made the assessment that cash held for liquidity does not represent environmental nor social risks.



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.simplicity.se/en/fond/simplicity-smablag-global/>

General Information about Simplicity

Management company

Simplicity AB	556611-4723
Company formation	2001.05.10
Share capital	Sek 3.000.000
Registered office	Varberg
Parent company	Simplicity Holding AB
Address	Södra Hamnvägen 12, 432 44 Varberg
Telephone	0340-21 95 00
Website	www.simplicity.se
E-mail	kundservice@simplicity.se
Supervisory authority	Finansinspektionen

Permission to conduct fund operations was granted by Finansinspektionen on 2002.09.02 and renewed in accordance with new legislation on 2004.12.22.

The Management Company manages the following securities funds

- Simplicity Sverige
- Simplicity Småbolag Sverige
- Simplicity Norden
- Simplicity Småbolag Global
- Simplicity Fastigheter
- Simplicity Global Tema
- Simplicity Likviditet
- Simplicity Företagsobligationer
- Simplicity Global Corporate Bond
- Simplicity High Yield
- Simplicity Palma
- Simplicity Maturity 2028
- Simplicity Maturity 2029

Board of Directors

Chairman: Jonas Wollin – CEO, Rudholm Group Holding AB
Board member: Michael Lindengren – Styrelseordförande, Acrap AB
Board member: Ulf Ingemarson – VD, Simplicity AB
Board member: Hans Bergqvist – Simplicity AB
Board member: Henrik Tingstorp – Simplicity AB
Board member: Johanna Ingemarson – Simplicity AB

Senior Executives

Ulf Ingemarson – CEO
Hans Bergqvist – Deputy CEO
Henrik Tingstorp – Deputy CEO
Johan Rönliden – Head of Risk Function

Auditor

Carl Fogelberg – PwC AB

Outsourcing Agreements

Simplicity AB has chosen to outsource the compliance function to an external party. Currently, this assignment is held by Harvest Advokatbyrå AB with lawyer Björn Wendleby responsible.

The fund company has entered into an outsourcing agreement with Advisense AB regarding the company's internal audit function. Iman Chaffari at Advisense is responsible for the assignment.

Amendments to Fund Rules

Amendments to fund rules may only be made by decision of the fund company's board and must be submitted to Finansinspektionen for approval. Once approved, the decision shall be made available at the fund company and the custodian, and announced as directed by Finansinspektionen. Changes may affect the fund's investment focus, fees, and risk profile.

Registration of Unit Holders

The Management Company maintains a register of all unit holders and their holdings. The unit holder's holdings are reported in the annual statement, which also includes tax information.

Subscription of Units

Purchase (unit holder's purchase) of fund units can be made daily for our equity funds and fixed income funds through the fund company. Subscriptions are made as follows:

- By depositing funds to the fund's bank giro. Deposited funds go directly to the fund's account at the custodian.
- By depositing directly to the fund's account.
- By instructing the fund company in advance for periodic purchases via direct debit. Deposited funds go directly to the fund's account at the custodian.

Issuance of fund units is not executed until payment has been received by the fund. For distributors, purchase of fund units before payment is allowed if an agreement regulating this has been established. The agreement regulates the applicable terms and payment to each fund must be made T+1, T+2, or T+3 depending on the fund. The checks Simplicity must perform under the Anti-Money Laundering Act may also affect the timing and possibility of executing unit purchases.

The price of fund units is calculated according to §8 of the fund rules on the day of sale. Therefore, the price is not known when the purchase request is made. It is not possible to limit purchase or redemption orders.

Further information about the sale and redemption of fund units, as well as necessary forms, is available on the fund company's website or can be obtained from customer service at 0340-219500.

Redemptions of Units

Redemption of fund units can be made daily for our equity funds and fixed income funds through the fund company. Fill in and sign the Redemption of Fund Units form available on our website, simplicity.se, or contact us and we will send it by post. You may also write your own sell order, which must include your name, personal/corporate ID number, and what you wish to sell. It is important that you sign the sell order.

Upon redemption, payment is normally made no later than three (3) banking days for our equity funds, Simplicity Företagsobligationer, Simplicity Global Corporate Bond, Simplicity High Yield, Simplicity Maturity 2028, Simplicity Maturity 2029, and two (2) banking days for Simplicity Likviditet. The money is paid to the bank account or bank giro specified by the unit holder. It is not possible to limit purchase or redemption orders.

Further information about the sale and redemption of fund units, as well as necessary forms, is available on the fund company's website or can be obtained from customer service at 0340-219500.

Cut-off Times

The following cut-off times (CET) apply for earliest purchase and redemption for the various funds on full banking days:

Fund	Subscription	Redemption
Simplicity Sverige	14:00	14:00
Simplicity Småbolag Sverige	14:00	14:00
Simplicity Norden	14:00	14:00
Simplicity Småbolag Global	08:00	08:00
Simplicity Fastigheter	14:00	14:00
Simplicity Global Tema	08:00	08:00
Simplicity Likviditet	14:00	14:00
Simplicity Företagsobligationer	14:00	14:00
Simplicity Global Corporate Bond	14:00	14:00
Simplicity High Yield	14:00	14:00
Simplicity Palma	08:00	08:00
Simplicity Maturity 2028	08:00 T-1	08:00 T-1
Simplicity Maturity 2029	08:00 T-1	08:00 T-1

On half banking days, the following cut-off times apply:

Fund	Subscription	Redemption
Simplicity Sverige	11:00	11:00
Simplicity Småbolag Sverige	11:00	11:00
Simplicity Norden	11:00	11:00
Simplicity Småbolag Global	08:00	08:00
Simplicity Fastigheter	11:00	11:00
Simplicity Global Tema	08:00	08:00
Simplicity Likviditet	11:00	11:00
Simplicity Företagsobligationer	11:00	11:00
Simplicity Global Corporate Bond	11:00	11:00
Simplicity High Yield	11:00	11:00
Simplicity Palma	08:00	08:00
Simplicity Maturity 2028	08:00 T-1	08:00 T-1
Simplicity Maturity 2029	08:00 T-1	08:00 T-1

Monthly Savings

You can also save monthly in our funds via direct debit. By saving monthly, you participate in all market climates and spread the risk over time, which in the long run will prove advantageous. You can easily start your monthly savings by visiting our website, simplicity.se, and following the instructions or contacting us to receive a form.

Tax Rules

Securities funds are exempt from tax liability. Instead, the unit holder must declare a standard income of 0.4% of the value at the beginning of the year. This is taxed as capital income at 30% for individuals and Swedish estates, resulting in a tax of 0.12% per year. A fund holding of SEK 100,000 at the beginning of the year results in a tax of SEK 120 $(100,000 * 0.4\%) * 30\%$.

For legal entities, the income is declared as business income, resulting in a tax of about 0.11% per year.

The fund company submits control statements regarding standard income for all individuals and estates.

Upon redemption of fund units, any capital gain is taxed. For individuals and estates, the capital gain is taxed as capital income.

The fund company submits control statements regarding redemption of fund units for all individuals and estates.

For further details, refer to tax law literature and legislation. The above information is general, and it is the responsibility of each person to consult tax experts for a complete description of the applicable rules..

Risks associated with investing in mutual funds

Saving in funds always involves a certain degree of risk, as invested capital may decrease in value. Normally, the risk is higher in pure equity funds than in fixed income or mixed funds. For information on the specific risks due to the funds' investment strategies, see each fund's risk profile description.

Annual and Semi-Annual Reports

The fund company prepares annual and semi-annual reports. These are provided free of charge to unit holders no later than two and four months after the half-year and full-year end, respectively, if requested. They are also published on our website.

Information on Unit Value

The value per unit in our equity and fixed income funds is determined and published daily on the fund company's website, simplicity.se.

Incorrect Unit Value

Valuation of the fund's holdings and calculation of unit value are central tasks in all fund operations. If a calculated unit value proves to be incorrect, Simplicity applies the Fund Companies Association's guidelines for handling compensation in case of incorrect unit value. This means that unit holders who have been negatively affected by a material error are compensated.

Marketing in Other Countries

The fund company is authorized to conduct cross-border trading in the following countries:

Austria

- Simplicity Norden
- Simplicity Företagsobligationer
- Simplicity High Yield

Germany

- Simplicity Norden
- Simplicity Företagsobligationer
- Simplicity High Yield

Luxembourg

- Simplicity Norden
- Simplicity Småbolag Global
- Simplicity Likviditet
- Simplicity Företagsobligationer
- Simplicity Global Corporate Bond
- Simplicity High Yield
- Simplicity Maturity 2028

Norway

- Simplicity Norden
- Simplicity Sverige
- Simplicity Småbolag Sverige
- Simplicity Småbolag Global
- Simplicity Likviditet
- Simplicity Företagsobligationer
- Simplicity Global Corporate Bond

Portugal

- Simplicity Norden
- Simplicity Företagsobligationer

Spain

- Simplicity Norden
- Simplicity Företagsobligationer

Simplicity AB has entered into agreements with distributors in countries where the funds are marketed. Distributors assist end customers with all information regarding sales/redemption and information about the funds.

Complaints Officer

The complaints officer is Deputy CEO Hans Bergqvist, who can be reached at Simplicity AB's address and telephone number.

Liability for Damages

If a unit holder has suffered damage due to the fund company violating the law (2004:46) on securities funds or the fund rules, the fund company shall compensate for the damage.

Termination and Transfer of Fund Management

If the fund company decides to transfer the management of the fund to another fund company, with the approval of Finansinspektionen, all unit holders will be informed. The information will be published in national and local newspapers and will be available at the fund company and the custodian. Management of the fund is immediately taken over by the custodian if Finansinspektionen revokes the fund company's license or if the fund company enters liquidation or bankruptcy.

Processing of Personal Data

All processing of personal data is carried out within the framework of the Personal Data Act and the confidentiality rules applicable to fund operations. Personal data provided to Simplicity AB is processed in data systems to the extent necessary to fulfill the fund company's obligation to maintain a register of unit holders, to provide services related to the fund company's operations, and for identity verification. Data is also processed so that Simplicity AB can fulfill other legal obligations and for marketing, statistics, and analysis purposes. The data may have been provided in connection with entering into agreements, expressions of interest, or otherwise in connection with customer or contractual relationships. The data may be supplemented or checked against public registers such as SPAR. Processing is carried out within the framework of the Personal Data Act and the confidentiality rules applicable to fund operations. Personal data may also be used for administrative services or marketing purposes by companies engaged by Simplicity for such activities. If you do not wish to receive marketing material, you can notify Simplicity in writing at the company's postal address, where you can also send requests for correction of incomplete or incorrect personal data as well as requests for information about which personal data about you is being processed.

Information Brochure and PRIIP

According to the law on securities funds, each securities fund must have a current information brochure and key investor information document about the fund and its operations. The content must include the fund rules and the information needed to assess the fund's operations. The information brochure and key investor information document are prepared in accordance with Finansinspektionen's regulations and applicable law.

The information provided in the information brochure, key investor information document, or other material issued by the company should not be seen as a recommendation by the fund company to acquire units; it is up to each person to make their own assessment of the risks associated with investing in any of the funds. Simplicity does not provide advice on the suitability of investing at any particular time, but limits its marketing to historical information about the funds' performance and the opportunities and risks associated with securities investments. The information is general and not intended as individual advice.

In some parts of the information material, "statistical studies" and "simulations" are mentioned. These refer to test results obtained using algorithms that govern buy and sell decisions in the investment model based on historical price data. Simplicity AB cannot guarantee the accuracy of these historical databases and therefore cannot guarantee that the results mentioned are correct.

There are no guarantees that an investment in the relevant funds cannot lead to a loss. Past performance is not a guarantee of future returns. The money invested in the fund can both increase and decrease in value, and it is not certain that you will get back the invested capital.

Ownership Policy

Simplicity applies an ownership policy for the funds not to exercise active ownership except in exceptional cases and if the board finds it justified. The fund company's contact person for ownership matters is CEO Ulf Ingemarson. For more information, see Simplicity's website, www.simplicity.se.

Remuneration Policy

The board of Simplicity AB has established a remuneration policy covering all employees of the fund company. The remuneration policy is designed according to Finansinspektionen's regulations. The remuneration system should promote sound operations, effective risk management, and counteract excessive risk-taking.

The remuneration system should encourage long-termism and stability in Simplicity's operations. At Simplicity, the integration of sustainability risks is a central part of the business, which is also considered when calculating remuneration for employees. When the fund company determines remuneration for an employee, it is considered that the employee follows internal rules and instructions. By considering sustainability risks when determining remuneration for employees, employees are encouraged to contribute to Simplicity's work with sustainability issues and management of sustainability risks in the business.

Employees at Simplicity AB are compensated with a fixed salary. In addition, variable remuneration may be paid. The company bases performance-based remuneration on both an employee's results and the results of the relevant business unit and the company's total results. All employees entitled to variable remuneration have a fixed remuneration at a level that allows the variable part to be set to zero. Thus, the variable remuneration for an individual may be zero in case of low profitability or failure to meet targets.

For an employee who exercises or may exercise a significant influence on the company's risk level, a so-called specially regulated person, payment of decided variable remuneration shall be deferred for at least three years for at least 40 percent of the payment. For specially regulated staff whose variable remuneration amounts to a particularly high amount, the company shall defer at least 60% of the remuneration. The company may pay or transfer the deferred remuneration once per year, evenly distributed over the deferral period.

If the company's board intends to grant and pay variable remuneration, the company shall consider how this may affect long-term results. When the company determines the basis for remuneration, it shall note that results may be affected by current and future risks. The company shall, in its performance measurement, take into account the actual costs of maintaining capital and liquidity resulting from the activities to which the performance measurement relates.

For more information on remuneration, refer to the funds' annual reports and Simplicity's annual report. The fund company's remuneration policy can be provided free of charge upon request by unit holders.

Swedish Investment Fund Association

Simplicity is a member of the Fund Companies Association. Simplicity follows the guidelines set by the Fund Companies Association.

Publication

This information brochure for investors is valid as of May 12, 2026.