

Product name: SEB Global High Yield Fund

Legal entity identifier: 529900RTP2A7L4BE1P36

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 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?

<input checked="" type="radio"/> <input type="radio"/> Yes	<input checked="" type="radio"/> <input type="radio"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ___% <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input type="checkbox"/> 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 <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> 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?

The sub-fund promoted environmental and social characteristics within the meaning of Article 8 of SFDR. This was achieved partly through the exclusion of business models with a significant, negative social and/or environmental impact, and partly through sustainable integration of investments in companies that successfully managed sustainability risks and opportunities within their operations and products/services. In addition, monitoring and engagement dialogues were exercised to influence companies in a more sustainable direction.

The sub-fund used the SIMS-S framework and scored in its sustainable integration process.

The SEB Investment Management Sustainability Score (the "SIMS-S") was central to our sustainability integration process and evaluation. SIMS-S focused on risks and opportunities related to sustainable development in company management, products & services and operations, using metrics such as alignment with the Paris Agreement, carbon footprint, gender diversity, Taxonomy alignment, and sustainable development goals' ("SDG") revenues.

The SIMS-S consisted of overall scores and underlying component scores. Each of them had two versions, a raw and an adjusted score. The raw score was the issuer's standalone overall sustainability score, whereas the adjusted was sector and region adjusted. The underlying component scores, building up to the overall SIMS-S, made it possible to have a specific focus on specific sustainability topics. The SIMS-S ranged between 0 and 10, with 10 being the highest sustainability score.

The sub-fund did not use a benchmark. Consequently, no benchmark was designated for the purpose of attaining the environmental and social characteristics that the sub-fund promoted.

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

● How did the sustainability indicators perform?

The outcome for SIMS-S adjusted score was 5.5 in the portfolio. The score for each company is adjusted by sector and region with a scale range from zero to ten, the higher the score the better. This makes the distribution relatively normalised with an average around five. The portfolio scoring above five means that the companies in the portfolio are better than average from a sustainability perspective.

The fund has invested in sustainable bonds during the year, and now has a total of 7.6% sustainable labelled bonds, and the investment universe has 4.7%. The sustainable bonds can be green, social, sustainability bonds or sustainability linked bonds.

The fund excluded 13.8% of the investment universe and were excluded due to them either violating human rights, contributing to serious environmental damage, or developing products and services that we consider unsustainable.

The fund had a total of 76 engagement dialogues during 2022, of which 13 were direct dialogues and the remaining via EOS at Federated Hermes.

● **...and compared to previous periods?**

During the year, the Fund Company has developed, and quantified which indicators are included in the Fund. Based on this development, it is not accurate to compare the Fund's indicators with previous periods.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The product did not commit to any sustainable investments during the period.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

The product did not commit to any sustainable investments during the period.

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

The product did not commit to any sustainable investments during the period.

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

The product did not commit to any sustainable investments during the period.

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 EU criteria.

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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

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

Prior to the investment decision, the following PAIs were considered:

· On an exclusionary basis:

From Annex 1 – Table 1 of CDR (EU) 2022/1288

- PAI 4: Exposure to companies active in the fossil sector
- PAI 10: Violations of UN Global Compact Principles & OECD Guidelines for multinational enterprises
- PAI 14: Exposure to controversial weapons

· During the ESG integration process using the SIMS-S combined with fundamental analysis:

From Annex 1 - Table 1 of CDR (EU) 2022/1288

- PAI 1: GHG emissions
- PAI 2: Carbon footprint
- PAI 3: GHG intensity of investee companies
- PAI 4: Exposure to companies active in the fossil sector
- PAI 7: Activities negatively affecting biodiversity-sensitive areas
- PAI 8: Emissions to water
- PAI 9: Hazardous waste ratio
- PAI 10: Violations of UN Global Compact Principles & OECD Guidelines for multinational enterprises
- PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD guidelines for Multinational Enterprises.
- PAI 12: Unadjusted gender pay gap
- PAI 13: Board gender diversity
- PAI 14: Exposure to controversial weapons

During the investment period, these PAIs are considered:

- In engagement dialogues with issuers:
PAI 13 from Annex 1 - Table 1 of CDR (EU) 2022/1288



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: Jan 1, 2022 to Dec 31, 2022

Largest investments	Sector	% Assets	Country
CCO Holdings LLC / CCO Holdings Capital Corp	Consumer Discretionary	1.81	United States
Deutsche Bank AG	Financials	1.52	Germany
CHS/Community Health Systems Inc	Health Care	1.14	United States
Gray Television Inc	Communication Services	1.11	United States
SES SA	Communication Services	1.09	Luxembourg
Tenet Healthcare Corp	Health Care	1.09	United States
ZF Finance GmbH	Consumer Discretionary	1.06	Germany
Telia Co AB	Communication Services	1.01	Sweden
Carnival Corp	Consumer Discretionary	0.98	United States
Ball Corp	Materials	0.98	United States
Sirius XM Radio Inc	Consumer Discretionary	0.96	United States
EDP - Energias de Portugal SA	Utilities	0.94	Portugal
PPF Arena 1 BV	Information Technology	0.93	Netherlands
IHO Verwaltungs GmbH	Consumer Discretionary	0.92	Germany
Albertsons Cos Inc / Safeway Inc / New Albertsons LP / Albertsons LLC	Consumer Staples	0.91	United States

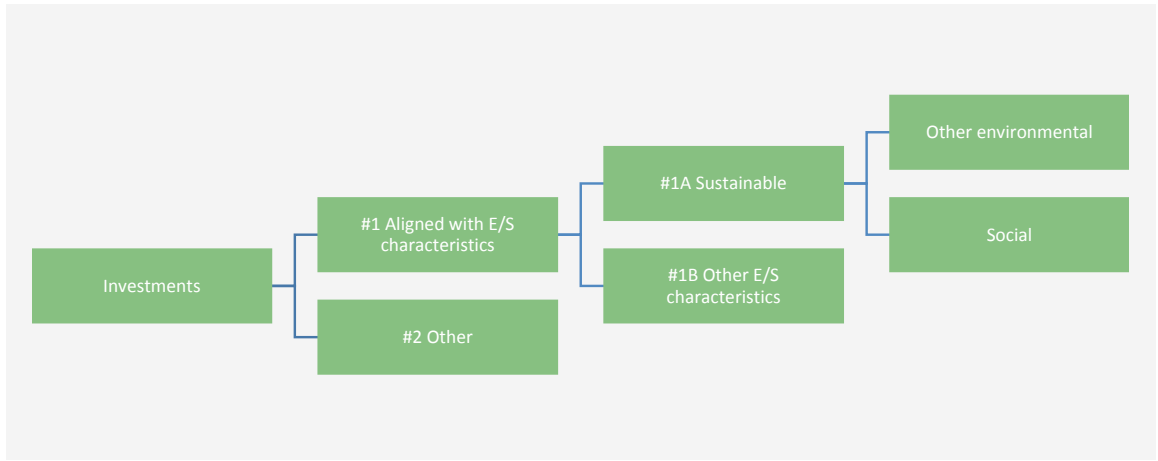


What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?

As at 31 December 2022 89.68% of the Assets under Management were aligned with E/S characteristics. As at 31 December 2022 10.32% of the Assets under Management were classified as "Other". These Assets consisted of Cash, Currency Contracts, Futures and Other Derivatives. The product did not commit to any sustainable investments during the period, and only cash, derivatives and sovereign exposures would fall under Other.



#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. As at 31 December 2022 89.68% of the Assets under Management were aligned with E/S characteristics.

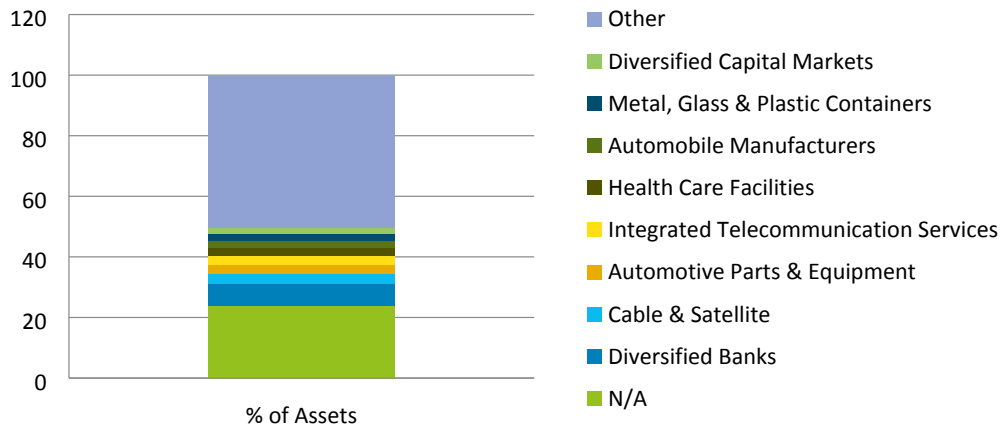
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments. As at 31 December 2022 10.32% of the Assets under Management were classified as "Other". These Assets consisted of Cash, Currency Contracts, Futures and Other Derivatives.

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?

Investments were made in the following sub-sectors, with a breakdown of the 10 largest sub-sectors:



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

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

- Yes:
- In fossil gas In nuclear energy
- No

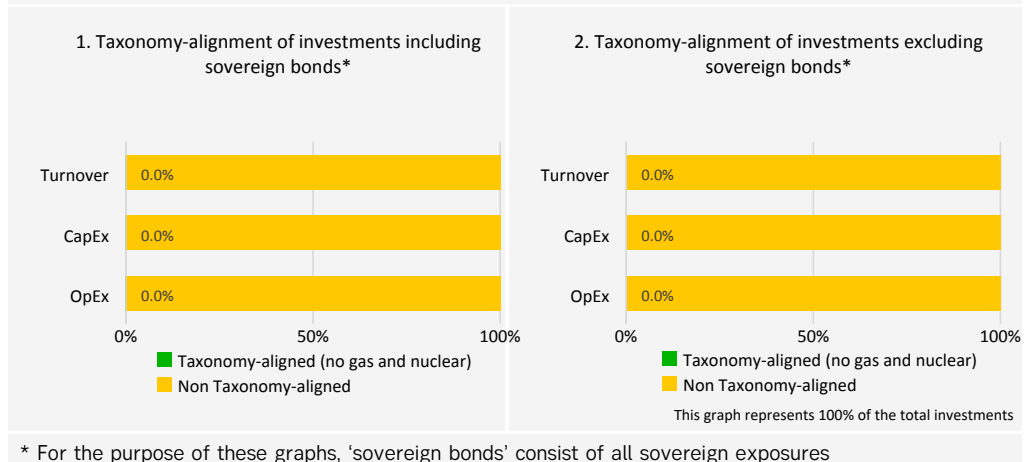
* available data on the sub-fund's investments are reported to be zero.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green

economy.
 - **operational expenditure** (OpEx) reflects the 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.



● **What was the share of investments made in transitional and enabling activities?**

The proportion of investments in transition activities and enabling activities are so low in relation to the fund's investments that, given uncertainties linked to data quality, it does not make sense to report this separately.

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

Due to ambiguity around on the allowed use of estimated taxonomy alignment data for taxonomy reporting there are no previous reporting to compare this year's taxonomy alignment to.



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

The product did not commit to any sustainable investments with an environmental objective during the period.

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?

The product did not commit to any sustainable investments with a social objective during the period.



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

Cash in the meaning of ancillary liquid assets, sovereigns, supranationals (when not a sustainability labeled bond), mortgage bonds/covered bonds (when not a sustainability labeled bond), other investments for where data is missing and derivatives.

The purpose of cash is liquidity and flows, the purpose of derivatives was efficient portfolio management techniques and the purpose of mortgage bonds, sovereigns, supranationals was for allocation/investment strategy reasons. The minimal environmental and social minimum safeguards include for mortgage bonds the exclusionary process where issuers with confirmed breaches of international

norms and standards are excluded and for sovereigns and supranationals there were no investments made in entities under US, EU, UK or OECD sanctions.



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

The fund has invested in green bonds during the year. The green bonds are bonds where the use of proceeds is earmarked for investments with a clear positive environmental impact. One such green bond investment has been Ørsted. Ørsted has a clear green energy vision and was the first energy company to have its net-zero target validated by Science-Based Targets initiative (SBTi). Their green bond framework has a dark green shading from third party provider Cicero. The proceeds of their green bonds go to financing offshore and onshore wind power, as well as solar PV projects which have a substantial contribution to climate change mitigation.

The fund excludes companies that do not meet the fund company's extensive criteria for sustainability. One such company in the fund's investment universe, is the integrated oil and gas company, Repsol. Despite its efforts in renewable energy, they face significant environmental risks in the area of climate change, due to Repsol Oil & Gas Canada Inc.'s hydraulic fracturing for the production of unconventional oil and gas. The company has also been involved in human rights controversies. For these reasons, Repsol is excluded from our investment universe.

The fund managers have had engagement dialogues with companies related to their sustainability work. The dialogues have had a focus on environmental characteristics, with reducing greenhouse gas emissions being the main target. Reporting on scope 1-3 emissions, and a clear pathway to reducing these by committing to science-based targets have been our main points of engagement. During the year, we have had engagement dialogues with Huh-tamaki, Ball corporation, Volvo Cars and Teollisuuden Voima Oyj, among others.



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

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

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