



ANNUAL REPORT

TUNDRA SUSTAINABLE FRONTIER FUND

515602-4803

PERIOD

2023-01-01 - 2023-12-31

Management report

The Board of Directors and the CEO of Tundra Fonder AB, 556838-6303, hereby submit the Annual report for the period 2023-01-01 - 2023-12-31 for Tundra Sustainable Frontier Fund, 515602-4803.

The broader context

The fund's performance

Tundra Sustainable Frontier Fund fell by 2.14% (SEK) in 2023, while the fund's benchmark index MSCI FMxGCC Net TR (SEK) rose by 8.32%.

The fund's net assets development

Assets under management on 31 December 2023 amounted to SEK 1 875.0 million, a decrease of SEK 100.2 million compared to SEK 1 975.0 million on 31 December 2022.

The value of issued fund shares for share class A amounted to SEK 102.2 million, SEK 7.7 million for share class C, SEK 144.1 million for share class D, SEK 0.0 for share class E, SEK 0.0 for share class F, SEK 22.7 million for share class Q and SEK 81.4 million for share class T.

The value of redeemed fund shares for share class A amounted to SEK -229.4 million, SEK -6.2 million for share class C, SEK -88.2 million for share class D, SEK 0.0 million for share class E, SEK -2.7 million for share class F, SEK -94.9 million for share class Q and SEK -0.4 million for share class T.

The net issued amount hence amounted to SEK -127.1 million for share class A, SEK 1.5 million for share class C, SEK 55.9 million for share class D, SEK 0.0 for share class E, SEK -2.7 million for share class F, SEK -72.3 million for share class Q and SEK 81.0 million for share class T.

Market development

Global equity markets recovered throughout the year, with a short pullback in Q3, but ended the year on a high note as inflation continued to come down and expectations of rate cuts increased. The start of 2024 has also been quite positive, despite the fact that central banks in developed markets have started to indicate that markets might be too optimistic on rate cuts.

MSCI World Net TR Index (SEK) rose 4.9%, while MSCI Emerging Markets Net TR Index (SEK) rose 3.9% and MSCI Frontier Markets xGCC Net TR (SEK) rose 3.4%. Continued global tensions continued to weigh on markets and global trade. The Israel- Palestine conflict as well as the Houthi rebels' attacks on cargo ships in the Red Sea added more causes for concern with many ships now taking the longer route around Africa instead of through the Suez Canal. This has so far not had any major impact on prices on a global level but has had a severe impact on Egypt and the USD revenue the country receives from the canal.

Global equity markets, however, focused more on the strong labor market in the US and elsewhere and took that as a sign that the economic slowdown would not be as bad as earlier predicted. The fact that the US nowadays is a net energy exporter has likely insulated the economy from negative impacts from higher oil prices and supply issues from the Middle East situation.

Fund management and outlook

Tundra Sustainable Frontier Fund fell 2.14% (SEK) in 2023, worse than the MSCI Frontier Markets x GCC Net TR Index which rose 8.32%. This is only the third year out of the eleven the fund has been active that we underperform the benchmark, and since inception the fund is up by more than 140% while the benchmark has risen just shy of 70%.

Underweighting or lacking exposure in countries like Romania, Kazakhstan, Morocco, and Slovenia resulted in a 10% relative underperformance against the benchmark. Stock selection issues, particularly with Indonesian Media Nusantara and weak performance in Vietnam and Pakistan, further impacted the fund. However, Tundra performed well in Sri Lanka, Nigeria, and Egypt, showcasing the resilience of its portfolio companies, contributing to a positive return despite currency devaluations.

Aggregate earnings are expected to rise 4% (in USD) in 2023 and 16% in 2024, exceeding pre-pandemic levels. Valuations have also come down significantly, making the portfolio appear attractive from a historical perspective. There is a risk of more devaluations, continued subdued economic activity, and new risks may surface of course. But given that our markets have just gone through the worst crisis they have been through during the last 30 years, we have a recent outcome of actual impact on our portfolio companies in a worst-case scenario, and the outcome is not that frightening.

With our long-term holding strategy, there will always be periods when we underperform and while we don't take that lightly we see no reason to change our investment strategy due to the underperformance of 2023. We are convinced that our long-term strategy, focusing on high-quality growth stocks, will outperform over time.

Objectives and investment policy

The objective of the fund is to provide financial exposure to economic development in emerging markets and frontier markets and to provide its unitholders with a maximum long-term return on their investment. The fund takes into account aspects such as corporate governance, and environmental and social issues as part of the investment process. The principles from international guidelines are applied (UN Global Compact, Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, and OECD Guidelines for Multinational Enterprises). The fund does not invest in companies with an exposure exceeding five percent (defined as percent of total turnover) to sectors such as alcohol, pornography, tobacco, weapon, genetically modified crops, commercial gambling, extraction/production where the raw material mainly consist of fossil fuels or nuclear power. . Companies that are involved in controversial weapons are excluded. The fund's objective is to invest in companies that have a positive impact on societies in the markets where they operate. The fund is managed by an investment committee but with Tundra Fonder's Chief Investment Officer, Mattias Martinsson, as the lead portfolio manager.

Risk in the fund at year end

Risks in the global economy remain high, compounded by Russia's invasion of Ukraine, the ongoing conflict between Israel and Palestine, and the Huthi rebels' shelling of cargo ships off Yemen, all of which exert influence on commodity prices and global trade. While the global peak in inflation seems to have passed, several of our countries remain vulnerable to fluctuations in energy and food commodity prices, as well as currency movements, which heavily impact import costs. The majority of our countries' currencies are closely linked to the US dollar, and significant fluctuations against it can thus substantially affect the fund's returns. In light of the uncertain circumstances, the reduced liquidity in our markets could potentially exacerbate downturns in a pessimistic scenario.

Derivatives

According to the fund rules, the fund has the right to invest in derivative instruments in order to make the management more efficient. The fund had no exposure to derivatives during 2023. To calculate the total exposure, the fund applies the so-called commitment approach on derivative instruments.

Financial overview

Main portfolio

	AUM, SEK	NAV, SEK	No. of issued fund shares	Dividend	Total fund return, %	Benchmark return %	Active risk 24 m, %
2023-12-31	1 874 793 951	-	7 842 916.42	-	-	-	-
2022-12-31	1 974 951 002	-	8 051 745.42	-	-	-	-
2021-12-31	2 264 007 429	-	8 275 530.91	-	-	-	-
2020-12-31	1 673 497 789	-	8 345 881.78	-	-	-	-
2019-12-31	1 306 761 367	-	7 123 118.81	-	-	-	-
2018-12-31	1 552 755 853	-	8 993 095.34	-	-	-	-
2017-12-31	1 087 438 063	-	5 769 450.10	-	-	-	-
2016-12-31	439 046 053	-	2 641 116.78	-	-	-	-
2015-12-31	345 307 931	-	2 379 389.86	-	-	-	-
2014-12-31	916 615 995	-	6 032 099.74	-	-	-	-
2013-12-31	253 860 513		2 154 423.88				

Share class A SEK

	AUM, SEK	NAV, SEK	No. of issued fund shares	Dividend, SEK	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	247.34	6 160 215.01	-	-2.14	8.32	10.75
2022-12-31	-	252.76	6 677 028.57		-10.58	-20.59	9.76
2021-12-31	-	282.25	7 009 453.82	-	36.55	31.22	7.50
2020-12-31	-	206.70	7 006 235.97	-	12.43	-7.01	9.85
2019-12-31	-	183.84	6 055 521.90	-	6.42	12.95	11.72
2018-12-31	-	172.75	8 205 814.31	-	-8.43	-16.85	8.28
2017-12-31	-	188.65	5 080 492.27	-	13.50	24.98	8.28
2016-12-31	-	166.21	2 439 445.94	-	14.55	10.61	8.67
2015-12-31	-	145.10	2 178 908.18	-	-4.51	-6.83	8.21
2014-12-31	-	151.96	5 964 830.02	-	28.95	17.33	-
2013-12-31	-	117.84	2 113 195.82	-	17.84 ¹⁾	10.95 ¹⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (SEK) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (SEK) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (SEK).

¹⁾ Refers to the period 2013-04-02 - 2013-12-31

Share class C EUR

	AUM, EUR	NAV, EUR	No. of issued fund shares	Dividend, EUR	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	22.18	186 006.92	-	-1.77	8.58	10.81

2022-12-31	-	22.58	177 450.19	-	-17.53	-26.53	9.71
2021-12-31	-	27.38	195 770.62	-	33.56	28.79	7.97
2020-12-31	-	20.50	478 411.37	-	17.41	-2.78	10.31
2019-12-31	-	17.46	226 227.25	-	2.52	9.19	11.86
2018-12-31	-	17.03	254 462.12	-	-11.49	-19.42	8.87
2017-12-31	-	19.24	186 633.35	-	10.57	20.96	8.17
2016-12-31	-	17.40	188 378.80	-	9.71	5.92	8.67
2015-12-31	-	15.86	187 189.64	-	-1.49	-4.20	8.24
2014-12-31	-	16.10	67 269.72	-	21.33	10.23	-
2013-12-31	-	13.27	41 228.06	-	5.40 ²⁾	2.06 ²⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (EUR) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (EUR) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (EUR).

²⁾ Refers to the period 2013-06-12 - 2013-12-31

Share class D USD

	AUM, USD	NAV, USD	No. of issued fund shares	Dividend, USD	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	23.72	824 300.10	-	1.15	12.01	10.71
2022-12-31	-	23.45	574 441.13	-	-22.12	-30.77	9.55
2021-12-31	-	30.11	405 364.47	-	24.77	18.72	12.19
2020-12-31	-	24.23	111 751.10	-	27.86	6.56	13.48
2019-12-31	-	18.95	402 791.51	-	0.32	6.78	11.78
2018-12-31	-	18.89	155 710.25	-	-15.29	-22.97	8.27
2017-12-31	-	22.30	199 940.70	-	25.85	38.00	9.29
2016-12-31	-	17.72	6 902.26	-	6.24	2.52	-
2015-12-31	-	16.68	6 902.26	-	-11.79 ³⁾	-13.61 ³⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (USD) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (USD) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (USD).

³⁾ Refers to the period 2015-04-10 - 2015-12-31

Share class E NOK

	AUM, NOK	NAV, NOK	No. of issued fund shares	Dividend, NOK	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	250.46	0.64	-	5.01	15.97	10.82
2022-12-31	-	238.51	0.64	-	-13.28	-22.87	9.76
2021-12-31	-	275.05	0.64	-	27.73	22.02	12.19
2020-12-31	-	215.34	7 556.13	-	24.99	3.93	9.82
2019-12-31	-	172.28	367 434.32	-	2.23	8.50	11.63
2018-12-31	-	168.52	298 750.37	-	-10.74	-17.99	-

2017-12-31	-	188.80	254 101.95	-	20.47 ⁴⁾	29.65 ⁴⁾	-
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Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (NOK) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (NOK) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (NOK).

⁴⁾ Refers to the period 2017-01-05 - 2017-12-31

Share class F EUR

	AUM, EUR	NAV, EUR	No. of issued fund shares	Dividend, EUR	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	22.18	8 838.89	-	-1.73	8.58	10.82
2022-12-31	-	22.57	19 876.42	-	-17.48	-26.53	9.71
2021-12-31	-	27.35	16 297.97	-	33.48	28.79	7.98
2020-12-31	-	20.49	98 932.72	-	17.62	-2.78	10.31
2019-12-31	-	17.42	71 143.83	-	2.53	9.19	12.37
2018-12-31	-	16.99	78 358.29	-	-11.69	-19.42	7.85
2017-12-31	-	19.24	48 281.83	-	10.57	20.96	8.17
2016-12-31	-	17.40	6 389.78	-	9.71	5.92	-
2015-12-31	-	15.86	6 389.78	-	1.34 ⁵⁾	2.88 ⁵⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (EUR) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (EUR) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (EUR).

⁵⁾ Refers to the period 2015-10-16 - 2015-12-31

Share class Q NOK

	AUM, NOK	NAV, NOK	No. of issued fund shares	Dividend, NOK	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	160.65	109.97	-	6.06	15.97	10.82
2022-12-31	-	151.47	602 948.48	-	-12.33	-22.87	9.77
2021-12-31	-	172.77	648 643.39	-	29.14	22.02	-
2020-12-31	-	133.78	642 994.50	-	33.78 ⁶⁾	16.53 ⁶⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return (NOK)

*Active risk is stated as the standard deviation for the variations in the difference in return between the fund and its benchmark index. The information is based on monthly data and refers to the last 24 months.

⁶⁾ Refers to the period 2020-03-17 - 2020-12-31

Andelsklass T NOK

	AUM, NOK	NAV, NOK	No. of issued fund shares	Dividend, NOK	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	160.67	663 444.88	-	-5.32 ⁷⁾	-2.39 ⁷⁾	-

⁷⁾ Refers to the period 2023-12-01 - 2023-12-31

Key performance indicators

Share class	A SEK	C EUR	D USD	E NOK	F EUR	Q NOK	T NOK
Inception date	2013-04-02	2013-06-12	2015-04-10	2017-01-05	2015-10-16	2020-03-17	2023-12-01

Risk & return

Standard deviation % ¹⁾	13.90	13.95	14.27	14.14	13.96	14.13	*
Standard deviation, benchmark, % ²⁾	12.66	14.00	15.99	13.32	14.00	13.32	*
Average annual return last two years, %	-6.39	-10.00	-11.24	-4.57	-9.95	-3.57	*
Average annual return last five years, %	7.44	5.43	4.66	8.25	5.48	*	*

Costs

Management fee, %	2.50	2.50	2.50	2.50	2.50	1.25	1.00
Performance fee, %	-	-	-	-	-	-	-
Transaction costs, SEK	489 164	13 638	59 602	-	680	29 270	3 464
Transaction costs, %	0.31	0.31	0.30	-	0.31	0.30	0.34
Research costs, SEK	315 282	8 519	37 098	-	457	19 028	1 625
Research costs, %	0.02	0.02	0.02	-	0.02	0.02	0.02
Ongoing charges, %	2.52	2.52	2.52	2.52	2.52	1.27	1.02
Subscription and redemption fees, %	none	none	none	none	none	none	none

Management fee

(In share class currency)

Single investment of SEK 10 000	245.65	239.42	241.86	239.51	239.47	130.44	*
Monthly investments of SEK 100/month	16.57	16.52	16.53	15.26	16.52	8.39	*

Turnover

2023

Turnover	0.03
Trading with affiliated securities firms	none

*The share class lacks sufficient historical data.

1) Standard deviation is defined as the standard deviation of the fund's return including any dividends. The calculation is based on monthly data during the past 24 months.

2) Standard deviation is defined as the standard deviation of the benchmark's total return. The calculation is based on monthly data during the past 24 months.

Balance sheet

<i>In SEK</i>	<i>Note</i>	<i>2023-12-31</i>	<i>2022-12-31</i>
Assets			
Transferable securities		1 844 660 083	1 904 986 147
Total	1	1 844 660 083	1 904 986 147
Bank accounts		50 838 924	81 241 779
Pre-paid expenses and accrued income	2	10 877 663	7 950 350
Other assets		645	6 251 071
Total		1 906 377 315	2 000 429 347
Liabilities			
Accrued expenses and prepaid income	3	29 571 275	23 996 674
Other liabilities	4	2 012 089	1 481 671
Total		31 583 364	25 478 345
Total net assets	1,7	1 874 793 951	1 974 951 002

Income statement

<i>In SEK</i>	<i>Note</i>	<i>2023-01-01- 2023-12-31</i>	<i>2022-01-01- 2022-12-31</i>
Income and change in value			
Change in value, transferable securities		-34 945 064	-241 715 588
Interest		1 823 838	643 416
Dividends		54 079 260	50 904 095
FX gains and losses, net		-2 033 192	11 866 670
Other income	5	1 282 410	18 249 980
Total		20 207 252	-160 051 427
Costs			
Management fees			
Fees to the management company		-46 717 292	-51 632 477
Interest		-4 499	-30 950
Other costs	6	-9 980 900	-15 244 744
Total		-56 702 690	-66 908 171
Net result		-36 495 438	-226 959 598
Memorandum items			
		none	none

Accounting principles and valuation of financial instruments

Amounts stated are in number of SEK if nothing else stated.

Accounting principles

The annual report has been prepared in accordance with the Swedish UCITS Act (2004:46), the Financial Supervisory Authority's regulations regarding Swedish UCITS (FFFS 2013:9), ESMA guidelines and regulations, and adheres to the recommendations of the Swedish Investment Fund Association.

Värderingsregler

The financial instruments, including derivatives, are valued at market value according to the following order.

1. The financial instrument that trades on an active market must be valued at the latest price paid on the balance sheet date, if it is not a trading day, the last trading day before the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the market value is derived from information from similar transactions that have taken place under market conditions.
3. Unless method 1 or 2 can be used, or are misleading, the market value is determined by a well-established valuation model.

Key performance indicators

The fund follows the Swedish Investment Fund Association's guidelines on key performance indicators.

About unlisted holdings

As the fund may invest in securities subject to trading restrictions, unlisted securities, or securities with limited liquidity and infrequent trading, discrepancies between the latest transaction price on a market and the latest valuation may arise. The fund company's board has established procedures for such scenarios, aimed at determining an objective valuation for individual securities and other assets where market valuations are either unavailable on a regular basis or deemed unreliable. These situations encompass securities with restricted trading or those that are unlisted.

The fund company's methods for determining an objective valuation may include various approaches, such as valuation based on accounting data (e.g., discounted cash flow valuation), assessment of a company's assets and operations, and benchmarking against similar transactions. The fund company endeavors to ensure that its valuation process is objective and follows defined methods and procedures. However, it cannot guarantee that securities can be sold at these valuations when the fund's NAV is established, and consequently, these valuations may significantly undervalue the realizable value of the securities.

In compliance with UCITS regulations, the fund may allocate up to 10% of its value to unlisted securities, provided they become tradable on a market within 12 months. As of the end of December 2023, the fund did not hold any unlisted securities, and it does not intend to make new investments in such securities.

Note 1 Financial instruments

The following financial instruments were held as of 2023-12-31.

Securities

Sector	No. of shares	Market value (SEK)	Portion, %
Category 1			
AIRPORTS CORP OF, Vietnam, VND	2 253 300	61 796 157	3.30
HEMAS HOLDINGS PLC, Sri Lanka, LKR	7 001 928	14 547 507	0.78
REE, Vietnam, VND	5 213 059	131 486 101	7.01
Industrials		207 829 765	11.09
CAIRO FOR INVESTMENT AND REAL, Egypt, EGP	10 375 425	45 226 036	2.41
GB CORP, Egypt, EGP	33 000 000	85 058 398	4.54
INTERLOOP LTD, Pakistan, PKR	30 000 000	76 501 602	4.08
MOBILE WORLD INVESTMENT GROUP, Vietnam, VND	2 515 500	44 736 974	2.39
Consumer discretionary		251 523 010	13.42
CARGILLS CEYLON ORD, Sri Lanka, LKR	3 797 770	40 043 536	2.14
CENTURY PACIFIC, Philippines, PHP	14 995 000	84 496 946	4.51
JUHAYNA FOOD INDUSTRIES, Egypt, EGP	9 692 658	49 555 065	2.64
MASAN GROUP CORP, Vietnam, VND	1 440 000	40 089 977	2.14
PUREGOLD PRICE CLUB, Philippines, PHP	11 000 000	53 873 954	2.87
Consumer staples		268 059 479	14.30
ABBOTT LABORATORIES, Pakistan, PKR	801 250	13 044 335	0.70
ACTIVE FINE CHEMICAL, Bangladesh, BDT	639 303	1 135 668	0.06
AGP LTD/PK, Pakistan, PKR	5 506 700	13 853 230	0.74
ASIRI HOSPITALS, Sri Lanka, LKR	30 000 000	22 988 014	1.23
BEXIMCO-GDR REGS, Bangladesh, GBP	935 000	4 988 139	0.27
MEDIKALOKA HERMINA TBK PT, Indonesia, IDR	85 497 300	83 420 860	4.45
SQUARE PHAR ORD, Bangladesh, BDT	7 111 393	137 651 642	7.34
Health care		277 081 889	14.78
ACCESS HOLDINGS, Nigeria, NGN	120 000 000	29 369 296	1.57
ADAMJEE INSUR ORD, Pakistan, PKR	8 390 500	10 213 267	0.54
BRAC BANK LTD, Bangladesh, BDT	5 398 302	17 788 022	0.95
CEYLINCO INSURANCE-NON VOTIN, Sri Lanka, LKR	289 700	7 399 586	0.39
COL FINANCIAL, Philippines, PHP	40 000 000	19 372 047	1.03
GUARANTY TRUST HOLDING CO PL, Nigeria, NGN	40 000 000	17 163 874	0.92
JSC KASPI.KZ GDR-REG S, Kazakhstan, USD	81 000	75 147 458	4.01
LETSHEGO, Botswana, BWP	21 369 785	20 127 283	1.07
MEEZAN BANK, Pakistan, PKR	14 240 532	82 029 041	4.38
NATIONAL BANK OF PAKISTAN, Pakistan, PKR	41 398 000	47 414 105	2.53
SAMPATH BANK ORD, Sri Lanka, LKR	9 837 629	21 603 526	1.15
STANBIC IBTC HOLDING, Nigeria, NGN	25 000 000	18 448 516	0.98
ZENITH INTL BANK ORD, Nigeria, NGN	40 000 000	16 157 351	0.86
Financials		382 233 372	20.39
FPT CORP, Vietnam, VND	3 780 000	161 466 872	8.61
HIGHTECH PAYMENT, Morocco, MAD	82 500	52 386 184	2.79
LOGO YAZILIM SANAYI VE TICARET, Turkey, TRY	1 200 000	30 278 088	1.62

SYSTEMS LTD, Pakistan, PKR	7 888 984	119 682 169	6.38
Information technology		363 813 312	19.41
MEDIA NUSANTARA, Indonesia, IDR	205 547 100	51 955 874	2.77
Communication services		51 955 874	2.77
WINDFORCE PLC, Sri Lanka, LKR	70 500 000	42 163 381	2.25
Power supply		42 163 381	2.25
Total Category 1		1 844 660 083	98.39
Total transferable securities		1 844 660 083	98.39
Total securities		1 844 660 083	98.39
Other assets and liabilities		30 133 868	1.61
Total net assets		1 874 793 951	100.00

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

1. Transferable securities admitted on a regulated market or an equivalent market outside the EEA.
2. Other financial instruments trading on a regulated market or an equivalent market outside the EEA.
3. Transferable securities that are the subject of regular trading in other markets that are regulated and open to the public.
4. Other financial instruments that are regularly traded on any other market that is regulated and open to the public.
5. Transferable securities within one year from the issue are being admitted to trading on a regulated market or an equivalent market outside the EEA.
6. Transferable securities within one year from the issue will become subject to regular trading on any other market that is regulated and open to the public.
7. Other financial instruments.

Note 2 Accrued expenses and prepaid income

	2023-12-31	2022-12-31
Accrued dividends	10 402 316	7 950 350
Deferred foreign tax, transferable securities	475 347	-
Total	10 877 663	7 950 350

Note 3 Accrued expenses and prepaid income

	2023-12-31	2022-12-31
Accrued taxes	23 828 134	14 411 310
Accrued management fees	3 922 004	4 086 461
Accrued analysis costs	98 146	99 912
Accrued foreign coupon tax	1 722 991	1 129 141
Accrued foreign tax, transferable securities	-	4 269 832

Tundra Sustainable Frontier Fund		12
515602-4803		
Other	-	18
Total	29 571 275	23 996 674
 Note 4 Other liabilities		
	<i>2023-12-31</i>	<i>2022-12-31</i>
Unsettled redemptions	2 012 089	1 481 671
Total	2 012 089	1 481 671
 Note 5 Other income		
	<i>2023-01-01- 2023-12-31</i>	<i>2022-01-01- 2022-12-31</i>
Preliminary income tax	1 282 357	18 249 980
Other income	53	-
Total	1 282 410	18 249 980
 Note 6 Other costs		
	<i>2023-01-01- 2023-12-31</i>	<i>2022-01-01- 2022-12-31</i>
Transaction costs main bank	4 850	53 500
Bank fees	11 849	1 670
Other fees	-	30
Capital gains tax	8 991 223	-
Foreign tax, transferable securities		13 911 087
Broker costs	590 969	864 231
Analysis cost	382 009	414 226
Total	9 980 900	15 244 744
 Note 7 Change in net assets		
	<i>2023-01-01- 2023-12-31</i>	<i>2022-01-01- 2022-12-31</i>
Net assets at the start of the year	1 974 951 002	2 264 007 429
	1 974 951 002	2 264 007 429
 Share class A SEK		
Issued fund units	102 223 818	207 735 712
Redeemed fund units	-229 371 874	-295 469 169

Total	-127 148 056	-87 733 457
Share class C EUR		
Issued fund units	7 684 252	1 082 929
Redeemed fund units	-6 153 310	-5 874 771
Total	1 530 942	-4 791 842
Share class D USD		
Issued fund units	144 125 138	114 932 171
Redeemed fund units	-88 212 190	-78 072 714
Total	55 912 948	36 859 457
Share class E NOK		
Issued fund units	-	-
Redeemed fund units	-	-
Total	-	-
Share class F EUR		
Issued fund units	-	11 043 128
Redeemed fund units	-2 742 575	-9 645 999
Total	-2 742 575	1 397 129
Share class Q NOK		
Issued fund units	22 660 767	12 336 566
Redeemed fund units	-94 917 561	-20 164 682
Total	-72 256 794	-7 828 116
Share class T NOK		
Issued fund units	81 404 424	-
Redeemed fund units	-362 502	-
Total	81 041 922	-
Net result according to the income statement	-36 495 438	-226 959 598
Net assets at year end	1 874 793 951	1 974 951 002

Remuneration

Remuneration and benefits to employees have been calculated based on the Company's principles which has been approved by the Board of Directors. The Board of Directors of the Company has established a remuneration policy that covers all employees of the fund company, which has been updated to be adapted to current regulations. The last update of the policy was made in December 2023. In March 2022 variable remuneration was removed. The compliance function has conducted a review to ensure that the fund company's application of its remuneration system aligns with the remuneration policy. The review confirms that remuneration has been calculated and disbursed in full accordance with the compensation policy, with no deviations observed.

The result of the review have been reported to the board. The current remuneration policy can be found on your website: <https://www.tundrafonder.se/en/compliance-2/>

Remuneration paid to employees in 2023	Amount	No. of employees
Fixed remuneration	4 755 235	5
Variable remuneration for employees included in the number of employees and not classified as specially regulated staff	0	0
Total remuneration and number of employees	4 755 235	5
Remuneration paid to specially regulated staff 2023		
a) employees in senior strategic positions	1 702 294	2.5
b) employees in charge of control functions. Control functions are outsourced	0	0
c) risktakers	1 424 685	1.5
d) employees whose total remuneration amounts to, or exceeds, the total remuneration of someone in the executive management.	0	0

Regarding compensation for the Risk function, this is outsourced to ISEC Services, organization no. 556542-2853.



ANNUAL REPORT

TUNDRA SUSTAINABLE FRONTIER FUND

515602-4803

PERIOD

2023-01-01 - 2023-12-31

This is a translated copy from the Swedish original. If any conflict occurs in the translation the Swedish will prevail.

Disclaimer: The state of the origin of the fund is Sweden. This document may only be distributed in or from Switzerland to qualified investors within the meaning of Art. 10 Para. 3,3bis and 3ter CISA. The representative in Switzerland is OpenFunds Investment Services AG, Seefeldstrasse 35, 8008 Zurich, whilst the Paying Agent is Società Bancaria Ticinese SA, Piazza Collegiata 3, 6501 Bellinzona. The basic documents of the fund as well as the annual report may be obtained free of charge at the registered office of the Swiss Representative.

Management report

The Board of Directors and the CEO of Tundra Fonder AB, 556838-6303, hereby submit the Annual report for the period 2023-01-01 - 2023-12-31 for Tundra Sustainable Frontier Fund, 515602-4803.

The broader context

The fund's performance

Tundra Sustainable Frontier Fund fell by 2.14% (SEK) in 2023, while the fund's benchmark index MSCI FMxGCC Net TR (SEK) rose by 8.32%.

The fund's net assets development

Assets under management on 31 December 2023 amounted to SEK 1 875.0 million, a decrease of SEK 100.2 million compared to SEK 1 975.0 million on 31 December 2022.

The value of issued fund shares for share class A amounted to SEK 102.2 million, SEK 7.7 million for share class C, SEK 144.1 million for share class D, SEK 0.0 for share class E, SEK 0.0 for share class F, SEK 22.7 million for share class Q and SEK 81.4 million for share class T.

The value of redeemed fund shares for share class A amounted to SEK -229.4 million, SEK -6.2 million for share class C, SEK -88.2 million for share class D, SEK 0.0 million for share class E, SEK -2.7 million for share class F, SEK -94.9 million for share class Q and SEK -0.4 million for share class T.

The net issued amount hence amounted to SEK -127.1 million for share class A, SEK 1.5 million for share class C, SEK 55.9 million for share class D, SEK 0.0 for share class E, SEK -2.7 million for share class F, SEK -72.3 million for share class Q and SEK 81.0 million for share class T.

Market development

Global equity markets recovered throughout the year, with a short pullback in Q3, but ended the year on a high note as inflation continued to come down and expectations of rate cuts increased. The start of 2024 has also been quite positive, despite the fact that central banks in developed markets have started to indicate that markets might be too optimistic on rate cuts.

MSCI World Net TR Index (SEK) rose 4.9%, while MSCI Emerging Markets Net TR Index (SEK) rose 3.9% and MSCI Frontier Markets xGCC Net TR (SEK) rose 3.4%. Continued global tensions continued to weigh on markets and global trade. The Israel- Palestine conflict as well as the Houthi rebels' attacks on cargo ships in the Red Sea added more causes for concern with many ships now taking the longer route around Africa instead of through the Suez Canal. This has so far not had any major impact on prices on a global level but has had a severe impact on Egypt and the USD revenue the country receives from the canal.

Global equity markets, however, focused more on the strong labor market in the US and elsewhere and took that as a sign that the economic slowdown would not be as bad as earlier predicted. The fact that the US nowadays is a net energy exporter has likely insulated the economy from negative impacts from higher oil prices and supply issues from the Middle East situation.

Fund management and outlook

Tundra Sustainable Frontier Fund fell 2.14% (SEK) in 2023, worse than the MSCI Frontier Markets x GCC Net TR Index which rose 8.32%. This is only the third year out of the eleven the fund has been active that we underperform the benchmark, and since inception the fund is up by more than 140% while the benchmark has risen just shy of 70%.

Underweighting or lacking exposure in countries like Romania, Kazakhstan, Morocco, and Slovenia resulted in a 10% relative underperformance against the benchmark. Stock selection issues, particularly with Indonesian Media Nusantara and weak performance in Vietnam and Pakistan, further impacted the fund. However, Tundra performed well in Sri Lanka, Nigeria, and Egypt, showcasing the resilience of its portfolio companies, contributing to a positive return despite currency devaluations.

Aggregate earnings are expected to rise 4% (in USD) in 2023 and 16% in 2024, exceeding pre-pandemic levels. Valuations have also come down significantly, making the portfolio appear attractive from a historical perspective. There is a risk of more devaluations, continued subdued economic activity, and new risks may surface of course. But given that our markets have just gone through the worst crisis they have been through during the last 30 years, we have a recent outcome of actual impact on our portfolio companies in a worst-case scenario, and the outcome is not that frightening.

With our long-term holding strategy, there will always be periods when we underperform and while we don't take that lightly we see no reason to change our investment strategy due to the underperformance of 2023. We are convinced that our long-term strategy, focusing on high-quality growth stocks, will outperform over time.

Objectives and investment policy

The objective of the fund is to provide financial exposure to economic development in emerging markets and frontier markets and to provide its unitholders with a maximum long-term return on their investment. The fund takes into account aspects such as corporate governance, and environmental and social issues as part of the investment process. The principles from international guidelines are applied (UN Global Compact, Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, and OECD Guidelines for Multinational Enterprises). The fund does not invest in companies with an exposure exceeding five percent (defined as percent of total turnover) to sectors such as alcohol, pornography, tobacco, weapon, genetically modified crops, commercial gambling, extraction/production where the raw material mainly consist of fossil fuels or nuclear power. . Companies that are involved in controversial weapons are excluded. The fund's objective is to invest in companies that have a positive impact on societies in the markets where they operate. The fund is managed by an investment committee but with Tundra Fonder's Chief Investment Officer, Mattias Martinsson, as the lead portfolio manager.

Risk in the fund at year end

Risks in the global economy remain high, compounded by Russia's invasion of Ukraine, the ongoing conflict between Israel and Palestine, and the Huthi rebels' shelling of cargo ships off Yemen, all of which exert influence on commodity prices and global trade. While the global peak in inflation seems to have passed, several of our countries remain vulnerable to fluctuations in energy and food commodity prices, as well as currency movements, which heavily impact import costs. The majority of our countries' currencies are closely linked to the US dollar, and significant fluctuations against it can thus substantially affect the fund's returns. In light of the uncertain circumstances, the reduced liquidity in our markets could potentially exacerbate downturns in a pessimistic scenario.

Derivatives

According to the fund rules, the fund has the right to invest in derivative instruments in order to make the management more efficient. The fund had no exposure to derivatives during 2023. To calculate the total exposure, the fund applies the so-called commitment approach on derivative instruments.

Financial overview

Main portfolio

	AUM, SEK	NAV, SEK	No. of issued fund shares	Dividend	Total fund return, %	Benchmark return %	Active risk 24 m, %
2023-12-31	1 874 793 951	-	7 842 916.42	-	-	-	-
2022-12-31	1 974 951 002	-	8 051 745.42	-	-	-	-
2021-12-31	2 264 007 429	-	8 275 530.91	-	-	-	-
2020-12-31	1 673 497 789	-	8 345 881.78	-	-	-	-
2019-12-31	1 306 761 367	-	7 123 118.81	-	-	-	-
2018-12-31	1 552 755 853	-	8 993 095.34	-	-	-	-
2017-12-31	1 087 438 063	-	5 769 450.10	-	-	-	-
2016-12-31	439 046 053	-	2 641 116.78	-	-	-	-
2015-12-31	345 307 931	-	2 379 389.86	-	-	-	-
2014-12-31	916 615 995	-	6 032 099.74	-	-	-	-
2013-12-31	253 860 513		2 154 423.88				

Share class A SEK

	AUM, SEK	NAV, SEK	No. of issued fund shares	Dividend, SEK	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	247.34	6 160 215.01	-	-2.14	8.32	10.75
2022-12-31	-	252.76	6 677 028.57		-10.58	-20.59	9.76
2021-12-31	-	282.25	7 009 453.82	-	36.55	31.22	7.50
2020-12-31	-	206.70	7 006 235.97	-	12.43	-7.01	9.85
2019-12-31	-	183.84	6 055 521.90	-	6.42	12.95	11.72
2018-12-31	-	172.75	8 205 814.31	-	-8.43	-16.85	8.28
2017-12-31	-	188.65	5 080 492.27	-	13.50	24.98	8.28
2016-12-31	-	166.21	2 439 445.94	-	14.55	10.61	8.67
2015-12-31	-	145.10	2 178 908.18	-	-4.51	-6.83	8.21
2014-12-31	-	151.96	5 964 830.02	-	28.95	17.33	-
2013-12-31	-	117.84	2 113 195.82	-	17.84 ¹⁾	10.95 ¹⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (SEK) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (SEK) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (SEK).

¹⁾ Refers to the period 2013-04-02 - 2013-12-31

Share class C EUR

	AUM, EUR	NAV, EUR	No. of issued fund shares	Dividend, EUR	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	22.18	186 006.92	-	-1.77	8.58	10.81

2022-12-31	-	22.58	177 450.19	-	-17.53	-26.53	9.71
2021-12-31	-	27.38	195 770.62	-	33.56	28.79	7.97
2020-12-31	-	20.50	478 411.37	-	17.41	-2.78	10.31
2019-12-31	-	17.46	226 227.25	-	2.52	9.19	11.86
2018-12-31	-	17.03	254 462.12	-	-11.49	-19.42	8.87
2017-12-31	-	19.24	186 633.35	-	10.57	20.96	8.17
2016-12-31	-	17.40	188 378.80	-	9.71	5.92	8.67
2015-12-31	-	15.86	187 189.64	-	-1.49	-4.20	8.24
2014-12-31	-	16.10	67 269.72	-	21.33	10.23	-
2013-12-31	-	13.27	41 228.06	-	5.40 ²⁾	2.06 ²⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (EUR) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (EUR) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (EUR).

²⁾ Refers to the period 2013-06-12 - 2013-12-31

Share class D USD

	AUM, USD	NAV, USD	No. of issued fund shares	Dividend, USD	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	23.72	824 300.10	-	1.15	12.01	10.71
2022-12-31	-	23.45	574 441.13	-	-22.12	-30.77	9.55
2021-12-31	-	30.11	405 364.47	-	24.77	18.72	12.19
2020-12-31	-	24.23	111 751.10	-	27.86	6.56	13.48
2019-12-31	-	18.95	402 791.51	-	0.32	6.78	11.78
2018-12-31	-	18.89	155 710.25	-	-15.29	-22.97	8.27
2017-12-31	-	22.30	199 940.70	-	25.85	38.00	9.29
2016-12-31	-	17.72	6 902.26	-	6.24	2.52	-
2015-12-31	-	16.68	6 902.26	-	-11.79 ³⁾	-13.61 ³⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (USD) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (USD) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (USD).

³⁾ Refers to the period 2015-04-10 - 2015-12-31

Share class E NOK

	AUM, NOK	NAV, NOK	No. of issued fund shares	Dividend, NOK	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	250.46	0.64	-	5.01	15.97	10.82
2022-12-31	-	238.51	0.64	-	-13.28	-22.87	9.76
2021-12-31	-	275.05	0.64	-	27.73	22.02	12.19
2020-12-31	-	215.34	7 556.13	-	24.99	3.93	9.82
2019-12-31	-	172.28	367 434.32	-	2.23	8.50	11.63
2018-12-31	-	168.52	298 750.37	-	-10.74	-17.99	-

2017-12-31	-	188.80	254 101.95	-	20.47 ⁴⁾	29.65 ⁴⁾	-
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Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (NOK) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (NOK) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (NOK).

⁴⁾ Refers to the period 2017-01-05 - 2017-12-31

Share class F EUR

	AUM, EUR	NAV, EUR	No. of issued fund shares	Dividend, EUR	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	22.18	8 838.89	-	-1.73	8.58	10.82
2022-12-31	-	22.57	19 876.42	-	-17.48	-26.53	9.71
2021-12-31	-	27.35	16 297.97	-	33.48	28.79	7.98
2020-12-31	-	20.49	98 932.72	-	17.62	-2.78	10.31
2019-12-31	-	17.42	71 143.83	-	2.53	9.19	12.37
2018-12-31	-	16.99	78 358.29	-	-11.69	-19.42	7.85
2017-12-31	-	19.24	48 281.83	-	10.57	20.96	8.17
2016-12-31	-	17.40	6 389.78	-	9.71	5.92	-
2015-12-31	-	15.86	6 389.78	-	1.34 ⁵⁾	2.88 ⁵⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return Index (EUR) 2013-04-02 - 2017-11-05, MSCI Frontier Markets xGCC IMI Net Total Return Index (EUR) 2017-11-06 - 2019-04-30. Thereafter MSCI Frontier Markets xGCC Net Total Return Index (EUR).

⁵⁾ Refers to the period 2015-10-16 - 2015-12-31

Share class Q NOK

	AUM, NOK	NAV, NOK	No. of issued fund shares	Dividend, NOK	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	160.65	109.97	-	6.06	15.97	10.82
2022-12-31	-	151.47	602 948.48	-	-12.33	-22.87	9.77
2021-12-31	-	172.77	648 643.39	-	29.14	22.02	-
2020-12-31	-	133.78	642 994.50	-	33.78 ⁶⁾	16.53 ⁶⁾	-

Benchmark index: MSCI Frontier Markets xGCC Net Total Return (NOK)

*Active risk is stated as the standard deviation for the variations in the difference in return between the fund and its benchmark index. The information is based on monthly data and refers to the last 24 months.

⁶⁾ Refers to the period 2020-03-17 - 2020-12-31

Andelsklass T NOK

	AUM, NOK	NAV, NOK	No. of issued fund shares	Dividend, NOK	Total fund return, %	Benchmark Return, %	Active risk 24 m, %
2023-12-31	-	160.67	663 444.88	-	-5.32 ⁷⁾	-2.39 ⁷⁾	-

⁷⁾ Refers to the period 2023-12-01 - 2023-12-31

Key performance indicators

Share class	A SEK	C EUR	D USD	E NOK	F EUR	Q NOK	T NOK
Inception date	2013-04-02	2013-06-12	2015-04-10	2017-01-05	2015-10-16	2020-03-17	2023-12-01

Risk & return

Standard deviation % ¹⁾	13.90	13.95	14.27	14.14	13.96	14.13	*
Standard deviation, benchmark, % ²⁾	12.66	14.00	15.99	13.32	14.00	13.32	*
Average annual return last two years, %	-6.39	-10.00	-11.24	-4.57	-9.95	-3.57	*
Average annual return last five years, %	7.44	5.43	4.66	8.25	5.48	*	*

Costs

Management fee, %	2.50	2.50	2.50	2.50	2.50	1.25	1.00
Performance fee, %	-	-	-	-	-	-	-
Transaction costs, SEK	489 164	13 638	59 602	-	680	29 270	3 464
Transaction costs, %	0.31	0.31	0.30	-	0.31	0.30	0.34
Research costs, SEK	315 282	8 519	37 098	-	457	19 028	1 625
Research costs, %	0.02	0.02	0.02	-	0.02	0.02	0.02
Ongoing charges, %	2.52	2.52	2.52	2.52	2.52	1.27	1.02
Subscription and redemption fees, %	none	none	none	none	none	none	none

Management fee

(In share class currency)

Single investment of SEK 10 000	245.65	239.42	241.86	239.51	239.47	130.44	*
Monthly investments of SEK 100/month	16.57	16.52	16.53	15.26	16.52	8.39	*

Turnover

2023

Turnover	0.03
Trading with affiliated securities firms	none

*The share class lacks sufficient historical data.

1) Standard deviation is defined as the standard deviation of the fund's return including any dividends. The calculation is based on monthly data during the past 24 months.

2) Standard deviation is defined as the standard deviation of the benchmark's total return. The calculation is based on monthly data during the past 24 months.

Balance sheet

<i>In SEK</i>	<i>Note</i>	<i>2023-12-31</i>	<i>2022-12-31</i>
Assets			
Transferable securities		1 844 660 083	1 904 986 147
Total	1	1 844 660 083	1 904 986 147
Bank accounts		50 838 924	81 241 779
Pre-paid expenses and accrued income	2	10 877 663	7 950 350
Other assets		645	6 251 071
Total		1 906 377 315	2 000 429 347
Liabilities			
Accrued expenses and prepaid income	3	29 571 275	23 996 674
Other liabilities	4	2 012 089	1 481 671
Total		31 583 364	25 478 345
Total net assets	1,7	1 874 793 951	1 974 951 002

Income statement

<i>In SEK</i>	<i>Note</i>	<i>2023-01-01- 2023-12-31</i>	<i>2022-01-01- 2022-12-31</i>
Income and change in value			
Change in value, transferable securities		-34 945 064	-241 715 588
Interest		1 823 838	643 416
Dividends		54 079 260	50 904 095
FX gains and losses, net		-2 033 192	11 866 670
Other income	5	1 282 410	18 249 980
Total		20 207 252	-160 051 427
Costs			
Management fees			
Fees to the management company		-46 717 292	-51 632 477
Interest		-4 499	-30 950
Other costs	6	-9 980 900	-15 244 744
Total		-56 702 690	-66 908 171
Net result		-36 495 438	-226 959 598

Memorandum items

none none

Accounting principles and valuation of financial instruments

Amounts stated are in number of SEK if nothing else stated.

Accounting principles

The annual report has been prepared in accordance with the Swedish UCITS Act (2004:46), the Financial Supervisory Authority's regulations regarding Swedish UCITS (FFFS 2013:9), ESMA guidelines and regulations, and adheres to the recommendations of the Swedish Investment Fund Association.

Värderingsregler

The financial instruments, including derivatives, are valued at market value according to the following order.

1. The financial instrument that trades on an active market must be valued at the latest price paid on the balance sheet date, if it is not a trading day, the last trading day before the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the market value is derived from information from similar transactions that have taken place under market conditions.
3. Unless method 1 or 2 can be used, or are misleading, the market value is determined by a well-established valuation model.

Key performance indicators

The fund follows the Swedish Investment Fund Association's guidelines on key performance indicators.

About unlisted holdings

As the fund may invest in securities subject to trading restrictions, unlisted securities, or securities with limited liquidity and infrequent trading, discrepancies between the latest transaction price on a market and the latest valuation may arise. The fund company's board has established procedures for such scenarios, aimed at determining an objective valuation for individual securities and other assets where market valuations are either unavailable on a regular basis or deemed unreliable. These situations encompass securities with restricted trading or those that are unlisted.

The fund company's methods for determining an objective valuation may include various approaches, such as valuation based on accounting data (e.g., discounted cash flow valuation), assessment of a company's assets and operations, and benchmarking against similar transactions. The fund company endeavors to ensure that its valuation process is objective and follows defined methods and procedures. However, it cannot guarantee that securities can be sold at these valuations when the fund's NAV is established, and consequently, these valuations may significantly undervalue the realizable value of the securities.

In compliance with UCITS regulations, the fund may allocate up to 10% of its value to unlisted securities, provided they become tradable on a market within 12 months. As of the end of December 2023, the fund did not hold any unlisted securities, and it does not intend to make new investments in such securities.

Note 1 Financial instruments

The following financial instruments were held as of 2023-12-31.

Securities

Sector	No. of shares	Market value (SEK)	Portion, %
Category 1			
AIRPORTS CORP OF, Vietnam, VND	2 253 300	61 796 157	3.30
HEMAS HOLDINGS PLC, Sri Lanka, LKR	7 001 928	14 547 507	0.78
REE, Vietnam, VND	5 213 059	131 486 101	7.01
Industrials		207 829 765	11.09
CAIRO FOR INVESTMENT AND REAL, Egypt, EGP	10 375 425	45 226 036	2.41
GB CORP, Egypt, EGP	33 000 000	85 058 398	4.54
INTERLOOP LTD, Pakistan, PKR	30 000 000	76 501 602	4.08
MOBILE WORLD INVESTMENT GROUP, Vietnam, VND	2 515 500	44 736 974	2.39
Consumer discretionary		251 523 010	13.42
CARGILLS CEYLON ORD, Sri Lanka, LKR	3 797 770	40 043 536	2.14
CENTURY PACIFIC, Philippines, PHP	14 995 000	84 496 946	4.51
JUHAYNA FOOD INDUSTRIES, Egypt, EGP	9 692 658	49 555 065	2.64
MASAN GROUP CORP, Vietnam, VND	1 440 000	40 089 977	2.14
PUREGOLD PRICE CLUB, Philippines, PHP	11 000 000	53 873 954	2.87
Consumer staples		268 059 479	14.30
ABBOTT LABORATORIES, Pakistan, PKR	801 250	13 044 335	0.70
ACTIVE FINE CHEMICAL, Bangladesh, BDT	639 303	1 135 668	0.06
AGP LTD/PK, Pakistan, PKR	5 506 700	13 853 230	0.74
ASIRI HOSPITALS, Sri Lanka, LKR	30 000 000	22 988 014	1.23
BEXIMCO-GDR REGS, Bangladesh, GBP	935 000	4 988 139	0.27
MEDIKALOKA HERMINA TBK PT, Indonesia, IDR	85 497 300	83 420 860	4.45
SQUARE PHAR ORD, Bangladesh, BDT	7 111 393	137 651 642	7.34
Health care		277 081 889	14.78
ACCESS HOLDINGS, Nigeria, NGN	120 000 000	29 369 296	1.57
ADAMJEE INSUR ORD, Pakistan, PKR	8 390 500	10 213 267	0.54
BRAC BANK LTD, Bangladesh, BDT	5 398 302	17 788 022	0.95
CEYLINCO INSURANCE-NON VOTIN, Sri Lanka, LKR	289 700	7 399 586	0.39
COL FINANCIAL, Philippines, PHP	40 000 000	19 372 047	1.03
GUARANTY TRUST HOLDING CO PL, Nigeria, NGN	40 000 000	17 163 874	0.92
JSC KASPI.KZ GDR-REG S, Kazakhstan, USD	81 000	75 147 458	4.01
LETSHEGO, Botswana, BWP	21 369 785	20 127 283	1.07
MEEZAN BANK, Pakistan, PKR	14 240 532	82 029 041	4.38
NATIONAL BANK OF PAKISTAN, Pakistan, PKR	41 398 000	47 414 105	2.53
SAMPATH BANK ORD, Sri Lanka, LKR	9 837 629	21 603 526	1.15
STANBIC IBTC HOLDING, Nigeria, NGN	25 000 000	18 448 516	0.98
ZENITH INTL BANK ORD, Nigeria, NGN	40 000 000	16 157 351	0.86
Financials		382 233 372	20.39
FPT CORP, Vietnam, VND	3 780 000	161 466 872	8.61
HIGHTECH PAYMENT, Morocco, MAD	82 500	52 386 184	2.79
LOGO YAZILIM SANAYI VE TICARET, Turkey, TRY	1 200 000	30 278 088	1.62

SYSTEMS LTD, Pakistan, PKR	7 888 984	119 682 169	6.38
Information technology		363 813 312	19.41
MEDIA NUSANTARA, Indonesia, IDR	205 547 100	51 955 874	2.77
Communication services		51 955 874	2.77
WINDFORCE PLC, Sri Lanka, LKR	70 500 000	42 163 381	2.25
Power supply		42 163 381	2.25
Total Category 1		1 844 660 083	98.39
Total transferable securities		1 844 660 083	98.39
Total securities		1 844 660 083	98.39
Other assets and liabilities		30 133 868	1.61
Total net assets		1 874 793 951	100.00

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

1. Transferable securities admitted on a regulated market or an equivalent market outside the EEA.
2. Other financial instruments trading on a regulated market or an equivalent market outside the EEA.
3. Transferable securities that are the subject of regular trading in other markets that are regulated and open to the public.
4. Other financial instruments that are regularly traded on any other market that is regulated and open to the public.
5. Transferable securities within one year from the issue are being admitted to trading on a regulated market or an equivalent market outside the EEA.
6. Transferable securities within one year from the issue will become subject to regular trading on any other market that is regulated and open to the public.
7. Other financial instruments.

Note 2 Accrued expenses and prepaid income

	2023-12-31	2022-12-31
Accrued dividends	10 402 316	7 950 350
Deferred foreign tax, transferable securities	475 347	-
Total	10 877 663	7 950 350

Note 3 Accrued expenses and prepaid income

	2023-12-31	2022-12-31
Accrued taxes	23 828 134	14 411 310
Accrued management fees	3 922 004	4 086 461
Accrued analysis costs	98 146	99 912
Accrued foreign coupon tax	1 722 991	1 129 141
Accrued foreign tax, transferable securities	-	4 269 832

Tundra Sustainable Frontier Fund 515602-4803		12
Other	-	18
Total	29 571 275	23 996 674
 Note 4 Other liabilities		
	<i>2023-12-31</i>	<i>2022-12-31</i>
Unsettled redemptions	2 012 089	1 481 671
Total	2 012 089	1 481 671
 Note 5 Other income		
	<i>2023-01-01- 2023-12-31</i>	<i>2022-01-01- 2022-12-31</i>
Preliminary income tax	1 282 357	18 249 980
Other income	53	-
Total	1 282 410	18 249 980
 Note 6 Other costs		
	<i>2023-01-01- 2023-12-31</i>	<i>2022-01-01- 2022-12-31</i>
Transaction costs main bank	4 850	53 500
Bank fees	11 849	1 670
Other fees	-	30
Capital gains tax	8 991 223	-
Foreign tax, transferable securities		13 911 087
Broker costs	590 969	864 231
Analysis cost	382 009	414 226
Total	9 980 900	15 244 744
 Note 7 Change in net assets		
	<i>2023-01-01- 2023-12-31</i>	<i>2022-01-01- 2022-12-31</i>
Net assets at the start of the year	1 974 951 002	2 264 007 429
	1 974 951 002	2 264 007 429
 Share class A SEK		
Issued fund units	102 223 818	207 735 712
Redeemed fund units	-229 371 874	-295 469 169

Total	-127 148 056	-87 733 457
Share class C EUR		
Issued fund units	7 684 252	1 082 929
Redeemed fund units	-6 153 310	-5 874 771
Total	1 530 942	-4 791 842
Share class D USD		
Issued fund units	144 125 138	114 932 171
Redeemed fund units	-88 212 190	-78 072 714
Total	55 912 948	36 859 457
Share class E NOK		
Issued fund units	-	-
Redeemed fund units	-	-
Total	-	-
Share class F EUR		
Issued fund units	-	11 043 128
Redeemed fund units	-2 742 575	-9 645 999
Total	-2 742 575	1 397 129
Share class Q NOK		
Issued fund units	22 660 767	12 336 566
Redeemed fund units	-94 917 561	-20 164 682
Total	-72 256 794	-7 828 116
Share class T NOK		
Issued fund units	81 404 424	-
Redeemed fund units	-362 502	-
Total	81 041 922	-
Net result according to the income statement	-36 495 438	-226 959 598
Net assets at year end	1 874 793 951	1 974 951 002

Remuneration

Remuneration and benefits to employees have been calculated based on the Company's principles which has been approved by the Board of Directors. The Board of Directors of the Company has established a remuneration policy that covers all employees of the fund company, which has been updated to be adapted to current regulations. The last update of the policy was made in December 2023. In March 2022 variable remuneration was removed. The compliance function has conducted a review to ensure that the fund company's application of its remuneration system aligns with the remuneration policy. The review confirms that remuneration has been calculated and disbursed in full accordance with the compensation policy, with no deviations observed.

The result of the review have been reported to the board. The current remuneration policy can be found on your website: <https://www.tundrafonder.se/en/compliance-2/>

Remuneration paid to employees in 2023	Amount	No. of employees
Fixed remuneration	4 755 235	5
Variable remuneration for employees included in the number of employees and not classified as specially regulated staff	0	0
Total remuneration and number of employees	4 755 235	5
Remuneration paid to specially regulated staff 2023		
a) employees in senior strategic positions	1 702 294	2.5
b) employees in charge of control functions. Control functions are outsourced	0	0
c) risktakers	1 424 685	1.5
d) employees whose total remuneration amounts to, or exceeds, the total remuneration of someone in the executive management.	0	0

Regarding compensation for the Risk function, this is outsourced to ISEC Services, organization no. 556542-2853.

ANNEX III

ANNEX IV

Template periodic 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

Product name: Tundra Sustainable Frontier Fund

Legal entity identifier: 5493001VIJ7104PULK29

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents sustainable investments]*



Yes



It made **sustainable investments with an environmental objective:** ____%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It made **sustainable investments with a social objective:** ____%



No



It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 73.8% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the past year (2023), an average of 98.1% of portfolio companies fulfilled the basic requirements as stated in the Fund's internal ESG system (Tundra ESG Spectrum). In order to obtain the baseline performance score in the system, companies need to be

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

compliant with the sector exclusion criteria for the Fund. They also need to fulfill all set criteria regarding good corporate governance, and environmental and social characteristics.

In addition to these basic criteria, 73.8% of the Fund was composed of sustainable investments under definitions for the Fund, i.e. companies whose operations support one of the UN Sustainable Development Goals (SDGs) that the Fund has identified as sector-specific.

Characteristics that were promoted during the year include responsible production and consumption; responsible management of water; measures to reduce climate impact; gender equality in company boards and management teams; equal treatment of employees; and contributions to countries' increased economic integration globally.

The Fund Management Company's sustainable investments during the year supported, among other things, the expansion of renewable energy; the expansion of private health care to relieve the burden on state healthcare; increased access to affordable medicines; increased access to credit for individuals and companies; and increased access to education.

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

Environment-related indicators*

Companies operating in fossil fuels (Indicator 4) accounted for 0% of the fund during the period.

Social indicators*

Cases of identified breaches of the UN Global Compact and the OECD Guidelines for Multinational Enterprises (Indicator 10) was 0% of the Fund during the period.

The average number of women expressed as a percentage of board members was 18.2% for the Fund as a whole (Indicator 13).

Exposure to controversial weapons (Indicator 14) accounted for 0% of the fund.

Since the Fund invests exclusively in emerging markets and frontier markets that are not covered by the European regulatory framework SFDR, reliable data on other relevant indicators are currently lacking. The Fund's ambition is to expand the number of indicators reported by requesting this information directly from the companies. To achieve this, the Fund is using an external platform for data collection, Worldfavor - a web-based system where portfolio companies can see what data is requested, report the data that is possible to produce and gradually improve their reporting over time. The data requested include aspects of both environmental and social indicators (PAI indicators). The Fund Management Company will have an ongoing dialogue with the companies to promote improved reporting. The second reporting cycle will take place during March-May 2024.

**All shares expressed as percentages for environmental and social indicators are calculated as portfolio-weighted quarterly.*

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

		2022	2023
Indicator 4	Companies operating in fossil fuels	0%	0%
Indicator 10	Cases of identified breaches of the UN Global Compact and the OECD Guidelines for Multinational Enterprises	0%	0%
Indicator 13	The average number of women, expressed as a percentage of board members	14,7%	18,2%
Indicator 14	Exposure to controversial weapons	0%	0%

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund Management Company has defined sustainable investments as investments in companies that meet the following requirements; i) does not violate the Fund's sector exclusions, ii) meets the baseline performance score in Tundra ESG Spectrum iii) conducts a business whose turnover to more than 50% supports at least one of the UN Sustainable Development Goals (SDGs) that are assessed as sector-specific, or where a majority of the company's investments are directed towards activities that support one or more of the UN Sustainable Development Goals (SDGs) that are assessed as sector-specific in the Fund's markets:

Environmental goals: SDG6 (Clean water and sanitation), SDG7 (Affordable and clean energy), SDG11 (Sustainable cities and communities), SDG14 (Life below water) and SDG15 (Life on Land).

Social goals: SDG1 (No poverty), SDG2 (Zero hunger), SDG3 (Good health and well-being), SDG4 (Quality education), SDG8 (Decent work and economic growth), SDG9 (Industry, innovation and infrastructure) and SDG17 (Partnerships for the goals).

During the past year, the Fund owned a total of 30 companies that supported sector-specific SDGs and were classified as sustainable investments. Examples of these were:

- **REE** (Refrigeration Electrical Engineering Corporation) is a Vietnamese company with business in environmental technology and renewable energy. The company operates in wastewater treatment, renewable energy generation, construction of renewable energy infrastructure, and constructing/operating resource and energy-efficient commercial buildings for which it has received green financing loans. A majority of the company's turnover can be attributed to SDG 6 (Clean water and sanitation), SDG 7 (Affordable and clean energy) and SDG 9 (Industry, Innovation and Infrastructure), directly linked to the following sub-goals: 6.1 (Universal and equitable access to safe and affordable drinking water for all), 7.1 (Universal access to affordable, reliable and modern energy services), and 7.2 (Increase substantially the share of renewable energy in the global energy mix), 9.1 (Develop quality, reliable, sustainable and resilient infrastructure), and 9.4 (Upgrade infrastructure and retrofit industries to make them sustainable).

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.

- **Indonesian portfolio company Hermina Hospitals** is a private healthcare company with special expertise in maternity care. A majority of the company's sales are focused on SDG3 (Good health and well-being), with direct links to the following sub-goals: 3.1 (Reduce maternal mortality), 3.2 (End preventable deaths among children under 5 years of age), 3.4 (Reduce the number of deaths due to non-communicable diseases and promote mental health), and 3.8 (Accessible healthcare for all).

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Fund's sustainable investments did not cause any significant harm since the companies that were selected did not exceed the maximum criteria set by the Fund Management Company to measure Principal Adverse Impact, alternatively, the companies counteracted an indicator without taking action to correct such damage within 12 months from when the Fund Management Company brought this to the company's attention. The Fund was screened quarterly by an external consultant (Sustainalytics), to ensure that no holding caused significant harm* to any of the sustainability indicators. The results have been presented above.

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

The Fund has excluded investments in companies that are in violation of Indicator 4 (exposure to fossil fuels), Indicator 10 (Violation of the UN Global Compact and OECD guidelines for multinational enterprises) and Indicator 14 (Exposure to controversial weapons). As for Indicator 13 (Gender equality of the Board of Directors), the Fund's markets are in most cases significantly behind developed markets regarding important long-term factors such as gender equality in general, women's education, and thus women's participation in business. To achieve change, the Fund Management Company has conducted an active dialogue with the portfolio companies to eventually achieve the long-term goal of 50% female representation, with 25% as the first interim goal.

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

Yes. The Fund Management Company is a signatory to the UN Global Compact and has agreed not to hold investments that are in violation of the ten principles. Continuous analysis has been in place to secure compliance. Screening by external consultants, which includes the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, has been done quarterly. The fund company's internal ESG analysis includes portfolio companies' treatment of workers, including union problems, workers' salaries and equal treatment. Furthermore, environmental risks, the strive for improvement in terms of environmental impact and the development of environmentally friendly technologies have been assessed.

*** Criteria for significant harm:**

Indicator 10: no violations are accepted; Indicator 14: 0% of turnover; Indicator 4: 5% of turnover; Indicator 13: the value of the indicator is decreasing, while the company does not express an ambition to improve it in the long term.

[Include a statement for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

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 Union 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.



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

The principal adverse impact factors (so-called PAIs) are considered by the Fund. Currently, relevant data are only available for Indicator 4 (exposure to companies operating in the fossil fuel sector), Indicator 10 (Violation of the UN Global Compact and OECD Guidelines for Multinational Enterprises), Indicator 13 (Gender Equality of the Board of Directors) and Indicator 14 (Exposure to controversial weapons).

During the period, the above factors were measured quarterly through an external consultant, and continuously through the internal analysis. For Indicators 4, 10 and 14, no exposure in the fund was detected at any point. Thus, no action was taken. With regard to Indicator 13 (Gender equality of the Board of Directors), the Fund's markets are in most cases not as advanced as developed markets in terms of important long-term factors such as gender equality in general, but also women's education and thus women's participation in business. To achieve change, the fund company has conducted an active dialogue with the portfolio companies to eventually achieve the long-term goal of 50% female representation, with 25% as the first interim goal.



What were the top investments of this financial product?

	Largest investments	Sector	% Assets	Country
<p>The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is:</p> <p>2023-01.01-2023.12.31</p>	FPT CORP	Information Tech	8,93%	Vietnam
	REE	Industrials	7.81%	Vietnam
	SQUARE PHAR ORD	Healthcare	7,72%	Bangladesh
	SYSTEMS LTD	InformationTech	6.55%,	Pakistan
	CENTURY PACIFIC	Consumer Staples	4.76%	Philippines
	MEDIKALOKA HERMI	Health Care	4,33%	Indonesia
	KASPI	Finance	4.24%	Kazakhstan
	MEDIA NUSANTARA	Communication	4.02%	Indonesia
	AIRPORTS CORP OF	Industrials	3.93%	Vietnam
	GB Corp	Consumer Disc	3.68%	Egypt
	MEEZAN BANK	Financials	3.28%	Pakistan
	PUREGOLD PRICE CLUB	Consumer Staples	3,25%	Philippines
	HIGHTECH PAYMENT SYSTEMS	Information Tech	2.85%	Morocco
	INTERLOOP	Consumer Disc.	2.69%	Pakistan
	MOBILE WORLD INVESTM	Consumer Disc	2.67%	Vietnam

Data shows the average portfolio weight (quarterly) during 2023.



What was the proportion of sustainability-related investments?

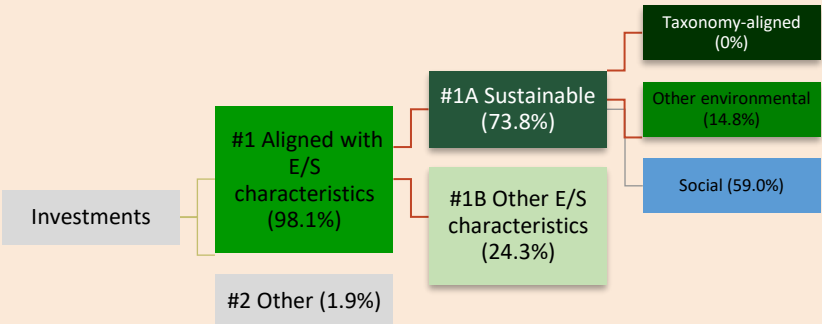
● What was the asset allocation?

Data shows the average portfolio weight (quarterly) for 2023. The share of sustainability-related investments during the period averaged 98.1%. (This refers to companies that promote and/or are sustainable investments).

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 the best performance.

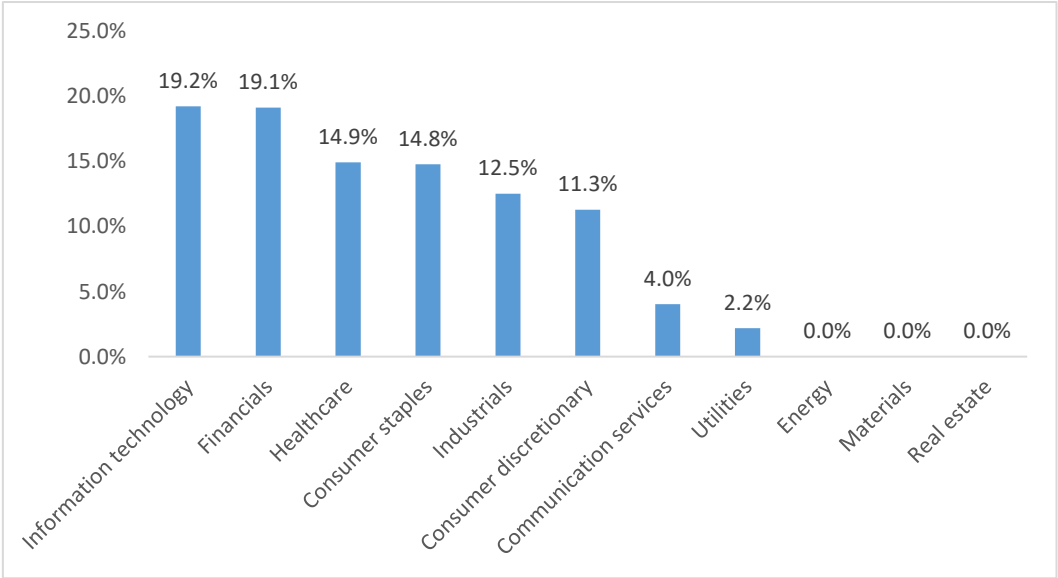


#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

- The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
 - The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?
Data shows the average portfolio weight (quarterly) in 2023.





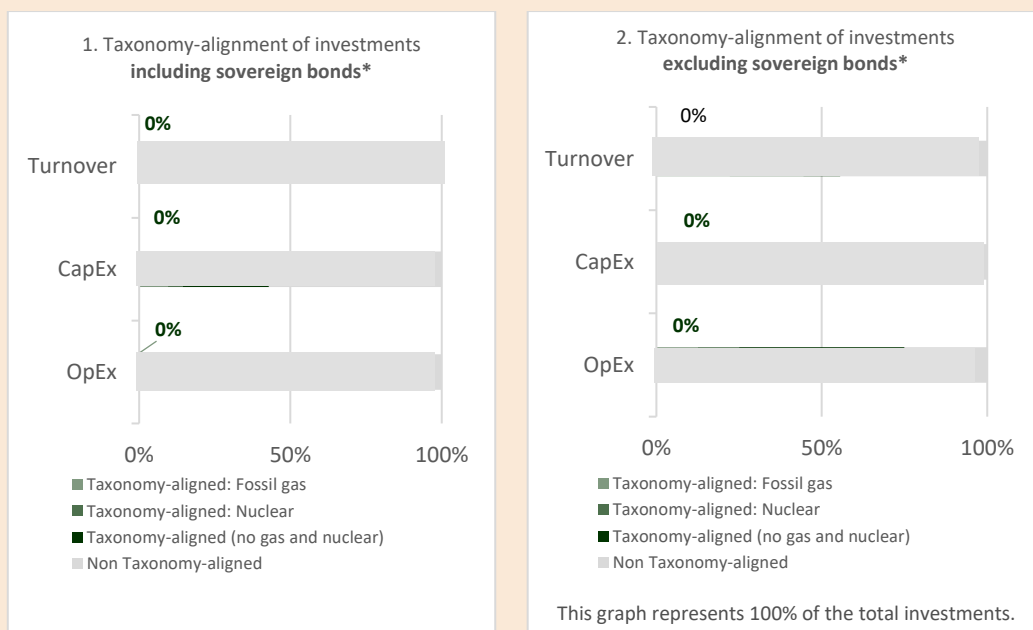
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

0% of the sustainable investments in the Fund were compliant with the requirements of the EU taxonomy. The sectors and underlying activities identified in the EU taxonomy are described as of most environmental benefit if the activities are carried out in an environmentally sustainable manner. The reason why the Fund has invested in economic activities other than environmentally sustainable economic activities under the EU taxonomy is that the Fund does not primarily focus on geographical areas covered by the EU taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

The financial product does not invest in fossil gas and/or nuclear-related activities.

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



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

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 objective - see explanatory note 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 Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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

N/A

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

N/A



- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

14.8% of the Fund's assets consisted of companies that were deemed sustainable with an environmental objective that was not compatible with the EU taxonomy.



- **What was the share of socially sustainable investments?**

59.0% of fund assets were sustainable investments with social characteristics



- **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

The cash needed in management, as well as holdings under disposal, are included in the item.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

*The fund has **excluded** companies that have contributed negatively to the following characteristics:*

Environment-related characteristics:

- Companies whose turnover to more than 5% (in some cases 0%) comes from:
 - Fossil fuels (oil, gas, coal) (extraction 5%)
 - Uranium (extraction 5%)
 - Genetically modified organisms (GMOs) (5%)

Social characteristics:

- Companies with ongoing Violations of the UN Global Agreement and the OECD Guidelines for Multinational Enterprises and that have not initiated action to do so within 12 months of notification from the Fund Management Company.
- Companies whose turnover to more than 5% (in some cases 0%) comes from:
 - Cluster bombs, anti-personnel mines, chemical and biological weapons, nuclear weapons (Production/Distribution 0%)
 - Other weapons and/or war equipment (Production/Distribution 5%)
 - Alcohol (Production/Distribution 5%)

- Tobacco (Production 0%/Distribution 5%)
- Commercial gaming (Production/Distribution 5%)
- Pornography (Production 0%/Distribution 5%)

The financial product has also promoted environmental and social characteristics by investing in companies whose operations are considered to have a long-term positive impact on the society in which they are conducted. The assessment is based on an evaluation using Tundra's internal ESG system (Tundra ESG Spectrum). The system consists of 58 measurement points, divided into environmental, social and governance characteristics, where the company must achieve a minimum goal fulfillment in each sub-section in order to qualify as investable.

The fund has conducted active engagement with all portfolio companies where all companies have been given access to the external platform Worldfavor, which is a web-based system where portfolio companies can see what data is requested and report the data that is possible to produce and gradually improve their reporting over time. Among the data requested, data for all indicators according to SFDR (the so-called PAI indicators) have been included. During the year, the fund management company arranged a seminar where all portfolio companies were invited to be trained in how to use the system. The Fund Management Company has maintained an ongoing dialogue with the companies to promote improved reporting.



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

The Fund has not used a benchmark to measure its environmental and/or social promotion characteristics.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Tundra Sustainable Frontier Fund
515602-4803

Signatures

Stockholm 2024

Carl Anders Östring
Chairman of the Board/Board Member

Simon Norenius
CEO

Mattias Martinsson
Board member/deputy CEO

Göran Lindholm
Board Member

Cecilia Seddigh
Board Member

Our audit report was issued 2024
Öhrlings PricewaterhouseCoopers AB

Anders Carlsson
Chartered Accountant



Auditor's report

Unofficial translation

To the investors of Tundra Sustainable Frontier Fund, corporate identity number, 515602-4802

Report on the annual accounts

Statement

We, as auditors of Tundra Fonder AB, organization number 556838-6303, have conducted an audit of the annual report for Tundra Sustainable Frontier Fund for the year 2023, with the exception of the sustainability information on pages 16-25 ("sustainability information").

In our opinion, the annual report has been prepared in accordance with the Securities Funds Act and the Swedish Financial Supervisory Authority's regulations on securities funds and provides a true and fair view of Tundra Sustainable Frontier Fund's financial position as of December 31, 2023, and its financial performance for the year, in accordance with the Securities Funds Act and the Swedish Financial Supervisory Authority's regulations on securities funds. Our statement does not cover the sustainability information on pages 16-25.

Basis for Statement

We have conducted the audit in accordance with International Standards on Auditing (ISA) and good auditing practice in Sweden. Our responsibilities under these standards are further described in the section Auditor's Responsibilities. We are independent of the fund company in accordance with good auditing practice in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our statement.

Responsibility of the Fund Company

The fund company is responsible for preparing the annual report and ensuring that it provides a true and fair view in accordance with the Securities Funds Act and the Swedish Financial Supervisory Authority's regulations on securities funds. The fund company is also responsible for the internal control that it determines is necessary to prepare an annual report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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



As part of an audit conducted in accordance with ISA, we exercise professional judgment and maintain a professional skeptical attitude throughout the audit. In addition:

- we identify and assess the risks of material misstatement in the annual report, whether due to fraud or error, design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- we obtain an understanding of the internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- we evaluate the appropriateness of the accounting policies used and the reasonableness of the fund company's accounting estimates and related disclosures.
- we evaluate the overall presentation, structure, and content of the annual report, including the disclosures, and whether the annual report represents the underlying transactions and events in a manner that gives a true and fair view.

We are required to inform the fund company, among other matters, of the planned scope and timing of the audit and significant observations made during the audit, including any significant deficiencies in internal control that we identify.

Auditor's Opinion on the Statutory Sustainability Information

The fund company is responsible for the sustainability information on pages 16–25 and for ensuring that it is prepared in accordance with the Securities Funds Act.

Our review of the sustainability information for the fund has been conducted in accordance with FAR's recommendation RevR 12 Auditor's Opinion on the Statutory Sustainability Report. This means that our review of the sustainability information has a different focus and significantly less scope compared to the focus and scope of an audit conducted in accordance with International Standards on Auditing and good auditing practice in Sweden. We believe that this review provides us with sufficient basis for our statement.

Sustainability information has been provided in the annual report.

Stockholm the day of our electronic signature

Öhrlings PricewaterhouseCoopers AB

Anders Carlsson

Authorized Public Accountant

Total	-127 148 056	-87 733 457
Share class C EUR		
Issued fund units	7 684 252	1 082 929
Redeemed fund units	-6 153 310	-5 874 771
Total	1 530 942	-4 791 842
Share class D USD		
Issued fund units	144 125 138	114 932 171
Redeemed fund units	-88 212 190	-78 072 714
Total	55 912 948	36 859 457
Share class E NOK		
Issued fund units	-	-
Redeemed fund units	-	-
Total	-	-
Share class F EUR		
Issued fund units	-	11 043 128
Redeemed fund units	-2 742 575	-9 645 999
Total	-2 742 575	1 397 129
Share class Q NOK		
Issued fund units	22 660 767	12 336 566
Redeemed fund units	-94 917 561	-20 164 682
Total	-72 256 794	-7 828 116
Share class T NOK		
Issued fund units	81 404 424	-
Redeemed fund units	-362 502	-
Total	81 041 922	-
Net result according to the income statement	-36 495 438	-226 959 598
Net assets at year end	1 874 793 951	1 974 951 002

Signatures

Stockholm 2024

Carl Anders Östring
Chairman of the Board/Board Member

Simon Norenius
CEO

Mattias Martinsson
Board member/deputy CEO

Göran Lindholm
Board Member

Cecilia Seddigh
Board Member

Our audit report was issued 2024
Öhrlings PricewaterhouseCoopers AB

Anders Carlsson
Chartered Accountant