Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: SEB Fund 1 - SEB Nordic Future Opportunity Fund

Legal entity identifier: 529900W8404Z9S4UFF18

Sustainable investment objective

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective: 40.00%**	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **%** of sustainable investments
☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective 10.00%**	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

The Sub-Fund has sustainable investments as its objective within the meaning of Article 9 of SFDR”.

The objective of the Sub-Fund is to create a positive environmental and social impact to achieve, inter alia, the long-term objectives of the Paris Agreement.

This is performed by investing in companies that offer products or services within specified themes considered to align with the Paris Agreement, UN Sustainable development goals (SDGs), EU Taxonomy, and EU Green Deal's long-term objectives. The themes are amongst others, energy transition (Companies that contribute to reducing greenhouse gas emission by increasing renewable capacity or enable the transition from fossil based economy to renewable thus creating a positive societal impact), resource efficiency and circularity (Companies that accelerate and enable the necessary green transition by providing eco-friendly products and services or enable others save resources and/or energy consumption), sustainable mobility (Companies that offer sustainable mobility and infrastructure solutions described in EU regulatory frameworks, e.g. EU Sustainable and Smart mobility strategy) and healthy societies (Companies that enable the transition to plant-based nutrition, improve the societal level of health, safety and education creating more inclusive communities).

For the Sub-Fund to reach its sustainable objective, companies are evaluated from a business model perspective, starting with the thematic view where the respective business model is assessed based on its contribution to the sustainable objective.

Since all equities of the Sub-Fund are assessed and measured regarding their ability to contribute to climate change mitigation and adaption and/or social contribution, the investment team is able to identify companies that are involved in economic activities that are considered environmentally sustainable, and/or those involved in enabling and transitional activities, according to the Taxonomy Regulation.

A large part of the Sub-Fund's holdings are constituents of the benchmark, VINX All Cap, which does not qualify as an EU Climate Transition Benchmark nor an EU Paris-aligned Benchmark and does not fully comply with all the methodological requirements in the Commission Delegated Regulation (EU) 2020/181.) Hence, the benchmark is purely for performance comparison and not designated as a reference benchmark to meet the sustainable investment objective.

The objective of reducing carbon emissions is instead attained by identifying and investing in companies with verifiable revenue streams in relation to the identified structural themes. The Sub-Fund use a "pass/fail approach", where a company is classified and accounted for as sustainable, if the company, based on quantitative measurements provided by third party data providers, fulfil one or more of the following conditions:

- A minimum of 10% of their revenue is potentially EU taxonomy-aligned based on the last available data either from company or third party
- A minimum of 20% of their total revenue attributable to enablement or direct contribution to any UN SDG
- A combination of minimum of 20% of their total revenue attributable to enablement or direct contribution to any UN SDG or revenue streams potentially EU Taxonomy aligned based on the last data available from company or third party

In addition to complying with at least one of the conditions above, the issuer must pass the do no significant harm ("DNSH") test (as further described below) applied on the issuer's entire revenue.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

- **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**
  - Share of companies with a minimum of 20% of revenue derived from activities related to certain themes, described further in the investment strategy below.
  - Weighted revenues a minimum of 50% at portfolio level from economic activities related to the sub-fund strategy's themes.

- **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

The management company excludes companies that are verified not to comply with international standards and conventions concerning human rights, the environment, anti-corruption, or employment rights, and where the company cannot present clear goals and ongoing measures to address the issue(s). If the identified infringements are confirmed and the company does not show an interest in change, or if the change process is unusually protracted, the management company will divest the holdings. Sudden divestment may not take place if this is detrimental to the unit holders or the management company. the management company also excludes companies that produce fossil fuels or use unconventional extraction methods, companies engaged in developing, processing and exploiting coal, oil and/or natural gas resources, companies generating energy from fossil fuels, companies where distribution linked to fossil fuels exceeds 5% of total revenues, and companies for which services related to fossil fuels exceed 50% of total revenues. Product-based exclusions are exclusions based on ethical positions. the management company's product-based exclusions are tobacco, recreational cannabis, pornography, commercial gambling, civilian weapons and alcohol. All funds exclude companies that, in conflict with international conventions, are engaged in the manufacturing, development or sale of nuclear and controversial weapons. The sustainable investments that the sub-fund partially intends to make do not include companies that receive more than 5% of their revenue from the defence industry. The exclusions ensure that no investments, sustainable investments or not, are made in companies that do significant harm to environmental and/or social objectives.

The management company permits investments in transition companies. These are certain companies with exposure to fossil fuels, mainly in the energy sector, or in sectors which face other sustainability challenges, such as materials, mining or transportation. This is done in order to finance, support, and hasten the transition to sustainable business models. The transition companies need to meet SEB Investment

Management's minimum requirements for company conduct and have a high future potential to contribute to the Paris Agreement or the UN Sustainable Development Goals, either via their own products and services or by enabling other companies. The transition companies must also have a strategic decarbonization plan, be open to investor dialogue on sector specific issues and challenges and commit to either net-zero emission targets or Science Based Targets.

In addition to excluding companies with verified controversies, alleged controversies are examined to make sure that the company does not do any significant harm over time. A verified severe controversy, where no action to address the issue by the company is shown, will lead to an exclusion of the company from the management company's investment universe. Less severe controversies, where the company shows little or no credible action, will lead to an exclusion of the company from the investment universe for the sustainable investments. Controversies with a clear link to environmental and/or social objectives will be subject to extensive scrutiny to ensure that no significant harm will be done by the company going forward.

The sub-fund is also screened for misalignment/obstruction towards the UN Sustainable Development Goals (SDGs), where a significant misalignment is researched and can lead to exclusion from the sustainable investments universe, if the company is considered to be at risk of doing significant harm to environmental and/or social objectives. To capture the specific challenges, and the most material risks for significant harm to environmental and/or social objectives across various conditions for business, SEB Investment Management screens principle adverse impacts ("PAIs") in Table 1, and relevant PAIs in Tables 2 and 3 of Annex I of Regulation (EU) 2022/1288), as amended (the "RTS"). Geographical location, sector and sub-sector of the company's operations are taken into account.

Apart from the data-driven analysis, the risk for significant harm is an important part of the investment analysis for both fundamental and quantitative strategies that make sustainable investments. For fundamental strategies, this is a core part of the analysis of each investment, and for quantitative strategies, the strategy is designed with long-term sustainability in focus.

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, anticorruption and antibribery matters.

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

PAIs 4, 10 and 14 of Table 1 of Annex I of the RTS are, via the management company, subject to exclusionary screening and thus taken into account by exclusion.

All PAIs in Table 1, and relevant in Tables 2 and 3 of Annex I, are also screened to find underperformance that indicates that there is a risk of significant harm. This is done in relation to where the company is located geographically, and in which sector and sub-sector the company operates within to provide context for the analysis. This tries to capture the specific challenges, and thus the most material risks for significant harm to environmental and/or social objectives across various conditions for business.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights via the norm-based exclusion criteria stated in the Management Company's sustainability policy.

Norm-based exclusions mean that the Management Company expects issuers to adhere to international laws and conventions such as:

– 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 breach are not considered as sustainable.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes, PAI 4, 10 and 14 of Table 1 of Annex I of the RTS are, via the management company, subject to exclusionary screening and thus taken into account by exclusion.

PAI 13 is, through the management company's work, both by voting and proxy voting, and in the cases where the management company is included in the nomination committee, considered via the management company's commitment and long-term objective to foster diversity and equality.

All Table 1 PAIs are analysed both in a quantitative and fundamental way for all investment decisions. This analysis is an essential part of the investment process, and the sub-fund seeks to find top performers and avoid laggards. The management company has an internal proprietary sustainability integration model, which seeks to capture sustainability risks and opportunities. PAIs 1, 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 14 of Table 1 are incorporated in the model, and the model is used as support in all investment decisions for the sub-fund.

More information about PAIs on sustainability factors is available at https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/our-sustainability-approach and the Fund's annual report at : https://sebgroup.lu/private/our-funds

☐ No

What investment strategy does this financial product follow?

The Sub-Fund is actively managed and invests mainly in Nordic companies ranging from growth stage to larger companies. To create a positive and/or social impact the investment team seeks to identify companies with enabling technologies that contribute to specific themes.

Thematic Impact Investing

- The themes are amongst others, energy transition (Companies that contribute to reducing greenhouse gas emission by increasing renewable capacity or enable the transition from fossil based economy to renewable thus creating a positive societal impact), resource efficiency and circularity (Companies that accelerate and enable the necessary green transition by providing eco-friendly products and services or enable others save resources and/or energy consumption), sustainable mobility (Companies that offer sustainable mobility and infrastructure solutions described in EU regulatory frameworks, e.g. EU Sustainable and Smart mobility strategy) and healthy societies (Companies that enable the transition to plant-based nutrition, improve the societal level of health, safety and education creating more inclusive communities).

ESG Integration

- The investment team fundamentally explores and assesses how companies contribute to positive change through their business models and evaluate their alignment and contribution to the set themes.
- The Sub-Fund uses the SIMS-S framework for initial evaluation of the business models. The SIMS-S consists of overall scores and underlying component scores. Each of them has two versions, a raw and an adjusted score. The raw score is the companies' standalone overall sustainability score, whereas the adjusted is sector and region adjusted. The underlying component scores, building up to the overall SIMS-S, make it possible to have a specific focus on specific sustainability topics. The SIMS-S ranges between 0 and 10, with 10 being the highest sustainability score.
- The investment team assesses each company included into the fund where the investment team takes into account whether a company is causing a significant negative impact on both social and environmental sustainability using data from third party and through direct dialogue with the companies. The sustainability risks are considered both from a systematic and fundamental analysis point of view.
- A comprehensive assessment of sustainability risks and opportunities and how the selected companies through their business models contribute to positive change within the themes, assessing alignment with set themes with the purpose of verifying sustainable revenue streams. A company that materially contributes to one or more of the set themes through sustainable revenue streams from its products, services, or processes, qualifies for inclusion in the sub-fund's investment universe.
- Aspects that are evaluated: Governance and adaptation, a company's governing practices in relation to regulatory changes, investor and other stakeholder sustainability expectations that support long term sustainable value creation and a sound sustainable capital allocation. Analysis focusing on if alignment of company policies and improvements within, management of the companies' operational risks, company transparency and sustainability-related disclosures in order to assure good governance; Sustainable operations; Company's current operational alignment, preparedness and structure supporting continued sustainable value creation, mid to long-term, considering sustainability challenges that may lead to changes in business model or capital allocation. Analysis focusing on direct company financial material risks and opportunities in relation to climate change; like greenhouse gas emissions, waste management and energy efficiency in operations. This factor is assessed in combination with the companies' overall governance and adaptation strategies and management insight; Climate and social adherence in supply

chain and operations, company's operational and production set up from a climate and social perspective. Analysis focusing on risk and opportunity perspective from a climate and social perspective to sustain market position, growth and long-term sustainable value creation integrating companies' dedication to provide an equitable, diverse and inclusive environment for its employees (supply chain and direct), social and environmental dimension practices (physical risks) in its day-to-day decision-making processes, product governance and products/services impacting sustainable development; Management Insight, management knowledge, structural belief, and strategic insights in relation to underlying sustainability risks and opportunities that enable growth and continued competitive market position. Fundamental view on management from a sustainability perspective is compiled.

ESG Engagement

- The Sub-fund seeks to influence companies towards a more sustainable direction. This could include adopting new business models, lowering the emissions of the company or improving social requirements in the value chain. This could be done through direct dialogues with companies, collaboration with other asset managers or partners, or via collaborative initiatives. This could also be done by voting at the shareholder meetings, in support of, or against, specific shareholder- or management proposals.

Exclusions

- The management company excludes companies that are verified not to comply with international standards and conventions concerning human rights, the environment, anti-corruption, or employment rights, and where the company cannot present clear goals and ongoing measures to address the issue(s). If the identified infringements are confirmed and the company does not show an interest in change, or if the change process is unusually protracted, the management company will divest the holdings. Sudden divestment may not take place if this is detrimental to the unit holders or the management company. The management company also excludes companies that produce fossil fuels or use unconventional extraction methods, companies engaged in developing, processing and exploiting coal, oil and/or natural gas resources, companies generating energy from fossil fuels, companies where distribution linked to fossil fuels exceeds 5% of total revenues, and companies for which services related to fossil fuels exceed 50% of total revenues. Product-based exclusions are exclusions based on ethical positions. SEB Investment Management's product-based exclusions are tobacco, recreational cannabis, pornography, commercial gambling, civilian weapons and alcohol. All funds exclude companies that, in conflict with international conventions, are engaged in the manufacturing, development or sale of nuclear and controversial weapons. The sustainable investments that the sub-fund intends to make do not include companies that receive more than 5% of their revenue from the defence industry.

The sustainability policy ensures that no investments, sustainable investments or not, are made in companies that do significant harm to environmental and/or social objectives. The Sub-Fund can invest in companies that are assessed to be in transition in accordance with the Management Company's sustainability policy. More information on exclusion criteria can be found at: https://sebgroup.lu/private/our-funds

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

- **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

  Thematic

  - The sub-fund will invest in companies with a minimum of 20% of revenue derived from economic activities related to the themes.
  - Weighted revenues a minimum of 50% at portfolio level from economic activities related to the sub-fund strategy's themes.

  ESG Integration

  - The sub-fund commits to a minimum proportion of sustainable investments of 85% out of which at least 5 % are Taxonomy aligned.

  ESG engagement

  - The Sub-Fund will seek to influence issuers towards a more sustainable direction through engagement dialogues, either in direct dialogues or in collaborations.

Exclusion

The Sub-Fund will comply with the Management Company's sustainability policy and therefore excludes companies that:

- Breach international norms and standards
- Receive more than 5% of their revenue from the defence industry
- Operate in controversial sectors or business areas such as tobacco, recreational cannabis, pornography, commercial gambling, civilian weapons, and alcohol.
- Have exposure to fossil fuels or other activities with a negative climate impact.
- generating energy from fossil fuels, companies where distribution linked to fossil fuels exceeds 5% of total revenues, and companies for which services related to fossil fuels exceed 50% of total revenues.
- that score low on the Management Company's internal proprietary sustainability score SIMS-S
- that are involved in controversial behavior related to child labor according to our third-party controversy monitoring service.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- **What is the policy to assess good governance practices of the investee companies?**

The Management Company ensures good governance of the securities in the financial product, partly by exclusions and screenings based on:

- sector screenings
- norm breaches
- safeguards, such as adherence to the UN Global Compact, ILO conventions and OECD Guidelines in the investment decision process.

Screening for relevant sanctions is also applied. The Sub-Fund's investments are monitored in these regards as well, as stated in the Management Company's sustainability policy.

The governance of each company held in the Sub-Fund is assessed by several additional factors, including:

- sustainability and independence of board directors
- board and management diversity
- appropriate levels of pay and variable remuneration (including sustainability-linked incentives)
- separation of senior management and board positions
- anti-corruption
- tax evasion practices
- environmental and climate impacts
- human rights
- working conditions, both regarding the company's own operations and through its supply chain.

More information about the Management Company's policy for good governance can be found here: Principle for Shareholder Engagement

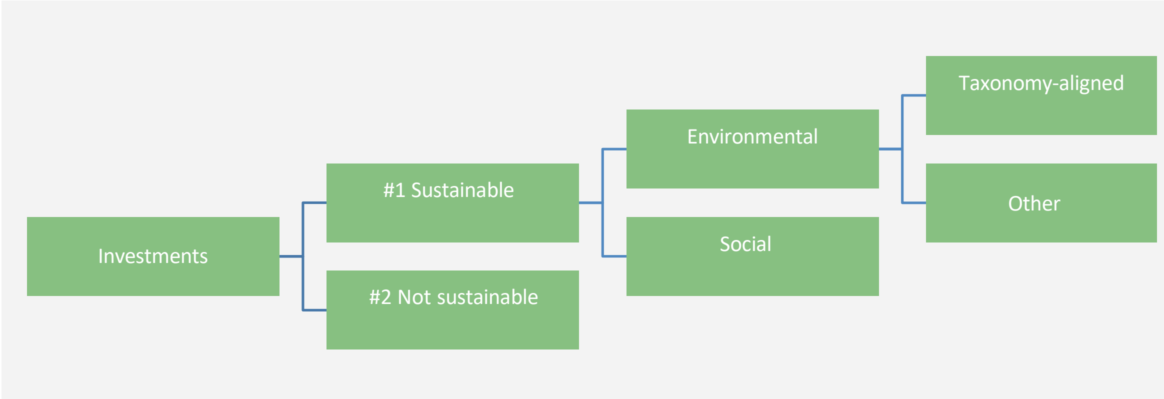
What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

The sub-fund commits to a minimum proportion of sustainable investments of 85% out of a minimum of 5% are Taxonomy aligned. Out of those 85%, a minimum of 40% will be in companies deemed to contribute to environmental objectives, and a minimum of 10% will be in companies deemed to contribute to social objectives.

"#2 Not sustainable" includes cash and derivatives. Where derivatives are used for hedging and liquidity purposes, while cash is used in the meaning of ancillary liquid assets.

The investments in "#2 Not sustainable" need to comply with the Management Company's exclusion policy as the minimum environmental and social safeguards.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

- **How does the use of derivatives attain the sustainable investment objective?**

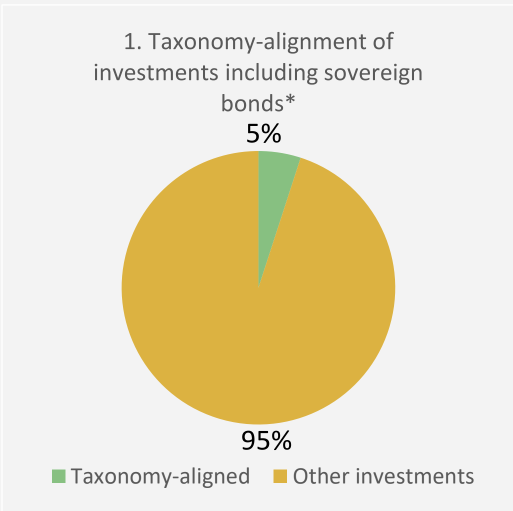
  Not applicable. The sub-fund does not use derivatives as a way to attain the sustainable investment objectives.

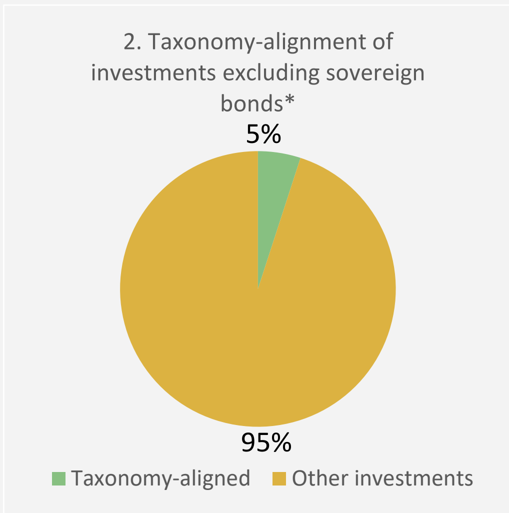
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

5%, as a minimum.

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 two graphs below show in green the minimum percentage of investments that are 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.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- **What is the minimum share of investments in transitional and enabling activities?**

Enabling activities directly enable other activities to make a

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.

Not applicable.

The investments in the Sub-fund may or may not be in transitional and enabling activities. However, the

Fund does not commit to having a minimum proportion of investments in transitional and enabling activities.

- **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

1%.

The sub-fund does not commit to any minimum share of sustainable investments with an environmental objective aligned with the EU Taxonomy, nor does it exclude any investments that would be aligned with the EU taxonomy.

- **What is the minimum share of sustainable investments with a social objective?**

A minimum of 10% will be in companies deemed to contribute to social objectives. The social objectives are connected to the sub-fund's investment themes.

- **What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?**

"#2 Not sustainable" includes cash and derivatives. Where derivatives are used for hedging and liquidity purposes, while cash is used in the meaning of ancillary liquid assets.

The investments in "#2 Not sustainable" need to comply with the Management Company's exclusion policy as the minimum environmental and social safeguards.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

No.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://sebgroup.lu/private/our-funds/our-luxembourg-funds

More information about the sustainability approach of the Management Company can be found on the website:
https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/our-sustainability-approach