

FSG Fund II AB - SFDR Periodic Disclosure 2024 (Annex IV)

Reference period: 1 January–31 December 2024

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

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.

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

Product name: FSG Fund II AB Legal entity identifier (LEI) :636700QPBXP48PRZP436

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
<div><input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> Yes</div> <div><input type="checkbox"/> It made sustainable investments with an environmental objective: ____%<div><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</div><div><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</div></div> <div><input type="checkbox"/> It made sustainable investments with a social objective: ____%</div>	<div><input type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> No</div> <div><input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments<div><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</div><div><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</div><div><input type="checkbox"/> with a social objective</div></div> <div><input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</div>



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

FSG Fund II AB (the “Fund”) promotes environmental and social characteristics within the meaning of Article 8 SFDR.

The Fund promotes social characteristics by helping to reduce society’s unmet medical need through investments in companies developing treatments for life-threatening diseases or serious debilitating conditions. When determining investments, the Fund considers the effect on the following UN Sustainable Development Goals (SDGs):

- SDG 3 (Good Health & Well-Being),

- SDG 5 (Gender Equality),
- SDG 12 (Responsible Consumption & Production),
- SDG 13 (Climate Action).

Additionally, the Fund evaluates the quality of corporate governance in relation to its investments.

In addition, the Fund promotes general sustainability and environmental characteristics by excluding investments in companies assessed to present major sustainability challenges. Exclusions include companies that (i) breach international norms and standards, (ii) operate in controversial sectors such as tobacco, alcohol, weapons and ammunition, commercial gambling and illegal economic activities, and (iii) have exposure to fossil fuels and other activities with negative climate impact.

For the period 2024-01-01 to 2024-12-31, four of five portfolio companies promoted the Fund's social characteristics linked to SDG 3 (health). BrightBid (AdTech) does not directly promote SDG 3 and is reported as "Other" in the asset-allocation section.

● How did the sustainability indicators perform?

During the reference period 1 January–31 December 2024, the Fund monitored portfolio companies' ability to promote social and environmental characteristics using a set of common indicators:

ESG incidents: none reported across the portfolio.

Code of Conduct: in place at all five portfolio companies (5/5).

Annual employee survey: implemented at four companies (OssDsign, Promimic, BrightBid, Din Psykolog); Saga Dx did not run a survey in 2024.

Carbon-footprint initiatives: implemented at OssDsign and BrightBid; Saga Dx, Din Psykolog and Promimic did not report any initiatives in 2024.

At company level, the reported indicators showed the following in 2024:

Company	Employees (W/M/NB)	C-level (W/M/NB)	Board (W/M/NB)	Survey	Code of Conduct	ESG incidents	Carbon-footprint initiatives
OssDsign AB	10 / 17 / 0	1 / 5 / 0	0 / 4 / 1	Yes	Yes	None	PT/cycling; virtual meetings
Saga Dx (Group)	28 / 24 / 0	0 / 2 / 0	0 / 6 / 0	No	Yes	None	Data centre, cloud optimisation, PT/cycling, virtual meetings
Promimic AB	9 / 10 / 0	1 / 4 / 0	0 / 5 / 1	Yes	Yes	None	None reported
BrightBid Group AB	12 / 45 / 0	0 / 2 / 0	0 / 7 / 0	Yes	Yes	None	Cloud env. profile, digital meetings, >95% sustainable commuting
Din Psykolog Sverige AB	4 / 6 / 0	1 / 3 / 0	0 / 5 / 1	Yes	Yes	None	None reported

● ...and compared to previous periods?

Compared to 2023:

- OssDsign reduced the number of women FTEs (15 → 10) and men FTEs (26 → 17), while maintaining a similar C-level structure and Code of Conduct. Board composition shifted slightly (5 M in 2023 → 4 M and 1 NB in 2024).
- Saga Dx maintained overall governance and C-level structure, but employee headcount increased substantially (from 15 W / 15 M in the US entity + 12 W / 10 M in the Swedish subsidiary in 2023 → consolidated 28 W / 24 M in 2024). Carbon-footprint initiatives, previously only reported at the Swedish subsidiary, were extended and reported at the group level in 2024.
- New portfolio companies in 2024: Promimic AB, BrightBid Group AB, and Din Psykolog Sverige AB were added. Their reported indicators now serve as the baseline for monitoring in future reporting periods.

Overall, the Fund's ESG indicators remained stable year-over-year. The most notable developments were a smaller workforce at OssDsign and a larger workforce at Saga Dx. Other indicators such as board structures, C-level composition, employee surveys, and Code of Conduct practices showed no material change. For the new portfolio companies, 2024 establishes the baseline against which future developments will be tracked.

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

Not applicable for the reference period 1 Jan–31 Dec 2024. The Fund did not classify any holdings as “sustainable investments” under SFDR Article 2(17), so there are no sustainable-investment objectives or contributions to report.

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

Not applicable for the reference period 1 January–31 December 2024. The Fund did not classify any holdings as “sustainable investments” under SFDR Article 2(17), so no DNSH assessment applies in this section.

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

Not applicable. The PAI-based DNSH check is required only when a product reports sustainable investments; with 0% sustainable investments for the reference period, there is no PAI-based DNSH disclosure to provide here.

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

No investments were classified as “sustainable investments” for the reference period.

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.



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

The financial product did not consider PAIs at product level for the reference period 1 January–31 December 2024. Given the Fund's minority holdings (including smaller listed and unlisted companies) and limited data availability, the Manager applies the Article 4 SFDR “comply or explain” approach (entity-level) and does not consider PAIs for this product.



What were the top investments of this financial product?

Asset allocation

describes the share of investments in specific assets.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2024

Largest investments	Sector	% Assets	Country
Saga Dx	Life Science & Tech	45.5%	USA
OssDsign AB	Life Science & Tech	28.7%	Sweden
Din Psykolog Sverige AB	Health Tech	10.4%	Sweden
Promimic AB	Life Science & Tech	9.7%	Sweden
BrightBid Group AB	AdTech / IT Services	5.7%	Sweden

What was the proportion of sustainability-related investments?

For 1 January–31 December 2024, the share of investments aligned with the environmental and/or social characteristics (#1B) was 94.3% (OssDsign, Saga Dx, Promimic, Din Psykolog). The remaining 5.7% were classified as #2 “Other” (BrightBid). The Fund made 0% sustainable investments (#1A) and 0% EU Taxonomy-aligned investments. (2023: 100% aligned with E/S characteristics.)



The EU Taxonomy sets out a “do not significant harm (DNSH)” 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.

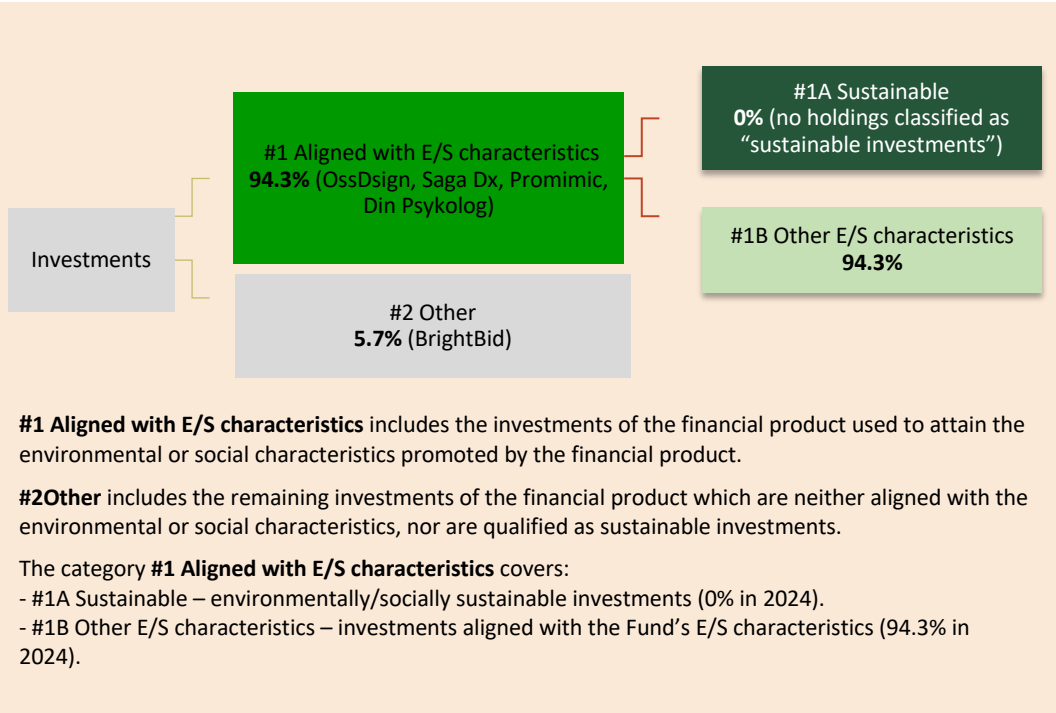
Any other sustainable investments must also not significantly harm any environmental or social objectives.

● What was the asset allocation?

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.



- **In which economic sectors were the investments made?**
As of 31 December 2024, the Fund’s investments were allocated to Life Sciences & Health Tech (94.3%) — OssDsign AB, Saga Dx, Promimic AB, Din Psykolog Sverige AB — and AdTech / IT Services (5.7%) — BrightBid Group AB



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

0%. The Fund did not classify any investments as “sustainable investments” with an environmental objective for the reference period 1 January–31 December 2024; accordingly, the share aligned with the EU Taxonomy is 0%.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹²?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

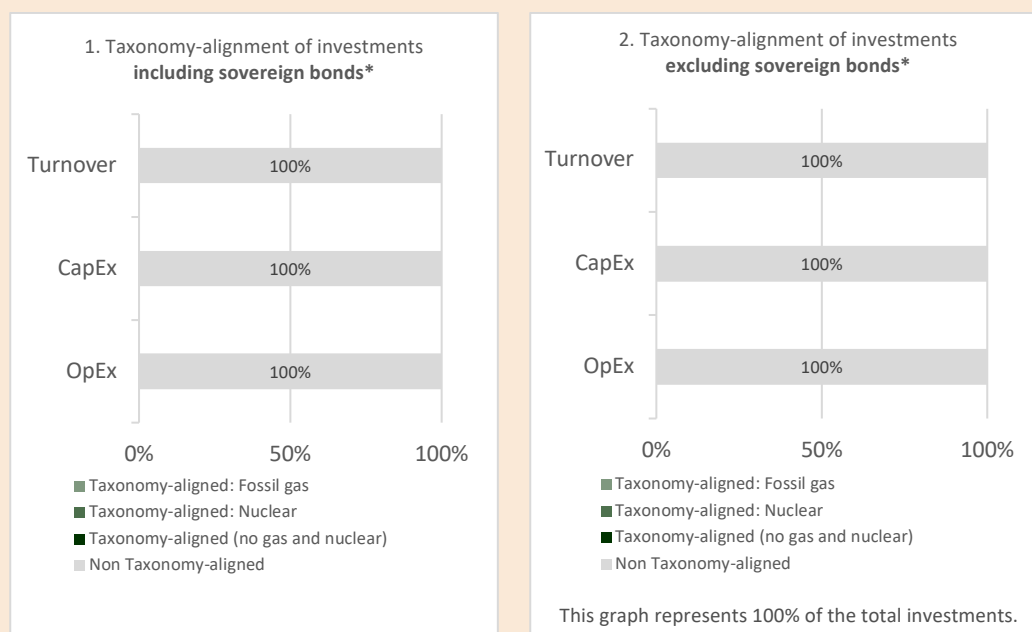
☒ No

¹² 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.

Taxonomy-aligned activities are expressed as a share of:

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

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.



* No sovereign exposures during the reference period (Taxonomy alignment including/excluding sovereigns is identical).

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

Transitional activities: 0%

Enabling activities: 0%

(Breakdown for the reference period 1 January–31 December 2024.)

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

No change. EU Taxonomy-aligned investments were 0% for 2024, the same as 2023 (0%).



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

0% (Not applicable for the reference period 1 January–31 December 2024. The Fund did not classify any holdings as sustainable investments, so there are no non-Taxonomy-aligned sustainable investments to report.)



What was the share of socially sustainable investments?

0% (No investments were classified as sustainable investments with a social objective during the reference period.)



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

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.

"Other" (#2): 5.7% — BrightBid Group AB (AdTech / IT Services)

Purpose: *Growth and operational improvement in AI-assisted digital marketing.*

Safeguards: *Company Code of Conduct in place; no ESG incidents reported in 2024; company policies include use of cloud suppliers with an environmental profile, extensive digital meetings and digital invoicing/archiving/signatures to reduce environmental footprint. The Fund's exclusion policy (e.g., no tobacco, alcohol, weapons, gambling, fossil fuels) also applies.*



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

During 1 January–31 December 2024, the Manager undertook the following actions:

- *Applied the Fund's exclusions (controversial sectors, fossil fuels, norms breaches) and governance assessment in investment decisions.*
- *Engaged with portfolio companies (board/nomination-committee level where possible) on ESG priorities via the Fund's ESG Action Plan framework (business integrity, environment, labour & safety, community, data privacy).*
- *Collected and monitored ESG indicators across the portfolio (employee gender split, leadership/board composition, Code of Conduct, annual employee survey, climate initiatives, incident reporting).*
- *Encouraged gender balance in board recruitment processes.*
- *Supported practical climate measures where relevant (e.g., remote/virtual meetings, sustainable commuting policies, digitalisation of processes).*

(Result highlights: no portfolio-level ESG incidents; Code of Conduct in place at 5/5 companies; employee surveys implemented at most companies; climate-related initiatives present in several holdings.)



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

Not applicable. No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics.

● **How does the reference benchmark differ from a broad market index?**

Not applicable. No reference benchmark has been designated.

● **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable. No reference benchmark has been designated.

● **How did this financial product perform compared with the reference benchmark?**

Not applicable. No reference benchmark has been designated.

● **How did this financial product perform compared with the broad market index?**

Not applicable. No reference benchmark has been designated.

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