

Annual Report

SEB Concept Biotechnology

Status: 31 December 2023

Notice

The sole legally binding basis for the purchase of units of the Fund described in this report is the latest valid Sales Prospectus with its terms of contract.

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Additional Information to the Investors in Germany

As at 31 December 2023

Units in circulation:

The following Fund is publicly approved for distribution in Germany:

- SEB Concept Biotechnology*

The information disclosed above is as at 31 December 2023 and this may change after the year end. The current Fund in circulation and the current registrations per unit class are visible in the distribution matrix on www.sebgroup.lu.

* SEB Fund 3 - SEB Medical Fund was merged into SEB Concept Biotechnology on 21 April 2023. See Note 5 for further details.

Organisation

Management Company:

SEB Investment Management AB
Malmskillnadsgatan 44B
SE-111 57 Stockholm, Sweden

Branch of the Management Company:

SEB Investment Management AB,
Luxembourg Branch
4, rue Peternelchen
L-2370 Howald, Luxembourg

Board of Directors of the Management Company:**Chairperson**

Johan Wigh
Partner
Advokatfirman, Törngren Magnell
Sweden

Members

Mikael Huldt
Head of Alternative Investments
AFA Försäkring
Sweden

Viveka Hirdman-Ryrberg
Head of Corporate Communication & Sustainability
Investor AB
Sweden

Kjell Norling
CEO
PP Pension
Kammakargatan 22
Stockholm, Sweden

Leif Alhorn
CEO
Alhorn & Partner AB
Sweden

Louise Hedberg (since 12 June 2023)
CEO and Senior Advisor
Penny to Pound AB
Sweden

Investment Manager:

SEB Investment Management AB
Malmskillnadsgatan 44B
SE-111 57 Stockholm, Sweden

Auditor of the Fund:

Ernst & Young S.A.
35E, avenue John F.Kennedy
L-1855 Luxembourg

Auditor of the Management Company:

Ernst & Young AB
Jakobsbergsgatan 24
SE-103 99 Stockholm, Sweden

Global Distributor:

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE-106 40 Stockholm, Sweden

Central Administration (including the administrative, registrar and transfer agent function) and Paying Agent in Luxembourg:

The Bank of New York Mellon SA/NV, Luxembourg Branch
2-4, rue Eugène Ruppert
L-2453 Luxembourg

Depositary:

Skandinaviska Enskilda Banken AB (publ),
Luxembourg Branch
4, rue Peternelchen
L-2370 Howald, Luxembourg

Representatives and Paying Agents outside Luxembourg:

The full list of representatives and paying agents outside Luxembourg can be obtained, free of any charge, at the address of the Management Company, at the address of the Branch and on the website of the Branch.

General Information

SEB Concept Biotechnology (the "Fund") is an open-ended common fund ("FCP" - "Fonds Commun de Placement") governed by Part I of the Luxembourg Law on Undertakings for Collective Investment of 17 December 2010, as amended, (the "Law"). The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITS). The Fund was set up on 31 August 2000 for an undetermined duration. The Management Regulations lastly modified with effect from 25 September 2017, have been published in the *Recueil Electronique des Sociétés et Associations (RESA)* on 19 October 2017. The Fund is registered in Luxembourg with the Luxembourg Register of Commerce under the number K 2. The Management Company was established on 19 May 1978 in the form of a Swedish limited liability company (AB). The Management Company is authorised by Finansinspektionen for the management of UCITS and for the discretionary management of financial instruments and investment portfolios under the Swedish UCITS Act (SFS 2004:46). The Management Company is also authorised as an alternative investment fund manager to manage alternative investment funds under the Swedish AIFM Act (SFS 2013:561).

The Management Company has delegated parts of the Central Administration as further detailed hereafter, including the administrative, registrar and transfer agent functions - under its continued responsibility and control - at its own expenses to The Bank of New York Mellon SA/NV, Luxembourg Branch, 2-4, rue Eugène Ruppert, L-2453 Luxembourg. This branch was created in Luxembourg as a "succursale d'une société de droit étranger" on 15 December 1998 and is an indirect wholly-owned subsidiary of The Bank of New York Mellon Corporation. It is registered with the Luxembourg Trade and Companies' Register under Corporate Identity Number B 105087 (the "Administrative Agent" and "Registrar and Transfer Agent").

In the capacity of Administrative Agent, it carries out certain administrative duties related to the administration of the Fund, including the calculation of the NAV of the Units and the provision of account services for the Fund.

In its capacity as Registrar and Transfer Agent, it will process all subscriptions, redemptions and transfers of units, and will register these transactions in the Investors' register of the Fund.

The main objective of the Fund will be to invest directly and/or indirectly in transferable securities and other Eligible Assets, with the purpose of spreading investment risks and achieving long-term capital growth. The investment objectives of the Fund will be carried out in compliance with the investment restrictions set forth in the latest prospectus.

At present, one Fund is at the Investors' disposal

Fund name:	Base currency:
SEB Concept Biotechnology*	EUR

* SEB Fund 3 - SEB Medical Fund was merged into SEB Concept Biotechnology on 21 April 2023. See Note 5 for further details.

The base currency of the Fund is EUR.

Unless otherwise laid down in the Prospectus, the Management Company may decide to issue, for the Fund, capitalisation Units ("C" Units) and distribution Units ("D" Units).

The "C" Units will reinvest their income, if any. The "D" Units may pay a dividend to its Investors, upon decision of the Management Company. Dividends are paid annually, except where the Management Company would decide on a monthly, quarterly or semi-annual dividend payment.

The unit classes offered for the Fund are disclosed in note 2 of this Annual Report.

The last known issue and redemption prices may be downloaded from the Website of the Branch and/or requested at any time at the registered offices of the Management Company and of the Depositary, at the address of its Branch as well as from the paying agents.

In addition, the Net Asset Value, fact sheets and other informational material is published on the SEB Luxembourg website www.sebgroup.lu ("website"). When registered in other countries, the publication media might differ according to the regulatory requirements. Information about fund charges can be found in the Key Information Document ("KID").

The audited annual and unaudited semi-annual reports of the Fund may be obtained, free of charge at the registered office of the Management Company, at the address of its Branch and on the website. These reports as well as copies of the Prospectus, the Management Regulations and the KID are available, free of charge, at the registered office of the Management Company, at the address of the Branch and on the website.

Management Report

January 2023 - December 2023: Lower inflation, falling bond yields and the promise of Artificial Intelligence delivered a positive ending to 2023

In 2023, the global landscape was defined by stronger-than-expected growth, declining inflation from elevated levels, restrictive monetary policies and geopolitical uncertainties. When the year began, market sentiment foresaw a substantial recession in Europe, a notable deceleration in the United States, and an anticipated resurgence in China as its three-year period of the Zero-COVID policy concluded. However, as the year unfolded, Europe and, in particular, the US exceeded growth projections, while the Chinese economy failed to meet anticipated outcomes.

US economic growth exhibited remarkable resilience amidst ongoing monetary policy tightening. Economic activity hovered close to trend, while the labour market retained its tightness. Real wage growth bolstered purchasing power for US consumers, and the corporate sector remained in good shape. However, the surge in economic activity unsettled the Federal Reserve, prompting concerns about whether inflation would align with the two per cent average inflation target. The US Central Bank signalled to markets an expectation of "higher for longer" interest rates, continuing its rate hikes until July 2023. This hawkish rhetoric, coupled with strong growth, propelled longer-term government bond yields to multi-year highs in Q3 2023. But although rising bond yields dampened risk appetite in Q3, we saw a reversal in Q4 reflecting that the market decided that interest rates had peaked which drove bond yields swiftly lower due to the decline of inflation in developed markets which in turn led to a notable rally in equity markets.

Throughout the year, technology stocks (IT) maintained their leadership position, buoyed by strong demand for US growth stocks and a continued market preference for companies specializing in Artificial Intelligence. Value and small-cap stocks underperformed as technology shares surged ahead, driving growth in the market. Quality stocks demonstrated gains comparable to those of growth stocks, marking a notable increase of 28 per cent in 2023.

US equity markets continued their outperformance, led by the remarkable gains of the "Magnificent 7", followed by more modest increases in Europe and the Nordics. Emerging market equities faced ongoing challenges due to geopolitical uncertainties, elevated inflation, tighter financial conditions, a stronger US dollar, and growth setbacks in China. Despite trading at low multiples and presenting cheap valuations, rising commodity prices, reduced geopolitical tensions, and potential interest rate cuts by the Federal Reserve could provide positive catalysts for emerging markets moving forward.

Many countries, notably the US, continued to grapple with large public deficits, fuelled by increased spending on defence and renewable energy investments. This suggests that interest rates are unlikely to return to pre-pandemic lows. In Sweden, despite initial increases by the Riksbank, having a particular damping effect on Swedish households and consumers, long-term interest rates ended the year lower than at its outset, favouring fixed-income funds and attracting investors to credit markets.

Going forward, a downward trajectory in inflation is anticipated in 2024, prompting expectations of central bank rate cuts. From a tactical horizon, the market rally since Q4 2023 is expected to broaden over the next few months, benefiting more sectors. While inflation and interest rates will remain focal points, growth data will play an increasingly crucial role in confirming anticipated easing measures. The biggest risks for financial markets are an uptick in inflation levels and setbacks in anticipated interest rate cuts, alongside escalating geopolitical tensions and potential conflicts in the Middle East, which could drive commodity prices higher.

SEB Investment Management acknowledges the positive impact of the global equity and bond market upturn on its assets under management. Committed to delivering a brighter financial future for its customers through sustainable investments, SEB Investment Management AB and our board of directors thank you again for your continued commitment.

Luxembourg, 5 February 2024

SEB Investment Management AB

The Board of Directors

Schedule of Investments

As at 31 December 2023

SEB Concept Biotechnology*				
Security description	Maturity	Total holdings	Market value in EUR	% of Net Assets
Transferable securities admitted to an official stock exchange listing				
Shares				
Bermuda				
Roivant Sciences Ltd		264,610	2,690,100.96	1.89
Total Bermuda			2,690,100.96	1.89
Canada				
Xenon Pharmaceuticals Inc		40,376	1,683,564.64	1.18
Total Canada			1,683,564.64	1.18
Cayman Islands				
Structure Therapeutics Inc ADR		8,055	297,222.92	0.21
Zai Lab Ltd ADR		20,711	512,416.70	0.36
Total Cayman Islands			809,639.62	0.57
Denmark				
Bavarian Nordic A/S		41,990	999,554.95	0.70
Genmab A/S ADR		23,887	688,521.08	0.48
Zealand Pharma A/S - Class A		28,956	1,449,656.15	1.02
Total Denmark			3,137,732.18	2.20
Germany				
BioNTech SE ADR		17,082	1,632,068.48	1.14
Total Germany			1,632,068.48	1.14
Ireland				
Alkermes Plc		37,039	930,139.91	0.65
Avadel Pharmaceuticals Plc ADR		81,877	1,046,596.29	0.74
Prothena Corp Plc		22,096	726,910.86	0.51
Total Ireland			2,703,647.06	1.90
Netherlands				
Argenx SE ADR		6,924	2,384,593.67	1.67
Onward Medical NV		228,399	708,036.90	0.50
Total Netherlands			3,092,630.57	2.17
Sweden				
BioArctic AB - Class B '144A'		74,282	1,801,614.24	1.26
BoneSupport Holding AB '144A'		138,769	2,354,717.81	1.65
Oncopeptides AB '144A'		195,054	132,812.37	0.09
Surgical Science Sweden AB		30,333	498,905.35	0.35
Vicore Pharma Holding AB		463,346	585,201.18	0.41
Vimian Group AB		425,214	1,148,946.59	0.81
Total Sweden			6,522,197.54	4.57
United Kingdom				
AstraZeneca Plc ADR		88,222	5,378,944.58	3.77
Royalty Pharma Plc - Class A		75,945	1,931,227.76	1.36
Verona Pharma Plc ADR		47,760	859,534.41	0.60
Total United Kingdom			8,169,706.75	5.73
United States of America				
ACADIA Pharmaceuticals Inc		60,514	1,715,226.58	1.20

The accompanying notes are an integral part of these financial statements.

SEB Concept Biotechnology*

Security description	Maturity	Total holdings	Market value in EUR	% of Net Assets
Aerovate Therapeutics Inc		50,866	1,042,064.77	0.73
Agios Pharmaceuticals Inc		29,360	591,914.31	0.42
Alnylam Pharmaceuticals Inc		20,422	3,538,714.01	2.48
Altimune Inc		62,002	631,452.65	0.44
Amgen Inc		48,291	12,591,324.47	8.83
Apellis Pharmaceuticals Inc		25,581	1,386,234.81	0.97
BioCryst Pharmaceuticals Inc		190,541	1,033,231.96	0.73
Biogen Inc		26,114	6,117,442.51	4.29
BioMarin Pharmaceutical Inc		26,045	2,273,390.60	1.59
Bio-Techne Corp		7,939	554,549.85	0.39
Bridgebio Pharma Inc		30,189	1,103,290.93	0.77
Cytokinetics Inc		29,446	2,225,580.66	1.56
Denali Therapeutics Inc		43,245	840,133.28	0.59
Exelixis Inc		83,105	1,804,845.26	1.27
Gilead Sciences Inc		67,765	4,969,659.64	3.49
Ideaya Biosciences Inc		19,611	631,667.10	0.44
Illumina Inc		28,514	3,594,220.61	2.52
ImmunoGen Inc		48,515	1,302,216.83	0.91
Immunovant Inc		79,084	3,016,217.51	2.12
Incyte Corp		25,311	1,438,740.13	1.01
Intellia Therapeutics Inc		18,223	502,990.60	0.35
Intra-Cellular Therapies Inc		44,948	2,914,253.05	2.04
Ionis Pharmaceuticals Inc		59,626	2,730,756.18	1.92
Iovance Biotherapeutics Inc		96,618	711,100.79	0.50
Karuna Therapeutics Inc		15,090	4,323,736.77	3.03
Krystal Biotech Inc		25,173	2,827,153.07	1.98
Madrigal Pharmaceuticals Inc		5,272	1,104,291.65	0.77
Medpace Holdings Inc		6,458	1,792,064.33	1.26
Moderna Inc		65,101	5,861,044.49	4.11
Morphic Holding Inc		13,984	365,604.20	0.26
Natera Inc		29,677	1,682,884.52	1.18
Paragon 28 Inc		108,625	1,222,315.98	0.86
Pliant Therapeutics Inc		65,582	1,075,191.14	0.75
Protagonist Therapeutics Inc		18,914	392,617.82	0.28
PTC Therapeutics Inc		35,945	896,809.65	0.63
Regeneron Pharmaceuticals Inc		16,336	12,988,716.37	9.11
REVOLUTION Medicines Inc		29,705	771,243.07	0.54
Veracyte Inc		36,828	917,173.07	0.64
Vertex Pharmaceuticals Inc		35,298	13,001,985.76	9.12
Total United States of America			108,484,050.98	76.08
Total Shares			138,925,338.78	97.43
Total Transferable securities admitted to an official stock exchange listing			138,925,338.78	97.43

The accompanying notes are an integral part of these financial statements.

SEB Concept Biotechnology*

Security description	Maturity	Total holdings	Market value in EUR	% of Net Assets
Other Transferable Securities				
Shares				
United Kingdom				
NMC Health Plc**		8,971	0.00	0.00
Total United Kingdom			0.00	0.00
Total Shares			0.00	0.00
Total Other Transferable Securities			0.00	0.00
Total Portfolio			138,925,338.78	97.43
Financial futures cleared with Skandinaviska Enskilda Banken AB (publ)				
Purchased financial futures contracts		Commitment in EUR		
CME E-Mini Healthcare Sector Index Future	2,520,840.63 15/03/24	20	71,154.95	0.05
Total financial futures contracts (total unrealised)			71,154.95	0.05
An amount of EUR Nil is held as cash collateral for these positions.				
Cash at bank				
Cash at bank			3,848,965.39	2.70
Total Cash at bank			3,848,965.39	2.70
Other assets				
Bank interest receivable on cash accounts			48,212.12	0.03
Receivable on subscriptions			50,508.22	0.04
Total other assets			98,720.34	0.07
Liabilities				
Management fees			(164,155.17)	(0.12)
Taxe d'abonnement			(16,284.79)	(0.01)
Payable on redemptions			(158,988.52)	(0.11)
Other liabilities			(12,691.86)	(0.01)
Total liabilities			(352,120.34)	(0.25)
Total Net Assets as at 31 December 2023			142,592,059.12	100.00

* SEB Fund 3 - SEB Medical Fund was merged into SEB Concept Biotechnology on 21 April 2023. See Note 5 for further details.

** Positions fair valued by the Management Company.

A list of changes in the assets held during the financial year under review is available free of charge from SEB Investment Management AB.

Statement of Operations

For the year ended 31 December 2023

SEB Concept Biotechnology*	
EUR	
Income	
Investment income (note 1)	483,465.39
Bank interest on cash accounts	174,311.93
Total income	657,777.32
Expenses	
Management fees (note 2)	1,883,139.38
Taxe d'abonnement (note 3)	63,833.52
Bank interest on cash accounts	476.97
Other expenses	19,054.33
Total expenses	1,966,504.20
Net loss for the year	(1,308,726.88)

* SEB Fund 3 - SEB Medical Fund was merged into SEB Concept Biotechnology on 21 April 2023. See Note 5 for further details.

Statement of Changes in Net Assets

For the year ended 31 December 2023

	SEB Concept Biotechnology*
	EUR
Net Assets at the beginning of the year	123,168,752.81
Net (loss) for the year	(1,308,726.88)
Net realised gain / (loss) on:	
- sales of securities	(1,511,400.27)
- foreign exchange	(199,619.91)
- financial futures contracts	(179,234.38)
Total net realised loss	(1,890,254.56)
Change in net unrealised appreciation / (depreciation) on:	
- securities	4,996,690.71
- financial futures contracts	101,794.38
Total change in net unrealised appreciation	5,098,485.09
Increase in Net Assets as a result of operations	1,899,503.65
Proceeds on issues of units	55,472,686.27
Payment on redemptions of units	(37,151,305.93)
Dividends paid	(797,577.68)
Total Net Assets as at 31 December 2023	142,592,059.12

* SEB Fund 3 - SEB Medical Fund was merged into SEB Concept Biotechnology on 21 April 2023. See Note 5 for further details.

Statement of Net Assets

As at 31 December 2023

SEB Concept Biotechnology*	
EUR	
Assets	
Portfolio at cost	129,527,468.42
Unrealised appreciation	9,397,870.36
Portfolio at market value (note 1)	138,925,338.78
Unrealised appreciation on financial futures contracts	71,154.95
Receivable interest and / or dividends	48,212.12
Cash at bank and at broker	3,848,965.39
Other assets	50,508.22
Total Assets	142,944,179.46
Liabilities	
Other liabilities	(352,120.34)
Total Liabilities	(352,120.34)
Total Net Assets as at 31 December 2023	142,592,059.12
Units outstanding as at year end:	
"C (EUR)"	494,332.5760
"D (EUR)"	424,577.9430
"D (USD)"	3,421,989.3500
"UC (EUR)"	71,888.5830
"UD (USD)"	49,331.1920
Net Asset Value per unit as at year end:	
"C (EUR)"	112.182
"D (EUR)"	106.385
"D (USD)"	9.439
"UC (EUR)"	107.774
"UD (USD)"	111.479

* SEB Fund 3 - SEB Medical Fund was merged into SEB Concept Biotechnology on 21 April 2023. See Note 5 for further details.

Statistical Information

As at 31 December 2023

SEB Concept Biotechnology*	
EUR	
Number of "C (EUR)" units outstanding	
as at 31 December 2023	494,332.5760
as at 31 December 2022	581,217.5460
as at 31 December 2021	638,651.6560
Number of "D (EUR)" units outstanding	
as at 31 December 2023	424,577.9430
as at 31 December 2022	482,053.2340
as at 31 December 2021	495,253.7710
Number of "D (USD)" units outstanding	
as at 31 December 2023	3,421,989.3500
as at 31 December 2022	–
as at 31 December 2021	–
Number of "UC (EUR)" units outstanding	
as at 31 December 2023	71,888.5830
as at 31 December 2022	71,901.1030
as at 31 December 2021	21,061.7540
Number of "UD (USD)" units outstanding	
as at 31 December 2023	49,331.1920
as at 31 December 2022	–
as at 31 December 2021	–
Total Net Assets	
as at 31 December 2023	142,592,059.12
as at 31 December 2022	123,168,752.81
as at 31 December 2021	133,993,704.77
Net Asset Value per "C (EUR)" unit	
as at 31 December 2023	112.182
as at 31 December 2022	111.033
as at 31 December 2021	118.233
Net Asset Value per "D (EUR)" unit	
as at 31 December 2023	106.385
as at 31 December 2022	105.842
as at 31 December 2021	113.330
Net Asset Value per "D (USD)" unit	
as at 31 December 2023	9.439
as at 31 December 2022	–
as at 31 December 2021	–
Net Asset Value per "UC (EUR)" unit	
as at 31 December 2023	107.774
as at 31 December 2022	105.877
as at 31 December 2021	111.911
Net Asset Value per "UD (USD)" unit	
as at 31 December 2023	111.479
as at 31 December 2022	–
as at 31 December 2021	–

SEB Concept Biotechnology*

EUR

Performance in % **)

"C (EUR)" units	1.0
"D (EUR)" units	1.0
"D (USD)" units	(4.2)
"UC (EUR)" units	1.8
"UD (USD)" units	13.1

Dividend paid per D (EUR) unit

2023	0.5384
2022	0.5329
2021	0.4946

Dividend paid per D (USD) unit

2023	0.1417
2022	–
2021	–

Dividend paid per UD (USD) unit

2023	1.6508
2022	–
2021	–

*) SEB Fund 3 - SEB Medical Fund was merged into SEB Concept Biotechnology on 21 April 2023. See Note 5 for further details.

**) Performance is calculated by the following formula: (Year end closing NAV per unit or last NAV calculated in case of terminated classes + dividend per unit distributed respectively for D units) / (Prior year closing NAV per unit or first NAV per unit in case of newly launched classes) - 1) * 100.

NAV = Net Asset Value

The past performance is no indication of current or future performance. The performance data do not take account of the costs incurred on the issue and redemption of units.

Notes to the Financial Statements

As at 31 December 2023

Note 1. Significant Accounting Policies

The financial statements have been prepared in accordance with Luxembourg regulations relating to Undertakings for Collective Investment.

The financial statements have been prepared based on the last official Net Asset Value of the year which has been calculated on 29 December 2023 with the prices of that date.

Investments are valued as follows:

Investments	Last available price	Administrative Agent	Last estimated available settlement prices	A price no lower than the bid price and no higher than the ask price	Latest available forward exchange rates
Listed Transferable securities and money markets instruments	X				
Units or shares of UCI(TS)		X			
Derivatives instruments			X		
Financial Futures Contracts [*]	X				

^{*} Financial Futures Contracts, which are not matured, are valued at valuation date at market rates prevailing at this date and resulting unrealised appreciation or depreciation are posted as change in net unrealised appreciation/(depreciation) on financial future contracts to the Statement of Changes in Net Assets.

In the event that such prices are not in line with market conditions, or for securities and money market instruments other than those covered above for which there are no fixed prices, these securities and money market instruments, as well as other assets, will be valued at the current market value as determined in good faith by the Management Company, following generally accepted valuation principles.

Derivatives instruments not traded on regulated markets or on stock exchanges are valued at their net liquidating value determined, pursuant to the policies established in good faith by the Management Company on a basis consistently applied for each different variety of contracts, in accordance with generally recognised principles, taking into consideration the generally accepted accounting practices, the customary practices in line with the market and the interests of the Investors.

In the case that extraordinary circumstances occur which make it impossible or even wrong to make a valuation in accordance with the above-mentioned criteria, the Management Company is entitled to temporarily apply other generally accepted valuation procedures, which are determined by it in good faith, in order to make an appropriate valuation of the Fund's Assets.

Gains and losses on the sale of securities are determined using the average cost method.

Swing pricing:

When substantial sums flow in or out of a Fund, the Investment Manager has to make adjustments, such as trading on the market, in order to maintain the desired asset allocation for the Fund. Trading can incur costs that affect the Unit price of the Fund and the value of existing Investors' investments. Swing pricing is designed to protect Investors' investments in this kind of situation.

The Unit price of the Fund may thus be adjusted upwards in case of large inflows and downwards in case of large outflows on a certain Business Day. The thresholds that trigger swing pricing as well as the size of the adjustments ("swing factor") are set by the board of directors of the Management Company or by a swing price committee appointed by the board of directors of the Management Company.

Adjustments made during the year are recorded in "Proceeds on issues of units" and "Payment on redemptions of units" in the Statement of Changes in Net Assets.

The Board of Directors of the Management Company or swing price committee may also decide a maximum swing factor to apply to a Fund. The list of Funds that currently apply swing pricing, including the size of a maximum swing factor, is available on SEB Investment Management's website. Investors may also request this information, free of charge.

Fund	Maximum applied adjustment
SEB Concept Biotechnology	0.99% of the NAV

No swing pricing adjustment has been applied on the Net Asset Value per unit calculated on 29 December 2023.

Currency translation:

All assets denominated in a different currency to the Funds' currency are converted into the Funds' currency at the last available exchange rate.

Separate accounts are maintained for the Fund in the currency in which the Net Asset Value per unit to which it relates is expressed (the "accounting currency").

Transactions denominated in a currency other than the accounting currency are recorded on the basis of exchange rates prevailing on the date they occur or accrue to the Fund.

Assets and liabilities, expressed in a currency other than the accounting currency, are translated on the basis of exchange rates ruling at the balance sheet date.

As at 29 December 2023, the exchange rates were as follows:

1 CHF =	1.075586002 EUR	1 SEK =	0.089828563 EUR
1 DKK =	0.134148184 EUR	1 USD =	0.905279260 EUR
1 GBP =	1.154040000 EUR		

Income:

Interest income and bank interest income are recognised on an accrual basis. Dividends are recorded on the ex-dividend date. This income is shown net of any withholding taxes and adjusted accordingly when tax reclaims apply.

Note 2. Management Fees

The unit classes currently offered for the Fund are listed below. In payment of its services, the Management Company receives a management fee at an annual rate as follows:

Fund name:	ISIN	Unit Class	Effective rate %
SEB Concept Biotechnology	LU0385485148	C (EUR)	1.50
SEB Concept Biotechnology	LU0118405827	D (EUR)	1.50

SEB Concept Biotechnology	LU2553409058	D (USD)*	1.50
SEB Concept Biotechnology	LU2249630927	UC (EUR)	0.75
SEB Concept Biotechnology	LU2553409132	UD (USD)*	0.75

*D (USD) and UD (USD) were launched on 21 April 2023. See Note 5 for further details.

A twelfth of this rate is being payable at the end of each month and based on the average Net Assets of the Fund calculated daily during the relevant month.

The Management Company pays accounting, administration and depositary fees on behalf of the Fund.

Note 3. Taxation

The Fund is liable in Luxembourg to a subscription tax ("taxe d'abonnement") of 0.05% per annum of its NAV, such tax being payable quarterly on the basis of the value of the aggregate Net Assets of the Fund at the end of the relevant calendar quarter. Investments by a Fund in shares or units of another Luxembourg undertaking for collective investment which are also subject to the taxe d'abonnement are excluded from the NAV of the Fund serving as basis for the calculation of this tax to be paid by the Fund.

No stamp duty or other tax is payable in Luxembourg on the issue of units.

Interest, dividend and other income realised by the Fund on the sale of securities of non-Luxembourg issuers, may be subject to withholding and other taxes levied by the jurisdictions in which the income is sourced.

Note 4. Transaction Fees

Transaction fees incurred by the Fund relating to the purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets are mainly composed of depositary fees and broker fees. Most of the transaction fees are included in the transaction price used to calculate the realised and unrealised gain/(loss) on securities.

As at 31 December 2023, the transaction fees were as follows:

SEB Concept Biotechnology*	31,042.81	EUR
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* SEB Fund 3 - SEB Medical Fund was merged into SEB Concept Biotechnology on 21 April 2023. See Note 5 for further details.

Note 5. Merger of the Sub-Fund

On 21 April 2023 (Date of merger) SEB Fund 3 - SEB Medical Fund ("Merging Sub-Fund") was merged into Luxembourg-domiciled SEB Concept Biotechnology ("Receiving Fund").

This merger was completed in accordance with article 1, (20) a) as well as Chapter 8 of the Law.

The costs triggered by the merger including the costs of the dissolution of the Merging Sub-Fund were borne by the Management Company.

The merger took place by way of absorption meaning that the merging Sub-Fund transferred all its respective assets and liabilities to the receiving Fund. The accrued income of the merging Sub-Fund was transferred and accounted as an accrued income in the corresponding unit class of the receiving Fund. Any income accrued in the receiving Fund prior to the merger was not affected.

The merger report prepared by Ernst & Young S.A., includes the following items for which no objection was reported:

- (i) the criteria adopted for valuation of the assets and/or liabilities for the purposes of calculating the exchange ratios;
- (ii) the calculation method for determining the exchange ratios; and
- (iii) the final exchange ratios.

In accordance with article 71 (3) of the Law, the merger report is available on request and free of charge to the investors of the Sub-Fund/Fund and to the "Commission de Surveillance du Secteur Financier" at the registered office of the Management Company.

The final exchange ratios used were as follows:

Name of merging Sub-Fund	Name of receiving Fund	Exchange ratio*
SEB Fund 3 – SEB Medical Fund – D (USD) (LU0047324214)	SEB Concept Biotechnology – D (USD) (LU2553409058)	1.0000000
SEB Fund 3 – SEB Medical Fund – UD (USD) (LU2249630331)	SEB Concept Biotechnology – UD (USD) (LU2553409132)	1.0000000

*Number of units of the receiving Fund issued for one unit of the merging Sub-Fund.

Upon the effective date of the merger, the merging Sub-Fund ceased to exist.

Note 6. Significant Events during the year

There were no significant events during the year.

Note 7. Subsequent Events after the year end

A new prospectus was issued in January 2024.

On 1 April 2024, SEB Asset Management AB was appointed as Global Distributor in place of Skandinaviska Enskilda Banken AB (publ). The new visiting address is Malmkillnadsgatan 44 B, 111 57 Stockholm, Sweden.

There were no other subsequent events after the year end.

Independent auditor's report

To the Unitholders of
SEB Concept Biotechnology
4, rue Peternelchen
L-2370 Howald, Luxembourg

Opinion

We have audited the financial statements of SEB Concept Biotechnology (the "Fund"), which comprise the statement of net assets and the schedule of investments as at 31 December 2023, and the statement of operations and the statement of changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2023, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Management Company of the Fund (the "Board of Directors") is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it 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 taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the 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 Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Nadia Faber

Luxembourg, 30 April 2024

Risk Disclosure (unaudited)

In the context of risk measurement and in accordance with CSSF Circular 11/512 a UCITS must calculate its global exposure on at least a daily basis.

For SEB Concept Biotechnology, the global exposure is calculated and monitored daily by using the commitment methodology.

The Investment Manager calculates the leverage on a gross or on a commitment method. The gross method converts all positions on derivative financial instruments into equivalent positions in the underlying assets, while the commitment method applies the same while allowing netting and hedging arrangements.

The below overview summarises the minimum, maximum and average leverage within the commitment method:

Fund	Commitment Method Leverage			
	Limit	Minimum	Average	Maximum
SEB Concept Biotechnology	100%	1.25 %	1.72 %	1.95 %

The risk monitoring is based on the risk management process adopted by the Board of Directors of the Management Company and is performed independently from the portfolio management. No changes have been applied to the risk management procedures.

Remuneration Disclosure (unaudited)

SEB Investment Management AB wishes to encourage and incite good performance and sound behaviour, as well as to endeavour to achieve balanced risk-taking that is aligned with the interests of fund investors.

The Management Company has a long-term vision regarding the employment conditions of its staff. Total remuneration shall contribute to developing the Management Company's competitiveness and profitability through the Company being able to attract, retain, motivate and reward competent and skilful employees. In order to achieve this objective, the Management Company's board of directors has adopted a remuneration policy based on Swedish and international regulations. The purpose of the remuneration policy is to ensure that the Management Company has a remuneration system that is adapted to the fund investors' long-term interests and the Management Company's strategy and values.

The remuneration policy is based on the remuneration model that is applied at Group level, and is built on SEB's values. The Management Company's remuneration policy is reviewed at least annually. The Management Company's current remuneration policy is based on a risk analysis that has been prepared by the Management Company's risk control department.

The Management Company's remuneration structure is based on three components:

- Fixed remuneration (basic salary)
- Variable remuneration
- Pensions and other benefits

The remuneration components are used to achieve a competitive individual level of remuneration with an appropriate balance between fixed and variable remuneration.

The fixed remuneration component is individually adapted further to predetermined internal and external appraisals. The level of the fixed remuneration is based on the employee's experience, long-term performance and behaviour.

All employees at the Management Company are embraced by SEB's collective profit sharing model that has a predetermined maximum outcome. The remuneration is established based on SEB's earnings and customer satisfaction.

Remuneration to employees in control departments (internal audit, risk control, and observance of regulations) is established by the board of directors further to proposals from the Management Company's remuneration committee. Remuneration shall be based on objective grounds related to the employee's role and tasks, and be independent of the business unit that the control department scrutinises.

Employees in departments that have a monitoring function, such as internal auditing, risk control or compliance, are not to receive any other variable remuneration over and above SEB's profit sharing.

The Management Company applies the grandfather principle to all remuneration, which means all decisions are to be approved by, at the least, the manager for the manager of the employee concerned.

Variable remuneration

The Management Company uses variable remuneration in order to develop and reward performance and behaviour that create both short-term and long-term value for the fund investors and the Management Company. Variable remuneration is an important aspect of designing a flexible remuneration system. Variable remuneration is composed of both cash and shares in investment funds or financial instruments which achieve the equivalent common interests as shares in the relevant investment funds.

The principles for variable remuneration adopted by the Management Company are established with the objective of reflecting the Management Company's low risk tolerance and being compatible with the Fund's prevailing risk profiles, fund rules, discretionary mandates, as well as internal and external regulations. The variable remuneration shall be based on the employee's performance and behaviour from a several-year perspective, as well as the performance and economic results of the employee's team, the Management Company and SEB as a whole.

At the same time as obtaining a sound balance between fixed and variable remuneration, the payment of variable remuneration shall be related to the Management Company's risk policy and creation of value for the fund investors. This implies that certain maximum levels and deferment of payment shall apply to different personnel categories.

For employees in positions that have a significant influence on the Management Company's or the managed funds' risk profile, the maximum variable remuneration may not exceed 100 percent of the fixed remuneration. The variable remuneration is to be deferred by 40 to 60 percent for a minimum of three years. At least 50 percent of the variable remuneration is to consist of shares in investment funds or instruments which achieve the same common interests as shares in the relevant securities funds. Variable remuneration in the form of fund shares will be subject to retention policy for at least one year. This retention policy applies to variable compensation whether or not it is deferred.

The Management Company also applies a special remuneration model for certain employees who manage funds and discretionary mandates. The remuneration model for these persons is based on a structure with distinct rules for maximum outcome of remuneration, deferment of remuneration as well as rules regarding downward adjustment/reduction of remuneration.

Payment of deferred remuneration shall only be made if such is motivated based on the Management Company's economic situation and the performance of the Management Company, the relevant division and the employee.

Reduction or downward adjustment of deferred variable remuneration shall apply should losses, increased risks and costs arise during the deferment period, which includes for example taking into consideration the employee's observance of external and internal regulations. Reduction or downward adjustment shall also take place should payment be deemed unwarrantable in view of the Management Company's financial situation.

The variable remuneration system shall be continuously reviewed in order to ensure that it does not create any unsuitable behaviour and contribute to excessive risk-taking.

The remuneration committee

The Management Company has appointed a remuneration committee with the task of independently appraising the remuneration policy. The remuneration committee shall be responsible for preparing decisions regarding remuneration that are to be adopted by the board of directors, and intervene if a decision could imply consequences for the Management Company's risks and risk management. The remuneration committee is an independent body composed of the board of directors' independent members.

Follow up

The CEO, the deputy CEO and the board of directors shall ensure that the remuneration policy is operationally applied. The remuneration policy shall be reviewed annually by the internal audit department or by an independent auditing firm. In order to ensure that the Management Company's remuneration system is applied in accordance with the remuneration policy, the remuneration system and the payment of remuneration shall be reviewed annually by internal or external auditors.

Regulated staff	Paid remuneration and benefits, 2023 (thousand)
	EUR
- Employees in leading strategic positions	4,169
- Employees responsible for control	185
- Risk-takers	11,593
- Employees whose total remuneration amounts to or exceeds the total remuneration to any of the Executive Board	-
	Total remuneration paid (thousand)
	EUR
- All employees (fixed remuneration)	22,995
- All employees (variable remuneration)	6,570
- Executive management and employees that significantly affect the risk profile of the alternative investment fund.	15,762
<i>Number of employees during the year</i>	<i>209</i>

Securities Financing Transactions Regulation (SFTR) (unaudited)

The Fund did not engage in any Securities Financing Transactions during the financial year ended 31 December 2023.

Sustainable Finance Disclosure Regulation (unaudited)

The SEB Concept Biotechnology Fund is categorised as an Article 8 Fund under the Sustainable Finance Disclosure Regulation.

The periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 for the Fund SEB Concept Biotechnology Fund is disclosed overleaf.

Product name: SEB Concept Biotechnology

Legal entity identifier: 5299002NIL6PNZRWIN02

Environmental and/or social characteristics

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.

Did this financial product have a sustainable investment objective?	
●● <input type="checkbox"/> Yes	●○ <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ____% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input checked="" 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 52.69% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective: ____%	<input type="checkbox"/> 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 2023 reference period, the fund promoted environmental and social characteristics by considering sustainability risks and opportunities both before the fund invested in a company and the ongoing monitoring of the investment, and by investing in companies classified as sustainable investments. In the fund's fundamental analysis process, the fund managers assessed the sustainability of, among other things, each company's products, services, operations and suppliers.

To support the work of assessing the companies' sustainability risks and opportunities, the fund used a quantitative tool in the form of the SEB Investment Management Sustainability Score, SIMS-S. SIMS-S is the fund company's proprietary sustainability model that rates all companies in the fund's investment universe based on multiple aspects of sustainability to establish a comprehensive and unbiased view.

The model consists of two main components: sustainability risks and sustainability opportunities. The model uses data from multiple vendors and is continuously modified as new data and new insights become available. The sustainability rating includes both a current status picture and a forward-looking perspective for each company. This provides fund managers the opportunity to assess current and future sustainability factors that can affect risk and return in the longer term.

Sustainability risks refer to environmental, social or governance-related events or circumstances that, if they were to occur, would have an actual or potential significant negative impact on the value of the investment.

Sustainability opportunities refer to environmental, social or governance-related events or circumstances that, if they were to occur, would have an actual or potential significant positive impact on the value of the investment.

The fund also promoted environmental and social attributes through its continuous efforts to influence companies' business models in a more sustainable direction. The fund company influenced companies on behalf of the fund by voting at general meetings, through dialogues with management teams and boards and in cooperation with other asset managers or partners.

Furthermore, the fund promoted environmental and social characteristics during the reference period by applying the fund company's exclusion criteria. The fund excluded investments in companies operating in industries or business areas deemed to have significant sustainability challenges.

Read more about SIMS-S, exclusions and SEB Investment Management's sustainability approach at sebgroup.com/fundcompanysustainability.

● How did the sustainability indicators perform?

The fund achieved a SIMS-S rating of 5.8 at the end of 2023, which was lower than the fund's benchmark index which had a rating of 6.0. SIMS-S ratings are set on a scale of 0-10 with a normal distribution, which

Sustainability indicators measure how the environmental or social characteristics pro-

noted by the financial product are attained.

means that the normal outcome for a company is 5.0 and that most companies have a rating between 4.0-6.0.

A lower score does not necessarily mean that the fund had less sustainable companies compared to the benchmark, instead it could also be a matter of transparency, where companies that do not report enough data receive a lower rating. This is often true for smaller companies which often have not come as far as larger companies. As sustainability reporting improves, this factor is expected to decrease in importance. The fund is underweighted by some of the largest companies in the benchmark.

In 2023, the fund had 15 corporate engagements with 7 companies, corresponding to 19.3% of the portfolio. These dialogues differed in nature, with some being very detailed and time-consuming while others were handled within a limited time. This means that the number of dialogues has not been directly linked to the amount of time and resources spent on advocacy dialogue. The fund voted at the annual general meetings of 23 companies.

The fund excluded 0% of the benchmark index's value and the number of excluded companies totalled 0. The benchmark index included 223 companies.

● ...and compared to previous periods?

In the previous period (2022), the fund had a SIMS-S rating of 6.1.

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

During the 2023 reference period, the fund aimed to make sustainable investments to a minimum of 10%. During the period, the fund owned one or more companies that could be classified as sustainable investments whose financial activities were deemed to contribute to one or more of the following environmental and social objectives.

Social objectives:

- United Nations Social Development Goals (UN SDGs): SDG 1 — No poverty; SDG 2 — Zero hunger; SDG 3 — Good health and well-being; SDG 4 — Quality education; SDG 5 — Gender equality; SDG 6 — Clean water and sanitation; SDG 8 — Decent work and economic growth; SDG 10 — Reduced inequalities; SDG 11 — Sustainable cities and communities; and SDG 16 — Peace, justice and strong institutions
- Other social sustainability goals such as gender equality, social inclusion and diversity.

Environmental objectives considered environmentally sustainable according to the EU Taxonomy:

- The six goals defined by the EU Green Taxonomy: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

Environmental objectives that are not considered compatible with the EU Taxonomy

- The United Nations Environment-related Sustainable Development Goals (UN SDGs): SDG 6 — Clean water and sanitation; SDG 7 — Affordable and clean energy; SDG 9 — Industry, innovation and infrastructure; SDG 11 — Sustainable cities and communities; SDG 12 — Responsible consumption and production; SDG 13 — Climate action; SDG 14 — Life below water; and SDG 15 — Life on land
- Operational resource efficiency in key environmental areas such as carbon use, water use or use of raw materials.

The sustainable goals included in SEB Investment Management's definition of sustainable investments and quantitative thresholds are:

Environmental goals

- 10% of the company's revenue, capital expenditure or operating costs have been classified by estimation or reporting as significantly contributing to the six EU Taxonomy goals
- 20% of the company's revenue has been assessed as contributing to other global environmental goals, directly or indirectly linked to the UN SDGs
- The company outperforms its sector and region in terms of emission factors according to quantitative data
- The company outperforms its sector and region in other resource efficiency areas, such as water use, raw material consumption or waste generation, according to quantitative data
- The company has been fundamentally analysed and assessed as having a high contribution and exposure to environmental objectives

Social goals

- 20% of the company's revenue has been assessed to contribute to other global social goals, directly or indirectly linked to the UN SDGs
- The company outperforms relative to its region in terms of gender equality factors, according to quantitative data
- The company has been fundamentally analysed and assessed as having a high contribution and exposure to social goals

The fund company applies a pass/fail methodology, whereby an entire investment is classified and reported as sustainable if the requirements for contributing, not doing significant harm and good corporate govern-

ance are met. Other management companies may use a different methodology and criteria to classify an investment as sustainable. Therefore, the levels of sustainable investments may differ between fund companies depending on the methodologies, criteria and data providers used, and not only on levels of sustainability within the funds.

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

To ensure that no sustainable investment caused significant harm to any environmental or social sustainable investment objective, the fund worked with the following principles during the reference period:

- Excluded companies that do not comply with international norms and standards;
- Excluded companies operating in controversial sectors and business areas;
- Excluded companies that have exposure to fossil fuels or other activities with negative environmental impacts;
- Excluded companies that are not considered to fulfil the levels of minimum social safeguards as defined by the EU Taxonomy; and
- Used an external research partner's assessment of the companies' governance structure, labour relations, tax compliance and remuneration.

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

During the reference period, the fund company's model for detecting companies with extreme values among the negative principal impact indicators (PAI) was used to avoid investing in companies that have caused significant harm. The negative impact indicators for sustainability factors used are those outlined in Annex I of the Sustainable Finance Disclosure Regulation's technical standard (CDR 2022/1288) - as well as the relevant PAIs in Tables 2 and 3 of Annex 1 of CDR 2022/1288. However, the indicators are dependent on the current availability of data.

Where sufficient coverage has been available, companies with significant negative performance in a geographical and sectoral context have not been included as sustainable investments.

Some indicators are considered through the exclusions outlined in the fund company's sustainability policy, in particular:

- Companies with activities in the fossil fuel sector;
- Companies with facilities/operations located in or near biodiversity-sensitive areas where the activities of these companies negatively impact these areas;
- Companies that do not comply with international norms and standards, such as the UN Global Compact principles and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises;
- Companies involved in the manufacture or sale of controversial weapons (landmines, cluster bombs, chemical and biological weapons); and
- Companies whose activities affect endangered species.

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

During the reference period, the fund's investments have been aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through the norm-based exclusion criteria set out in the fund company's sustainability policy and using the SIMS-S.

Norm-based exclusions mean that the fund company expects issuers to adhere to international laws and conventions such as the following:

- The UN Principles for Responsible Investment
- The UN Global Compact
- The OECD Guidelines for Multinational Enterprises
- The UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights

Companies with confirmed violations are not considered sustainable investments.

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 EU 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.

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?

During the reference period, the fund considered principal adverse impacts on sustainability factors through the exclusions outlined in the fund company's sustainability policy where companies with operations in the following were excluded:

- Companies with activities in the fossil fuel sector;
- Companies with facilities/operations located in or near biodiversity-sensitive areas where the activities of these companies negatively impact these areas;
- Companies that do not comply with international norms and standards, such as the UN Global Compact principles and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises;
- Companies involved in the manufacture or sale of controversial weapons (landmines, cluster bombs, chemical and biological weapons); and
- Companies whose activities affect endangered species.

In the fund's fundamental analysis process, the fund manager conducted a sustainability assessment of, among other things, each company's products, services, operations and suppliers. To support the work of assessing the companies' sustainability risks and opportunities, the fund manager used a quantitative tool in the form of the SEB Investment Management Sustainability Score, SIMS-S.

Using SIMS-S, the fund company's proprietary sustainability model, the following indicators for adverse impacts were considered:

- Greenhouse gas emissions of the investee companies;
- The carbon footprint of the investee companies;
- Greenhouse gas intensity of the investee companies;
- Whether companies operate in the fossil fuel sector;
- Energy consumption intensity per sector with high climate impact, for the investee companies;
- Whether the investee companies have facilities/operations located in or near biodiversity-sensitive areas where the operations of these companies negatively impact these areas;
- Emissions to water generated by the investee companies;
- The amount of hazardous waste generated by the investee companies;
- Whether the investee companies lack processes and compliance mechanisms to monitor compliance with the UN Global Compact and the OECD Guidelines for Multinational Enterprises;
- The unadjusted gender pay gap in the investee companies;
- Gender distribution of the board of directors of the investee companies;
- Whether the investee companies have decarbonisation initiatives in place to align with the Paris Agreement; and
- Whether the investee companies have a supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour).



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 31 December 2023

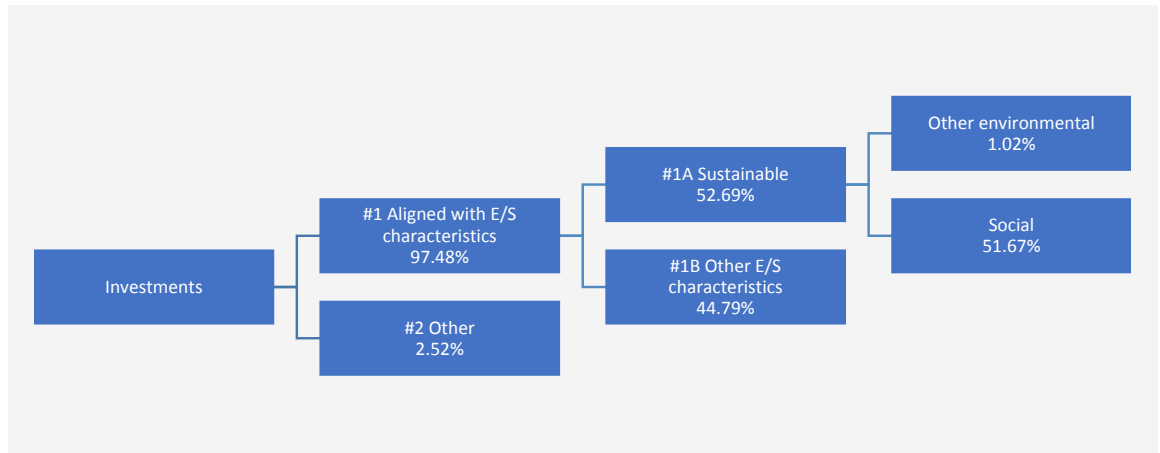
Largest investments	Sector	% Assets	Country
Vertex Pharmaceuticals Inc	Health Care	9.78	United States
Regeneron Pharmaceuticals Inc	Health Care	8.85	United States
Amgen Inc	Health Care	7.43	United States
Moderna Inc	Health Care	4.85	United States
Gilead Sciences Inc	Health Care	4.66	United States
Biogen Inc	Health Care	4.53	United States
AstraZeneca PLC	Health Care	4.16	United Kingdom
Illumina Inc	Health Care	2.88	United States
Alnylam Pharmaceuticals Inc	Health Care	2.41	United States
BioMarin Pharmaceutical Inc	Health Care	2.17	United States



What was the proportion of sustainability-related investments?

● What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



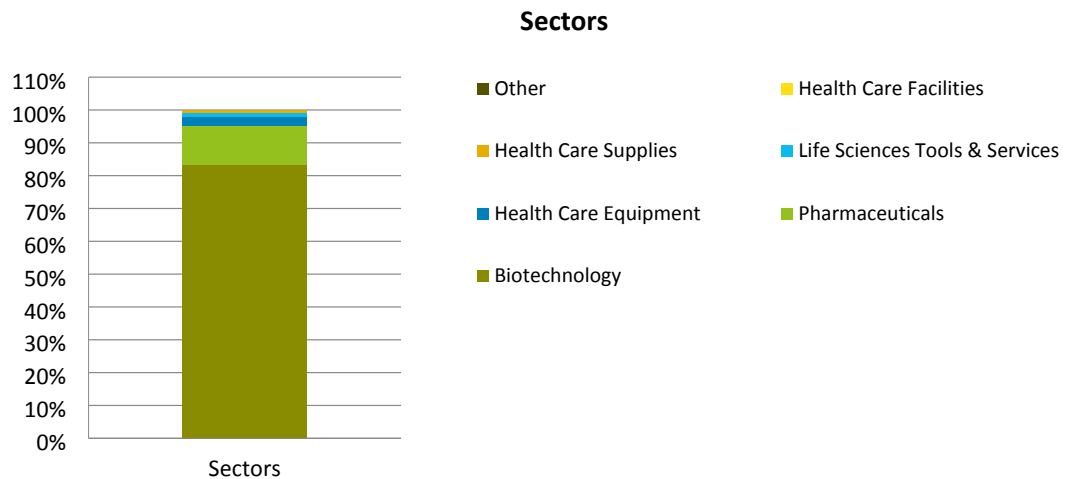
#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other 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?





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

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

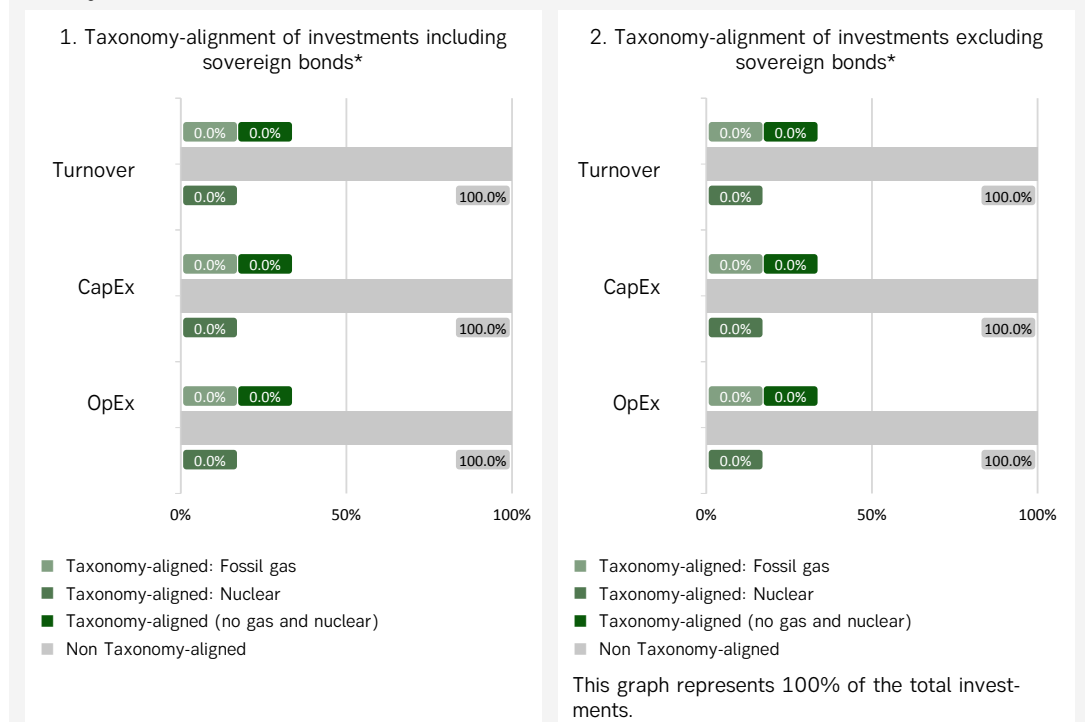
- Yes:
- In fossil gas In nuclear energy
- No

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.

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.



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.

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

During 2023, the share of investments in transitional activities was 0.0%. The share in enabling activities was 0.0%.

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.

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

For the previous reference period (2022), the share of investments whose revenue was compatible with the EU Taxonomy was 0.0%. Compatible capital expenditure was 0.0% and operating expenditure 0.0%.



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

At the end of 2023, the fund had an equivalent of 1% of investments that were classified as sustainable investments with environmental objectives but not compliant with the EU Taxonomy.

The EU Green Taxonomy does not cover all economic sectors that are relevant for the fund to invest in and that contribute to sustainability goals. There were also relatively few companies that reported in accordance with the EU Green Taxonomy. This may have been due both to their size and their geographical location.

The fund company uses an internal process to define the contributions to environmental objectives and the classification of sustainable investments. The environmental goals included in SEB Investment Management's definition of sustainable investments and quantitative thresholds are:

- 20% of the company's revenues have been assessed to contribute to other global environmental goals, directly or indirectly linked to the United Nations Sustainable Development Goals (UN SDGs);
- The company outperforms its sector and region in terms of emission factors according to quantitative data;
- The company outperforms its sector and region in other resource efficiency areas, such as water use, raw material consumption or waste generation, according to quantitative data; and
- The company has been fundamentally analysed and assessed as having a high contribution and exposure to environmental objectives.

The fund company applies a "pass/fail" methodology, where an investment is classified and recognised as contributing if the investment meets one or more of the above criteria.

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 socially sustainable investments?

At the end of 2023, the fund had investments corresponding to 51.7% classified as socially sustainable investments.

The fund company uses an internal process to define the contribution to social goals and the classification of sustainable investments.

The social goals included in SEB Investment Management's definition of sustainable investments and quantitative thresholds are:

- 20% of the company's revenue has been assessed to contribute to other global social goals, directly or indirectly linked to the UN SDGs.
- The company outperforms relative to its region in terms of gender equality factors, according to quantitative data.
- The company has been fundamentally analysed and assessed as having a high contribution and exposure to social goals.

The fund company applies a "pass/fail" methodology, where an investment is classified and recognised as sustainable if the investment meets one or more of the above criteria.



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

During the period, the fund used cash and derivatives to manage liquidity and flows. During the reference period, the fund did not conclude that any environmental or social minimum protection measures were deemed necessary for these investments.



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

During the reference period, the fund has actively excluded investments in, for example, BGI Genomics, a Chinese company in which the connection to Chinese authorities is less transparent.

During the reference period, the fund has also actively selected investments from companies that clearly integrate sustainability into their business models. The fund's most important sustainability work comes from the investee companies. BioNTech and Moderna were included in the fund since they have developed effective Covid vaccines which have saved many lives. The vaccines have also been discounted to developing markets.

The fund has also worked on advocacy and corporate governance. Most of the fund's holdings are outside of the Nordic region, where our ownership is usually relatively small. Fund managers collaborate with other investors through IIGCC, PRI Collaboration Platform, Access to Medicine, Global Child Forum and other initiatives in dialogues with companies. Fund managers work with Sustainalytics and Institutional Shareholder Services (ISS), two international leaders in company dialogues. In 2023, the fund had 15 company engagements in 7 companies and voted at annual general meetings for 23 companies.

During the reference period, SEB Investment Management updated its sustainability policy with a clear position on biodiversity. Nature is the foundation of societies and economies and there is a growing appreciation for the need to include nature and biodiversity in investment decisions.

SEB Investment Management does not invest in companies that have verified violations of biodiversity-related norms. The fund company also excludes companies that operate and have a negative impact on endangered species or bio-sensitive areas, including Arctic drilling.

To reduce the risks of deforestation of the tropical forests, SEB Investment Management monitors companies with the greatest influence on and exposure to tropical deforestation and aims to set net zero deforestation targets as the global data quality on deforestation improves.

Since 2023, SEB Investment Management has been a member of the Taskforce for Nature-related Financial Disclosures (TNFD) Forum and is a signatory of the Finance for Biodiversity Pledge. In addition, the fund company also works independently to increase the quality and coverage of biodiversity data through collaborations with various actors within or close to the scientific community.



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

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

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

The fund did not use a benchmark index to achieve its promotion of environmental and social characteristics.

● 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?

The fund did not use a benchmark index to achieve its promotion of environmental and social characteristics.

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

The fund did not use a benchmark index to achieve its promotion of environmental and social characteristics.

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

The fund did not use a benchmark index to achieve its promotion of environmental and social characteristics.

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