

MARKET COMMENT

Greater focus on Russian carbon emissions

Like the fund, the Russian market continued to rise in August. It has remained favourable for commodity-related assets, and high gas prices in Europe have benefited Russian gas companies. Russian oil companies have remained weak performers. Both Alrosa and MTS surprised many with high interim dividends, which caused the shares to rise and made them some of the fund's best holdings for the month. Yandex announced a major M&A with Uber, which caused the share to react positively, making it the portfolio company whose share rose the most this month.

A fire at Gazprom's refinery in Siberian Urengoi caused gas prices to temporarily rise further from already record highs. Although gas supplies to Europe temporarily decreased, the flow was restored in a couple of days. The high gas price more than compensated for the temporary volume loss, and no injuries were reported.

Gazprom reported record revenues for the first half of the year in August, and good cash flows as a result. The company pointed out that the high gas

prices are due to low inventories, especially in Europe, and that it looks like this will last a good bit past 2022, which points to a high dividend next year as well.

There is more and more talk about carbon dioxide emissions in Russia, and about introducing emissions trading. In an attempt to estimate the cost of a European carbon tax on Russian exporters to Europe, a power analyst noted that at current emission prices in Europe the cost to Russian steel companies would be around 28 percent of EBITDA, and is therefore substantial. For Gazprom, this would correspond to about 16 percent of EBITDA. Russian tech and consumer companies have low exposure to both carbon dioxide emissions and European exports, so the impact would be negligible. We have long pointed out to companies that they should start measuring and, above all, reducing their emissions in order to defend their earnings in the future. Today, most companies have some form of energy savings and emissions targets. A few have also committed to setting a Science Based Target.

MONTHLY REPORT

AUGUST 2021



FREDRIK COLLIANDER

Manager since 2000.

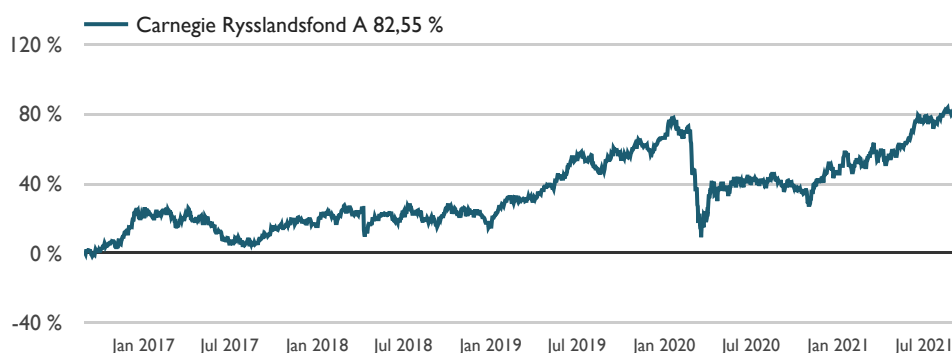
Carnegie Rysslandsfond invests in shares listed in Russia and in other parts of the former Soviet Union.

Start date	27/10/1997
Pricing	Daily
Morningstar rating	★★★★
Risk level	6 of 7
ISIN	SE0000429821
Ongoing charges	2.54 %
Minimum initial investment	0 SEK
Assets under management	5 305 MSEK
Dividend	No
NAV per share	93.69 SEK

CUMULATIVE PERFORMANCE %

YTD	1 year	3 years	5 years	10 years	Since inception
25,33	30,49	51,36	82,55	92,83	862,54

FIVE YEAR PERFORMANCE %



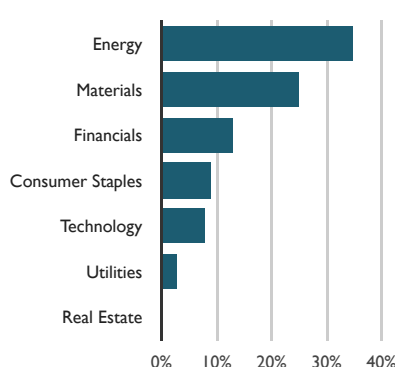
MONTHLY PERFORMANCE %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full year
2021	0,49	2,01	7,10	-2,59	6,27	6,27	0,91	2,85					25,33
2020	1,51	-13,41	-15,27	13,08	-0,91	0,98	-1,29	1,23	-0,58	-8,28	10,02	3,77	-12,34
2019	12,93	-0,63	0,55	6,77	2,90	7,82	1,57	-2,24	2,38	2,35	-0,62	4,45	44,34

LARGEST HOLDINGS

GAZPROM PJSC Reg	9,5 %
Sberbank of Russia PJSC	9,3 %
NovaTek Joint St Co Reg	7,6 %
Alrosa PJSC	4,7 %
Yandex NV A Reg	4,7 %
Moscow Exchange Micex-Rts PJSC	4,1 %
X5 Retail Group NV spons GDR repr I/4 Reg S	4,0 %
Surgutneftegas PJSC Pref Reg	3,7 %
Oil Co Lukoil PJSC	3,6 %
Polyus PJSC Reg	3,6 %

SECTOR ALLOCATION

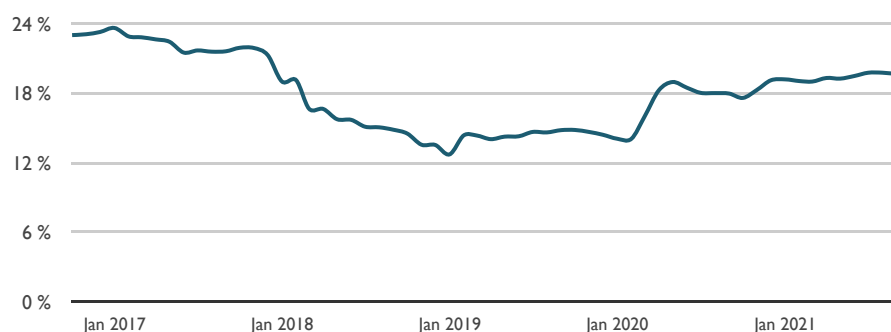


KEY STATISTICS

Number of holdings	29
Turnover rate, tms/year	0,33
Active share *	57 %
Standard deviation, 2 years	20,6 %
Standard deviation, 3 years	19,7 %
Standard deviation, 5 years	17,2 %
Sharpe ratio, 2 years	0,48
Sharpe ratio, 3 years	0,78
Sharpe ratio, 5 years	0,79
Tracking error, 2 years *	5,1 %
Tracking error, 3 years *	4,4 %
Tracking error, 5 years *	4,9 %

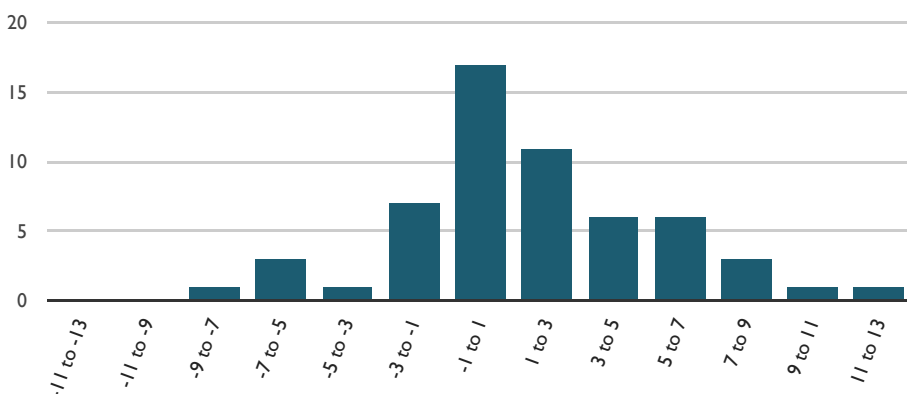
* Benchmark: MSCI Russia 10/40 Net Total Return

STANDARD DEVIATION %



DISTRIBUTION OF MONTHLY PERFORMANCE %

As of 01/09/2016 to 31/08/2021



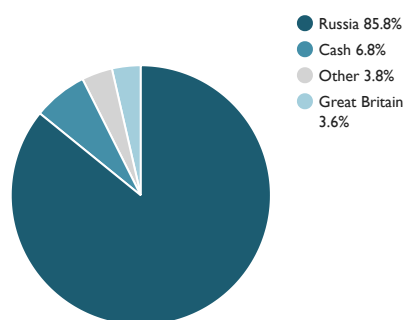
TOP CONTRIBUTORS YTD

GAZPROM PJSC Reg	4,9 %
Sberbank of Russia PJSC	3,2 %
NovaTek Joint St Co Reg	3,1 %
Alrosa PJSC	2,3 %
Gazprom Neft PJSC Reg	1,3 %

BOTTOM CONTRIBUTORS YTD

Mail.RU Group Ltd spons GDR Repr I Sh Reg-S	-0,6 %
Polymetal International PLC	-0,5 %
Polyus PJSC Reg	-0,2 %
X5 Retail Group NV spons GDR repr I/4 Reg S	-0,1 %
Inter Rao Ues PJSC	-0,1 %

GEOGRAPHICAL ALLOCATION



CARNEGIE FONDER - SUSTAINABLE INVESTMENTS IN VALUE COMPANIES

Carnegie Fonder is an independent fund management company that was founded in 1988. Our mission is to create long-term good returns for our unit holders. By combining modern sustainability analysis with traditional financial analysis, we identify undervalued companies that are properly equipped for the challenges of the future. We call these value companies.

CONTACT INFORMATION

Visiting address: Regeringsgatan 56 Stockholm
 Postal address: Box 7828, 103 97 Stockholm Sweden
 Homepage: www.carnegiefonder.se
 Phone: +46 8 12 15 50 00