

Half-year report 2025

for the securities fund

Pensum Financial Opportunity Fund

Collective investment undertaking

The fund is managed by FCG Fonder AB, corporate identity number 556939-1617, (the "Company"), which is a limited liability company started in 2014 with registered office in Stockholm. The Company is under the supervision of the Financial Supervisory Authority.

The Portfolio Manager

The Company has commissioned Pensum Asset Management AS, Norwegian registration number 920685714, (the "Portfolio Manager") to carry out portfolio management, marketing and distribution for the fund. **The portfolio manager, which was established in 2018, has its registered office in Oslo, Norway and is under the supervision of the Financial Supervisory Authority of Norway.**

Information on risk

Historical returns are no guarantee of future returns. The money invested in a fund can both increase and decrease in value and it is therefore not certain that you will get all your invested capital back. There are thus no guarantees that an investment in a fund will not lead to a loss or will provide good returns, despite a positive performance in the financial markets.

Administration report

THE FUND'S INVESTMENT FOCUS

The fund is an actively managed fixed-income fund that invests in interest-related instruments issued by European banks and other financial institutions, focusing mainly on what is known as hybrid capital, also known as CoCos (contingent convertible bonds). CoCos are characterised by the fact that they are interest-bearing transferable subordinated securities with no end date which can, under certain predetermined circumstances, be converted to equity or written down. CoCos offer higher interest rates and thus a greater chance of satisfactory returns, but are at the same time associated with higher risks than ordinary bonds.

At least 90 per cent of the value of the fund must be invested in interest-related financial instruments. The objective of the fund is to generate a return over time that exceeds the Norwegian Overnight Weighted Average (NOWA) or a minimum of 0 + 4.0 percentage points.

The fund's investment process is based on a thorough fundamental analysis. The investment is allocated among the various interest-related instruments depending on which instruments the manager considers most attractive based on expected return in relation to risk. This applies not only to the choice of instruments, but also to the choice of issuer. At least 90 per cent of the value of the fund must be invested in interest-related financial instruments at any given time. The fund's average interest duration will vary from time to time depending on the manager's view of the market. The fund's average interest duration may not exceed five years.

The fund's assets may be placed in transferable securities, money market instruments, fund units and in accounts at credit institutions. The fund may invest no more than 10 per cent of its value in fund units. The fund may also include the cash resources required for management of the fund.

THE FUND'S PERFORMANCE

The fund return was 1.73% (unit class A), with 4.30% for the benchmark index.

The fund volatility has been low, with the exception of a few days in April, when Donald Trump's various gambits resulted in relatively high volatility in the capital markets. In May and June, the daily fluctuations in the fund never exceeded 0.5 per cent.

Although 85 per cent of the fund's assets consist of fund-linked notes (mainly issued by banks), we consider that the fund should be able to deal relatively comfortably with any recessions. Firstly, the banks' capital adequacy is significantly higher than previously. Also, loan losses and progress in the proportion of non-performing loans show that the banks' credit policies have improved significantly in recent years. Despite the fact that the ECB raising its policy rate from minus 0.5 per cent in 2020/21 to 4 per cent in 2023/24, loan losses and non-performing loans remained at low levels.

The fund's fixed interest period was 3.4 years at the end of June. The rise in US long-term interest rates over the period has not had any appreciable adverse effect on returns. The yield on the German ten-year bond is largely unchanged over the same period.

Four banks – Deutsche Bank, Aareal Bank, Bank of Ireland and ABN Amro – accounted for a quarter of the fund's return. One common feature of these four bonds is the fact that they were purchased in early April, when they were hit relatively hard by Trump's gambit. The fund's three weakest investments yielded a return of just over zero.

Important factors that could affect the fund's return in the second half of the year include the effects of US trade policy.

If the European economy is significantly affected by high tariffs, we could be facing a recession with higher credit losses at the banks.

Whether a bank's return on equity is 12 per cent or 15 per cent is extremely significant for the valuation of a bank share, but is of little significance for the value of fund-linked notes. There is only a significant fall in the price of fund-linked notes when the market begins to question whether the banks' loan losses will be so large as to give rise to doubts about their survival.

Another question is whether higher tariffs could lead to higher interest rates. Long-term interest rates have already risen to some extent and if that continues, we must expect falling prices for fixed-rate fund-linked notes. However, such falls in value will be temporary as long as the banks continue to pay their coupons. If, on the other hand, the rise in interest rates is due to higher inflation, the fund's investors will suffer lower real returns.

The fund's expected yield in Norwegian kroner was around eight per cent at the end of June.

Fund-linked notes accounted for 85 per cent of the fund's assets, whereas the remaining 15 per cent was evenly distributed among subordinated debt, senior bonds and cash.

Securities issued by banks accounted for 83 per cent, with the remaining 17 per cent divided between cash and companies in insurance, leasing and other finance.

BENCHMARK INDEX

The fund is not managed in relation to any benchmark index, but applies NOWA or a minimum of 0 + 4.0 percentage points to calculate and collect performance-based remuneration and measure the fund's active risk. The measure is relevant when it

comes to collecting performance-based remuneration because the objective of the fund is to achieve a return which is above the risk-free interest rate and positive every year.

The index is managed by Norges Bank. ESMA approval is not required since central banks already comply with principles, standards and procedures that ensure that they carry on their business with integrity and in an independent manner. Instead, the

bank itself is responsible for ensuring that the index is true and fair and has not been subject to undue influence and also for its reliability and independence.

DERIVATIVE INSTRUMENTS

The fund has the option of using derivative instruments, including OTC derivatives, to make management more efficient, with the aim of reducing costs or risks. That means that investments in derivative instruments are made with the aim of protecting the value of the fund's underlying assets, maintaining the desired level of risk in the fund portfolio, or minimising the management costs.

The fund may use derivative instruments based on assets whose underlying assets consist of or relate to:

- assets referred to in Chapter 5, section 1, second paragraph, first sentence of the LVF,
- financial indexes,
- interest rates,
- exchange rates, and
- foreign currencies.

TRANSACTIONS FOR SECURITIES FINANCING AND TOTAL RETURN SWAPS

Lending of securities

In accordance with fund legislation, the fund has the option of lending transferable securities included in the fund, up to 20 per cent of the value of the fund, to a third party (a securities loan). However, this is not expected to take place and nor does the fund use other types of transactions for financing securities.

SIGNIFICANT RISKS IN THE FUND

The fund is a fixed-income fund aimed at the banking sector and financial institutions in Europe. The risk associated with the fund's investments in interest-bearing financial instruments depends largely on the duration of the instruments and the prevailing situation in the interest rate market. If the general interest rate level rises, the value of the fund's interest-bearing instruments falls, which has an adverse effect on the value of the fund. However, if the general interest rate level falls, the value rises. Investments in interest-bearing instruments with long duration increase the interest rate risk in the fund because the fund then becomes more sensitive to changes in interest rates.

Exposure to interest-related instruments also means that the fund is exposed to credit risk. That may mean that the value of the interest-related instruments held by the fund may fall if the market's perception of the creditworthiness of the issuer of the instruments deteriorates. Interest-bearing instruments issued by issuers with a lower credit rating are associated with a higher interest rate and thus a higher expected return, though there is also a greater risk of the issuer being unable to meet its payment obligations, whereupon all or part of the value of the instrument

is lost. Investments in interest-bearing instruments issued by issuers with a low credit rating therefore contribute to an extremely high credit risk in the fund. In order to reduce the credit risk, the fund is not permitted to invest in interest-related instruments that at the time of investment have a credit rating below B- from S&P or B3 from Moody's, or an equivalent rating from another approved credit rating agency. CoCos are also associated with specific risks which, overall, mean that the risks are higher than for ordinary bonds issued by the same bank. Investors in bonds of this type may miss out on interest payments because the supervisory authorities can order the issuer to stop interest payments in the event of a breach of capital requirements. In the event of significant breaches of capital requirements, investors may risk having the bond written down and/or converted to equity. In principle, CoCos are perpetual, i.e. they have no maturity date. However, the bank that issued the bond has the option of repurchasing the bond at predetermined dates, the first of which are normally between five and ten years after the issue. However, under stressed market conditions, there is a risk that the bank may not buy back the bond, which creates uncertainty regarding CoCos' actual duration.

FEES

The table shows the current and maximum fixed management fee for each unit class. The amounts are annualised. The applicable management fee is the management fee that is actually charged.

Concerning the performance-based management fee

A performance-based variable fee is payable for all unit classes in addition to the fixed management fee. The performance-based fee

amounts to a maximum of 20 percent of the part of the return for a unit class that exceeds a threshold value. The threshold for the unit classes is as follows:

- For the unit classes traded in NOK, the threshold value is NOWA or a minimum of 0 + 4.0 percentage points.

- For the unit classes traded in SEK, the threshold is NOWA or a minimum of 0 + 4.0 percentage points (converted to SEK).

- For the unit classes traded in EUR, the threshold is NOWA or a minimum of 0 + 4.0 percentage points (converted to EUR).

The calculation of the performance-based fee conforms to the so-called high watermark principle, which means that in addition to exceeding the threshold value, the return must also exceed the historically highest NAV rate in order to be payable. That means that a performance-based fee may only be charged once for the same excess return in relation to the threshold value. If, one day, the value of the unit class performs below the threshold and, on a later date, the value of the unit class performs above the threshold, no performance-based fee is charged until the underperformance in previous periods has been offset. The fee is calculated collectively for each unit class, which means that all unit holders in a unit class are treated equally, regardless of the time when the investment is made. The performance-based fee is calculated after a deduction for the fixed management fee. The

fee is calculated and reserved when calculating the fund unit price and is deducted in arrears on the last banking day of the month.

Unit class	Applicable fixed fee	Maximum fixed fee	Performance-based fee
A	1.25%	1.25%	20%
B	1.25%	1.25%	20%
C	1.25%	1.25%	20%
D	0.75%	0.75%	20%
E	0.75%	0.75%	20%
F	0.75%	0.75%	20%

THE FUND'S LEVEL OF ACTIVITY

The fund's activity level is measured by the active risk measurement. The measurement indicates how much the difference between the fund's returns and the returns of the fund's benchmark varies over time. The measurement therefore shows how active portfolio management is in relation to the benchmark. The fund applies NOWA or a minimum of 0 + 4.0 percentage points to measure active risk.

The fund is an actively managed fixed-income fund that invests in interest-related instruments issued by European banks and other financial institutions, focusing mainly on what is referred to as hybrid capital, also known as CoCos (contingent convertible bonds). Because the fund is actively managed, the return is expected to deviate over time from the fund's benchmark index and the active risk will be different from year to year.

The fund started in 2025 and no measured active risk therefore exists. Active risk will be reported when the fund has been active for two years.

SUSTAINABILITY INFORMATION

FCG Fonder classifies the fund as an Article 6 fund under the EU Sustainable Finance Disclosure Regulation. Sustainability risks have been integrated into investment decisions, without the fund promoting environmental or social characteristics or having sustainable investments as an objective.

Fund facts

KEY FIGURES (AMOUNTS IN NOK)

Development of the fund	30/06/2025
Fund assets, NOK '000	125,264
Unit class A	40,615
Unit class D	84,650
Number of outstanding fund units	1,213,888
Unit class A	399,237
Unit class D	814,651
Unit value, NOK	
Unit class A	101.73
Unit class D	103.91
The fund's total return ¹ , %	
Unit class A	1.73
Unit class D	3.91
Active risk %	-

Benchmark

OMX Stockholm Benchmark Cap GI Index

4.30%

BALANCE SHEET (AMOUNTS IN NOK)

Balance sheet		30/06/2025
Assets		
Transferable securities		120,311,849
OTC derivative instruments with positive MV		2,365,429
Total investments with positive MV		122,677,278
Bank funds and other liquid funds		6,065,683
Prepaid expenses and accrued income (Note 1)		2,042,163
Other assets (Note 2)		3,114
Total assets		130,788,238
Liabilities		
OTC derivative instruments with negative MV		-1,634,541
Total financial instruments with negative MV		-1,634,541
Accrued expenses and deferred income (Note 3)		-192,528
Other liabilities (Note 4)		-3,696,846
Total liabilities		-5,523,915
Fund assets		125,264,323

Change in fund assets		30/06/2025
Fund assets at the start of the year		0
Unit issue		122,026,330
Pensum Financial Opportunity Fund A		40,257,338
Pensum Financial Opportunity Fund D		81,768,991
Unit redemption		-50,698
Pensum Financial Opportunity Fund A		0
Pensum Financial Opportunity Fund D		-50,698
Result according to income statement		3,288,691
Fund assets at the end of the year		125,264,323

Note 1. Prepaid expenses and accrued income		30/06/2025
Interest income from investments in securities		2,042,163
Total Prepaid expenses and accrued income		2,042,163
Note 2. Other assets		30/06/2025
Fund receivables		3,114
Total Other assets		3,114
Note 3. Accrued expenses and deferred income		30/06/2025
Management fee	-	192,528
Total Accrued expenses and prepaid income	-	192,528
Note 4. Other liabilities		30/06/2025
Fund cash liabilities	-	3,696,846
Total Other liabilities	-	3,696,846

FINANCIAL INSTRUMENTS AS AT 30/06/2025

<i>Holdings</i>	<i>Number</i>	<i>Price</i>	<i>Currency</i>	<i>Market value SEK</i>	<i>Proportion of the fund</i>
Category 1					
Nordea Bank Abp 21/PERP 3.75% C HYBRID	200000	907.77	USD	1,815,537	1.4%
ABN AMRO BANK NV 6.375 PERP CORP	200000	1227.83	EUR	2,455,670	2.0%
KBC GROUP NV 6.25 PERP CORP	200000	1221.83	EUR	2,443,652	2.0%
BANK OF IRELAND GROUP 6.125 PERP CORP	400000	1170.95	EUR	4,683,808	3.7%
JULIUS BAER GROUP LTD 6.625 PERP CORP	200000	1228.04	EUR	2,456,073	2.0%
BANQUE INTERNATIONAL LUX 7.25 PERP CORP	800000	1212.42	EUR	9,699,365	7.7%
RAIFFEISEN BANK INTL 7.375 PERP CORP	200000	1234.52	EUR	2,469,041	2.0%
Avanzia Bank S.A. FRN PERP	1200000	110.45	NOK	1,325,369	1.1%
AAREAL BANK AG 9 7/8 PERP	600000	1035.71	USD	6,214,289	5.0%
Turkiye garanti bankasi 8 1/8 01/03/35	600000	1013.68	USD	6,082,110	4.9%
AKBNK 9.3686 PERP	600000	1030.57	USD	6,183,391	4.9%
SOCGEN Generale 7 7/8 PERP	200000	1294.02	EUR	2,588,032	2.1%
AIB Group PLC 7 1/8 PERP	200000	1257.75	EUR	2,515,497	2.0%
Deutsche bank AG 7 1/8 PERP	400000	1210.64	EUR	4,842,557	3.9%
NWG 7 1/2 PERP	200000	1375.6	GBP	2,751,199	2.2%
BBVASM 6 7/8 PERP	200000	1260.03	EUR	2,520,057	2.0%
LANBNN 8 1/8 PERP	400000	1011.5	USD	4,045,992	3.2%
SpareBank 1 Sør-Norge ASA FRN PERP	2000000	102.16	NOK	2,043,127	1.6%
ERSTBK 3 3/8 PERP	200000	1154.98	EUR	2,309,960	1.8%
LLOYDS BANKING GROUP PLC 7.5 PERP CORP	200000	1394.01	GBP	2,788,015	2.2%
BAWAG GROUP AG 7.25 PERP CORP	200000	1240.05	EUR	2,480,109	2.0%
BELFIUS BANK SA/NV 6.125 PERP CORP	400000	1201.51	EUR	4,806,029	3.8%
UBS GROUP AG 7 PERP CORP	200000	1008.84	USD	2,017,675	1.6%
GRENKE AG 8.75 PERP CORP	400000	1147.71	EUR	4,590,848	3.7%
Axactor ASA FRN 2027-09-07	6000000	104.47	NOK	6,268,125	5.0%
LUMINOR 7.375 PERP CORP	600000	1215.15	EUR	7,290,912	5.8%
PHOENIX GRP HLD PLC 8.5 PERP CORP	400000	1051.93	USD	4,207,719	3.4%
RAFFEISEN BANK INTL 4.5 PERP CORP	200000	1159.65	EUR	2,319,294	1.9%
UBS GROUP AG 7.125 PERP CORP	200000	1003.33	USD	2,006,650	1.6%
Avanzia Bank SA Float PERP	7200000	100.5	NOK	7,236,125	5.8%
CAIXABANK SA 6.25 PERP CORP	400000	1213.91	EUR	4,855,620	3.9%
Interest-bearing instruments				120,311,849	96.0%
Total Category 1				120,311,849	96.0%
Category 7					
FX FWD #22 2025-10-10 NOK +14m	14301910	0.99	NOK	14,125,689	11.5%
FX FWD #22 2025-10-10 EUR -1.1m	-1181000	0.99	EUR	-13,945,784	-11.3%
FX FWD #97 2025-10-10 NOK +9.9m	9943776	0.99	NOK	9,821,254	8.0%
FX FWD #97 2025-10-10 EUR -816k	-816000	0.99	EUR	-9,635,698	-7.8%
FX FWD #99 2025-10-10 NOK +6.6m	6601720	0.99	NOK	6,520,377	5.3%
FX FWD #99 2025-10-10 USD -604k	-604000	0.99	USD	-6,013,685	-4.9%
FX FWD #101 2025-10-10 NOK +2.6m	2651070	0.99	NOK	2,618,405	2.1%
FX FWD #101 2025-10-10 GBP -190k	-190000	0.99	GBP	-2,599,301	-2.1%
FX FWD #4110 2025-10-10 NOK +2.1m	2182004	0.99	NOK	2,155,118	1.7%
FX FWD #4110 2025-10-10 USD -202k	-202000	0.99	USD	-2,011,199	-1.6%
FX FWD #4171 2025-10-10 NOK +2.3m	2346240	0.99	NOK	2,317,331	1.9%
FX FWD #4171 2025-10-10 EUR -192k	-192000	0.99	EUR	-2,267,223	-1.8%
FX FWD #4439 2025-10-10 NOK +4.7m	4743200	0.99	NOK	4,684,757	3.8%
FX FWD #4439 2025-10-10 EUR -392k	-392000	0.99	EUR	-4,628,914	-3.8%
FX FWD #4441 2025-10-10 NOK +2m	2038659	0.99	NOK	2,013,540	1.6%
FX FWD #4441 2025-10-10 USD -193k	-193000	0.99	USD	-1,921,591	-1.6%
FX FWD #4443 2025-10-10 NOK +2.7m	2701131.5	0.99	NOK	2,667,850	2.2%

FX FWD #4443 2025-10-10 GBP -193k	-193000	0.99	GBP	-2,640,343	-2.1%
FX FWD #4557 2025-10-10 NOK +2.3m	2354600	0.99	NOK	2,325,588	1.9%
FX FWD #4557 2025-10-10 EUR -193k	-193000	0.99	EUR	-2,279,032	-1.8%
FX FWD #4727 2025-10-10 NOK +1.8m	1815152.5	0.99	NOK	1,792,787	1.5%
FX FWD #4727 2025-10-10 USD -175k	-175000	0.99	USD	-1,742,376	-1.4%
FX FWD #5216 2025-10-10 NOK +2.1m	2124312.5	0.99	NOK	2,098,138	1.7%
FX FWD #5216 2025-10-10 USD -205k	-205000	0.99	USD	-2,041,069	-1.7%
FX FWD #6034 2025-10-10 NOK +2.4m	2450734	0.99	NOK	2,420,537	2.0%
FX FWD #6034 2025-10-10 EUR -209k	-209000	0.99	EUR	-2,467,967	-2.0%
FX FWD #6106 2025-10-10 NOK +2.3m	2395015	0.99	NOK	2,365,505	1.9%
FX FWD #6106 2025-10-10 EUR -205k	-205000	0.99	EUR	-2,420,733	-2.0%
FX FWD #6732 2025-10-10 NOK +2.1m	2103120	0.99	NOK	2,077,206	1.7%
FX FWD #6732 2025-10-10 USD -207k	-207000	0.99	USD	-2,060,981	-1.7%
FX FWD #7020 2025-10-10 NOK +13m	13958400	0.99	NOK	13,786,412	11.2%
FX FWD #7020 2025-10-10 EUR -1.2m	-1200000	0.99	EUR	-14,170,145	-11.5%
FX FWD #7022 2025-10-10 NOK +2.1m	2188188	0.99	NOK	2,161,226	1.8%
FX FWD #7022 2025-10-10 USD -216k	-216000	0.99	USD	-2,150,589	-1.7%
FX FWD #7115 2025-10-10 NOK +6.3m	6334894.5	0.99	NOK	6,256,839	5.1%
FX FWD #7115 2025-10-10 USD -627k	-627000	0.99	USD	-6,242,683	-5.1%
FX FWD #7117 2025-10-10 NOK +2.3m	2319200	0.99	NOK	2,290,624	1.9%
FX FWD #7117 2025-10-10 EUR -200k	-200000	0.99	EUR	-2,361,691	-1.9%
FX FWD #7839 2025-10-10 NOK +3.2m	3295006	0.99	NOK	3,254,407	2.6%
FX FWD #7839 2025-10-10 EUR -286k	-286000	0.99	EUR	-3,377,218	-2.7%
FX FWD #8337 2025-10-10 NOK +2.1m	2172027	0.99	NOK	2,145,264	1.7%
FX FWD #8337 2025-10-10 EUR -183k	-183000	0.99	EUR	-2,160,947	-1.8%
FX FWD #8339 2025-10-10 NOK +4m	4031600	0.99	NOK	3,981,925	3.2%
FX FWD #8339 2025-10-10 USD -400k	-400000	0.99	USD	-3,982,573	-3.2%
FX FWD #8442 2025-10-10 NOK +2.6m	2610190	0.99	NOK	2,578,128	2.1%
FX FWD #8442 2025-10-10 EUR -220k	-220000	0.99	EUR	-2,597,894	-2.1%
FX FWD #8444 2025-10-10 NOK +4.2m	4225200	0.99	NOK	4,173,300	3.4%
FX FWD #8444 2025-10-10 USD -420k	-420000	0.99	USD	-4,181,683	-3.4%
Foreign currency				730,888	0.6%
Total Category 7				730,888	0.6%
Sum of transferable securities				120,311,849	96.0%
Total other derivative instruments				730,888	0.6%
Total securities				121,042,737	96.6%
Bank funds					
Net cash/other assets/liabilities				4,221,586	3.4%
Total bank balances				4,221,586	3.4%
Fund assets				125,264,323	100.0%

The fund's holdings of securities have been divided into the following categories:

1. Transferable securities admitted to trading on a regulated or equivalent market outside the EEA
2. Other financial instruments that are admitted to trading on a regulated market or equivalent market outside the EEA
3. Transferable securities that are regularly traded on another market that is regulated and open to the public
4. Other financial instruments that are regularly traded on another market that is regulated and open to the public
5. Transferable securities that are intended to be admitted to trading on a regulated market or an equivalent market outside the EEA within one year of the issue

6. Transferable securities which, within one year of issue, are intended to be regularly traded on another market which is regulated and open to the public
7. Other financial Instrument

About FCG Fonder AB

copy of the policy can be obtained free of charge from the Company on request.

1.1 FACTS ABOUT THE COMPANY

FCG Fonder AB (the Company), corporate identity number 556939-1617, is a limited liability company with a share capital of SEK 50,000. The Company was started up in 2014 and its registered office is in Stockholm. The Company is under the supervision of the Swedish Financial Supervisory Authority and has been licensed to carry on fund operations in accordance with the Mutual Funds Act (2004:46) and to manage alternative investment funds in accordance with the Alternative Investment Fund Managers Act (2013:561) since 12 June 2014.

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Complaints officer: Johan Schagerström (CEO)

Directors

- Tove Bångstad (Chairman of the Board)
- Jimmi Brink (Director)
- Mari Thjømøe (Director)
- Rikard Edvardsson (Member)

Senior Executives

- Johan Schagerström, Chief Executive Officer
- Mikael Olausson, Head of Outsourcing
- Tom Michels, Deputy CEO & Head of the Management Function
- Erica Laestander, Head of the Risk Management Function
- Veronica Sommerfeld, Head of the Compliance Unit

Auditor

The company's auditor is Peter Nilsson, Authorised Public Accountant, Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm.

1.2 REMUNERATION POLICY

As a rule, the Company does not pay variable remuneration. However, the Company has adopted a remuneration policy that governs how employees and other relevant persons are able to receive variable remuneration. Variable remuneration is evaluated on the basis of an employee's performance in relation to both quantitative and qualitative targets and will be adjusted for the risk to which the employee's conduct gives rise. Remuneration is decided on mainly by the board of directors, but may be decided on by the Chief Executive Officer for certain categories of employees. An employee's remuneration will be based on a balanced weighting between the employee's fixed remuneration and the variable component. When remuneration is paid out, parts of the variable remuneration will be deferred for later payment and will be subjected to risk adjustment before payment. Variable remuneration may be discontinued for reasons such as inappropriate conduct or breach of internal guidelines.

Portfolio managers receive fixed remuneration from the Company based on the size of the assets under management as well as, in some cases, variable remuneration in the form of a performance-based fee. In view of the type of business to be carried on by the Company, the Company has assessed the risk of the Company's remuneration system adversely affecting the risk level at the Company as low. Further information on the Remuneration Policy is available on the website at www.fcgfonder.se under "om oss/legal information" [about us/legal information] and a hard

1.3 ACCOUNTING AND VALUATION PRINCIPLES

The fund's assets are measured at current market value, which means the latest prices paid or, if no such prices exist, the latest bid prices. If, in the opinion of the Management Company, such prices are not representative or if no such prices exist, as is mainly the case with transferable securities referred to in Chapter 5, section 5 LVF, a market value is established on objective grounds after a specific valuation. The basis used for the particular valuation includes, for example, market prices from a non-regulated market, an independent broker, other external independent sources, another listed financial instrument, index, acquisition cost or events affecting a company that impact on market value. The value of the fund unit is calculated by the Management Company every business day. OTC derivatives are measured using recognised valuation models such as Black & Scholes, Black 76 or similar valuation models and on the basis of underlying assets. The value of a fund unit in a unit class in the fund consists of the value of the unit class divided by the number of outstanding units in the unit class in question. The interim report has been prepared in accordance with the ESMA guidelines (ESMA 2012/832SV), the Swedish Investment Funds Act (2004:46) ("LVF") and the recommendations of the Swedish Investment Fund Association.

1.4 PROCESSING OF PERSONAL DATA

Your personal data will be processed when you open a fund account and purchase units in funds at the Company or a representative of the Company. The processing relates to preparation and administration of the service in question and the data may also form the basis for market and customer analyses, business monitoring and business and method development. It may also be used to send information to you as a unit owner and for marketing purposes.

The data may also be processed at the Company's contractors and other companies within the FCG Group that collaborate on services. All processing takes place in accordance with confidentiality and protection provisions contained in laws and regulations. If you require more information on the Company's processing of personal data and your right to change, delete or request your personal data, etc., the Company's Data Protection Policy is available on the Company's website at www.fcgfonder.se under "om oss/legal information" [about us/legal information].

1.5 SHAREHOLDER ENGAGEMENT PRINCIPLES

The Company's principles for shareholder engagement are published on the Company's website <https://fcgfonder.se/om-oss/legal-information/>. Section 7.2 of the Policy states how Annual reporting of votes takes place.