Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SEB European Equity Small Caps

Legal entity identifier: 5299003MHF7KIZXQAT37

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 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?

☐ Yes	☑ No
☐ It made **sustainable investments with an environmental objective:** _ %	☑ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 20.70% 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
☐ It made **sustainable investments with a social objective:** _ %	☑ with a social objective
	☐ 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 2024 reference period, the fund promoted environmental and social characteristics as follows:

Environmental Characteristics

- **By applying the Management Company's exclusion criteria**: The fund excluded investments in companies operating in industries or areas that were deemed to face significant challenges concerning environmental sustainability.
- **By influencing companies' business models towards greater environmental sustainability:** On behalf of the fund, the Management Company influenced companies by voting at general meetings, engaging in dialogues with management teams and boards, participating in nomination committees, and collaborating with other asset managers or partners.
- **By applying the management company's internal sustainability model, SIMS-S:** The fund used SIMS-S both prior to making investments and as a shareholder to assess sustainability risks and opportunities that could impact the investment's risk, return, and environmental impact on society.
- **By making sustainable investments in companies that support one or more of the following UN Sustainable Development Goals (SDGs) environmental objectives:**
  - **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
  - **SDG 15:** Life on land

  Additionally:

- **Climate change mitigation** through low emissions relative to the company's sector and geographical region.
- **Resource efficiency** concerning water usage, raw material consumption, or waste production relative to the company's sector and geographical region.

Social Characteristics

- **By applying the Management Company's exclusion criteria:**
  The Fund excluded investments in companies operating in industries or areas that were deemed to face significant challenges concerning social sustainability.
- **By influencing companies' business models towards greater social sustainability:**
  On behalf of the Fund, the Management Company influenced companies by voting at general meetings, engaging in dialogues with management teams and boards, participating in nomination committees, and collaborating with other asset managers or partners.
- **By applying the Management Company's internal sustainability model, SIMS-S:**
  The Fund used SIMS-S both prior to making investments and as a shareholder to assess sustainability risks and opportunities that could impact the investment's risk, return, and societal impact.
- **By making sustainable investments in companies that support one or more of the following UN Sustainable Development Goals (SDGs) social objectives:**
  - 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
  - SDG 16: Peace, justice, and strong institutions

  Additionally:

- **Gender equality**, by investing in companies that are more equitable relative to their sector and geographical region.
- **Gender equality, social inclusion, and diversity**, by investing in companies assessed through fundamental analysis to contribute to these objectives.

For more information about the Management Company's sustainability policy, exclusion criteria, methodology for assessing sustainable investments, and the SIMS-S sustainability model, please visit: Our sustainability approach at Asset Management | SEB

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Exclusions	
Number of companies excluded from the investment universe index	**Excluded share of investment universe index**
76	8.82%

SIMS-Score		
	The fund portfolio	**Investment universe index**
Market-weighted SIMS-Score	5.73	5.94
Coverage ratio	100.00%	99.00%

Corporate engagements			
	Total number	**Number of companies**	**Share of the portfolio**
Dialogues	22	17	35.11%
Voting at general meetings	36	35	78.53%
Nomination committees	5	5	10.14%

The fund's benchmark is used to approximate the outcome of the investment universe

...and compared to previous periods?

Exclusions			
	2024	2023	2022
Number of companies excluded from the investment universe index	76	90	93
Excluded share of investment universe index	8.82%	9.04%	-

SIMS-Score			
	2024	2023	2022
The fund portfolio	5.73	4.86	4.88
Investment universe index	5.94	5.19	5.22

At the end of 2023, the Management Company changed its service provider to Morningstar Sustainalytics, potentially resulting in lower overall figures compared. to 2023; however, the emphasis is now on quality over quantity.

Corporate engagements				
		2024	2023	2022
Dialogues	Total number	22	26	13
	Number of companies	17	20	-
	Share of the portfolio	35.11%	40.46%	-
Voting at general meetings	Total number	36	41	43
	Number of companies	35	40	43
	Share of the portfolio	78.53%	91.56%	-
Nomination committees	Total number	5	6	-
	Share of the portfolio	10.14%	9.19%	-

The fund's benchmark is used to approximate the outcome of the investment universe

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 2024 reference period, the Fund committed to making sustainable investments amounting to a minimum share of 0.00%.

The proportion of the Fund's sustainable investments during the 2024 reference period amounted to 20.70%, based on a weighted average of the Fund's sustainable investments per quarter.
Sustainability objectives defined by the Management Company

Social Objectives

- At least 20% of the company's revenues are assessed to contribute to global social goals directly or indirectly linked to the following 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
  - **SDG 16:** Peace, justice, and strong institutions

- Companies outperform peers in the same region on gender equality metrics based on quantitative data.

- Companies demonstrate a high contribution to and exposure to social objectives based on fundamental analysis.

Environmental objectives (aligned with the EU Taxonomy)

- At least 10% of the company's revenues, capital expenditures, or operational expenditures are assessed or reported to significantly contribute to one or more of the six objectives in the EU Taxonomy:
  - Climate change mitigation
  - Climate change adaptation
  - Sustainable use and protection of water and marine resources
  - Transition to a circular economy, including waste prevention and increased use of secondary raw materials
  - Pollution prevention and control
  - Protection and restoration of biodiversity and ecosystems

Environmental objectives not aligned with the EU Taxonomy

- At least 20% of the company's revenues contribute to global environmental goals, directly or indirectly linked to the following UN Sustainable Development Goals (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
  - SD**G 15:** Life on land
- Companies outperform their sector and region in emissions metrics based on quantitative data.
- Companies outperform their sector and region in resource efficiency areas such as water usage, raw material consumption, or waste production based on quantitative data.
- Companies demonstrate a high contribution to and exposure to environmental objectives based on fundamental analysis.

The Management Company applies a "pass/fail methodology," where an entire investment is classified and reported as sustainable if it meets the requirement for contributing, social minimum safeguards, good governance, and avoiding significant harm.

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 sustainability objective, the Fund undertook the following actions during the reference period:

- Excluded companies that did not comply with international norms and standards.
- Excluded companies operating in controversial sectors and business areas.
- Excluded companies with exposure to fossil fuels or other activities with a negative environmental impact (green bonds supporting energy transition or other energy-efficiency projects are allowed).
- Excluded companies deemed not to meet the levels of social safeguards as defined by the EU Taxonomy.
- Relied on assessments from an external analysis partner regarding companies' governance structures, employment practices, tax compliance, and remuneration policies.

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

During the 2024 reference period, the Management Company's model for identifying companies with extreme values among indicators for adverse impacts was utilised to avoid investing in companies that cause significant harm.

The indicators for adverse impacts on sustainability factors applied are those described in Annex I of the technical standards of the Disclosure Regulation (CDR 2022/1288), as well as relevant indicators in Tables 2 and 3 of Annex I to CDR 2022/1288. These indicators are dependent on the current availability of data. However, where sufficient data coverage existed, companies with signficantly negative results in a geographical and sectoral context were excluded from being considered sustainable investments.

Some indicators were addressed through exclusions outlined in the Management Company's sustainability policy, which excludes:

- Companies operating in the fossil fuel sector;
- Companies with operations or facilities located in or near biodiversity-sensitive areas where their activities negatively impact these areas;

- Companies that fail to adhere to international norms and standards, such as the Ten Principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises;
- Companies involved in the manufacturing or sale of controversial weapons (e.g. landmines, cluster munitions, chemical, and biological weapons);
- Companies whose activities negatively affect endangered species.

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

The Fund's investments during the reference period were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through the norm-based exclusion criteria outlined in the Management Company's sustainability policy.
Norm-based exclusions mean that the management company expects issuers to comply with international laws and conventions, such as:

- The UN Principles for Responsible Investment (PRI);
- The Ten Principles of the UN Global Compact;
- The OECD Guidelines for Multinational Enterprises;
- The UN Guiding Principles on Business and Human Rights, including the principles and rights established in the eight core conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the Universal Declaration of Human Rights.

Companies with verified violations were excluded and, therefore, could not be 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 Union criteria

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 described in the Management Company's sustainability policy, which excluded the following:

- Companies operating in the fossil fuel sector.
- Companies with facilities or operations located in or near biodiversity-sensitive areas where their activities negatively impact these areas.
- Companies that do not adhere to international norms and standards, such as the Ten Principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.
- Companies involved in the production or sale of controversial weapons (landmines, cluster munitions, chemical, and biological weapons).
- Companies whose activities affect endangered species.

Sustainability assessment in the fundamental analysis process

In the fundamental analysis process, sustainability assessments were conducted on various aspects of each company, including its products, services, operations, and suppliers. To support the evaluation of companies' sustainability risks and opportunities, the fund managers utilised the management company's proprietary sustainability model, **SIMS-S**.

Through the application of SIMS-S, the following indicators for adverse impacts were considered:
- Greenhouse gas (GHG) emissions from the companies in which we invest.
- The carbon footprint of the companies in which we invest.
- The GHG intensity of the companies in which we invest.
- The proportion of companies operating in the fossil fuel sector.
- Energy consumption intensity by sector with significant climate impact, for the companies in which we invest.
- Whether the companies in which we invest have operations or projects located in or near biodiversity-sensitive areas where activities negatively impact these areas.
- Water emissions generated by the companies in which we invest.
- The volume of hazardous waste generated by the companies in which we invest.

- Whether the companies in which we invest lack processes and compliance mechanisms to monitor adherence to the UN Global Compact's Ten Principles and the OECD Guidelines for Multinational Enterprises.
- The unadjusted gender pay gap within the companies in which we invest.
- Gender diversity on the boards of the companies in which we invest.
- Whether the companies in which we invest have initiatives to reduce carbon emissions with the goal of aligning with the Paris Agreement.
- Whether the companies in which we invest have a supplier code of conduct addressing unsafe working conditions, insecure employment, 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: 1/1/2024--12/31/2024

The Fund's weights are calculated excluding cash and cash-equivalents, which is why the weights in certain cases may appear slightly elevated.

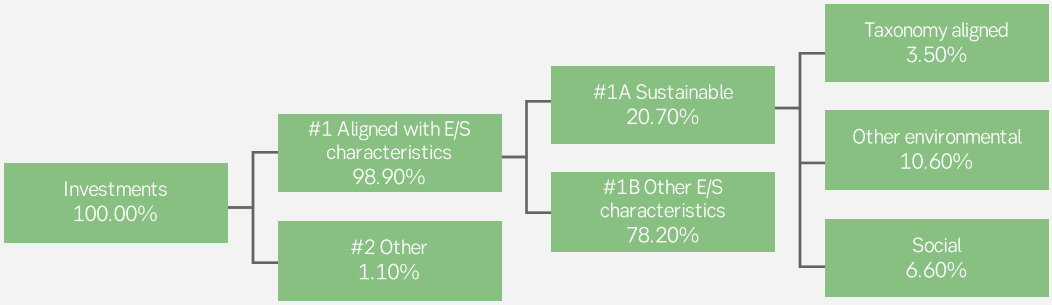
Largest investments	Sector	% of assets	Country
Invisio Communications AB	Industrials	4.40	Sweden
Games Workshop Group PLC	Consumer Discretionary	3.98	Great Britain
Chemometec A/S	Health Care	3.82	Denmark
Trainline PLC	Consumer Discretionary	3.79	Great Britain
Hemnet Group AB	Communication Services	3.52	Sweden
Reply SpA	Information Technology	3.47	Italy
Mensch und Maschine Software SE	Information Technology	3.45	Germany
AAK AB	Consumer Staples	3.29	Sweden
Beijer Ref AB	Industrials	3.25	Sweden
ID Logistics Group	Industrials	3.10	France
Softcat PLC	Information Technology	3.07	Great Britain
Harvia Oyj	Consumer Discretionary	3.04	Finland
SIG Combibloc Group Holdings Sarl	Materials	2.98	Switzerland
Inficon Holding AG	Information Technology	2.89	Switzerland
Burford Capital Ltd	Financials	2.89	United States of America

What was the proportion of sustainability-related investments?

The question is answered in the sub-questions below.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#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 sustainable investments with environmental or social objectives.
-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?

If present in the portfolio, sub-sectors related to fossil fuels, as defined in Article 2.62 Regulation (EU) 2018/1999, are disclosed. Otherwise, only top-level sectors are presented.

Sector	% assets
Materials	3.09
Industrials	19.61
Consumer Discretionary	14.11
Consumer Staples	5.33
Health Care	19.47
Financials	6.41
Information Technology	25.39
Communication Services	5.00
Utilities	0.10
Real Estate	1.49

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

The question is answered in the sub-questions below.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-larbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

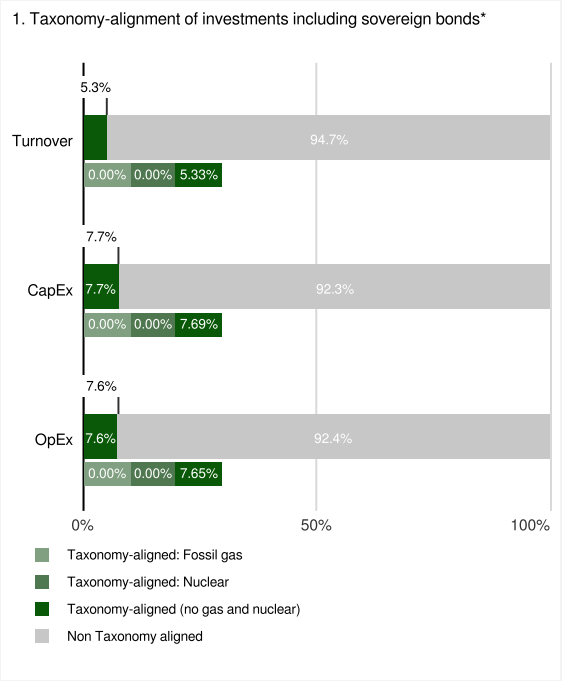
☐ in fossil gas ☐ in nuclear energy

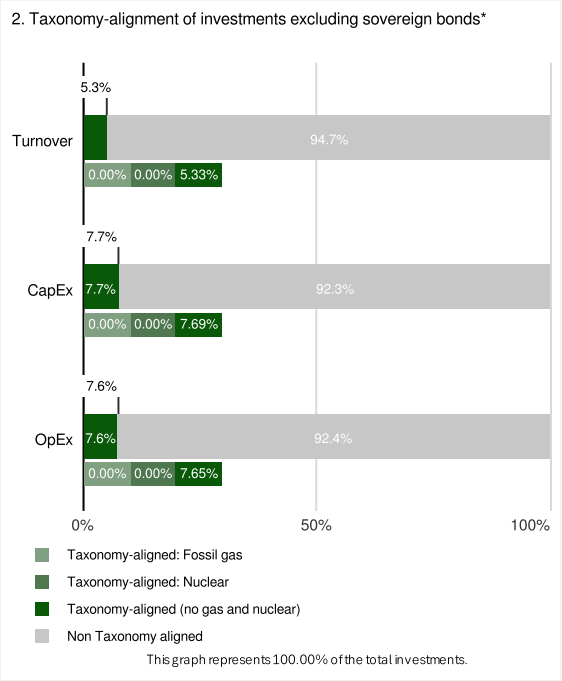
☑ No

[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.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activites 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.*





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

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 2024, the share of investments in transitional activities was 0.15%. The share in enabling activities was 4.45%.

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

	Including sovereign bonds			Excluding sovereign bonds		
	2024	2023	2022	2024	2023	2022
Turnover	5.33%	2.43%	0.10%	5.33%	2.43%	0.10%
Capital expenditure	7.69%	3.87%	0.00%	7.69%	3.87%	0.00%
Operational expenditure	7.65%	4.75%	0.00%	7.65%	4.75%	0.00%

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

During the period, the Fund had a proportion of sustainable investments with an environmental objective that was not aligned

with the EU Taxonomy amounting to 10.60%.

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?

During the period, the Fund had a proportion of socially sustainable investments amounting to 6.60%.

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

During the reference period, the fund utilised cash to manage liquidity and flows. The fund did not consider any environmental or social safeguards necessary for these investments during the reference period

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

During the reference period, the fund promoted environmental and social characteristics by including companies with clear sustainability profiles and companies that are or likely will benefit from regulations targeting environmental change.

One example is Swedish Logistic Property, a company that owns and operates logistic properties in Sweden, as the name suggests. Their business model is to acquire underperforming properties in terms of energy and cost efficiency, and then, through energy-saving measures, improve the properties' energy ratings, which in turn increases rental income. Reducing energy consumption benefits both society and the environment.

Another example is Bonesupport, a company that produces Cerament, a drug proven to heal bone defects by remodeling them to host bone within six to twelve months. The drug is used to treat fractures and bone voids caused by trauma, infection, disease, or related surgery. The usage of the drug lowers patient treatment costs, benefiting society.

A final example is Munters, producer of cutting-edge climate control systems, which assist a wide range of industries, from battery and pharmaceuticals to data centres and food production. Their products enable clients to reducer energy consumption, benefiting the environment.

Active ownership is an important tool in the investment process, serving both to proactively guide companies towards greater sustainability and to reactively demand change from companies that fail to meet the Fund Company's expectations. Over the year, the Fund Company has exercised its influence by participating in nomination committees and voting at annual general meetings.

As one of the largest shareholders in many Swedish and Nordic companies, the management company has maintained ongoing dialogues with management teams and boards. This year's focus areas have included renumeration and incentive programmes linked to sustainability factors, as well as increased reporting and transparency regarding companies' climate impact.

For example, the fund have worked to align management incentives with a long-term sustainability perspective at Chemometec and Napatech. Additionally, there has been a focus on incorporating sustainability targets into management remuneration, which has led to fruitful outcomes at Chemometec. Engagement on this matter has also been initiated with Invisio.

The fund excludes companies that fail to meet the management company's stringent sustainability criteria. This is ensured through the Fund Company's screening process and risk management function. As part of its exclusion strategy, the fund does not invest in companies operating in the fossil fuel sector.

For this reason, the fund has chosen not to invest in Okea, among other companies, as the company's business is primarily focused on the extraction of oil and gas.

For more information about the Management Company's sustainability policy, exclusion criteria, and assessment methodology for sustainable investments, please visit: Our sustainability approach at Asset Management | SEB

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.

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

- **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.