Product name: SEB Global Climate Opportunity Fund

Legal entity identifier: 529900R9A2RR7UQERR02

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 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**

- ☑ It made **sustainable investments with an environmental objective:** 99.40 %
  - ☑ 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
- ☐ It made **sustainable investments with a social objective:** _ %

☐ **No**

- ☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of _% of sustainable investments
  - ☐ with an environmental objective in economic activities that 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 promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

During the 2024 reference period, the fund had environmental sustainability as its investment objective. The fund's sustainability objective sought to create a positive climate impact and to contribute to the long-term objective of the Paris Agreement.

The sustainability approach focused on companies that contributed to at least one of the six environmental objectives set out in Article 9 of the EU Taxonomy Regulation. The alignment of the companies' activities with the objectives of the EU Taxonomy Regulation was based on data from third-party vendors. Depending on the investment opportunities, the fund could contribute to any of the six objectives under the EU Taxonomy Regulation. The fund also considered companies whose products and services contributed to the climate-related UN Sustainable Development Goals and sought to influence companies on sustainability issues through active ownership. All equities were assessed and measured in terms of their ability to contribute to combatting climate change.

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 snapshot and a forward-looking perspective for each company. This provides fund managers with 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 towards greater sustainability. The fund company influenced companies on behalf of the fund by voting at general meetings, through dialogues with management teams and boards, and in collaboration 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.

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

How did the sustainability indicators perform?

For the 2024 reference period, the following results were achieved for the Sub-Fund's sustainability indicators:

- A score based on revenues from a company's products and services that contribute to one or several of the climate-related UN Sustainability Development Goals (SDGs), including SDG 7 (Clean Energy), SDG 13 (Climate Action), SDG 14 (Life Below Water), SDG 15 (Life on Land), SDG 12 (Responsible Consumption), and SDG 11 (Sustainable Cities) compared against the benchmark; the outcome was a Net contribution of ~3 units higher than the benchmark (MSCI All Country World Net Return Index). The scores range from -10 to 10.
- The level of greenhouse gas reduction targets using the SBTi methodology was compared to the benchmark; the outcome was ~36% higher than the benchmark (MSCI All Country World Net Return Index). The scores range from 0 to10.
- Reported and estimated Taxonomy alignment was compared to the benchmark; the outcome was ~31 percentage units higher than the benchmark (MSCI All Country World Net Return Index).
- Carbon intensity measured as Scope 1 and Scope 2 emissions, was compared to the benchmark. Scope 1 refers to direct emissions and Scope 2 refers to emissions from purchased energy by a company. The outcome was approximately 52% lower than the benchmark (MSCI All Country World Net Return Index). The unit of carbon intensity is measured as $tCO_2e/mUSD$ (tonnes of CO_2 equivalent per million US dollars) revenue (Scopes 1 and 2).

...and compared to previous periods?

For the 2023 and 2022 reference period, the following results were achieved for the Sub-Fund's sustainability indicators:

Difference between portfolio and benchmark	2023	2022
SDG Products and Services Score	3 units	4 units
Level of greenhouse gas reduction targets	1.1%	7%
Taxonomy alignment	37 percentage points	15 percentage points
Carbon intensity	33%	20%

How did the sustainable investments not cause significant harm to any sustainable investment objective?

To ensure that no sustainable investment caused significant harm to any environmental or social sustainability objective, the Sub-Fund undertook the following actions during the reference period:

- Excluded companies failing to comply with international norms or standards.
- Excluded companies operating in controversial sectors and business areas.
- Excluded companies with exposure to fossil fuels or other activities that negatively impact the environmental.
- Excluded companies deemed not to meet the required levels of social safeguards as defined by the EU Taxonomy.
- Relied on external assessments regarding companies' governance structures, employment practices, tax compliance, and remuneration policies.

The fund applied an additional layer of screening, where companies identified as sustainable by the central process needed to have an even higher controversies score and minimal obstruction from products and services to be investable. These companies also needed to achieve a certain rating in SIMS-S.

Apart from the data-driven analysis and exclusion process, each sustainable investment was subject to additional fundamental tests to determine whether it caused any significant harm to any other environmental or social sustainability objective.

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 used to avoid investing in companies that caused significant harm.

The indicators for adverse impacts on sustainability factors that were applied included 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 depended on the current availability of data. However, where sufficient data coverage was available, companies with significantly negative results in a geographical and sectoral context were not permitted as sustainable investments.

Some indicators were considered 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 have a negative impact on 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 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, as well as the Universal Declaration of Human Rights.

Companies with verified violations were excluded and, therefore, were not considered sustainable investments.

How did this financial product consider principal adverse impacts on sustainability factors?

During the reference period, the Sub-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 have a negative impact on 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 (e.g. landmines, cluster munitions, chemical, and biological weapons).
- Companies whose activities negatively impact endangered species.

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

- 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 have a negative impact on 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 addressing unsafe working conditions, precarious work, child labour, or forced labour.

In the fund's fundamental analysis process, a sustainability assessment of, among other things, each company's products, services, operations, and suppliers was conducted.

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

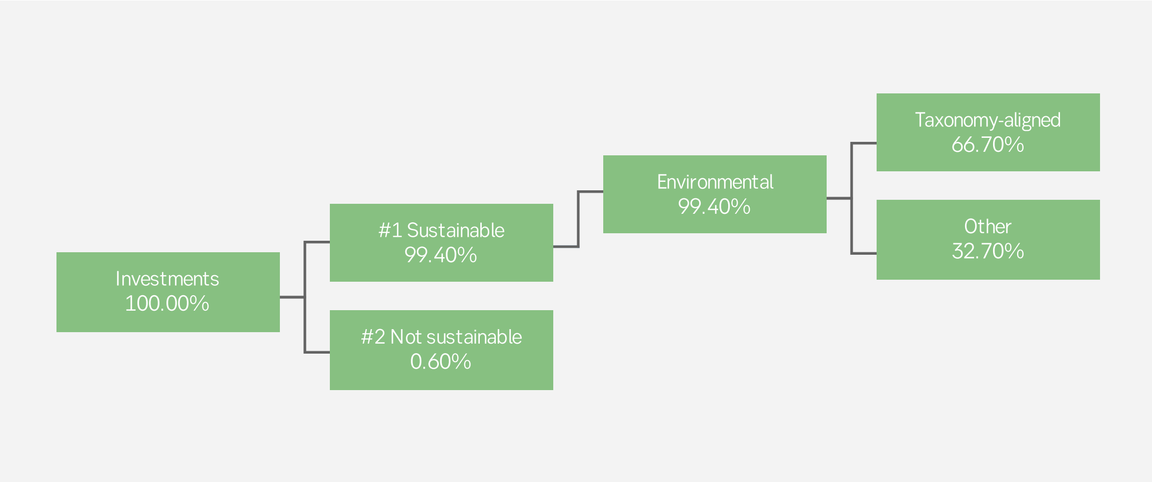
Largest investments	Sector	% of assets	Country
Nvidia Corp	Information Technology	2.60	United States of America
Simon Property Group Inc	Real Estate	2.55	United States of America
Carlisle Cos Inc	Industrials	2.40	United States of America
Applied Materials Inc	Information Technology	2.38	United States of America
ERG SpA	Utilities	2.32	Italy
AvalonBay Communities Inc	Real Estate	2.22	United States of America
Essex Property Trust Inc	Real Estate	2.18	United States of America
Getlink SE	Industrials	2.15	France
Brambles Ltd	Industrials	2.03	Australia
Cadence Design Systems Inc	Information Technology	1.94	United States of America
Verbund AG	Utilities	1.79	Austria
Otis Worldwide Corp	Industrials	1.75	United States of America
Klepierre SA	Real Estate	1.68	France
Terna Energy SA	Utilities	1.65	Greece
WSP Global Inc	Industrials	1.58	Canada

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 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which 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) of Regulation (EU) 2018/1999, are disclosed. Where such sub-sectors are not applicable, only top-level sector classifications are reported.

Sector	% assets
Materials	8.50
Industrials	24.90
Consumer Discretionary	10.45
Consumer Staples	0.90
Health Care	0.14
Financials	0.08
Information Technology	22.56
Communication Services	0.04
Utilities	16.66
Real Estate	15.79

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

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.

The question is answered in the sub-questions below.

- **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

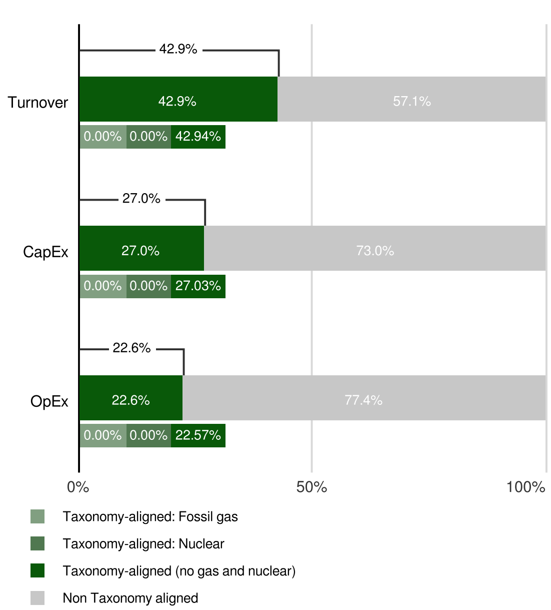
☑ No

[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.

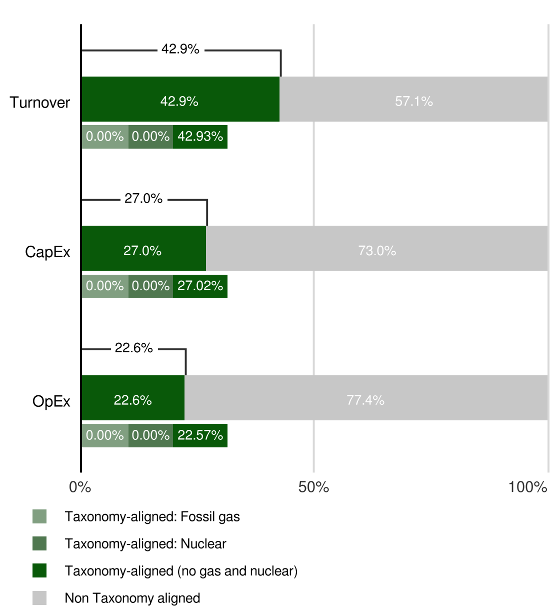
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activites of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 100.00% of the total investments.

** 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 0.34%. The share in enabling activities was 6.13%.

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

	Including sovereign bonds			Excluding sovereign bonds		
	2024	**2023**	**2022**	**2024**	**2023**	**2022**
Turnover	42.94%	15.48%	12.50%	42.93%	15.48%	12.50%
Capital expenditure	27.03%	12.10%	3.40%	27.02%	12.10%	3.40%
Operational expenditure	22.57%	9.98%	0.00%	22.57%	9.98%	0.00%

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

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.

During the period, the Sub-Fund included a proportion of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy, amounting to 32.70%.

What was the share of socially sustainable investments?

During the period, the Sub-Fund had a proportion of socially sustainable investments amounting to 0.00%.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

During the period, the fund used cash 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 attain the sustainable investment objective during the reference period?

During the year, the Sub-Fund invested in companies that maintain the fund's objective, which aims to create a positive contribution to combatting climate change and its impacts through, among other ways, a long-term reduction in carbon emissions by fulfilling one or more of the thresholds listed below:

- At least 10% of the company's revenue, capital expenditure, or operating costs is classified by estimation or reporting as significantly contributing to at least one of the six EU Taxonomy goals;
- At least 20% of the company's revenues is 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, rawmaterial consumption, or waste generation, according to quantitative data; and
- The company has undergone fundamental analysis and is assessed as making a high contribution and having a significant exposure to environmental objectives

During the year, the Sub-Fund focused more on investing in companies with approved or committed science-based targets and those reporting EU Taxonomy-aligned revenue.

An example of such a holding is Getlink SE, a French transportation company. The company manages key assets such as Eurotunnel (cross-Channel transport), Europorte (a rail freight operator), and ElecLink (a 1GW electricity interconnector between France and the UK).

Rail transport, as facilitated by Getlink, is a highly sustainable mode of transportation, directly supporting environmental UN Sustainable Development Goals (SDGs). By enabling trains to traverse the Eurotunnel, Getlink plays a critical role in the transition from air travel to rail, significantly reducing CO2 emissions. Furthermore, the installation of a 1GW direct current interconnector via the tunnel minimises disruption to marine and terrestrial ecosystems, underscoring the company's commitment to environmental stewardship.

The fund excludes companies that do not meet the management company's extensive criteria for sustainability. In addition, this fund includes additional exclusion criteria. The fund manager reviews norm-based research reports on each company entering the fund at each rebalancing to ensure that companies are identified if, among other things, they are involved in child labour, forced labour, or have established their country of incorporation in tax haven countries. If a company is involved in such controversies and has not expressed any commitment to prevent future occurrences, the company is excluded until further notice.

During 2024, the fund actively decided not to invest in 3M Co due to several controversies related to the substance PFAS. 3M, based in the US, produces industrial and consumer products, including PFAS. In Belgium, its Zwijndrecht unit was linked to significant PFAS pollution, leading to government-mandated remediation efforts and a €571 million settlement. Similarly, in the Netherlands, 3M faces legal action over PFAS contamination of the Scheldt River, prompting investigations and liability discussions. In the US, 3M agreed to a $10.3 billion settlement for PFAS-contaminated water systems and continues remediation efforts, with the US Environmental Protection Agency citing "imminent and substantial endangerment." The company plans to phase out PFAS manufacturing by 2025, while stakeholders and authorities monitor its actions and liabilities worldwide.

When it comes to engagements, the management company engaged with holdings in the fund during 2024 as shown below:

Corporate engagements			
	Total number	Number of companies	Share of the portfolio
Dialogues	22	18	17.26%
Voting at general meetings	38	38	34.83%
Nomination committees	0	0	0.00%

Additional Measures

The sustainability team of the Fund Company focused on two main areas of corporate engagement. A new focus area, chemical management, was introduced. Companies that fail to manage their chemicals properly can cause significant negative impacts on both the environment and human health, making this a key theme for corporate engagement. Additionally, the existing efforts to combat corruption have been further developed. In this area, the Fund Company are active members of the Investors Integrity Forum (IIF) and collaborate with other Swedish investors to fight corruption. This work is essential, as widespread corruption negatively impacts societal development. Over the past two years, the focus has particularly been on the real estate and construction sectors.

In 2024, new sustainability data providers were also analysed and procured. These acquisitions broaden perspectives on sustainability, improve the quality of existing data, and increase coverage. Examples include a new provider of gender equality data and the purchase of biodiversity data from an existing provider.

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

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

The Sub-Fund did not use a benchmark index to achieve its sustainable investment objective.

- **How did the reference benchmark differ from a broad market index?**

  The Sub-Fund did not use a benchmark index to achieve its sustainable investment objective.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

  The Sub-Fund did not use a benchmark index to achieve its sustainable investment objective.

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

  The Sub-Fund did not use a benchmark index to achieve its sustainable investment objective

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

  The Sub-Fund did not use a benchmark index to achieve its sustainable investment objective.