

# SEB Investment Management AB

## Annual Report 2020

This document is an unofficial translation of the official Annual Report of SEB Investment Management AB for the 2020 financial year.

**SEB**

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## CEO's comment

2020 was characterized by a high risk appetite in the financial markets until the COVID 19 pandemic came to dominate the year from the second half of February. This caused the markets to fall dramatically for a month. Massive fiscal and monetary stimulus from governments and central banks stabilized the risk appetite and financial markets towards the end of March. The US election and Pfizer's announcement of positive results for the COVID 19 vaccine in November became another catalyst for risk appetite and the financial markets. Despite negative changes in growth rates and dramatically higher unemployment, 2020 ended overall positively for the financial markets.

For SEB Investment Management AB (the "Company"), the total assets under management were largely unchanged in 2020 despite a net outflow of SEK 11 billion. Revenues in 2020 increased by 4 per cent compared to the same period last year, mainly driven by higher performance fees. Costs increased by 2 per cent compared to the same period last year. Overall, this resulted in a 12 per cent higher operating profit for 2020 compared to the previous year.

Sustainability was a focus area for the Company in 2020 and a necessity for driving long-term returns for unit holders. During 2020, several important steps were taken to ensure that the Company succeeds in its work on sustainability. Among other things, fossil fuels were excluded from all index-related funds and a new sustainability policy was implemented. The main purpose of this policy is to improve and refine analysis to integrate sustainability and a common exclusion policy for all funds managed by the Company. This includes the exclusion of extraction, production, and distribution of fossil fuels as well as companies that generate energy from fossil fuel sources. At the end of 2020, 45 per cent of the Company's funds were managed according to the stricter sustainability criteria, which is an increase of 10 per cent compared to the end of 2019 (35). This was achieved by changes in product design and investment processes in existing funds.

The asset classes within the Company have had mixed performances during the year. Within equities, the fundamentally managed strategies have had a good year following strong results in small- and mid-caps in Sweden, the Nordic countries and Europe. For larger companies, the results were more mixed, except for SEB Sustainability Fund Sweden, which exceeded its benchmark. The quantitatively managed equity funds performed below

benchmark and came out with weaker results than other equity funds in general.

The management team for Fixed Income had a successful year in the Fixed Income market, both the short- and long-term fixed income funds developed above its benchmark. On the credit side, however, results were weaker as the start of the COVID 19 pandemic in the spring created a volatile and challenging credit market.

Within Alternatives, the development in the liquid products was strong, both in Private Equity and on the Danish fixed income hedge fund side, and all exceeded their respective benchmarks. Within the illiquid products, the real estate side performed better than benchmark in the funds, but in the large mandates the results were mixed. In the illiquid Private Equity strategy, the realization of investments in 2020 continued to be strong.

During 2020, the work continued to ensure that the Company is compliant with external regulations such as Brexit, MiFID updates, DAC6 obligations, changes in annual reports requirements, SRI for distribution, etc. The migration from the existing portfolio management system to the new SimCorp solution continues and is assumed to be completed during the first half of 2021. During 2020 a branch was established for the Company in Denmark which will further strengthen the Company's presence in the Danish market.

Several minor reorganizations were performed during 2020. A clearer distinction between the first- and second-line risk functions has been implemented and an Investment Restrictions team is now part of the organization. This service was previously purchased from SEB AB. In addition, a new unit has been formed called Client Relations, which is responsible for the commercial relationship between the Company and its distribution channels. During 2020, a team from the LC&FI division has moved into the Company, which is responsible for the models used for quantitatively managed equity funds.

In summary, 2020 was a turbulent year, both in terms of employee crisis management and new ways of working during the pandemic, but also for our portfolio management organization. We believe that the progress made during the year gives us a good position for a stable 2021 and look forward with optimism to the new year.

**Javiera Ragnartz**

# Board of Directors' report

The Board of Directors and CEO of SEB Investment Management AB ("the Company") herewith submit the Annual Report for the 2020 financial year.

## Information about operations

The Company is a fund company with authorization to operate fund management according to the Swedish UCITS Act (2004:46) for UCITS funds and to manage Alternative investment funds according to the Alternative Investment Fund Managers Act (2013:561). In addition, the Company also has several discretionary mandate and advisory assignments. The Company conducts its operation in Sweden, Luxembourg, Finland and Denmark.

Since 1 July 2009 the Company has been a fully owned subsidiary of Skandinaviska Enskilda Banken AB (publ) ("SEB"), corporate registration number 502032-9081, and is based in Solna. The Company has three foreign branches, in Luxembourg, Finland and Denmark.

As per the balance sheet date the Company manages 54 (52) Sweden-registered investment funds, of which 3 (3) are managed externally, 64 (64) Luxembourg-registered sub-funds, of which 2 (8) are managed externally, and 16 (16) Finland-registered investment funds, of which 1 (1) is managed externally, see note 16. In addition, the Company manages funds in Denmark which are registered with an external company.

## Operations during the financial year

During the financial year, 4 Sweden-registered funds were started. No Swedish-registered funds were closed during the financial year, but 1 fund was moved to another fund company. 1 Swedish-registered fund has been merged. During the financial year, 4 Luxembourg-registered funds were started, 2 Luxembourg-registered funds were closed. No Finnish-registered funds have been started.

During the year, the sustainability work was further intensified, and the Board adopted a new sustainability policy. 4 funds have been converted to index-linked and at the same time they now meet SEB's strictest sustainability criteria, which corresponds to 45 per cent of the managed fund volume.

2020 has also included changes in the Board, one of the board members resigned in June.

## The result during the financial year

Operating profit increased by SEK 161 million, 13 per cent, compared with 2019 and amounted to SEK 1.4 billion.

Net commission, i.e. net sales less sales expenses, increased by SEK 320 million, 16 per cent. Volumes followed market development with declining asset values during the end of Q1 as a result of pandemic outbreaks but increased steadily during the next three quarters and ended the year higher than the corresponding period last year.

The Company's personnel costs have increased by SEK 80 million, 23 per cent, most of which is related to the new Danish branch.

The total assets under management in the Company increased and amounted to SEK 983 billion at the end of the year, of which 146 are attributable to the new branch in Denmark.

# Report of the Directors (cont.)

## **Significant events during the financial year**

During the financial year, the Company made an extra dividend of SEK 400 million, which is attributable to the good liquidity and the strong balance sheet.

## **Future development risk and uncertainties**

The Company works actively to be able to offer a well-diversified product range to meet the demand that exists in the market. The Company strives to be a leader in financial advisory and aims to deepen its focus on sustainable products in the range in order to meet customers' needs and expectations.

The Company's ambition in the future is that the strategic work carried out will lead to further launches of new products and that existing funds will be merged or closed down.

The Company's operations include a risk of lower earnings from commission income as a result of market development, interest rates and currency, as this can lead to lower asset values. The general price pressure in the market is another factor of uncertainty for future development, which may lead to declining margins.

## **Sustainability information**

SEB has produced a Sustainability Report which is included in SEB's annual report at [www.sebgroup.se](http://www.sebgroup.se)

## **Significant events after the end of the financial year**

As of January 1, 2021, SEB Investment Management AB has terminated an investment management agreement with SEB Varahaldus. These funds will be managed in Stockholm.

# Report of the Directors (cont.)

## Five-year summary

### Income statement

SEK t	2020	2019	2018	2017	2016
Net sales	6,218,329	5,972,825	5,958,643	5,664,219	4,687,103
<b>Total income</b>	<b>6,218,329</b>	<b>5,972,825</b>	<b>5,958,643</b>	<b>5,664,219</b>	<b>4,687,103</b>
Selling costs	-3,874,403	-3,948,994	-3,866,276	-4,111,314	-3,346,825
Other external expenses	-469,214	-414,109	-349,061	-272,924	-357,830
Staff costs	-432,520	-352,503	-317,941	-290,847	-274,870
Other operating expenses	-2,175	22,204	-13,331	-2,897	6,540
<b>Total expenses</b>	<b>-4,778,312</b>	<b>-4,693,402</b>	<b>-4,546,609</b>	<b>-4,677,982</b>	<b>-3,972,985</b>
Result from financial items	-8,670	-3,123	-10,528	-4,092	-3,284
<b>Profit from net financial income</b>	<b>1431,347</b>	<b>1276,300</b>	<b>1401,506</b>	<b>982,145</b>	<b>739,686</b>
Appropriations	-992,854	-987,675	-993,223	-844,039	-596,813
Taxes	-93,457	-61,594	-89,863	-29,293	-3,325
<b>Net profit</b>	<b>345,036</b>	<b>227,031</b>	<b>318,420</b>	<b>108,813</b>	<b>139,548</b>

### Balance sheet

SEK t	2020	2019	2018	2017	2016
Intangible assets	53,280	57,290	-48,239	-34,712	-3,592
Tangible assets	220	352	-468		
Financial assets	94,395	21,704	-41,793	-2,020	-2,118
Total current receivables	473,002	286,698	-429,147	-581,926	-433,658
Cash and cash equivalents	2,435,271	2,794,045	-2,389,794	-2,014,274	-1,783,293
<b>Total assets</b>	<b>3,056,168</b>	<b>3,160,089</b>	<b>-2,909,441</b>	<b>-2,632,932</b>	<b>-2,222,661</b>
Equity	962,994	1019,932	788,782	406,565	712,012
Short-term liabilities	2,093,174	2,140,157	2,120,659	2,226,367	1,510,649
<b>Total equity and liabilities</b>	<b>3,056,168</b>	<b>3,160,089</b>	<b>2,909,441</b>	<b>2,632,932</b>	<b>2,222,661</b>

### Key figures

SEK t	2020	2019	2018	2017	2016
C/I	0.77	0.79	0.76	0.83	0.84
Heads (average)	156	156	148	139	138
Assets under management, Funds SEK k	664,278,641	653,710,406	552,910,593	535,494,108	485,953,087

## Report of the Directors (cont.)

### Proposal for the distribution of profit

Standing at the disposal of the Annual General Meeting in accordance with the balance sheet of SEB Investment Management AB:

Other non-restricted equity	SEK 116,801,501
Retained earnings	SEK 405,149,446
Net profit for the year	SEK 345,034,959

**Total** **SEK 866,985,906**

The Board of Directors and the CEO propose that the profits be disposed of as follows:

**To be carried forward** **SEK 866,985,906**

# Income statement

SEK t	Note	2020	2019
<b>Operating Income</b>			
Net sales	2	6,218,329	5,972,825
Total revenue		6,218,329	5,972,825
<b>Operating expenses</b>			
Selling costs	3	-3,874,403	-3,948,994
Other external expenses	4	-469,214	-414,109
Staff costs	5	-432,520	-352,503
Other operating expenses		-21,75	222,04
Total expenses		-4,778,312	-4,693,402
<b>Operating profit</b>		<b>1,440,017</b>	<b>1,279,423</b>
<b>Net Financial income</b>			
Result from financial assets		790	8826
Interest income		14	35
Interest expense		-9,474	-11,984
Profit from Net financial income		-8,670	-3,123
<b>Profit before tax</b>		<b>1,431,347</b>	<b>1,276,300</b>
Appropriations	6	-992,854	-987,675
Taxes	7	-93,457	-61,594
<b>Net profit</b>		<b>345,036</b>	<b>227,032</b>



# Balance sheet

SEK t	Note	2020	2019
<b>Assets</b>			
Non-current assets			
Intangible assets			
Intangible assets	8	53,280	57,290
Total intangible assets		53,280	57,290
Tangible assets			
Tangible assets	9	220	352
Total tangible assets		220	352
Financial assets			
Shares in subsidiaries	10	1,361	1,414
Other long-term financial assets	11	93,034	20,290
Total financial assets		94,395	21,704
<b>Total non-current assets</b>		<b>147 895</b>	<b>79 346</b>
Current receivables			
Receivables to Group companies	16	43,057	26,998
Other assets		313,065	67,909
Prepaid expenses and accrued income	12	116,880	191,791
Total current receivables		473,002	286,698
Cash and cash equivalent			
Cash and cash equivalent	13	2,435,271	2,794,045
Total cash and cash equivalent		2,435,271	2,794,045
<b>Total current assets</b>		<b>2,908,273</b>	<b>3,080,743</b>
<b>Total assets</b>		<b>3,056,168</b>	<b>3,160,089</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Restricted equity			
Share capital		1,500	1,500
Statutory reserve		41,228	41,228
Reserve for development funds		53,280	57,290
Total restricted equity		96,008	100,018
Non-restricted equity			
Other non-restricted equity		116,801	129,072
Retained earnings		405,149	563,811
Net profit		345,036	227,031
Total non-restricted equity		866,986	919,914
<b>Total equity</b>		<b>962,994</b>	<b>1,019,933</b>
<b>Liabilities</b>			
Short-term liabilities			
Tax liabilities	7	166,028	140,489
Liabilities to Group Companies	16	1,328,746	1,327,146
Other Liabilities		303,759	354,557
Accrued expenses and prepaid income	14	294,641	317,965
<b>Total liabilities</b>		<b>2,093,174</b>	<b>2,140,157</b>
<b>Total equity and liabilities</b>		<b>3,056,168</b>	<b>3,160,089</b>

# Statement of changes in equity

2020	Restricted Equity			Non-restricted equity			
	Share capital <sup>1)</sup>	Statutory fund	Software development fund	Other reserves	Retained earnings	Net profit	Total
Opening balance	1,500	41,228	57,290	129,072	563,811	227,032	1,019,933
Distribution of profit					227,032	-227,032	
Net profit						345,036	345,036
Other comprehensive income				-11,948			-11,948
Dividend					-400,000		-400,000
Equity based programs					9,969		9,969
Software development reserve			-4,010		4,010		
Other changes				-323	323		
<b>Closing balance</b>	<b>1,500</b>	<b>41,228</b>	<b>53,280</b>	<b>116,801</b>	<b>405,145</b>	<b>345,036</b>	<b>962,990</b>

1) 12.500 share with a quotient value of SEK 120

2019	Restricted Equity			Non-restricted equity			
	Share capital <sup>1)</sup>	Statutory fund	Software development fund	Other reserves	Retained earnings	Net profit	Total
Opening balance	1,500	41,228	48,239	118,132	261,263	318,420	788,782
Distribution of profit					318,420	-318,420	
Net profit						227,032	227,032
Other comprehensive income				-1,712			-1,712
Dividend							
Equity based programs					5,831		5,831
Software development reserve							
Other changes			9,051	12,652	-21,703		
<b>Closing balance</b>	<b>1,500</b>	<b>41,228</b>	<b>57,290</b>	<b>129,072</b>	<b>563,811</b>	<b>227,032</b>	<b>1,019,933</b>

1) 12.500 share with a quotient value of SEK 120

# Cash flow statement

SEK t	2020	2019
OPERATING ACTIVITIES		
Operating profit	1,440,017	1,279,423
Interest received	14	35
Interest paid	-9,474	-11,984
Income tax paid	-348,924	-107,866
Non cash-flow items	5,386	14,434
<b>Cash flow from the business before changes in operating activities</b>	<b>1,087,019</b>	<b>1,174,042</b>
CHANGES IN OPERATING ACTIVITIES		
increase (-) / decrease (+) in receivables	60,823	120,188
increase (-) / decrease (+) in liabilities	-41,808	94,665
<b>Cash flow from operating activities</b>	<b>1,106,034</b>	<b>1,388,895</b>
Acquisitions of financial assets	-71,955	24,392
Acquisitions of intangible and tangible assets	-5,178	-15,441
Impairments of the year		
<b>Cash flow from investment activities</b>	<b>-77,133</b>	<b>8,951</b>
Other non-restricted equity		
Dividend paid	-400,000	
Group Contribution to parent company	-987,675	-993,223
<b>Cash flow from financing activities</b>	<b>-1,387,675</b>	<b>-993,223</b>
<b>Cash flow for the period</b>	<b>-358,774</b>	<b>404,623</b>
Cash and cash equivalents at beginning of year	2,794,045	2,389,422
Cash flow for the year	-358,774	404,623
Cash and cash equivalents at end of period	2,435,271	2,794,045

# Notes

## Note 1 – Accounting principles

The annual report has been prepared in accordance with the Swedish Annual Accounts Act (1995: 1554) and the Swedish Accounting Standards Board's general recommendation BFNAR 2012: 1 Annual Report and consolidated accounting (K3) and the exception in accordance with the Annual Accounts Act Chapter 7.2 and therefore does not prepare and consolidated accounts. Skandinaviska Enskilda Banken AB, corporate identity number: 502032–3091 prepares consolidated accounts.

### Income

Income is recognized when the service has been performed and can be reliably calculated.

SEB Investment Management AB's income is generated from management fees from the funds, performance fees from the funds and fees via discretionary management.

### Intangible assets

On the initial recognition, intangible assets are measured at cost and thereafter at cost less any accumulated amortization and any impairment losses.

Internally generated intangible assets, such as software and system development are amortized over a period of between 5 and 8 years.

The Company recognize internally generated intangible assets according with the capitalization method.

### Tangible assets

Tangible assets are measured at cost and are depreciated according to plan on a straight-line basis over the estimated useful life.

The depreciation period for the Company's tangible assets is five years.

### Financial instruments

All financial assets and liabilities are measured at fair value. Account receivables and other current receivables are measured at cost less expected losses. Accounts payables and other short-term liabilities are recognized at the amount by which they are expected to be settled. Long-term receivables and long-term liabilities are valued at amortized cost after initial recognition.

### Receivables and liabilities in foreign currency

Receivables and liabilities in foreign currency are converted to SEK using the closing rate on subsequent balance sheet date.

### Foreign branches

Foreign branches are reported according to the current method, which means that assets and liabilities are converted at the closing rate and income and expenses are converted at the average exchange rate for the year.

### Leasing

All leasing agreements are reported as operational leases and the costs are recognized on a straight-line basis over the lease period.

### Taxes

Reported income taxes include taxes to be paid or received with respect to the current year, adjustments of previous years' current tax and changes in deferred taxes.

### Pensions

All pensions are defined contribution pension plans. Pension costs for defined contribution plans are recognized as an expense during the period the employee carry out the service to which the payment relates.

### Share based payments

The combined value of issued financial instruments is allocated over the vesting period, i.e., the time from when the financial instruments are issued until the vesting conditions are expected to be met. The combined value consists of the fair value per financial instrument multiplied by the number of financial instruments that are expected to be awarded, considering the vesting conditions. Allocation entails that the profit or loss is taken while a corresponding increase in the retained earnings in equity. For more information, see SEB's Annual Report at [www.sebgroup.com](http://www.sebgroup.com)

### Cash flow statement

The cash flow statement is prepared in accordance with the indirect method. The reported cash flow pertains only to transactions that entail incoming and outgoing payments.

## Notes (cont.)

### Note 2 – Net sales per Geography

SEK t	2020	2019
Sweden	3,726,448	3,509,202
Luxembourg	2,278,737	2,304,045
Finland	132,200	159,578
Denmark	80,944	
<b>Total netsales</b>	<b>6,218,329</b>	<b>5,972,825</b>

### Note 3 – Sales costs

SEK t	2020	2019
Distribution fees	-2,507,785	-2,582,425
Rebate fees	-1,366,618	-1,366,569
<b>Total cost of sales</b>	<b>-3,874,403</b>	<b>-3,948,994</b>

### Note 4 – Fees and remunerations to auditors

SEK t	2020	2019
Audit assignment	-3,458	-2,906
Audit related services		
Other services	-1,755	-44
<b>Ernst &amp; Young</b>	<b>-5,213</b>	<b>-2,950</b>
Audit assignment		-459
Audit related services		
Other services		-1,905
<b>PricewaterhouseCoopers</b>		<b>-2,364</b>
<b>Total</b>	<b>-5,213</b>	<b>-5,314</b>

## Notes (cont.)

### Note 5 – Staff costs

SEK t	2020	2019
Salaries and remuneration for CEO and Deputy CEO	-7,952	-5,438
<i>of which, short term cash based remuneration</i>		
Salaries and remuneration for Identified staff	-144,357	-127,842
<i>of which, short term cash based remuneration</i>	-9,160	-13,310
Board fees	-1,240	-1,112
Salaries and remuneration for other employees	-129,121	-85,802
<i>of which, short term cash based remuneration including profit effects</i>	-41,547	-27,961
Total salaries and remuneration	-281,430	-219,082
Social charges	-80,971	-66,692
Pension costs	-52,884	-46,877
<i>of which, CEO and Deputy CEO</i>	1,819	-965
<i>of which, identified staff</i>	12,237	-11,389
<i>of which, other employees</i>	-66,940	-34,523
Redundancies	-11,735	-13,716
<i>of which, CEO and Deputy CEO</i>	0	-2200
<i>of which, senior executives</i>	0	-3390
Other staff costs	-5,432	-6,136
<b>Total staff costs</b>	<b>-432,452</b>	<b>-352,503</b>

#### Short term remuneration

Short term cash based remuneration is paid in relation to individual goal performance of the income and profit targets that have been set for the year. In 2020 this included costs of SEK 6,095 thousand (3,765) excluding social security charges.

#### Long term remuneration

Long term equity based programmes include a profit sharing programme for all employees and a fund based programme for specially selected key persons. For further information, see Skandinaviska Enskilda Banken AB's Annual Report.

During the year all employees were granted SEK 33.5 thousand (42.5) per person within the framework of SEB's profit-sharing programme. In addition, grants of SEK 10,976 thousand (12,558) were made in SEB AB's Fund Matching Programme, of which SEK 0 thousand (0) to the CEO. No variable remuneration is pensionable.

Information on SEB's remuneration policy, in accordance with the disclosure requirements in FFFS 2011:2, is available on the company website, [www.sebgroup.com](http://www.sebgroup.com)

## Notes (cont.)

### Note 5 – Staff costs (cont.)

<b>Number of employees</b>	<b>2020</b>	<b>2019</b>
Senior executives (heads)	18	13
- of whom, men	67%	54%
- of whom, women	33%	46%
Other (heads)	175	151
- of whom, men	61%	63%
- of whom, women	39%	37%
<b>Total heads</b>	<b>193</b>	<b>164</b>
<b>Number of employees (average)</b>	<b>189</b>	<b>156</b>

<b>Board members</b>	<b>2020</b>	<b>2019</b>
Board members	5	5
- of whom, men	60%	60%
- of whom, women	40%	40%

### Note 6 – Appropriations

<b>SEK t</b>	<b>2020</b>	<b>2019</b>
Group Contribution, given	-992,854	-987,675
<b>Summa</b>	<b>-992,854</b>	<b>-987,675</b>

## Notes (cont.)

### Note 7 – Taxes

SEK t	2020	2019
Current tax	-93,487	-62,342
Deferred tax	136	171
Tax for current year	<b>-93,351</b>	<b>-62,171</b>
Current tax for previous years	-106	577
<b>Total</b>	<b>-93,457</b>	<b>-61,594</b>

#### Tax Calculation

SEK t	2020	2019
Result for current year	1,431,347	1,276,300
Group contribution	-992,854	-987,675
Net profit	345,036	227,032
Tax	-93,457	-61,594
<b>Accounting profit before tax</b>	<b>438,493</b>	<b>288,625</b>
Current tax at tax rate 21.4 (22) percent	-93,838	-61,766
Tax effect relating to not tax deductible expenses	-482	-889
Tax effect of deductible expenses not included in the accounting profit	833	312
<b>Current tax</b>	<b>-93,487</b>	<b>-62,343</b>
Tax effect relating to temporary differences	-106	577
<b>Deferred tax</b>	<b>-106</b>	<b>577</b>
<b>Current tax for previous years</b>	<b>136</b>	<b>171</b>
<b>Total taxes</b>	<b>-93,457</b>	<b>-61,595</b>
Effective tax rate	-21,3%	-21,3%

### Note 8 – Intangible assets

SEK t	Groveland		Asset Management Platform		Total	
	2020	2019	2020	2019	2020	2019
Opening balance	5,318	5,318	66,560	51,119	71,878	56,437
Aquisitions and capitalizations			5,178	15,441	5,178	15,441
<b>Accumulated aquisition value</b>	<b>5,318</b>	<b>5,318</b>	<b>71,738</b>	<b>66,560</b>	<b>77,056</b>	<b>71,878</b>
Opening balance	-5,318	-5,318	-9,270	-2,880	-14,588	-8,198
Depreciations			-9,188	-6,390	-9,188	-6,390
<b>Accumulated depreciations</b>	<b>-5,318</b>	<b>-5,318</b>	<b>-18,458</b>	<b>-9,270</b>	<b>-23,776</b>	<b>-14,588</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>53,280</b>	<b>57,290</b>	<b>53,280</b>	<b>57,290</b>



## Notes (cont.)

### Note 9 – Tangible assets

SEK t	Other tangible assets		Total	
	2020	2019	2020	2019
Opening balance	550	539	550	539
Aquisitions and capitalizations				
Translation difference	23	11	23	11
<b>Akkumulatad aquisition value</b>	<b>573</b>	<b>550</b>	<b>573</b>	<b>550</b>
Opening balance	-198	-71	-198	-71
Depreciations during the year	-125	-126	-125	-126
Translation difference	-30	-1	-30	-1
<b>Akkumulatad depreciations</b>	<b>-353</b>	<b>-198</b>	<b>-353</b>	<b>-198</b>
<b>Total</b>	<b>220</b>	<b>352</b>	<b>220</b>	<b>352</b>

### Note 10 – Shares in group companies

SEK t	2020	2019
Opening balance	1,361	1,414
<b>Closing balance</b>	<b>1,361</b>	<b>1,414</b>

SEK t	2020			2019		
	Book value	Owner ship	Nr of shares	Book value	Owner ship	Nr of shares
SEB PEO III management S.A., Luxemburg Reg Nr: B179200 <sup>1)</sup>	1,361	100%	50	1,414	100%	50
<b>Total</b>	<b>1,361</b>			<b>1,414</b>		

1) Shareholder equity amounted to SEK 11,670 thousand and the net profit amounted to SEK 3,517 thousand according to the Annual Report 2019

### Note 11 – Other long term financial

SEK t	2020		2019	
	Aquisition value	Fair value	Aquisition value	Fair value
Funds	90,004	93,034	17,774	20,290
<b>Total</b>	<b>90,004</b>	<b>93,034</b>	<b>17,774</b>	<b>20,290</b>

## Notes (cont.)

### Note 12 – Prepaid expenses and accrued income

SEK t	2020	2019
Accrued management fees	102,103	178,778
Prepaid expenses	14,777	13,013
<b>Total</b>	<b>116,880</b>	<b>191,791</b>

### Note 13 – Cash

SEK t	2020	2019
Cash	2,435,271	2,794,045
<b>Total</b>	<b>2,435,271</b>	<b>2,794,045</b>

### Note 14 – Accrued expenses and prepaid income

SEK t	2020	2019
Accrued expenses	266,830	293,774
Prepaid income		2
Other	27,811	24,189
<b>Total</b>	<b>294,641</b>	<b>317,965</b>

## Notes (cont.)

### Note 15 – Financial assets and liabilities by class

SEK t	Financial assets and financial liabilities held for trading	Loans and receivables	Financial assets available for sale	Other Financial liabilities	Total
<b>2020 <sup>1)</sup></b>					
<b>Assets</b>					
Fund shares	93,034				93,034
Receivables on Group Companies		43,057			43,057
Accounts Receivables		102,103			102,103
Cash		2,435,271			2,435,271
<b>Total financial assets</b>	<b>93,034</b>	<b>2,580,431</b>			<b>2,673,465</b>
<b>Liabilities</b>					
Liabilities to Goup Companies				1,328,746	1,328,746
Accounts Payable				18,732	18,732
Accrued expenses				424,773	424,773
<b>Total Financial liabilities</b>				<b>1,772,251</b>	<b>1,772,251</b>

1) Fund units are valued according to valuation level 2, where the valuation technique is based on observable input data in valuation techniques in level 2, all significant input data in the valuation models is observable either directly or indirectly. All other financial assets and liabilities are valued according to valuation level 1, where the valuation is determined by unadjusted quoted market values for identical instruments in active markets where quoted prices are easily available and represent current and regularly occurring market transactions between parties that are independent of each other. See further information on valuation of financial instruments in Note 1.

SEK t	Financial assets and financial liabilities	Loans and receivables	Financial assets available for sale	Other Financial liabilities	Total
<b>2019</b>					
<b>Assets</b>					
Fund shares	20,290				20,290
Receivables on Group Companies		26,998			26,998
Accounts Receivables		178,778			178,778
Cash		2,794,045			2,794,045
<b>Total financial assets</b>	<b>20,290</b>	<b>2,999,821</b>			<b>3,020,111</b>
<b>Liabilities</b>					
Liabilities to Goup Companies				1,327,146	1,327,146
Accounts Payable				15,712	15,712
Accrued expenses				313,213	313,213
<b>Total Financial liabilities</b>				<b>1,656,071</b>	<b>1,656,071</b>

1) Fund units are valued according to valuation level 2, where the valuation is determined by an adjusted price or valuation model with valuation parameters derived from an active market. All other financial assets and liabilities are valued according to valuation level 1, where the valuation is determined by unadjusted market prices in an active market. See further information on valuation of financial instruments in Note 1.

## Note 16 – Related parties' disclosure

SEK t	2020	2019
<b>Assets/Liabilities</b>		
Receivables to Group companies	43,057	26,998
Total assets	<b>43,057</b>	<b>26,998</b>
Liabilities to Group Companies	1,328,746	1,327,146
Total liabilities	<b>1,328,746</b>	<b>1,327,146</b>
<b>Income/costs</b>		
Distribution fees	-1,927,407	-2,582,425
Rebate fees	-1,366,618	-1,366,569
Interest income	13	34
Interest expenses	-9,160	-11,153
Other allocated costs	-291,411	-260,691
Total	<b>-3,594,583</b>	<b>-4,220,804</b>

1) The amount refers to distribution fee to Skandinaviska Enskilda Banken AB, SEB Pension & Försäkring AB and SEB Varahaldus.

2) The amount refers to discounted benefits to SEB Pension & Försäkring AB

# Notes (cont.)

## Note 17 – Fund register

Fund name	Sub fond	External manager
Charlottes Fond		
Ethos Aktiefond		
Ethos Räntefond		
Hercules Fonden		
KF SEB kontoførende Globale Aktier		
SEB Aktiesparfond		
SEB Asienfond ex Japan		
SEB Auto Hållbar 25		
SEB Auto Hållbar 50		
SEB Auto Hållbar 75		
SEB Auto Hållbar 100		
SEB Dynamisk Aktiefond		
SEB Emerging Marketsfond		
SEB Europafond		
SEB Europafond Småbolag		
SEB Fastighetsfond		
SEB FRN Fond Hållbar		
SEB Företagsobligationsfond Hållbar		
SEB Hållbar Faktor Emerging Markets		
SEB Hållbar Faktor Global		
SEB Hållbar Blandfond Sverige		
SEB Hållbarhetsfond Global		
SEB Hållbarhetsfond Sverige Index		
SEB Hållbarhetsfond Världen		
SEB Institutionell Obligationsfond SEK		
SEBinvest Europa Højt Udbytte AKL		
SEBinvest Nordiske Aktier AKL		
SEBinvest Nordamerika Indeks AKL		
SEB Japanfond		
SEB Korträntefond SEK		
SEB Latinamerikafond		
SEB Likviditetsfond SEK		
SEB Läkemedelsfond		
SEB NanoCap		
SEB Nordamerikafond		
SEB Nordamerikafond Små och Medelstora Bolag		Hermes Investment Management Limited
SEB Nordamerikafond Småbolag		Pier Capital LLC
SEB Nordenfond		
SEB Obligationsfond Flexibel SEK		
SEB Obligationsfond SEK		
SEB Schweizfond		
SEB Stiftelsefond Balanserad		
SEB Stiftelsefond Sverige		
SEB Stiftelsefond Utland		
SEB Swedish Value Fund		
SEB Sverige Expanderad		

SEB Sverige Indexfond		
SEB Sverigefond		
SEB Sverigefond Småbolag		
SEB Sverigefond Småbolag Chans/Risk		
SEB Teknologifond		
SEB Total Expansiv		
SEB Total Försiktig		
SEB Total Potential		
SEB WWF Nordenfond		
SEB Östeuropafond		AS SEB Varahaldus
Sophiahemmets Fond		
Specialplaceringsfond SEB European Index		
Specialplaceringsfond SEB North America Index		
Specialplaceringsfond SEB SLS		
Svenska Läkaresällskapets Fond		
SEB Concept Biotechnology		
SEB Euroland Free of Management Fee		
SEB European Equity Small Caps		
SEB Green Bond Fund		
SEB Micro Cap Fund SICAV-SIF		
SEB Sustainability Fund Global		
SEB Alternative Assets S.A., SICAV-RAIF	SEB Eureka Fixed Income Relative Value	Skandinaviska Enskilda Banken, Danmark
	SEB Private Equity Opportunity IV	
SEB Alternative Strategies SICAV	SEB Diversified	
	SEB Industrial Opportunities	
SEB Credit Opportunity	SEB Credit Opportunity IV	
SEB Fund 1	SEB Asset Selection Fund	
	SEB Europe Index Fund	
	SEB Global Chance/Risk Fund	
	SEB Global Fund	
	SEB Norway Focus Fund	
	SEB Sustainability Fund Europe	
	SEB Sustainability Nordic Fund	
	SEB US All Cap	Fort Washington Investment Advisors Inc
SEB Fund 2	SEB Asia ex. Japan Fund	
	SEB Russia Fund	AS SEB Varahaldus
SEB Fund 3	SEB Index Linked Bond Fund SEK	
	SEB Medical Fund	
	SEB Pension Fund	
	SEB Pension Fund Extra	
	SEB Pension Fund Plus	
	SEB Sustainability Fund Sweden	
	SEB Sustainable Global Exposure Fund	
	SEB Technology Fund	
	SEB U.S. Index fund	
SEB Fund 4	SEB Short Bond Fund EUR	
	SEB Short Bond Fund SEK	
	SEB USD Currency Fund	
SEB Fund 5	SEB Corporate Bond Fund EUR	
	SEB Corporate Bond Fund SEK	
	SEB Danish Mortgage Bond Fund	Skandinaviska Enskilda Banken, Danmark
	SEB Dynamic Bond Fund	
	SEB Flexible Bond Fund SEK	
SEB High Yield	SEB European High Yield Fund	
	SEB Sustainable High Yield Fund	

SEB Optimix	SEB Optimix Ertrag SEB Optimix Substanz SEB Optimix Wachstum	
SEB Private Banking Fund SICAV-SIF	SEB Modern Aggressive Fund SEB Modern Growth Fund	
SEB Private Equity Fund SICAV-SIF	SEB Private Equity Opportunity Fund I SEB Private Equity Opportunity Fund II	
SEB Sicav 1	SEB Eastern Europe ex Russia Fund SEB Emerging Markets Fund	AS SEB Varahaldus
SEB SICAV 2	SEB Eastern Europe Small and Mid Cap Fund SEB Listed Private Equity Fund SEB Nordic Small Cap Fund	AS SEB Varahaldus
SEB Sicav 3	SEB Asset Selection Opportunistic SEB Diversified V8	
SEB Strategy Fund	SEB Strategy Balanced SEB Strategy Defensive SEB Strategy Growth SEB Strategy Opportunity	
SEB TrendSystemRenten	SEB Trend System Renten	
SEB Trygg Pension	SEB Trygg Pension Nyttja SEB Trygg Pension Spara	
Placeringsfond SEB 20		
Placeringsfond SEB 50		
Placeringsfond SEB 80		
Placeringsfond SEB Ethical Forum		
Placeringsfond SEB Euro Bond		
Placeringsfond SEB Euro Short Rate Fund		
Placeringsfond SEB European Equity		
Placeringsfond SEB European Optimum		
Placeringsfond SEB Finland Optimum		
Placeringsfond SEB Finland Small Cap		
Placeringsfond SEB Finlandia Optimized Low Carbon		
Placeringsfond SEB Global Equity Multimanager		
Placeringsfond SEB Global High Yield		Muzinich & Co. Inc.
Specialplaceringsfond SEB European Index		
Specialplaceringsfond SEB North America Index		
Specialplaceringsfond SEB SLS		
Wealth Invest SEB Globale Aktier SRI AKL		
Wealth Invest SEB Global HY Bonds SRI AKL		

## Note 18 – Significant events after the end of the financial year

As of January 1, 2021, SEB Investment Management AB has terminated an investment management agreement with SEB Varahaldus. It will be managed in Stockholm.



## Notes (cont.)

### Note 19 – Proposal for the distribution of profit

Standing at the disposal of the Annual General Meeting in accordance with the balance sheet of SEB Investment Management AB:

Other non-restricted equity	SEK 116,801,501
Retained earnings	SEK 405,149,446
Net profit for the year	SEK 345,034,959

**Total** **SEK 866,985,906**

The Board of Directors and the CEO propose that the profits be disposed of as follows:

**To be carried forward** **SEK 866,985,906**

#### Solna 23 February 2021

Johan Wigh  
*Chairman*

Martin Gärtner

Mikael Huldt

Viveka Hirdman-Ryrberg

Javiera Ragnartz

*CEO*

Our audit report was submitted on 23 February 2021  
Ernst & Young AB

Daniel Eriksson  
*Authorized Public Accountant*

This document is an unofficial translation of the official Annual Report of SEB Investment Management AB for the 2020 financial year.