

Incentives

Stockholm, 13 April 2023

SEB Investment Management AB (the "Fund Company") engages in fund operations, alternative investment fund management and so-called discretionary portfolio management as well as investment advisory services. In connection with this, the Fund Company may only pay or receive a fee, commission or benefit in kind (incentive) under certain conditions. The Fund Company must always ensure that it acts honestly, fairly and professionally and in the interests of its unitholders/clients when providing services to its unitholders/clients. Where incentives are paid or given to - or by - a third party, the incentive must be designed to enhance the quality of the service concerned. In discretionary portfolio management, the Fund Company may not receive or retain any remuneration or benefit from anyone other than the client. However, minor non-monetary benefits¹ which may enhance the quality of the service provided to the client and which cannot be considered to prevent the Fund Company from fulfilling its duty to protect the interests of the client are permitted.

Below you will find information on the forms of incentives that may be involved in the Fund Company's activities. If you are a unitholder or client and would like more information about the incentives provided in connection with a particular service, please contact the Fund Company's Complaints Officer.

Compensation for fund operations

The Fund Company receives compensation from the funds for the costs incurred by the Fund Company in conducting fund operations. This reimbursement includes costs related to management, administration, auditing, bookkeeping and record keeping as well as for costs related to custody and the supervisory activities of the Swedish financial supervisory authority. The remuneration usually consists of a fixed management fee, but the remuneration may also be variable. The fee is set out in the fund rules.

In addition to the above examples of remuneration, funds also pay any taxes, settlement and trading fees (brokerage) and corresponding transaction-related fees to third parties.

Compensation when investing in other fund companies' funds

When the Fund Company's funds trade in other fund companies' funds, the Fund Company's funds may receive a discount on the management fee of the other fund, a so-called kick back. Such a discount is calculated as a percentage of the management fee of the other company's fund and accrues to the Fund Company's funds in its entirety.

Discretionary management mandates may also involve investments in funds and discounts on the management fee of the fund of that fund company may occur. The discount is determined as a percentage of the respective fund's management fee. Such a discount is reinvested in new fund units within the management mandate.

Remuneration to distributors

The Fund Company has entered into agreements for the distribution of the Fund Company's funds and remuneration is paid according to the agreement with the respective distributor. The remuneration is based on the management fee the Fund Company receives on the capital brokered by the distributor or in the form of a percentage of the capital managed. Distributors are also offered free training or other sales support.

The remuneration of the distributors does not entail any additional cost for the unitholder. The unitholder only pays a management fee to the Fund Company according to the percentage specified in the respective fund rules.

Compensation to third parties

In cases where the Fund Company has outsourced certain activities, such as the management of certain funds, the Fund Company pays remuneration for services rendered. The Fund always strives to achieve the best possible result in all portfolio transactions. Traditional share trading is carried out by the portfolio manager placing an order with a stockbroker. The latter is responsible for executing the transaction at the best possible price on the basis of the instructions given by the manager, i.e. to find a buyer or seller of the shares. In this trading of securities, the Fund is charged a transaction fee, known as a brokerage fee. In addition to the brokerage service, in some cases the broker, but also other market participants, also provide investment research services. Investment research is paid for by the Fund Company.

¹ A minor non-monetary benefit must be reasonable, proportionate and of such magnitude that it cannot be considered to affect the Fund Company in such a way as to prejudice the interests of the client.