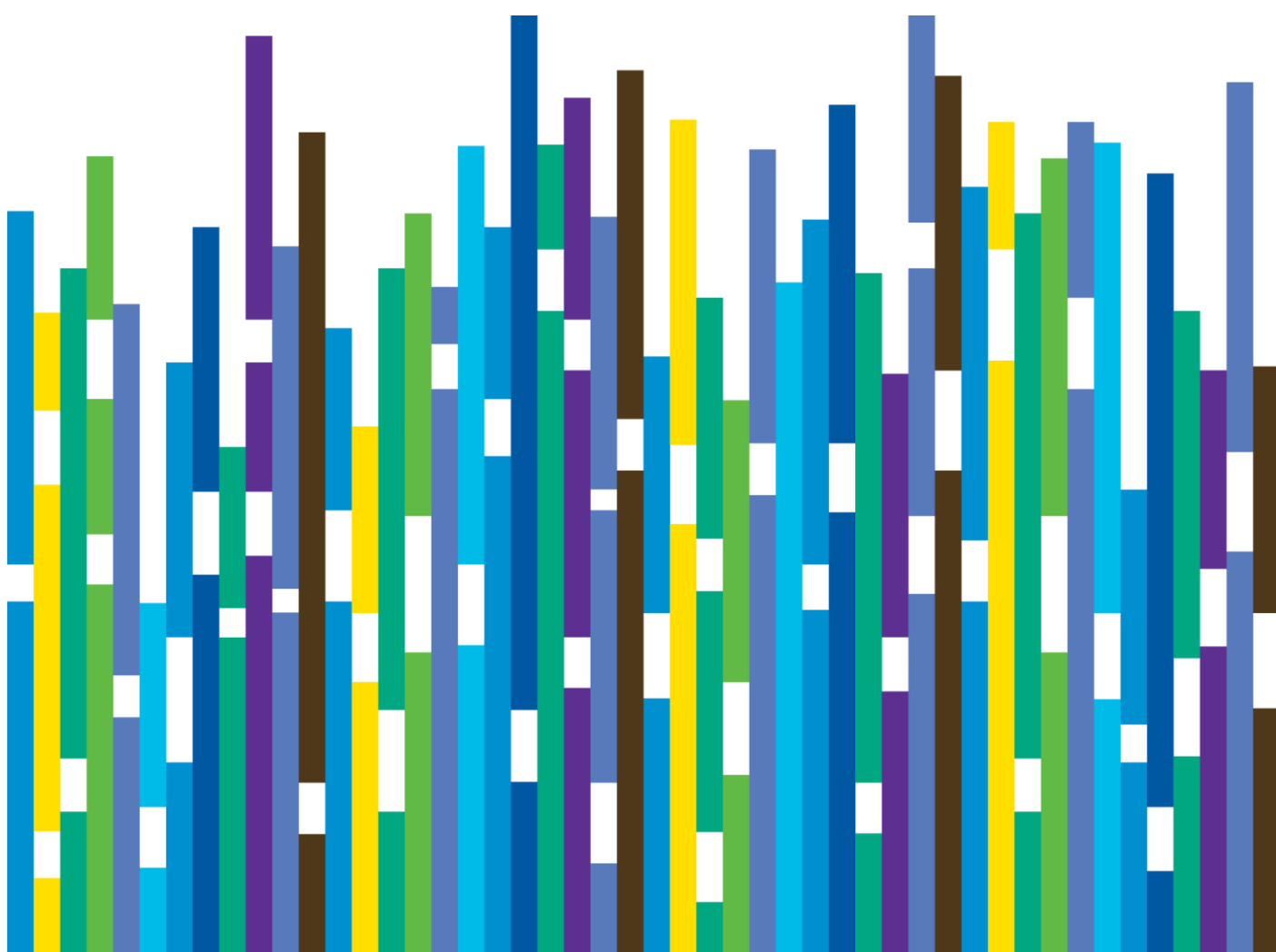




ANNUAL REPORT

2017/2018



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President's Message

CFA Society Sweden Annual Letter

Dear Fellow Members of CFA Society Sweden, CFA Program Candidates and Strategic Partners,

The future of the investment industry is important for the functioning of the global economy, for the approximately two million workers it employs, and for the clients and end investors that depend on it to manage around US\$100 trillion in assets.

Technological advances, redefined client preferences, ever-changing macroeconomic conditions, and different regulatory regimes require investment professionals to continuously learn new and develop their existing skills. The diligent pursuit of the highest level of professional excellence must also include strong ethics in decision-making.

As a result of the evolving investment landscape, the Board of CFA Society Sweden has throughout the year taken strategic initiatives to create structures and processes for long term continuing professional development, networking, and society governance. We have also spent a significant proportion of our time to create processes that aim to promote the CFA brand and create demand for the CFA Charter from employers in our local market.

Through our events and planning we have worked to create awareness of sustainable investing and we have actively worked to promote an inclusive society through events which seek to promote diversity. We suggest that you look at our website for detailed descriptions of our events.

To deliver on our strategic initiatives we have recognised that the Board of CFA Society Sweden needs to shift focus from short term operations to long term planning. As such we have already launched our first operational committee (ESG Committee) and are making good progress in launching our second (Candidate Membership Committee). We will continue to create operational committees for functions where suitable.

We encourage you to reach out to the Board if you would like to be a part of our strategic initiatives and help us pursue better outcomes for the end investors, the industry, and society.

Sincerely,

*Rafet Eriskin, CFA
President, CFA Society Sweden*



CFA Institute

CFA Institute is the world's largest association of investment professionals with more than 154,000 members in more than 165 countries. There are 151 local member societies worldwide. The Institute offers a range of educational and career resources, including the **Chartered Financial Analyst® (CFA®)** and the **Certificate in Investment Performance Measurement (CIPM®)** designations. In addition, over 1,300 firms worldwide are claiming compliance with the voluntary CFA Asset Manager Code of Conduct, which helps asset managers practice ethical principles that put client interests first, whilst over 1,400 firms champion the **Global Investment Performance Standards (GIPS®)** locally in more than 40 countries. CFA Institute aims at championing ethical behavior, raising standards of professional excellence and creating a strong global investment community.

CFA Society Sweden

CFA Society Sweden is a Swedish not-for-profit organization for investment professionals, and one of 151 national member societies that support the global mission of CFA Institute at a local level. Hence CFA Society Sweden promotes ethical and professional standards, encourages professional development through the CFA Program and provides members with opportunities for career growth, information exchange, and professional networking.

Mission

To be a leading organization for investment professionals in Sweden by promoting the highest standards of ethics, education and professional excellence for the ultimate benefit of society.

Vision

We aspire to be a CFA Society Sweden that:

- Serves all finance professionals seeking education, knowledge, professional development, connections, and inspiration.
- Leads the investment profession's thinking in the areas of ethics, capital market integrity, and excellence of practice.

Board of Directors

Rafet Eriskin, CFA, *President*

Alexander Öhrn, CFA, *Vice President*

Jesper Dahlgvist, CFA, *Secretary*

Magnus Kovacec, CFA, *Treasurer*

Lars Staffansson, CFA, *Board Member*

Karin Larsson, *Board Member*

Nomination Committee

Mark Shay, CFA (Chair), Anna Jönsson, CFA (Past President), and Maria Markusjan, Candidate.

Auditor

The 2017 AGM re-elected Ben Wilson, CFA, FCA as Auditor.

CFA Sweden ESG Award

In 2017, for the 8th consecutive year, CFA Society Sweden recognized, through the CFA Sweden ESG Award, the individuals, organizations or groups that have raised awareness of ESG (Environmental, Social and Governance) considerations in the Swedish financial community.

The ESG Committee of CFA Society Sweden decided to present Corporate Human Rights Benchmark (CHRB) with the CFA Sweden ESG Award for 2017. The Award Jury comprised of three experts: Henrik Malmsten (CEO, Durable Vision Invest), Jenny Askfelt Ruud (CEO, Enwise), and John Howchin (Secretary-General, Council on Ethics of the Swedish National Pension Funds).

The Corporate Human Rights Benchmark (CHRB) aims to measure the human rights performance of the world's 500 largest publicly listed companies. "*CHRB provides a comparative snapshot from year to year of the largest companies on the planet, looking at the policies, processes and practices they have in order to systematize their work on human rights and how they respond to serious allegations of human rights violations. CHRB is publicly available to all stakeholders at no cost.*" The award ceremony took place during CFA Society Sweden's annual Forecast Dinner at Fotografiska in March 2018.



Events

Annual General Meeting 2017

The Annual General Meeting 2017 took place on 13th September at restaurant Gondolen in Stockholm. Members got the opportunity to voice their opinion regarding the direction of the Society, ask questions to Board members, vote and mingle with colleagues and friends. Alexander Öhrn, Karin Larsson and Jesper Dahlgvist were elected to join the Board of Directors and replaced Peder du Rietz, Anna Jönsson, Andreas Brock and Sebastian Fahlur who declined re-election. Rafet Eriskin, CFA, was elected new President of the Society.

Continuing Education

The voluntary Continuing Education (CE) Program is a framework for our members to identify educational activities, which contribute to their continuing professional development. To maintain and improve professional competence, an important part of the Code of Ethics and Standards of Professional Conduct, CFA Institute recommends that members complete a minimum of 20 Continuing Education (CE) credits, including 2 Standards, Ethics, and Regulations (SER) credits, each calendar year. This can be achieved in various ways, such as e.g. generalist or specialized readings, on-line events or in-house employee training. An important part is the live opportunities offered by the national societies. Our offerings in this area are presented in the next section.

Educational Events

In addition to the web-based content offered to our members by CFA Institute and other CFA societies, CFA Society Sweden has provided a number of educational events over the past year. In total, the Society has offered 6 CE credits.

- **The Boutique Premium breakfast seminar: 1 CE credit**
11th October 2017. Speaker: Hugh Cutler from Affiliated Managers Group.
- **Factor Anomalies in Chinese A-shares Live Webinar (with CFA Society UK): 1 CE credit**
8th November 2017. Speaker: Jason Hsu.
- **FinTech, Blockchain, and its Commercial Applications (Charter Award Ceremony): 1 CE credit**
30th November 2017. Speaker: Sviatoslav Rosov PhD, CFA from the Capital Markets Policy Group at CFA Institute.
- **The Forecast Dinner: 2 CE credits**
13th March 2018. Speakers: Kerstin af Jochnick from Sveriges Riksbank (on *The Outlook for the Swedish Economy and the Challenges Ahead*), Bradley Betts of BlackRock (on *Machine Learning and Artificial Intelligence*), and Stephanie Hill of BNY Mellon (on *The Changing Landscape of Fixed Income Liquidity*).
- **Applying Behavioral Economics Inside an Investment Firm and Adding the Human Dimension to Pension Reforms: 1 CE credit**
14th May 2018. Speaker: Stefan Lundbergh, PhD of Cardano Insights, non-executive Board Member of AP4.

CFA Institute Research Challenge

The CFA Institute Research Challenge is an annual global competition that provides university students with hands-on mentoring and intensive training in financial analysis.

Students work in teams to research and analyze a publicly traded company, sometimes meeting face-to-face with company management. Each team writes a research report on their assigned company with a buy, sell, or hold recommendation and may be asked to present and defend their analysis to a panel of industry professionals. This year Linköping University won the local final, hosted by Handelsbanken, and represented Sweden in the EMEA final in Dublin.



Social Events

On 22nd January, CFA Society Sweden hosted a luncheon for senior executives in the Swedish investment industry with **Paul Smith, President & CEO of CFA Institute**, where he spoke about the *Future State of the Investment Profession*. This was followed by an evening networking reception and seminar for CFA Society Sweden members.



Charter Award Ceremony

On 30th November the Society celebrated the 13 candidates who successfully completed the CFA program during the year, at Coeli Asset Management. Sviatoslav Rosov PhD, CFA, from the Capital Markets Policy Group at CFA Institute spoke about *FinTech, Blockchain, and its Commercial Applications*. Vice President Alexander Öhrn presented the awards. A champagne reception followed the ceremony.



Mock Exam

CFA Sweden was pleased to offer our candidates a well-organized and realistic mock exam yet again this year, with the help of Kaplan Schweser and Coeli Asset Management, where eight candidates enrolled for the mock exam.

Women in Finance

Despite convincing evidence that a more gender-balanced investment industry would benefit investors, women are still underrepresented throughout our profession. In an effort to encourage women to get involved in the society, as well as to ensure that female candidates are receiving sufficient support for their studies, CFA Society Sweden hosts events especially intended to encourage gender diversity in the investment management profession. As part of this program Barbara Stewart, CFA, a researcher on the issue of women and finance and author of *Rich Thinking*, presented her research on “How to Leverage Gender Intelligence for Greater Success in Business” at a CFA Society Sweden event, well-attended by both men and women, hosted by AP4, on 15th November.



Governance

During the financial year 2017/2018 the Board convened nine times, with an additional number of Executive Committee meetings in between. Average Board meeting attendance was in excess of 90%. The Nomination Committee, appointed by the Annual General Meeting, is responsible for submitting nominations to the AGM for President and other Board members. The Board has implemented a self-assessment strategy, which again was duly carried out at the end of the financial year with the self-assessments and the attendance list forwarded to the Nomination Committee. The Board approved the 2017/2018 Board Directives on 19th September 2017. CFA Society Sweden is resolved to follow the lead of CFA Institute to adopt best-in-class standards. All governance documents are published on the CFA Society Sweden website.

GIPS

The Global Investment Performance Standards (GIPS®) is an ethical set of standardized, industry-wide principles that provide investment firms with guidance on how to report investment performance to prospective clients. The Standards allow firms to compete globally and provide investors with the transparency they need to compare and evaluate investment managers and investment firms. GIPS verification is an independent review by a third party of an investment management firm’s performance processes and procedures.

Local organizations in over 40 nations around the globe (Country Sponsors), composed of one or more industry organizations, play a key role in developing and promoting GIPS globally in partnership with CFA Institute, who governs the standards. Sweden was one of the first countries worldwide to endorse the GIPS Standards when they were first introduced in 1999. CFA Society Sweden and the Swedish Society of Financial Analysts (SFF) partner to officially represent GIPS in Sweden together as a joint Country Sponsor.

Member Survey

As part of the governance and compliance plan implemented by the Board and the Executive Committee, CFA Society Sweden carried out its 8th annual member survey during the summer of 2018. Interestingly, on the question whether finance professionals in Sweden are familiar with the CFA Charter there is a split of 54.5% of respondents in favor whilst 45.5% think, not much. 86% of respondents think the CFA charter has made a measurably positive impact on their career. Most of the respondents work as portfolio managers or treasurers/controllers. 91% of respondents reported that they are either very satisfied, or satisfied, with CFA Society Sweden.

Global Passport Program

CFA Society Sweden is a member of the CFA Societies Global Passport Program. This allows our active members to attend other societies' education programs and events.

Annual General Meeting 2018

The 2018 AGM will take place on 24th September in Kungärummet, restaurant Gondolen, Stockholm. Time: 11.45-13.15.

Financials 2017/2018

CFA Society Sweden changed its accounting principles from cash based to accruals accounting, starting 1st September 2010. The Society's Financial Year was changed by the 2016 AGM to 1 August-31 July each year.

All figures in SEK

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED 31 JULY 2018

	2017-08-01-- 2018-07-31	2016-09-01-- 2017-07-31
REVENUES		
Membership Dues	93,150	58,861
CFA Institute Funding	175,207	182,364
Other ¹⁾	171,444	200,397
Total Revenue	439,800	441,623
EXPENSES		
Social Events	-11,696	-7,266
Administration	-30,208	-12,927
Research Challenge	-45,460	-44,059
Forecast Dinner	-128,668	-131,700
Other ²⁾	-147,141	-129,154
Total Expenses	-363,174	-325,106
Year-end Result	76,626	116,517

STATEMENT OF FINANCIAL POSITION AS OF 31 JULY 2018

	2018-07-31	2017-07-31
ASSETS		
Receivables	0	25,000
Other current assets	0	0
Cash	559,600	458,335
Total Assets	559,600	483,335
LIABILITIES & RESERVES		
Accounts Payable	10,000	10,000
Prepaid Revenues & Accrued Expenses	0	361
Accumulated Reserves	472,974	356,457
Result for the Year	76,626	116,517
Total Liabilities & Reserves	559,600	483,335

Notes:

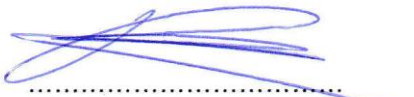
Please note that the numbers are rounded.

- 1) Other revenue mainly refers to funding and sponsorship for the CFAI Research Challenge as well as the Forecast Dinner, sponsorship of CFA Society Sweden, revenues from the mock exam, and reimbursement for the directors' and officers' liability insurance and the commercial general liability insurance.
- 2) Other expenses mainly refer to promotional activities and advertisements, AGM, and Annual Report.

Signatures

We hereby confirm that CFA Society Sweden has operated according to our Code of Conduct and that the financials presented give a true and fair picture of CFA Society Sweden's financial activities and position.

Stockholm, 3rd September 2018



Rafet Eriskin
President



Alexander Öhrn
Vice President



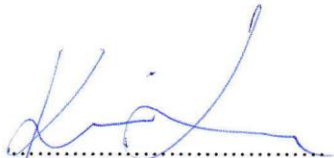
Magnus Kovacec
Treasurer



Jesper Dahlgvist
Secretary



Lars Staffansson
Member



Karin Larsson
Member

To the Board of Directors
CFA Society Sweden
Brunnsgatan 21B, 3tr
111 38 Stockholm
Sweden

I have audited the accompanying statement of financial position of CFA Society Sweden as of 31 July 2018 and the related statement of activities for the year then ended. These financial statements are the responsibility of the Society's Board of Directors. My responsibility is to express an opinion on these financial statements based on my audit. In connection with the audit I have also been provided with the Annual Report and copies of minutes from Board meetings held between 1 August 2017 and 31 July 2018.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CFA Society Sweden as of 31 July 2018 and the results of its activities for the period then ended, in conformity with generally accepted accounting principles. I recommend to the annual meeting of members that the Board of Directors be discharged from liability for the financial year.

Stockholm, 3 September 2018



Ben Wilson CFA, FCA
Appointed Auditor, CFA Society Sweden



CFA Society Sweden Board of Directors 2017/18

From left: Magnus Kovacec, Rafet Eriskin, Lars Staffansson, Karin Larsson, Jesper Dahlvist, and Alexander Öhrn.