

SEB European Defence & Security Fund

Monthly report as of September 30, 2025



Past performance is not indicative of future results. The value of investments and income derived from investments may rise as well as fall. Future returns are not guaranteed, and a loss of principal may occur. Key Information Documents and prospectuses are available at www.sebgroup.lu

Global equity markets advanced in September, with European sentiment improving markedly. It was the strongest September in seven years, providing solid support for defence-related equities. The month was characterised by stable macroeconomic tailwinds, tangible European procurement activity with a regional focus on air defence, ammunition, and sensors; and accelerating capacity investments.

September 2025 marked the first full trading month for the SEB European Defence & Security Fund, following its mid-August launch. The fund delivered a positive return relative to its benchmark, net of fees, supported by the exceptionally strong performance of the defence and aerospace sectors. This contrasted with the broader European equity market.

Performance was driven by positive sector sentiment and company-specific developments. Notably, the DSEI exhibition in London (9–12 September) underscored Europe's growing emphasis on technological sovereignty and closer collaboration between industry and governments. Several new cooperation agreements between European nations were announced, further reinforcing confidence in the sector's medium-term growth outlook.

The fund seeks to systematically invest in companies that strengthen Europe's military and civil resilience. This includes everything from ammunition and air defence to cybersecurity, infrastructure, and industrial "enablers". In doing so, the fund captures a sustained and policy-backed demand, characterised by long horizons and conditions for an attractive risk and return profile.

The fund's structure mirrors the composition of a modern total defence:

- Defence & Security – the military component;
- Critical Infrastructure – the civil component; and
- New Technology & Value Chains– the technological and industrial foundations that enable both.

This positions the fund well for the ongoing transition from political commitment to actual capital allocation. Previously announced financing programmes are now entering the implementation phase, and national investment plans now being deployed.

The fund is therefore not at the end of a cycle, but at the beginning of a new, more structured, and well-financed phase of Europe's rearmament. It is positioned to capture the execution phase, where long-term capital seeks stable return opportunities in a strategically prioritised sector.

Key facts

Fund Manager	Robert Vicsai
Year of launch	2025
NAV at launch (EUR)	100.0
Fund Management Company	SEB Funds AB
Risk Level (SRI-scale 1-7)	4
ISIN-code	SE0025491780
Base Currency	EUR
Share Class	C
NAV	105.72
AuM (MEUR)	47
Number of Holdings	59
Legal Structure	Svensk värdepappersfond
Turnover Ratio	0.56 ¹
Use of derivatives	YES ²
Management Fee (%)	1.50
Ongoing costs (%)	1.57 ³

¹ 12 months rolling, last updated 2025-09-30.

² Derivatives may be used to achieve investment objectives or for hedging.

³ Makes up the sum of management fees and other administration or operating costs as well as transaction costs. More information about the fund's fees and costs can be found in the fund's Key Information Document and prospectus. Last updated 2025-09-30

Return % EUR

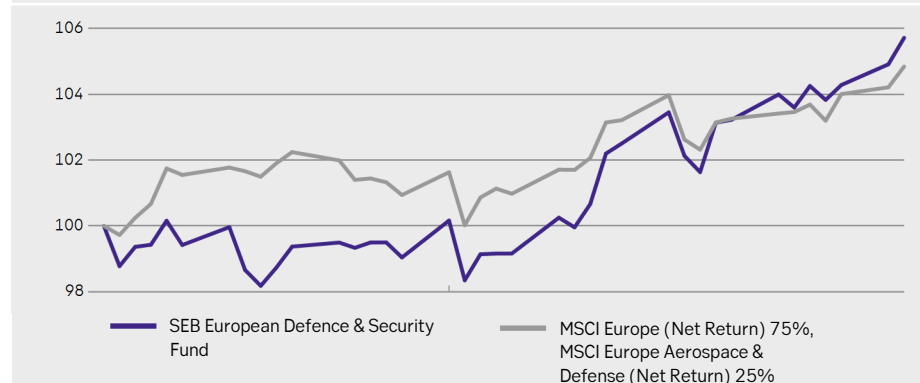
Accumulated since	Fund	Benchmark*
1 month	6.7	3.9
3 months	-	-
Year to date	-	-
1 year	-	-
3 years	-	-
5 years	-	-

Average annual growth

3 years	-	-
5 years	-	-

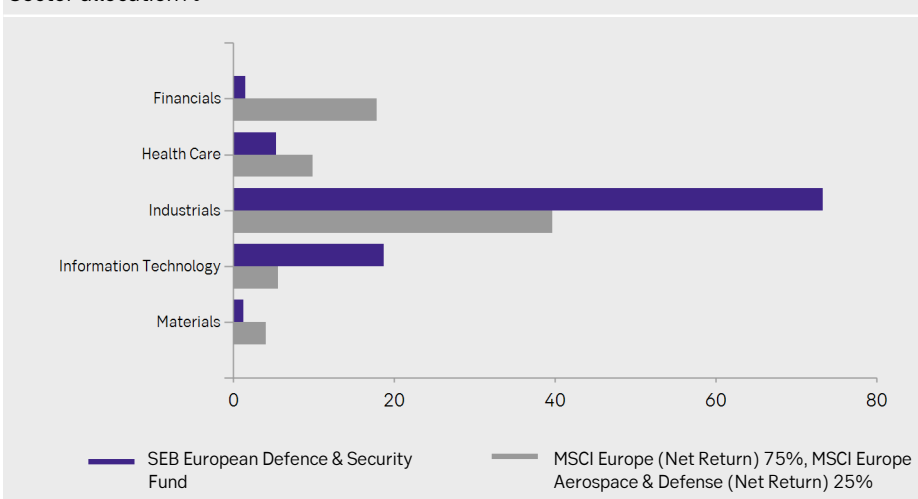
* Benchmark including dividend

Performance % (net of fee)



Performance attribution YTD % (gross of fees)							
	Fund	Index	Relative	Allocation Effect	Selection Effect	Interaction Effect	Total Effect
Communication Services	5.41	-1.11	6.52	0.19	0.11	-0.09	0.21
Consumer Discretionary	0.00	6.03	-6.03	-0.07	0.00	0.00	-0.07
Consumer Staples	0.00	-1.52	1.52	0.47	0.00	0.00	0.47
Energy	0.00	0.51	-0.51	0.14	0.00	0.00	0.14
Financials	-6.78	1.00	-7.78	0.63	-1.39	1.16	0.39
Health Care	0.12	4.34	-4.22	-0.10	-0.42	0.16	-0.37
Industrials	8.22	8.77	-0.54	1.27	-0.20	-0.10	0.96
Information Technology	6.88	9.28	-2.39	0.63	-0.13	-0.37	0.14
Materials	0.97	1.87	-0.90	0.06	-0.03	0.00	0.03
Real Estate	0.00	-3.19	3.19	0.05	0.00	0.00	0.05
Utilities	0.00	1.17	-1.17	0.12	0.00	0.00	0.12
Not Defined	-	-	-	-0.19	0.00	0.00	-0.19
Fund Total	6.75	4.88	1.87	3.18	-2.07	0.76	1.87

Sector allocation%



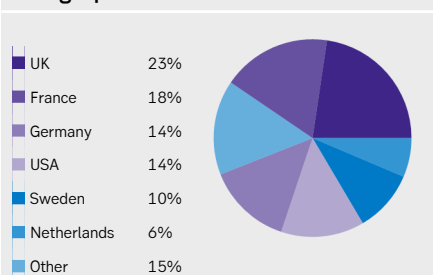
Risk measures

Standard Deviation (Fund)	13.3%
Standard Deviation (Index)	5.1%
Tracking Error	8.3%
Sharpe Ratio	2.8
Information Ratio	0.8
Beta	2.6

Top 10 largest positions % of total

Rolls-Royce Holdings PLC	6.0
Rheinmetall AG	5.8
Airbus SE	5.6
Safran SA	5.4
BAE Systems PLC	4.7
SAP SE	2.8
Schneider Electric SE	2.5
ASML Holding	2.4
Leonardo SpA	2.1
Saab	2.1

Geographic allocation



Source:

SEB Asset Management

The fund's investment policy

The fund aims to increase the value of your investment over time and to outperform its benchmark. Investment policies The fund is actively managed and invests primarily in stocks in the European market, with focus on companies within the defence and security sector. The fund may also invest up to 25% of its assets outside Europe in NATO and/or OECD member states, and Taiwan. The fund focuses on companies that contribute to strengthening Europe's defence capabilities, security and geopolitical autonomy. Key sectors include defence manufacturing, space technology, cybersecurity, infrastructure and critical raw materials. The fund also invests in technologies that support societal resilience, self-sufficiency, resource independence, the energy transition, digitalisation and electrification. Investment decisions are based on in-depth (fundamental) analysis. The return is determined by how much the fund's holdings increase or decrease in value during your holding period. The fund promotes sustainability characteristics and is therefore classified as Article 8 according to the EU Sustainable Finance Disclosure Regulation (SFDR). The fund follows the management company's sustainability policy, which is available at www.sebgroup.com/funds.

Please note: The data and investment comment that are shown in this document – Institutional Monthly Report – represents this specific share class. Consequently, the data and investment comment, may differ depending on which share class you are invested in Please see the fact sheet, or other relevant source, for more information.

Important Information

This material is for marketing purposes only and should not be construed as investment advice. Fund information, including the key information document (KID), prospectus/information brochure, and sustainability-related disclosures, can be found at sebgroupl.lu/funds and/or seb.se/fondlista. The prospectus/information brochure is available in English, and the KIDs are available in the official languages of the jurisdictions where the fund is registered for distribution. The investment concerns the acquisition of units or shares in the fund, not the underlying assets owned by the fund. A summary of investor rights in English can be obtained at: <https://webapp.sebgroupl.com/mb/mblib.nsf/dld/55FC9E8EE8B2D4F5C1258B7B0032B1B6?opendocument>. If past performance or fees are presented in a currency other than that of your country of residence, be aware that they may increase or decrease due to currency and exchange rate fluctuations. Inflation has not been accounted for in performance calculations. The various risks associated with investing in the fund are detailed in the prospectus/information brochure. When deciding whether to invest in the fund, consider not only its sustainability-related features but also all other characteristics detailed in the fund documents. The management company, SEB Funds AB, may decide to terminate the arrangements made for marketing the fund outside the countries in which the fund is established (Luxembourg or Sweden). Neither this material nor the fund(s) described herein is intended for distribution or sale in the United States of America, or to any resident of the United States of America ("US Persons"), and any such use would be unlawful or unauthorised. This material has been prepared by SEB Asset Management AB, org. no. 559419-2774, an investment firm supervised by the Swedish Financial Supervisory Authority and a wholly owned subsidiary of Skandinaviska Enskilda Banken AB (publ).

Risk information

Past performance is not indicative of future results. The value of fund units/shares can rise as well as fall, and you may not get back the amount you invested. Funds with a risk level of 5-7 according to the key information document (KID) can both decrease and increase significantly in value due to their composition and the management methods used.