



Prospectus

SEB High Yield

with its current Sub-Funds

SEB Global High Yield Fund

SEB Climate Focus High Yield Fund

Undertaking for Collective Investment in Transferable Securities under the Luxembourg law of 17 December 2010 on Undertakings for Collective Investment

R.C.S Luxembourg K56

April 2024

Important information

It is not permitted to supply information or explanation that differs from the Prospectus or the Management Regulations.

SEB Investment Management AB is not liable if and to the extent that such divergent information or explanations are supplied.

Statements made in this Prospectus are based on the law and practice currently in force in the Grand Duchy of Luxembourg and are subject to changes in those laws or practice.

This Prospectus is only valid, when used in connection with the applicable KIID, the Management Regulations and the audited annual report of the Fund, the report date of which must not be older than 16 months. This report should be accompanied by the un-audited semi-annual report of the Fund, if the annual report date is older than eight months.

The distribution of the Prospectus and the offering of the Sub-Funds and their Unit Classes may be restricted in certain jurisdictions. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to subscribe to Units pursuant to this Prospectus to inform themselves of, and to observe all applicable laws and regulations of any relevant jurisdictions. Prospective investors should inform themselves as to the legal requirements and consequences of applying for, holding, converting and disposing of Units and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

This Prospectus does not constitute an offer or solicitation to subscribe to the Units by anyone in any country in which such offer or solicitation is unlawful or unauthorized, or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this Prospectus in certain countries may require it to be translated into languages specified by the regulatory authorities of those countries. Should any inconsistency arise between the translated and the English versions of this Prospectus, the English version shall always prevail.

Glossary of terms

The following summary is qualified in its entirety by reference to the more detailed information included elsewhere in this Prospectus.

Base Currency	the currency of denomination of the different Sub-Funds as defined under each Sub-Fund in part II of the Prospectus "The Sub-Funds".
Branch	SEB Investment Management AB, Luxembourg Branch.
Central Administration	The Bank of New York Mellon SA/NV, Luxembourg Branch.
Class / Unit Class	the Management Company may decide to issue, within each Sub-Fund, separate classes of Units whose assets will be commonly invested but where a specific entry or exit charge structure, minimum investment amount, distribution policy or any other feature may be applied.
Commitment method	the commitment method calculates all derivative exposure as if they were direct investments in the underlying positions after consideration of netting or hedging. The total exposure to markets deriving from derivatives may not exceed 100% of the Net Asset Value of the Sub-Fund so that the global exposure of the Sub-Fund to the equity, bond and money markets may not exceed 200% of the Net Asset Value of the Sub-Fund.
Collateral Policy	The collateral policy for OTC derivatives & efficient portfolio management techniques for SEB Investment Management AB.
Consolidation currency	The consolidation currency of the Fund, being EUR.
CSSF	The Luxembourg Financial Supervisory Authority - "Commission de Surveillance du Secteur Financier".
Depository	Skandinaviska Enskilda Banken (publ), AB Luxembourg Branch.
Directive 2009/65/EC	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended from time to time.
EU	European Union
ESMA	European Securities and Markets Authority, previously the Committee of European Securities Regulators.
FATCA	US Foreign Account Tax Compliance Act
FATF	Financial Action Task Force
Feeder UCITS	A sub-fund qualifying as a UCITS feeder sub-fund as defined in chapter 9 of the Law

Finansinspektionen	The Swedish Financial Supervisory Authority
Fund	SEB High Yield is organised under the Law as a common fund (FCP – fonds commun de placement). It currently comprises two Sub-Funds The term “Fund” shall be read in the general part of the prospectus as meaning the whole umbrella SEB High Yield or any of its Sub-Funds, as the case may be.
Institutional Investor	An undertaking or organisation, within the meaning of Article 174 of the Law such as credit institutions, professionals of the financial sector – including investment in their own name but on behalf of third parties who are also investors within the meaning of this definition or pursuant to a discretionary management agreement - insurance and reinsurance companies, pension funds, Luxembourg and foreign investment schemes and qualified holding companies, regional and local authorities
KIID	key investor information document of a unit Class
Law	the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended from time to time
Management Company	SEB Investment Management AB, acting directly or through the Branch, as the case may be
Management Regulations	the management regulations of the Fund as amended from time to time
Member State	a member state(s) of the EU. The states that are contracting parties to the Agreement creating the European Economic Area other than the Member States of the EU, within the limits set forth by this Agreement and related acts, are considered as equivalent to Member States of the EU
NAV – Net Asset Value per Unit	the value per Unit of any Class determined in accordance with the relevant provisions described in this Prospectus and the Management Regulations
OECD	Organisation for Economic Co-operation and Development
Prospectus	the currently applicable prospectus of the Fund, as amended and updated from time to time
RCS	Luxembourg Trade and Companies Register, Registre de Commerce et des Sociétés
Reference Currency	the currency of denomination of the relevant Class in the Sub-Funds
SEB Group	Skandinaviska Enskilda Banken AB (publ) and all its subsidiaries
SFDR	Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended

Sub-Fund	a separate portfolio of assets which is invested in accordance with a specific investment objective
	The Sub-Funds are distinguished mainly by their specific investment policy, their Base Currency and/or any other specific feature. The particulars of each Sub-Fund are described in part II of the Prospectus “The Sub-Funds” The board of directors of the Management Company may, at any time, decide on the creation of further Sub-Funds and in such case, the part II of the Prospectus will be updated. Each Sub-Fund may have one or more Classes
UCI	Undertaking for Collective Investment
UCITS	Undertaking for Collective Investment in Transferable Securities
Unitholder	the holder of Units in any Sub-Fund
Units	units of any Sub-Fund
UN SDGs	United Nations’ Sustainable Development Goals
US	United States of America
Valuation Day	the day on which the NAV per Unit is calculated
	This day is defined as any bank business day in Luxembourg except 24 December and 31 December (“Bank Business Day”) unless stated in the relevant Sub-Fund.)
Website of the Branch	www.sebgroup.lu

I. The Fund	8
1. General information.....	8
2. Involved parties.....	9
2.1. Presentation of involved parties.....	9
2.2. Description of involved parties.....	11
2.2.1. The Management Company.....	11
2.2.2. The Central Administration and Paying Agent.....	11
2.2.3. The Investment Manager.....	12
2.2.4. The Global Distributor.....	12
2.2.5. The Depository.....	12
3. Investment Objective and Policy.....	14
3.1. Sustainability approach & Integration of Sustainability Risks.....	15
3.2. Eligible Assets.....	17
3.3. Investment restrictions applicable to Eligible Assets.....	20
3.4. Unauthorized investments.....	25
3.6. Counterparty selection.....	26
3.7. Collateral management.....	26
4. Information on risk.....	29
4.1. General information.....	29
4.2. Risk factors.....	29
4.3. Risk management process.....	33
5. Units.....	34
5.1. Unit Classes.....	34
5.1.1. Investor groups.....	34
5.1.2. Available currencies.....	35
5.1.3. Dividend policy.....	35
5.1.4. Hedging policy.....	35
5.1.5. Available classes.....	36
5.1.6. Registered Units.....	36
5.2. Issue of Units.....	36
5.2.1. Restriction on issue.....	37
5.2.2. Anti-money laundering procedures.....	38
5.2.3. Late trading and market timing.....	39
5.3. Redemption of Units.....	39
5.3.1. Compulsory Redemption of Units.....	40
5.4. Conversion of Units.....	41
5.5. Cut-off Time.....	41
6. Charges.....	41
7. NAV calculation.....	42
7.1. Suspension of the calculation of the NAV.....	43
8. Mergers.....	43
9. Duration and liquidation of the Sub-Funds of the Fund.....	43
9.1. Duration and liquidation of Sub-Funds.....	43
9.2. Duration and liquidation of the Fund.....	44
10. Taxation of the Fund and the Unitholders.....	45
11. Information to Unitholders.....	48
11.1. Prospectus, Management Regulations and KIID.....	48
11.2. Reports and financial statements.....	48
11.3. Issue and redemption prices.....	48
11.4. Notices to Unitholders.....	48
11.5. Unitholders' rights against the Fund.....	49
11.6. Policies.....	49
12. Data Protection.....	51
13. Applicable law, jurisdiction and governing language.....	54

- II. The Sub-Funds 56**
- SEB High Yield – SEB Global High Yield Fund 56
 - 1. Investment objective and policy 56
 - 2. Risk profile and risk management process 57
 - 2.1. Risk profile 57
 - 2.2 Risk management process 57
 - 3. Typical Investor 57
 - 4. Base Currency of the Sub-Fund 57
 - 5. Classes available 57
 - 6. Charges 59
 - 6.1. Entry and exit Fees 59
 - 7. Cut-off Time/Order Processing 61
- SEB High Yield – SEB Climate Focus High Yield Fund 62
 - 1. Investment objective and policy 62
 - 2. Risk profile and risk management process 63
 - 2.1. Risk Profile 63
 - 2.2. Risk management process 63
 - 3. Typical Investor 64
 - 4. Base Currency of the Sub-Fund 64
 - 5. Classes available 64
 - 6. Charges 65
 - 6.1. Entry and exit fees 66
 - 7. Cut-off Time/Order Processing 66
- ANNEX I – INFORMATION ABOUT THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS OF THE SUB-FUNDS 67**
- Product name: SEB High Yield – SEB Global High Yield Fund 68
- Product name: SEB High Yield – SEB Climate Focus High Yield 70
- ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY 80**

I. The Fund

1. General information

SEB High Yield is an open-ended common fund ("FCP" – "Fonds commun de placement") registered under Part I of the Law. The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITS).

The Fund was set up on 27 October 2000 for an undetermined duration.

The Fund is registered at the Luxembourg Register of Commerce under the number K 56

The last version of the Management Regulations lastly modified with effect from 30 April 2024 have been published in the *Recueil Electronique des Sociétés et Associations* (RESA) 30 April 2024.

The Fund has currently several Sub-Funds, the assets of which are invested in accordance with the particular investment features applicable to each Sub-Fund. The rights of the Unitholders and creditors regarding a Sub-Fund are limited to the assets of the Sub-Fund. The assets of a Sub-Fund will be answerable exclusively for the rights of the Unitholders relating to this Sub-Fund. Each Sub-Fund will be deemed to be a separate entity.

The money in the Sub-Funds is invested by the Management Company, or where applicable, the appointed investment manager, acting in its own name on behalf of the joint account of the Unitholders in securities, money market instruments and other eligible assets (the "Eligible Assets"), based on the principle of risk-spreading.

Unitholders as joint owners have an interest in the assets of the Sub-Funds in proportion to the number of Units they hold. All Sub-Fund's Units have the same right. In accordance with the Law, a subscription of Units constitutes acceptance of all terms and provisions of the Prospectus and the Management Regulations.

2. Involved parties

2.1. Presentation of involved parties

RCS number	R.C.S Luxembourg K56
Management Company	SEB Investment Management AB SE-106 40 Stockholm Visiting address: Malmskillnadsgatan 44 B 111 57 Stockholm
Board of directors of the Management Company	
Chairperson	Johan Wigh Partner Törngren Magnell & Partners Advokatfirma Jakobs Torg 3 111 52 Stockholm Sweden
Members	Mikael Huldt Head of Asset Management AFA Försäkring Klara Södra Kyrkogata 18 111 52. Stockholm Sweden Louise Hedberg CEO and senior advisor Penny to Pound AB Sturevägen 16 A 182 73 Stocksund Sweden
Branch	SEB Investment Management AB, Luxembourg Branch 4, rue Peternelchen L-2370 Howald
Central Administration (including the administrative, registrar and transfer agent function) and Paying Agent in Luxembourg	The Bank of New York Mellon SA/NV, Luxembourg Branch 2-4, rue Eugène Ruppert L-2453 Luxembourg
Global Distributor	SEB Asset Management AB SE-106 40 Stockholm Visiting address: Malmskillnadsgatan 44 B 111 57 Stockholm Sweden

**Representatives and paying agents
outside Luxembourg**

The full list of representatives and paying agents outside Luxembourg can be obtained, free of any charge, at the address of the Management Company at the address of the Branch and on the Website of the Branch

Depositary

Skandinaviska Enskilda Banken AB (publ),
Luxembourg Branch
4, rue Peternelchen,
L-2370 Howald

**Approved Statutory Auditor of the Fund
(hereafter the “Auditor”)**

Ernst & Young S.A.
35E avenue John F. Kennedy
L-1855 Luxembourg

2.2. Description of involved parties

2.2.1. The Management Company

The Fund is managed on behalf of the Unitholders by the Management Company, SEB Investment Management AB. The Management Company was established on 19 May 1978 in the form of a Swedish limited liability company (AB). The Management Company is authorized by Finansinspektionen for the management of UCITS and for the discretionary management of financial instruments and investment portfolios under the Swedish UCITS Act (SFS 2004:46). The Management Company is also authorized as an alternative investment fund manager to manage alternative investment funds under the Swedish AIFM Act (SFS 2013:561). It has its registered office in Sweden at SE-106 40 Stockholm.

Its subscribed and paid-in capital is SEK 1,500,000

The objective of the Management Company is the creation, administration, management and distribution of undertakings for collective investment in transferable securities (UCITS) and alternative investment funds (AIF) and ancillary services, as well as discretionary management of financial instruments and investment portfolios.

With regard to the Fund, the Management Company is responsible for the following functions: investment management, administration and marketing. The Management Company may, under its own responsibility, control and coordination, delegate some of its functions to third parties for the purpose of efficient management.

The Management Company conducts its business mainly in Sweden and has established a branch in Luxembourg. Risk management and central administration activities are performed through the Branch. The Management Company may act either directly or through the Branch. The Management Company may be represented either by the board of directors of the Management Company or by the manager of the Branch.

The Management Company acts as management company for other funds. The names of such other funds can be found on the Website of the Branch.

2.2.2. The Central Administration and Paying Agent

The Management Company, has delegated parts of the Central Administration as further detailed hereafter, including the administrative, registrar and transfer agent functions – under its continued responsibility and control – at its own expenses to The Bank of New York Mellon SA/NV, Luxembourg Branch, 2-4 rue Eugène Ruppert, L-2453 Luxembourg.

The Bank of New York Mellon SA/NV was incorporated in Belgium as a “société anonyme/naamloze vennootschap” on 30 September 2008 and its Luxembourg branch is registered with the Luxembourg Trade and Companies’ Register under Corporate Identity Number B 105 087 (the “Administrative Agent” or the “Registrar and Transfer Agent”).

In its capacity as administrative agent, the Administrative Agent will carry out certain administrative duties related to the administration of the Fund, including the calculation of the NAV of the Units and the provision of accounting services to the Fund.

In its capacity as registrar and transfer agent, the Registrar and Transfer Agent will process all subscriptions, redemptions, transfers and conversions of Units and will register these transactions in the Unitholders’ register of the Fund.

The Bank of New York Mellon SA/NV, Luxembourg Branch may, subject to approval of the Management Company and the subsequent update of the Prospectus, as required, sub-delegate parts of its functions to entities all in accordance with Luxembourg laws and regulations.

The Bank of New York Mellon SA/NV, Luxembourg Branch has been also delegated the function of paying agent of the Fund. In such capacity The Bank of New York Mellon SA/NV, Luxembourg Branch shall be responsible for the collection of subscription amounts in relation to the issue of Units as well as for making payments in relation to the redemption of Units and payment of dividends.

2.2.3. The Investment Manager

For some Sub-Funds as indicated in part II of the Prospectus "The Sub-Funds" the Management Company may delegate the investment management function to different investment managers.

Each Investment Manager implements the investment policy of the applicable Sub-Fund, makes investment decisions and continually adapts them to market developments, as appropriate, taking into account the interest of the applicable Sub-Fund.

Further details on the investment managers are laid down under each Sub-Fund in part II of the Prospectus "The Sub-Funds".

The Investment Manager may, for its part, in agreement with the Management Company and subject to prior approval by the supervisory authority, at its own expense and under its own responsibility, entrust sub-managers wholly or in part with the management of each Sub-Fund.

2.2.4. The Global Distributor

SEB Asset Management AB has been appointed as the global Distributor of the Fund by the Management Company.

The Global Distributor is entitled to delegate all or part of its duties to one or several sub-distributors.

2.2.5. The Depositary

Skandinaviska Enskilda Banken AB (publ), Luxembourg Branch, registered with the Luxembourg trade and companies register under number B39819 and having its place of business at 4, rue Peternelchen, L-2370 Howald, a branch of Skandinaviska Enskilda Banken AB (publ), a credit institution incorporated in Sweden and registered with the Swedish Companies Registration Office under number 502032-9081 with its registered office in Stockholm, Sweden has been appointed as depositary (the "Depositary") for the safe-keeping of the assets of the Fund which comprises the custody of financial instruments, the record keeping and verification of ownership of other assets of the Fund as well as the effective and proper monitoring of the Fund's cash flows in accordance with the provisions of the Law, as amended from time to time, and the Depositary Agreement entered into with the Management Company (the "Depositary Agreement").

In addition, the Depositary shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of Units are carried out in accordance with Luxembourg law and the Management Regulations; (ii) the value of the Units is calculated in accordance with Luxembourg law and the Management Regulations; (iii) the instructions of the Management Company are carried out, unless they conflict with applicable Luxembourg law and/or the Management Regulations; (iv) in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits; and (v) the Fund's incomes are applied in accordance with Luxembourg law and the Management Regulations.

In carrying out its functions the Depositary acts honestly, fairly, professionally and independently and solely in the interest of the investors. The Depositary is on an ongoing basis analyzing, based on applicable laws and regulations as well as its conflict of interest policy potential conflicts of interests that may arise while carrying out its functions. It has to be taken into account that the Management Company and the Depositary are members of the same SEB Group. Thus, both have put in place policies and procedures ensuring that they (i) identify all conflicts of interests arising from that link and (ii) take all reasonable steps to avoid those conflicts of interest. Where a conflict of interest arising out of the group link between the Management Company and the Depositary cannot be avoided, the Management Company or the Depositary will manage, monitor and disclose that conflict of interest in order to prevent adverse effects on the interests of the Fund and of the investors.

When performing its activities, the Depositary obtains information relating to funds which could theoretically be misused (and thus raise potential conflict of interests issues) in relation to e.g. the interests of other clients of the SEB Group, whether engaging in trading in the same securities or seeking other services, particularly in the area of offering services competing with the interests of other counterparties used by the funds/fund managers, and the interests of the Depositary's employees in personal account dealings. Potential conflicts of interests in the SEB Group can be further exemplified as not market equivalent pricing of the depositories' services and the undue influence in the management and board of directors of the funds/fund managers by the Depositary, and vice versa.

Consequently, to mitigate the potential conflicts of interest, it has been ensured that the activities of a depositary function are physically, hierarchically and systematically separated from other functions of the Depositary in order to establish information firewalls. Moreover, the depositary function has a mandate and a veto to approve or decline fund clients independent of other functions and has its own committees for escalation of matters connected to its role as a depositary, where other functions with potentially conflicting interests are not represented.

For further details on management, monitoring and disclosure of potential conflicts of interest please refer to Instruction for Handling of Conflicts of Interest in Skandinaviska Enskilda Banken AB (publ) which can be found on the following webpage:

<https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/about-investment-management/reports-and-legal-information>

In compliance with the provisions of the Depositary Agreement and the Law, as amended from time to time, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Fund to one or more delegate(s), as they are appointed by the Depositary from time to time.

In order to avoid any potential conflicts of interest, irrespective of whether a given delegate is part of the SEB Group or not, the Depositary exercise the same level of due skill, care and diligence both in relation to the selection and appointment as well as in the on-going monitoring of the relevant delegate. Furthermore, the conditions of any appointment of a delegate that is member of the SEB Group will be negotiated at arm's length in order to ensure the interests of the investors. Should a conflict of interest occur and in case such conflict of interest cannot be neutralized, such conflict of interest as well as the decisions taken will be disclosed to the investors and the Prospectus revised accordingly. An up-to-date list of these delegates can be found on the following webpage:

Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the Law, the Depositary may delegate its functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements.

In order to ensure that its tasks are only delegated to delegates providing an adequate standard of protection, the Depositary has to exercise all due skill, care and diligence as required by the Law in the selection and the appointment of any delegate to whom it intends to delegate parts of its tasks and has to continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any delegate to which it has delegated parts of its tasks as well as of any arrangements of the delegate in respect of the matters delegated to it. In particular, any delegation is only possible when the delegate at all times during the performance of the tasks delegated to it segregates the assets of the Fund from the Depositary's own assets and from assets belonging to the delegate in accordance with the Law. The Depositary's liability shall not be affected by any such delegation unless otherwise stipulated in the Law and/or the Depositary Agreement.

An up-to-date information regarding the Depositary, its duties and the conflicts of interest that may arise, any safekeeping functions delegated by the Depositary, the list of delegates and any conflicts of interests that may arise from such delegation, is available to the investors upon request at the address of the Management Company.

The Depositary is liable to the Fund or its investors for the loss of a financial instrument held in custody by the Depositary and/or a delegate. In case of loss of such financial instrument, the Depositary has to return a financial instrument of an identical type or the corresponding amount to the Fund without undue delay. In accordance with the provisions of the Law, the Depositary will not be liable for the loss of a financial instrument, if such loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall be liable to the Fund and to the investors for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with applicable law, in particular the Law and/or the Depositary Agreement.

The Management Company and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. In case of a voluntary withdrawal of the Depositary or of its removal by the Management Company, the Depositary must be replaced at the latest within two (2) months after the expiry of the aforementioned termination notice by a successor depositary to whom the Fund's assets are to be delivered and who will take over the functions and responsibilities of the Depositary. If the Management Company does not name such successor depositary in time the Depositary may notify the CSSF of the situation. The Management Company will take the necessary steps, if any, to initiate the liquidation of the Fund, if no successor depositary bank has been appointed within two (2) months after the expiry of the aforementioned termination notice of ninety (90) days.

3. Investment Objective and Policy

Unless otherwise provided hereafter, references to "Fund" in this section should be read as references to a "Sub-Fund". The provisions of this section apply only insofar to each specific Sub-Fund as they are compatible with its specific investment policy, as disclosed in part II of the Prospectus "The Sub-Funds".

The main objective of each Sub-Fund will be to invest in transferable securities and other Eligible Assets, as described under 3.2. here below, with the purpose of spreading investment risks. The investment objectives of the Sub-Funds will be carried out in compliance with the investment restrictions set forth hereafter.

For treasury purposes any Sub-Fund may invest in bank certificates of deposit, banker's acceptances, treasury bills, commercial paper, and other money market instruments, on an ancillary basis and if it is in the best interest of the Unitholders.

Ancillary liquid assets, or cash on sight, is limited to a maximum amount of 20 % of each Sub-Fund's net assets. The full limit of 20% is rarely used and may only be exceeded in situations where exceptional unfavorable market circumstances apply such as September 11 attacks or the bankruptcy of Lehman Brothers in 2008.

Additionally, some Sub-Funds may invest in instruments issued in another currency than the Base Currency of a respective Sub-Fund. The currency exposure of such instruments may be hedged. In case the currency hedging is applicable, it will be specified in part II of the Prospectus "The Sub-Funds". Considering the practical challenges of doing so, the Management Company does not guarantee how successful such hedging will be. For more details, see Section 4.2. "Risk Factors" and in particular the paragraph "Hedging risk".

Where a UCITS comprises more than one sub-fund, each sub-fund shall be regarded as a separate UCITS for the purposes of this section.

3.1. Sustainability approach & Integration of Sustainability Risks

When selecting investments, the Fund integrates environmental, social, and corporate governance ("ESG") factors into the investment process by implementing criteria from the Management Company's Sustainability Policy (the "Sustainability Policy"), to this effect exclusionary screens are applied on potential investments before investment decisions are made.

The Sustainability Policy is based on international commitments, to which the Management Company is devoted to, including:

- UN Global Compact;
- OECD Guidelines for Multinational Enterprises; and
- UN Supported Principles for Responsible Investments (PRI).

In addition to the compliance with above mentioned international commitments the Fund excludes or severely restricts direct investments into sectors such as fossil fuel, fossil energy, tobacco, alcohol and gambling.

The Sustainability Policy is subject to change, the latest version can be found on the website of the branch.

In addition, an in-house Sustainability Model (the "Sustainability Model") has been developed by the Management Company. The Sustainability Model assesses, among other things, potential sustainability risks, which are ESG events or conditions that if they would occur, they could have a negative impact on the target investment. By using several independent risk data sets with indicators tailored to each individual sector, our assessment is that the Sustainability Model ensures that significant sustainability risks are reflected and used in investment decisions. The model includes but is not limited to the following assessments of sustainability risks:

- Overall ESG Ratings from several data providers
- Gender Diversity

- Operations, Products and Services with Misalignment towards the UN Sustainability Development Goals (SDGs)
- Carbon Emissions and Carbon Emission Intensity

The Sustainability Model is used in all Sub-Funds to the extent that sustainable data is available for the purpose of providing a relevant, forward-looking, and individual sustainability score and to provide guidance in relation to current and future sustainability factors that may affect long-term risks and returns.

Moreover, the Management Company engages in proactive and reactive dialogue with companies in which the Company invests to ensure that sustainability risks and opportunities are in focus. Proactive dialogue entails influencing companies in order to improve general sustainability initiatives, and also working proactively with the company on specific issues. Reactive dialogue is pursued when situations arise where we assess that a company fails to fulfil international standards and guidelines.

Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended (“SFDR”) governs the transparency requirements regarding the integration of sustainability risks into investment decisions, the consideration of adverse sustainability impacts and the disclosure of Environment, Social, and Governance (ESG) and sustainability-related information. If a Sub-Fund promotes, among others, environmental, social and/or governance characteristics within the meaning of article 8 of SFDR or has sustainable investment as its objective within the meaning of article 9 of SFDR, this is specified in part II of the Prospectus “The Sub-Funds”.

Further information about each Sub-Fund’s sustainability approach can be found in Annex I at the end of this Prospectus.

3.2. Eligible Assets

The Fund may only invest in

Transferable securities and money market instruments

- transferable securities and money market instruments admitted to or dealt in on a regulated market within the meaning of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
- transferable securities and money market instruments dealt in on another market in a Member State which is regulated, operates regularly and is recognised and open to the public;
- transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State of the EU or dealt in on another market in a non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public;
- recently issued transferable securities and money market instruments, provided that:
 - the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another regulated market which operates regularly and is recognised and open to the public;
 - the admission is secured within one year of issue;

Transferable securities and money market instruments mentioned under c) and d) are listed on a stock exchange or dealt in on a regulated market in North America, Central America, South America, Australia (including Oceania), Africa, Asia and/or Europe.

Units of undertakings for collective investment

- e) units of UCITS and/or other UCIs, including exchange traded funds (“ETFs”), within the meaning of article 1, paragraph (2), points a) and b) of the Directive 2009/65/EC, as may be amended from time to time, whether or not established in a Member State, provided that:
- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
 - the level of protection for unitholders in the other UCIs is equivalent to that provided for unitholders in a UCITS, and, in particular, that the rules on asset segregation, borrowing, lending and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;
 - the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
 - no more than 10% of the net assets of the UCITS or the other UCIs, whose acquisition is contemplated, can, according to their management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs;

Deposits with a credit institution

- f) deposits with a credit institution which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

Financial derivative instruments

- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market mentioned above in sub-paragraphs a), b) and c), and/or financial derivative instruments dealt in over-the-counter (“OTC derivatives”), provided that:
- the underlying consists of instruments described in sub-paragraphs a) to h), financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest, in accordance with the investment objectives;
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF; and
 - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative.

Where the financial derivative instrument is cash-settled automatically or at the Fund's discretion, the Fund will be allowed not to hold the specific underlying instrument as cover. Acceptable cover is described under Section 3.7. below.

The Fund might engage in index related contracts to gain quick and cost-efficient exposure to underlying markets under the condition that the underlying indices for these investments are publicly available, transparent and governed by pre-determined rules and objectives, all in accordance with the ESMA guidelines on ETFs and other UCITS issues (ESMA/2014/937).

Within the limits under g) here above, the Fund may make use of all financial derivative instruments authorised by the Law and/or by circulars issued by the CSSF.

Particular rules apply to the following derivatives:

- **Volatility index futures**

If the Fund makes use of volatility index futures the following criteria must be met:

- the volatility index futures must be dealt on a regulated market;
- the underlying stock indices must comply with the diversification rules as set out in 3.3. here below;
- the Fund must employ a risk-management process which enables it to adequately take into account the incurred risks.

- **Credit default swaps**

Credit default swaps may be used, among other things, to hedge credit risks arising from debt securities acquired by the Fund. In this case, the interest rates collected by the Fund from a bond with a comparatively high creditworthiness risk may be swapped for interest rates from a bond having a lower credit risk, for example. At the same time, the contractual partner may be obliged to buy the bond at an agreed price or pay a cash settlement when a previously defined event, such as the insolvency of the issuer, occurs.

The Management Company shall be authorised to use such transactions when the objectives are other than hedging. The contracting partner must be a top-rated financial institution which specialises in such transactions. The credit default swaps must be sufficiently liquid. Both the debt securities underlying the credit default swap and the respective issuer must be taken into account with regard to the investment limits set out here below.

Credit default swaps shall be valued on a regular basis using clear and transparent methods. The Management Company and the Auditor shall monitor the clarity and transparency of the valuation methods and their application. If, within the framework of monitoring activities, differences are detected, the Management Company shall arrange to remedy the situation.

- **Total return swap**

A total return swap ("TRS") is a contract in which one counterparty transfers to another party the total economic performance of a reference asset, including income from interest, fees, market gains or losses from price movement as well as credit losses. A Sub-Fund may enter into one or several TRS transactions to gain or reduce exposure to a reference asset as well as to hedge the existing long positions or exposures.

The Fund does not intend to use total return swaps, unless mentioned otherwise in part II of the Prospectus "The Sub-Funds".

None of the Sub-Funds has currently entered into any TRS or financial derivative instruments with similar characteristics. The Prospectus will be updated in accordance with the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse ("SFTR") prior to the use of TRS by any Sub-Fund.

All revenues arising from TRS will be returned to the relevant Sub-Fund.

Counterparties to TRS do not have discretionary power over the composition or management of the investments in the portfolio of any Sub-Fund or over the underlying assets of the derivative financial instruments. Counterparty approval is not required in relation to any investment made by a Sub-Fund.

Money market instruments other than those dealt in on a regulated market

- h) money market instruments other than those dealt in on a regulated market and which fall under article 1 of the Law, if the issuer or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that these investments are:
- issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
 - issued by an undertaking any securities of which are dealt in on regulated markets referred to in sub-paragraphs a), b) or c) or
 - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law, or
 - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

In addition, the Fund's assets may be invested in all other Eligible Assets within the scope of legal possibilities and the provisions laid down in the Management Regulations.

However, the Fund shall not invest more than 10% of its net assets in transferable securities or money market instruments other than those referred to under this section above.

Securities financing transactions

- i) None of the Sub-funds engage in any securities financing transactions as defined by the SFTR. The Prospectus will be updated in accordance with the SFTR as well as other relevant laws and regulations prior to any Sub-Fund entering into such transaction.

3.3. Investment restrictions applicable to Eligible Assets

Transferable securities and money market instruments as defined in the Law

- (1) The Fund may invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same body.
- (2) Moreover, the total value of the transferable securities and money market instruments held by the Fund in the issuing bodies in each of which it invests more than 5% of its net assets, shall not exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in point 1), point 8) and point 9) the Fund shall not combine, where this would lead to investing more than 20% of its net assets in a single body, any of the following:

- investments in transferable securities or money market instruments issued by that body,
 - deposits made with that body, or
 - exposures arising from OTC derivative transactions undertaken with that body
- (3) The limit of 10% laid down in point 1) may be raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its public local authorities, by a non-Member State or by public international bodies of which one or more Member States belong.
- (4) The limit laid down in the first sentence of paragraph 1 may be of a maximum of 25% for “the covered bonds (obligations guarantees) as defined in point (1) of Article 3 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/ EC and 2014/59/EU (hereinafter “Directive (EU) 2019/2162”), and for”⁵¹ certain bonds where they are issued “before 8 July 2022”⁵² by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of those bonds “issued before 8 July 2022”⁵³ shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

If the Fund invests more than 5% of its net assets in the bonds referred to in this point and issued by a single issuer, the total value of such investments may not exceed 80% of the value of the net assets of the Fund.

The transferable securities and money market instruments referred to in points 3) and 4) are not included in the calculation of the limit of 40% stated above in point 2).

The limits set out in points 1), 2) 3) and 4) shall not be combined; thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with points 1), 2), 3) and 4) shall not exceed in total 35% of the net assets of the Fund.

(5) Notwithstanding the above limits, the Fund may invest, in accordance with the principle of risk-spreading, up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, by a member state of the OECD, G20, Singapore or Hong Kong or public international body to which one or more Member States of the EU belong, provided that (i) such securities and money market instruments are part of at least six different issues and (ii) the securities and money market instruments from any single issue do not account for more than 30% of the total net assets of the Fund.

- (6) Without prejudice to the limits laid down here below the limits of 10% laid down in point 1) above is raised to maximum 20% for investment in units and/or debt securities issued by the same body when the aim of the investment policy of the Fund is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:
- the composition of the index is sufficiently diversified;
 - the index represents an adequate benchmark for the market to which it refers;
 - the index is published in an appropriate manner.

This limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions, in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

Securities mentioned in point 6) need not to be included in the calculation of the 40% limit mentioned in point 2).

Units of undertakings for collective investment

(7) The Fund may acquire units of UCITS and/or other UCIs, including ETFs, referred to under 3.2 e), provided that no more than 20% of its net assets are invested in the units of a single UCITS or other UCI.

For the purpose of applying this investment limit, each UCITS or UCI with multiple sub-funds shall be considered as a separate issuer, provided that the principle of segregation of the obligations of the different sub-funds is ensured in relation to third parties.

Investments in units of UCIs other than UCITS may not exceed, in aggregate, 30% of the net assets of the Fund.

When the Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in this section 3.3.

When the Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge entry or exit charges on account of the Fund's investment in the units of such other UCITS and/or other UCIs.

Each Sub-Fund may invest in all kinds of ETFs, provided that the investment policy of these ETFs corresponds widely to the investment policy of the respective Sub-Fund. Such ETFs may be managed actively or passively and are at any time in conformity with the applicable guidelines and provisions in terms of the Directive 2009/65/EC. When investing in open-ended ETFs, the Management Company or investment manager, as the case may be, will at any time comply with the limits for investments in other UCITS and UCI set out in the present section.

Specific rules applicable to

1. Cross Sub-Fund investments

Each Sub-Fund may subscribe to, acquire and/or hold Units of another Sub-Fund ("Target Sub-Fund") provided that:

1.1. the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this Target Sub-Fund; and

1.2. no more than 10% of the net assets of the Target Sub-Fund whose acquisition is contemplated may be, according to its investment policy, invested in aggregate in units of other UCITS and/or UCIs; and

1.3. voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the concerned Sub-Fund and without prejudice to the appropriate processing in the accounts and periodic reports; and

1.4. in any event, for as long as these securities are held by the Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purpose of verifying the minimum threshold of the net assets imposed by the Law; and

1.5. there is no duplication of management fee/entry or exit charges between those at the level of the Sub-Fund having invested in the Target Sub-Fund, and this Target Sub-Fund.

2. Master and feeder structures for Sub-Funds

By way of derogation to the above and in accordance with the provisions of the Law, the Management Company may, at its discretion (i) create any Sub-Fund qualifying either as a feeder Sub-Fund or as a master or (ii) convert any existing Sub-Fund into a feeder or a master Sub-Fund.

In case applicable, part II “The Sub-Funds” will be updated accordingly under the respective Sub-Fund.

Deposits with credit institutions

(8) The Fund may not invest more than 20% of its net assets in deposits made with the same body.

Financial derivative instruments

(9) The risk exposure to a counterparty of the Fund in OTC derivative transactions may not exceed, in aggregate, 10% of its net assets when the counterparty is a credit institution as mentioned here before, or 5% of its net assets in the other cases.

The Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net asset value of its portfolio.

The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

The global exposure to the underlying assets shall not exceed in aggregate the investment limits laid down under article 43 of the Law.

The underlying assets of index based financial derivative instruments are not combined to the investment limits laid down under the points mentioned here before under the condition that the index complies with the criteria which are explained more in detail in the article 4) of the Management Regulations. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the restrictions in this section.

Maximum exposure to a single body

(10) The Fund may not combine, where this would lead to investment of more than 20% of its net assets in a single body, any of the following:

- i) investments in transferable securities or money market instruments issued by a single body and subject to the 10% limit by body mentioned in point 1), and/or
- ii) deposits made with a single body and subject to the 20% limit mentioned in point 8), and/or
- iii) a risk exposure to a counterparty of the Fund in an OTC derivative transactions undertaken with a single body and subject to the 10% or 5% limits by body mentioned in point 9) in excess of 20% of its net assets.

The Fund may not combine, where this would lead to investment of more than 35% of its net assets in a single body, any of the following:

- i) investments in transferable securities or money market instruments issued by the same body and subject to the 35% limit by body mentioned under point 3) above, and/or
- ii) investments in certain debt securities issued by the same body and subject to the 25% limit by body mentioned in point 4), and/or
- iii) deposits made with the same body and subject to the 20% limit mentioned in point 8), and/or
- iv) a risk exposure to a counterparty of the Fund in an OTC derivative transactions with the same body and subject to the 10% or 5% limits by body mentioned in point 9) in excess of 35% of its net assets.

Eligible Assets issued by the same group

(11) Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with the Directive 83/349/EEC or in accordance with recognised international accounting rules are regarded as a single body for the purpose of calculating the limits described under the article 43 of the Law.

(12) The Fund may cumulatively invest up to 20% of its net assets in transferable securities and money market instruments within the same group.

Acquisition limits by issuer of Eligible Assets

(13) The Management Company acting in connection with all the common funds it manages and which fall within the scope of Part I of the Law or of Directive 2009/65/EC, may not acquire any units carrying voting rights, which would enable it to exercise significant influence over the management of an issuing body.

The Fund may not acquire:

- i) more than 10% of the non-voting units of the same issuer;
- ii) more than 10% of the debt securities of the same issuer;
- iii) more than 10% of the money market instruments of any single issuer;
- iv) more than 25% of the units of a same UCITS or other UCI.

The limits laid down in the second, third and fourth indents above may be disregarded at the time of acquisition if at that time the gross amount of debt securities or of money market instruments, or of UCITS/UCIs or the net amount of the securities in issue, cannot be calculated.

The ceilings as set forth above are waived in respect of:

- a) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- b) transferable securities and money market instruments issued or guaranteed by a non-Member State of the EU;
- c) transferable securities and money market instruments issued by public international bodies of which one or more Member States of the EU are members;
- d) shares held by the Fund in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This derogation,

however, shall apply only if in its investment policy the company from the Non-Member State of the EU complies with the limits laid down in articles 43 and 46 of the Law and article 48, paragraphs 1) and 2) of the Law. Where the limits set in articles 43 and 46 of the Law are exceeded, article 49 of the Law shall apply mutatis mutandis.

If the limits referred to under this section 3.3. are exceeded for reasons beyond the control of the Management Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Unitholders.

While ensuring observance of the principle of risk-spreading, newly created Sub-Funds may derogate from the limits laid down in this section 3.3. for a period of six months following the date of its authorisation.

The Management Company may from time to time, upon approval by the Depositary, impose further investment restrictions in order to meet the requirements in such countries, where the Units are distributed or will be distributed.

3.4. Unauthorized investments

The Fund may not:

- i) acquire either precious metals or certificates representing them;
- ii) carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in article 41 § 1 sub-paragraphs e), g) and h) of the Law; provided that this restriction shall not prevent the Fund from making deposits or carrying out other accounts in connection with financial derivative instruments, permitted within the limits referred to above;
- iii) grant loans or act as a guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial instruments which are not fully paid and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;
- iv) borrow amounts in excess of 10% of its total net assets. Any borrowing is to be effected only as a temporary measure. However, it may acquire foreign currency by means of a back-to-back loan.

3.5. Counterparty selection

The counterparties to OTC financial derivatives will be selected among first class financial institutions specialized in the relevant type of transactions, subject to prudential supervision and belonging to the categories of counterparties approved by the CSSF, having their registered office in one of the OECD countries and with a minimum credit rating of investment grade.

The Fund may enter into TRS with a counterparty belonging to the same group as the Management Company or Investment Manager.

3.6. Collateral management

While entering into OTC financial derivatives, the Fund shall, at all times, comply with the Management Company's collateral policy. Acceptable collateral ("Eligible Collateral Assets") shall meet the requirements provided by applicable laws, regulations, CSSF Circulars and in particular, but not limited to the ESMA/2014/937 and the Commission Delegated Regulation (EU) 2016/2251 of 4 October 2016 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the

Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty (“EMIR 2016/2251”).

The collateral policy includes, but is not limited to:

(1) The eligible type of collateral

Eligible Collateral Assets consists of the following liquid assets:

- Cash in an OECD country currency in accordance with Article 4(1)(a) of the EMIR 2016/2251;
- Debt securities, regardless of their maturities, issued or guaranteed by an EU Member States or its local authorities or central banks in accordance with Article 4(1)(c) of EMIR 2016/2251;
- Debt securities, regardless of their maturities, issued by multilateral development banks as listed in Article 117(2) of Regulation (EU) 575/2013 in accordance with Article 4(1)(h) of EMIR 2016/2251;
- Debt securities, regardless of their maturities, issued by international organisations listed in Article 118 of Regulation (EU) 575/2013 in line with Article 4(1)(i) of EMIR 2016/2251; and/or
- Debt securities, regardless of their maturities, issued by third countries (i.e. non- EU countries)’ governments or central banks in accordance with Article 4(1)(j) of EMIR 2016/2251.

(2) Collateral diversification

Collateral diversification will be as follows:

- The basket of collateral shall not lead to an exposure to a single issuer greater than 20% of the total net assets of the Sub-Fund (not of the value of the collateral). For the purpose of this limit, collateral issued by a local authority of a member state of the OECD shall be treated as exposure to that member state.
- The basket of collateral can however be fully composed of transferable securities and money market instruments issued or guaranteed by an EU Member State, one or more of its local authorities, a third country to EU, or a public international body (referred hereafter as “Government or government-related issuer”) provided that the Sub-Fund receives at least 6 different issues, none of them representing more than 30% of the total net assets of the Sub-Fund. For the avoidance of doubt, the Fund may also be fully collateralised by a single Government or government-related issuer.

(3) Collateral correlation policy

Collateral received shall be issued by an entity that is independent from the collateral provider.

(4) The level of collateral required

The counterparty exposure is limited to 10% of the total net assets with regard to OTC derivative instruments. As a result, the collateral received, after haircuts, shall be equal to at least 90% of the value of the counterparty exposure.

(5) The haircut policy

The below constitutes the minimum applicable haircut:

Table 1 – Haircut applicable to Cash

Asset class	Haircut
I. Cash in a OECD country currency and defined as an eligible currency in the relevant governing master agreement or credit support annex	0%
II. Cash in other currencies than define above in (I.) or adjustment for currency mismatch other than those referred to in (I.)	8%

Table 2 – Haircut applicable to debt securities

Haircut will vary within the range set out below depending on the credit quality of the issuer.

Asset Type	Maturity		
	< 1 yr	1 – 5 year(s)	5 – 30 years
All debt securities defined as Eligible Collateral Assets above in section (1) “The eligible type of collateral”	0.5%-1%	2%-3%	4%-6%

(6) Collateral valuation

Collateral received shall be marked to market on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Management Company for each asset class based on its haircut policy disclosed above in section “The haircut policy”.

(7) Safekeeping of collateral

As long as collateral received is owned by the Fund (i.e. that there has been a transfer of title), it will be held by the Depository or its appointed sub-custodian. In all other cases, the collateral shall be held by a third-party custodian that is subject to prudential supervision and which is fully independent from the collateral provider.

(8) Restriction on reuse of collateral/ collateral reinvestment policy

For collateral received in OTC transactions

Collateral received under an OTC transaction, including TRS, shall not be sold, re-invested or pledged.

4. Information on risk

4.1. General information

Investing in a Sub-Fund Units involves financial risks. These can involve risks associated with equity markets, bond markets, commodity (including precious metal) markets, foreign exchange markets such as changes in prices, interest rates and credit worthiness. Any of these risks may also occur along with other risks. Some of these risk factors are addressed briefly below.

A fund normally consists of investments in or has exposure towards the asset classes equities, bonds, currencies and/or commodities. Equities and commodities are generally inherent with a higher risk than bonds or currencies. Higher risk investments may or may not offer a possibility of better returns than lower risk investments. A combination of several asset classes can often give the individual investor a more suitable diversification of risk.

Investors should have a clear picture of the Sub-Fund, of the risks involved in investing in Units and they should not make a decision to invest until they have obtained financial and tax expert advice.

Investors assume the risk of receiving a lesser amount than they originally invested.

4.2. Risk factors

Collateral management risk

Counterparty risk may be mitigated by transfer or pledge of collateral. There is however a risk that the collateral received, when realised, will not raise sufficient cash to settle the counterparty's default. This may be due to factors including inaccurate pricing or improper monitoring of collateral, adverse market movements, deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded where the collateral takes the form of securities (liquidity risk). Besides, collateral accepted by a Sub-Fund, with no title transfer (for example a pledge), will not be held by the Depositary. In the latter case there may be a risk of loss resulting from events such as the insolvency or negligence of such third-party custodian or entity holding the collateral. Furthermore, collateral arrangements are entered into on the basis of complex legal document which may be difficult to enforce or may be subject to dispute.

Coco bonds risk

Contingent convertible bonds ("CoCo bonds or CoCos") are debt instruments where the principal amount may be cancelled, reduced or converted into equity in certain circumstances (trigger events) relating, for example, to the level of own funds of the issuing institution, and/or the coupon payable modified in a discretionary way by the issuer.

CoCos may be issued as Additional Tier 1 (as defined in Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms, or "CRR") securities, as a perpetual instrument, with discretionary coupons (AT1 CoCos), or as Tier 2 instruments (as defined in CRR) with a stated maturity and with fixed coupons (T2 CoCos).

CoCo bonds can be highly volatile and carry the following risks, among others:

- **Trigger level risk:** CoCos may convert following a trigger event. Trigger events leading to conversion are disclosed in the prospectus or other offering document relating to each CoCo issuance. Trigger events may be of various types, such as mechanical (for example, based on the issuer's regulatory capital ratios) or subject to a regulatory supervisor's discretionary determination. For example, a trigger event may occur if a banking regulator determines that a particular CoCo issuer is no longer viable — that is, the bonds are "bail-in-able" at the "point of nonviability". Trigger events may differ among individual CoCos and the same or different issuers. Therefore, the actual occurrence of a trigger event based on an issuer's regulatory capital ratios, for example, is a function of the distance at any time between such ratios and a CoCo's pre-defined trigger.
- **Coupon cancellation:** While CoCos (both AT1 and T2) are subject to conversion and write-down when the issuing financial institution reaches the trigger level, for AT1 CoCos there is an additional source of risk for the investor in the form of coupon cancellation in a going concern situation. Coupon payments on AT1 CoCos are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The cancellation of coupon

payments on AT1 CoCos does not amount to an event of default. Cancelled payments do not accumulate and are instead written off. This significantly increases uncertainty in the valuation of AT1 CoCos and may lead to mispricing of risk. In addition, among other things, investors in AT1 CoCos may see their coupons cancelled or postponed while the issuer continues to pay dividends on its common equity and/or coupons on other debt higher in the issuer's capital structure.

- Capital structure inversion risk: CoCos are typically subordinated to traditional convertible bonds in the issuer's capital structure. In certain scenarios, investors in CoCos may suffer a loss of capital when the issuer's equity holders suffer little or no loss of capital.
- Call extension risk: AT1 CoCos are a form of permanent capital for the issuing financial institution callable at pre-defined levels only with the approval of the issuer's regulatory supervisor. Therefore, it cannot be assumed that AT1 CoCos (which are otherwise perpetual) will be called on the call date. For this and other reasons, there is no guarantee that a portfolio will receive return of principal paid for these types of CoCos.
- Unknown risk: CoCos are innovative and not completely tested in various market scenarios including times of crisis for the financial credit sector. In a stressed environment, when the underlying features of CoCos will be put to the test, it is uncertain how they will perform. Initially, singular or isolated conversions of CoCos upon trigger events may result in volatility to the asset class as a whole, leading to downward pressures on prices, valuation issues and illiquidity.
- Yield/Valuation risk: Attractive yields have led to the growth of the CoCo market since its inception, which may be viewed as a complexity premium. Relative to more highly rated debt issues of the same issuer or similarly rated debt issues of other issuers, CoCos tend to compare favourably from a yield standpoint. Yet it remains unclear whether investors have fully considered the underlying risks associated with CoCos.

Commodity risk

Investments with exposure to commodities and precious metals involve additional risks compared to traditional investment. In particular, overall market movements, political, economic, regulatory and natural events may strongly influence such investments. Additionally, commodity market is usually very volatile and may be subject to market disruptions.

Counterparty risk

When the Sub-Fund conducts over-the-counter (OTC) transactions, it may be exposed to risks relating to the credit standing of its counterparties and to their ability to fulfil the conditions and obligations of the contracts it enters into with them.

Concentration risk

A Sub-Fund may concentrate its investment in a limited number of issuers, countries, sectors or instruments. It may result in the Sub-Fund's assets being more sensitive to adverse movement in a particular economy, sector, and company or instrument type.

Credit risk

The creditworthiness (solvency and willingness to pay) of an issuer may change substantially over time. Debt instruments involve a credit risk with regard to the issuers, for which the issuers' credit rating can be used as a benchmark. Bonds or debt instruments floated by issuers with a lower rating are generally viewed as securities with a higher credit risk (greater risk of default) than those instruments that are floated by issuers with a better rating. If an issuer of bonds or debt instruments gets into financial or economic difficulties, this can affect the value of the bonds or debt instruments (this value could drop to zero).

Currency risk

If a Sub-Fund holds assets denominated in foreign currencies, it is subject to currency risk. Any depreciation of the foreign currency against the Base Currency of the Sub-Fund would cause the value of the assets denominated in the foreign currency to fall. Exchange rates may change rapidly and unpredictably, and some currencies may be more volatile than others.

Emerging and less developed markets risk

Investments in emerging or less developed markets are often more volatile than investments in mature markets, due to, among others, political, economic, legal and regulatory risks specific to those markets.

Hedging risk

In some Sub-Funds, the Management Company may have an ambition to hedge the currency risk. Considering the practical challenges of doing so, however, the Management Company does not guarantee how successful such currency hedging will be. For example, in case of hedging of a Unit Class, unsuccessful currency hedging means that the value of the Unit Class may rise or fall in response to fluctuations in the exchange rate between the Base Currency and the Reference Currency of the Unit Class. In case of hedging of instruments, unsuccessful hedging means that the value of the portfolio may rise or fall in response to fluctuations in the exchange rate between the Base Currency and the currency of the instruments.

Risks relating to the investment in financial derivative instruments (“derivative risk”)

Financial derivative instrument is a generic name for instruments getting their return from underlying assets. The return of the financial derivative instrument depends on the return of the underlying asset.

- Specific risks related to OTC Derivatives

OTC derivatives are private agreements between a fund and one or more counterparties. In general, those transactions are less subject to governmental regulation and supervision, compared to exchange traded derivatives. OTC derivatives carry greater counterparty and liquidity risks. Additionally, the Fund may not be able to find a comparable derivative to be able to offset a certain position.

- Specific risks related to exchange traded derivatives

Although exchange traded derivatives are generally considered as less risky than OTC derivatives, there is still the risk that the securities exchange or commodities contract market suspend or limit the trading in derivatives or in their underlying assets.

- Specific risks related to Credit Default Swaps (“CDS”)

The price at which a CDS trades may differ from the price of the CDS' referenced security. In adverse market conditions, the basis (the difference between the spread on bond and the spread of a CDS) can be significantly more volatile than the CDS' referenced security.

Leverage risk

Leverage is typical for trading in financial derivative instruments. Investment in derivative transactions may potentially result in losses greater than the amount invested for those transactions.

Interest rate risk

To the extent that the Fund invests in debt instruments, it is exposed to risk of interest rate changes. These risks may be incurred in the event of interest-rate fluctuations in the denomination currency of such debt instruments.

If the market interest rate increases, the price of the interest bearing securities included in the Sub-Funds may drop. This applies to a larger degree, if the Sub-Funds should also hold interest bearing securities with a longer time to maturity and a lower nominal interest return.

Risks relating to the investments in UCIs and UCITS

The investors shall be aware of the fact that the fees charged by the target UCI or UCITS will have to be borne on a pro rata basis by the investing Sub-Fund and that in consequence the NAV of the investing Sub-Fund will be affected. This might lead in respect of the Fund to a duplication of fees.

Liquidity risk

Liquidity risks arise when a particular security is difficult to dispose of. In principle, the Fund may only acquire securities that can be unwound promptly. Nevertheless, it may be difficult to sell, at a reasonable price, particular securities at certain points in time during certain phases or in certain markets.

Market risk

This risk is of general nature and exists in all forms of investment. The principal factor affecting the price performance of securities is the performance of capital markets and the economic performance of individual issuers, which in turn are influenced by the general situation of the world economy, as well as the basic economic and political conditions in the particular countries or sectors.

Operational risk

Operational risk refers to the potential losses resulting from unforeseen events, business disruption, inadequate controls and control or system failure.

Risk relating to the reuse of collateral

The relevant Sub-Fund may incur losses when reinvesting cash collateral received. Such a loss would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. In such a case, the Sub-Fund would need to cover the shortfall.

Risk of default

In addition to the general trends on capital markets the particular performance of each individual issuer also affects the price of an investment. The risk of a decline in the assets of issuers, for example, cannot be entirely eliminated even by the most careful selection of securities.

4.3. Risk management process

The Fund employs a risk management process, which enables the Management Company to monitor and measure at any time the risk of the positions, including derivatives positions, and their contribution to the overall risk profile of the portfolio.

The global exposure may be measured using the Value-At-Risk ("VaR") approach or the commitment approach.

Where a Sub-Fund's use of derivatives is limited to hedging and efficient portfolio management, the commitment method is likely to be used. The commitment method calculates all derivatives exposure as if they were direct investments in the underlying positions. The commitment allows for hedging and netting. A Sub-Fund using this approach must ensure that its overall market exposure does not exceed 200% of the total assets (100% from direct investment and 100% from derivatives).

Where a Sub-Fund may use derivatives to seek investment returns, the VaR approach is likely to be used. VaR is a means of measuring the potential loss a Sub-Fund due to market risk and is expressed as the maximum potential loss measured at a 99% confidence level over a one month time horizon. The VaR may use the absolute or the relative approach. The absolute VaR approach calculates a Sub-Fund's VaR as a percentage of the Net Asset Value of the Sub-Fund and is measured against an absolute limit of 20% in accordance with CESR 10-788 ("CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS"). The absolute VaR is generally an appropriate approach in the absence of an identifiable reference portfolio or benchmark. The relative VaR approach is used for Sub-Funds where a benchmark reference portfolio is defined reflecting the investment strategy which the Sub-Fund is pursuing. The relative VaR of a Sub-Fund is expressed as a multiple of the VaR of a benchmark or reference portfolio and is limited to no more than twice the VaR of the comparable benchmark or reference portfolio.

Sub-Funds using the VaR approach are required to disclose their expected level of leverage. The expected level of leverage is an indicative level and is not a regulatory limit.

Specific information on

- global exposure determination methodology
- the expected level of leverage, as well as the possibility of higher leverage levels and
- the reference portfolio, in case applicable

is laid down under each Sub-Fund in part II of the Prospectus "The Sub-Funds".

5. Units

5.1. Unit Classes

Each Sub-Fund may create and offer several different Unit Classes. Although all Unit Classes in a Sub-Fund invest in common in the same portfolio of securities, they may have different characteristics and investor eligibility requirements.

Any Unit Class that the Sub-Fund issue is defined by the following criteria: charges, dividend policy, denomination currency, targeted investor group, minimum investment amount, minimum holdings and other eligibility criteria. The base Unit Class labels described in the table below define the target investor group for a specific Unit Class.

5.1.1. Investor groups

The Management Company may issue Units taking into account the target investors. The Unit Classes in the Sub-Funds may therefore be:

Type of Unit Class	Targeted investor group
No class letter, suffixes only	Units which may be acquired by all kinds of investors;

"HNW" Unit Class	Units which may only be acquired by high net worth individuals who can afford the more elevated minimum initial investment amount
"U" Unit Class	Units which are available to all kinds of investors at the discretion of the Management Company but only offered (i) through distributors, financial intermediaries, distribution partners or similar (ii) appointed by the Global Distributor, or an authorised affiliate, that (iii) are investing on behalf of their customers and are charging the latter advisory, or alike, fees. The Management Company does not remit any commission-based payments for these units.
"I" Unit Class	Units which are available to Institutional Investors as defined in the Glossary of terms
"Z" Unit Class	Units which are available to Institutional Investors at the discretion of the Management Company. The Management Company does not remit any commission-based payments for these units.
"X" Unit Class	Units which are available to Institutional Investors, directly or through the Global Distributor or any of its subsidiaries, where such intermediary or the Institutional Investor, have concluded a written agreement with the Management Company or the Global Distributor in which the relevant fees and charging procedure are agreed prior to the investor's initial subscription. All or part of the fees that are normally charged to a Unit Class will not be charged to the Unit Class for these units. Instead, these units will accommodate a separate charging structure whereby all or part of the fees are charged separately and/or collected directly from the investor.
"LTD" Unit Class	Units which may only be acquired by a limited number of authorised investors.
"ICP" Unit Class"	Units which may only be acquired by institutional investors as defined by Article 174 paragraph. (2) c) of the Law, with a bias towards pension.
"SI" Unit Class or super-institutional unit class	Units which may only be acquired by institutional investors, as defined by Article 174 paragraph. (2) c) of the Law, with high minimum investment amount in return for lower management and performance fee.
"RDR" Unit Class	Units which are compliant with the Retail Distribution Review rules of the United Kingdom (UK). As a result, neither the Investment Manager nor the Global Distributor will be permitted to pay initial or renewal commission or rebate of the annual management fee to authorised intermediaries or to third party distributors or agents in respect of any subscriptions for, or holdings of, units for any UK retail investors in respect of investments made as a result of the investor having received a personal recommendation.
"A-Class FIN" and "B-Class FIN" Unit Classes	Units which are reserved for all kinds of investors domiciled in the Republic of Finland

In order to distinguish between fee levels and minimum investment requirements, the base Unit Class may be followed by a number, such as Z1, Z2.

5.1.2. Available currencies

The Unit Class can be issued in any of the following currencies: SEK, NOK, DKK, EUR, USD, SGD, JPY, CHF and GBP.

5.1.3. Dividend policy

Unless otherwise laid down in part II of the Prospectus "The Sub-Funds", The Management Company may decide to issue for each Sub-Fund capitalisation Units ("C" Units) and distribution Units ("D" Units).

The "C" Units will reinvest their income, if any. The "D" Units may pay a dividend to its Unitholders, upon decision of the Management Company. Dividends are paid annually except for those Sub-Funds where the Management Company would decide on a monthly, quarterly or semi-annual dividend payment.

5.1.4. Hedging policy

The Management Company may issue Unit Classes whose Reference Currency is not the Base Currency of the respective Sub-Fund. With regard to such Unit Classes, the Management Company aims to hedge the currency exposure from the Base Currency into the currency exposure of the Reference Currency. Considering the practical challenges of doing so, the Management Company cannot guarantee the level of success of such currency hedging. For details, see Section 4.2. "Risk factors" particularly the paragraph "Hedging risk".

For Unit Classes where the Management Company aims to currency-hedge the Unit Class, an "H-" precedes the currency denomination of the Unit Class. For example "(H-SEK)" indicates that the Management Company aims to hedge the currency exposure from a Base Currency to SEK-exposure for the Unit Class. The hedging activity aims to limit performance impact as related to fluctuations in the exchange rate between the Base Currency and the Reference Currency of the Unit Class. The effects of profit and loss, as related to currency hedging of a particular Unit Class, are allocated to the relevant Unit Class.

Hedging transactions may be executed when the Reference Currency declines or increases in value relative to the relevant Sub-Fund's Base Currency. This type of hedging can provide substantial protection for investors in the affected unit class against a decrease in the value of the Sub-Fund's Base Currency in relation to the Reference Currency of the Unit Class. However, it can also minimise or hinder an increase in the value of the Sub-Fund's currency.

The letters "PH" preceding the currency denomination of a unit class, for example IC(PH-EUR), indicate the Management Company aims to partially hedge the currency exposure from a Base Currency of the Sub-Fund to a euro exposure for the Unit Class. It can also indicate partial hedging to another specific currency in the sub fund's portfolio to a euro exposure for the Unit Class. This may be done for any currency.

5.1.5 Available classes

The information above describes all currently existing base Unit Classes and prefixes. The prefixes are added to the Unit Class name to indicate possible target group, currency of the Unit Class, the Unit Class's dividend policy and whether the Unit Class is hedged or not.

In practice, not all base Unit Classes and Unit Class configurations are available for all sub-funds. Funds and unit classes are not available in all jurisdictions. A unit class is opened at the discretion of the Management Company. See www.sebgroup.lu for current information on available unit classes. You may also, free of charge, request a list from the Management Company.

5.1.6. Registered Units

Units may be issued as registered Units which will be recorded in a nominal account. Units that are not issued as registered units will be made available through securities settlement systems.

5.2. Issue of Units

The Management Company is authorized to issue Units continuously. However, the Management Company reserves the right to reject, at its discretion and in the Fund's and the Unitholders' interest, any subscription application. Any payments already made shall in such instances be immediately refunded without interest and at the risks and costs of the applicant. The Depositary shall immediately pay back incoming payments for applications for subscriptions which are not carried out.

Units are issued on each Valuation Day at their NAV plus an entry charge as indicated in part II of the Prospectus "The Sub-Funds". This issue price includes all commissions payable to banks and financial institutions taking part in the placement of Units, but not the charges taken by intervening correspondent banks for the execution of electronic transfers. Where Units are issued in countries where stamp duties or other charges apply, the issue price increases accordingly.

Unless otherwise laid down in part II of the Prospectus "The Sub-Funds", applications for subscriptions must be expressed either in number of Units or in amount. Payment for subscriptions must be made in the Reference Currency of the relevant Class, euro and/or Swedish krona. The Management Company may however accept payments in other major currencies. Any cost relating to the foreign exchange transaction will have to be borne by the Unitholder.

The payment made by electronic transfer must reach the Registrar and Transfer Agent within five Bank Business Days following the applicable Valuation Day.

In order to avoid the repayment to subscribers of small surplus amounts, the Management Company will round up at its own expense each subscription to the next immediately higher whole number of Units or issue fractions up to three decimal places per Unit.

Confirmation of the execution of a subscription will be made by the dispatch of a contract note to the Unitholder indicating the name of the Fund, the Sub-Fund, the number and Class of Units subscribed to, the applicable NAV, the trade date, the settlement date, the currency and the exchange rate, if any.

By subscribing to a Unit, the Unitholder accepts the Management Regulations.

5.2.1. Restriction on issue

Units may not be offered, sold or otherwise distributed to prohibited persons (the "Prohibited Persons").

Prohibited Persons means any person, firm or corporate entity, determined in the sole discretion of the Management Company, as being not entitled to subscribe to or hold Units,

- 1) if in the opinion of the Management Company such holding may be harmful/damaging to the Fund,
- 2) if it may result in a breach of any law or regulation, whether Luxembourg or foreign, or if any contractual or statutory condition or condition provided in the Prospectus is no longer met by such person to participate in a Sub-Fund, or if such person fails to provide information or documentation as requested by the Management Company,
- 3) if as a result thereof the Fund or the Management Company may become exposed to disadvantages of a tax, legal or financial nature that it would not have otherwise incurred,
- 4) if the participation of the investors in a Sub-Fund is such that it could have a significant detrimental impact on the economic interests of the investors, in particular in cases where individual investors seek by way of systematic subscriptions and immediate redemptions to realise a pecuniary benefit by exploiting the time differences between the setting of the closing prices and the valuation of the Sub-Fund's assets (market timing)
- 5) if such person would not comply with the eligibility criteria for Units (e.g. in relation to "U.S. Persons" as described below).

The Fund has not been and will not be registered under the United States Investment Company Act of 1940 as amended (the "Investment Company Act"). The Units of the Fund have not been and will not be registered under the United States Securities Act of 1933 as amended (the "Securities Act") or under the securities laws of any state of the US and such Units may be offered, sold or otherwise transferred only in compliance with the Securities Act of 1933 and such state or other securities laws. The Units of the Fund may not be offered or sold within the US or to or for the account, of any US Person. For these purposes, US Person is as defined in Rule 902 of Regulation S under the Securities Act.

Rule 902 of Regulation S under the Securities Act defines US Person to include inter alia any natural person resident of the United States and with regards to investors other than individuals, (i) a corporation or partnership organised or incorporated under the laws of the US or any state thereof; (ii) a trust (a) of which any trustee is a US Person except if such trustee is a professional fiduciary and a co-trustee who is not a US Person has sole or shared investment discretion with regard to trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person or (b) where a court is able to exercise primary jurisdiction over the trust and one or more US fiduciaries have the authority to control all substantial decisions of the trust and (iii) an estate (a) which is subject to US tax on its worldwide income from all sources; or (b) for which any US Person is executor or administrator except if an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with regard to the assets of the estate and the estate is governed by foreign law.

The term "US Person" also means any entity organised principally for passive investment (such as a commodity pool, Investment Company or other similar entity) that was formed:

- a) for the purpose of facilitating investment by a US Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations promulgated by the United States Commodity Futures Trading Commission by virtue of its participants being non-US Persons or (b) by US Persons principally for the purpose of investing in securities not

registered under the Securities Act, unless it is formed and owned by "accredited investors" (as defined in Rule 501 (a) under the Securities Act) who are not natural persons, estates or trusts.

Applicants for the subscription to units will be required to certify that they are not US Persons and might be requested to prove that they are not Prohibited Persons.

Unitholders are required to notify the Registrar and Transfer Agent of any change in their domiciliation status.

Prospective investors are advised to consult their legal counsel prior to investing in Units of the Fund in order to determine their status as non US Persons and as non-Prohibited Persons.

The Management Company may refuse to issue units to Prohibited Persons or to register any transfer of units to any Prohibited Person. Moreover the Fund's Management Company may at any time forcibly redeem/repurchase the units held by a Prohibited Person and may take any other required action (e.g. such as blocking the accounts within the Fund of such Prohibited Person) in accordance with laws and regulation and in the best interest of the Fund and its investors.

The Management Company can furthermore reject an application for subscription at any time at its discretion, or temporarily limit, suspend or completely discontinue the issue of Units, in as far as this is deemed to be necessary in the interests of the existing Unitholders as an entirety, to protect the Management Company, to protect the Fund, in the interests of the investment policy or in the case of endangering specific investment objectives of the Fund.

5.2.2. Anti-money laundering procedures

The Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended, and associated Grand-Ducal Regulation of 10 February 2010 as well as, but not limited to CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing (as modified), require the Fund and the Management Company to establish procedures to prevent the use of funds for money laundering and financing of terrorism purposes (collectively the "AML Laws").

The Management Company carries out an analysis of the AML/CFT risk posed by the investments of the funds it manages and implements due diligence measures adapted to the risk assessed and documented. The risk analysis on investments is reviewed annually and also if particular events require it.

The Management Company is required to apply due diligence measures on the investors, their delegates and the assets of the Fund in accordance with their respective policies and procedures put in place.

Investors wanting to subscribe in units of the Fund must provide the Administrative Agent with all necessary information which the Administrative Agent may reasonably require to verify the identity of the applicant. Failure to do so will result in the Registrar and Transfer Agent refusing to accept the subscription for units in the Fund. Moreover, investors need to indicate whether they invest on their own account or on behalf of a third party.

Investors investing in their name or on behalf of a third party according to article 3 of CSSF regulation 12-02, as amended (hereafter "Intermediaries") are subject to enhanced due diligence measures in order to ensure that all the obligations under the AML Laws, or at least equivalent obligations, are complied with. The Intermediary, the persons purporting to act on its behalf and its beneficial owners are identified and their identity verified, where applicable, according to a risk-based approach and enhanced due diligence measures are implemented for the business relationship qualified as similar

to correspondent relationship with the Intermediary in order to analyse the robustness of the AML/CFT control framework of this Intermediary.

Investors will be requested to provide additional or updated identification documents from time to time due to ongoing client due diligence requirements under the AML Laws. Failure to provide proper information, confirmation or documentation may, among others, result in the rejection of subscriptions or the withholding of redemption proceeds by the Fund.

Pursuant to the Luxembourg law of 13 January 2019 on the register of beneficial owners (the “RBO Law”), the Company is also required to collect certain information on its beneficial owner(s) and register such information in a publicly available central register of beneficial owners (the “RBO”).

Under the RBO Law, criminal sanctions will be imposed on the Management Company in case of its failure to comply with the obligations to collect and make available the required information, but also on any beneficial owner(s) that fail to make all relevant necessary information available to the Management Company.

5.2.3. Late trading and market timing

The Management Company does not permit late trading, market timing or related excessive, short-term trading practices. In order to protect the best interests of the Unitholders, the Management Company reserves the right to reject any application to subscribe to Units from any investor engaging in such practices or suspected of engaging in such practices and to take such further action as it, in its discretion, may deem appropriate or necessary, such as forcibly redeem the Units of an investor, as further laid down hereafter in the section “Compulsory Redemption of Units”.

5.3. Redemption of Units

Units are redeemed on each Valuation Day at their NAV, decreased by an exit charge (if any) as indicated in part II of the Prospectus “The Sub-Funds” which is payable to banks and financial institutions taking part in the redemption of Units. Where Units are redeemed in countries where stamp duties or other charges apply, the redemption price decreases accordingly.

Payment will be made by the Depositary or the paying agents in the Reference Currency of the respective Class, euro or Swedish krona, or any other major currencies as accepted by the Management Company, according to the choice of the Unitholder. Electronic transfer will be made with a value date within ten Bank Business Days following the corresponding Valuation Day. Any cost relating to the foreign exchange transaction will have to be borne by the Unitholder. Confirmation of execution of redemption will be made by dispatching a contract note to the Unitholder.

If redemption requests for more than 10% of the NAV of a Sub-Fund are received, then the Fund shall have the right to limit redemptions so they do not exceed this threshold amount of 10%. Redemptions shall be limited with respect to all Unitholders seeking to redeem Units as of a same Valuation Day so that each such Unitholder shall have the same percentage of its redemption request honoured; the balance of such redemption requests shall be processed by the Fund on the next day on which redemption requests are accepted, subject to the same limitation. On such day, such requests for redemption will be complied with in priority to subsequent requests.

The Management Company may temporarily suspend an application for redemption of Units under the conditions laid down in the section 7.1 “Suspension of the Calculation of the NAV”, in as far as this is deemed to be necessary in the interest of the Unitholders.

5.3.1. Compulsory Redemption of Units

The Fund's Management Company may at any time forcibly redeem / repurchase the Units held by a Prohibited Person, as defined under the section "Restriction on issue".

If a Unitholder's holding falls below the minimum initial subscription amount or holding, if any, for a Sub-Fund or a Unit Class due to redemption or conversion, the Management Company may at its sole discretion compulsorily redeem / repurchase, as the case may be, all Units held by the relevant Unitholder in this Sub-Fund or Unit Class.

The minimum initial subscription amounts and holdings, if any, for the Sub-Fund or a Unit Class are mentioned in part II of the Prospectus "The Sub-Funds".

Any person who becomes aware that he is holding Units in contravention of any of the provisions set out in the section "Restriction on issue" or the present section and who fails to transfer or redeem his Units pursuant to such provisions shall indemnify and hold harmless the Management Company, its directors, the Fund, the Depositary, the Central Administration, the investment manager, if any, and the Unitholders of the Fund (each an "Indemnified Party") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

In case of a compulsory *redemption* in accordance with this section, the Management Company shall notify the respective investor by a written notice about the compulsory redemption, specifying the Units to be redeemed, the date of the redemption and the price applicable to such Units concerned as well as the place at which the redemption price in respect of such Units is payable. Such notice shall be addressed to the respective investor at his last address known to or appearing in the Fund's register. The Units concerned by such a redemption shall be cancelled immediately after the date specified in the redemption notice.

5.4. Conversion of Units

Unless otherwise provided for in part II of the Prospectus "The Sub-Funds", a Unitholder may convert all or part of the Units he holds in a Sub-Fund into Units of another Sub-Fund or Units of one Class into Units of another Class of the same or another Sub-Fund.

Conversions are executed free of commission.

In case of the conversion, the number of Units allotted in a new Sub-Fund or in the new Class is determined by means of the following formula:

$$\frac{(A \times B \times C)}{D} = N$$

where:

A is the number of Units presented for conversion,

B is the NAV per Unit in that Sub-Fund/Unit Class of which the Units are presented for conversion, on the day the conversion is executed,

- C is the conversion factor between the Base Currencies of the two Sub-Funds or Unit Classes, as applicable, on the day of execution. If the Sub-Funds or Unit Classes have the same Base Currency, this factor is one,
- D is the NAV per Unit of the new Sub-Fund/Unit Class on the day of execution,
- N is the number of Units allotted in the new Sub-Fund/Unit Class.

5.5. Cut-off Time

All subscription, redemption and conversion orders are made on the basis of the unknown NAV per Unit. Unless otherwise specified in part II of the Prospectus “The Sub-Funds”, orders received by the Registrar and Transfer Agent before 15:30 (CET) on a Valuation Day are processed on the basis of the NAV per Unit of the next Valuation Day. Orders received after 15:30 (CET), are processed on the basis of the NAV per Unit on the next but one Valuation Day.

In order to ensure a placement of orders in due time, earlier cut-off times may be applicable for orders placed with Distributors (and/or any of their agents) in Luxembourg or abroad. The corresponding information may be obtained from the respective Distributor (and/or its agents).

6. Charges

Each Sub-Fund will, in principle, bear the following charges:

- 1) Management fee, payable to the Management Company. The applicable amount and the way it is calculated are laid down in part II of the Prospectus “The Sub-Funds” under the applicable Sub-Fund. This fee shall in particular serve as compensation for the Central Administration, the Investment Managers and the Global Distributor as well as for the services of the Custodian Bank.
- 2) Performance fee, if any, payable to the Management Company. The applicable amount and the way it is calculated are laid down in part II of the Prospectus “The Sub-Funds” under the applicable Sub-Fund.
- 3) Transaction related Fees
 - Execution fees for brokerage
 - Settlement fees incurred by the Sub-Fund’s business transactions
 - Collateral fees
- 4) Other expenses
 - A fee for research costs. The research costs, if applicable, amount to a maximum of 0,20 % p.a. of the net assets of the relevant Sub-Fund.
 - All taxes and duties owed on the Sub-Fund’s assets and income
 - Audit fees
 - Fees for country specific tax reporting and / or the audit thereof, depending on the countries of distribution
 - Expenses connected with publications and supply of information to investors, specifically for the disclosure of the NAV, for the provision of the Prospectus as well as for the production and provision of the KIIDs
 - CSSF fees

All specific fees and expenses of each Sub-Fund are payable by that Sub-Fund. All other fees and expenses shall be shared by the Sub-Funds in proportion to their net assets at that time.

Investment in target funds may lead to duplicate costs, in particular to double management fees (excluding SEB labelled target funds), since fees are incurred both on the side of the Sub-Fund as well on the side of the target fund.

7. NAV calculation

The Fund's NAV is expressed in EUR.

In order to calculate the NAV per Unit, the value of the assets belonging to each Sub-Fund less its liabilities is calculated on each day that constitutes a Valuation Day and the result is divided by the number of the Units issued.

Particulars on the calculation of the NAV per Unit and on asset valuation are provided in the Fund's Management Regulations.

When substantial sums flow in or out of a Sub-Fund, the Investment Manager has to make adjustments, such as trading on the market, in order to maintain the desired asset allocation for the Sub-Fund. Trading can incur costs that affect the Unit price of the Sub-Fund and the value of existing Unitholders' investments. Swing pricing is designed to protect the Unitholders who are currently not trading by adjusting the NAV for the subscribing and redeeming investors.

The Unit price of the Sub-Fund may thus be adjusted upwards in case of large inflows and downwards in case of large outflows on a certain Business Day. The thresholds that trigger swing pricing as well as the size of the adjustments ("swing factor") are set by the board of directors of the Management Company or by a swing price committee appointed by the board of directors of the Management Company. The board of directors of the Management Company or swing price committee may also decide a maximum swing factor to apply to a specific Sub-Fund. None of the Sub-Funds will have a higher maximum swing factor than 1%. The list of Sub-Funds that currently apply swing pricing, including the size of a maximum swing factor of the respective Sub-Funds, is available on the Website of the Branch. Investors may also request this information, free of charge.

7.1 Suspension of the calculation of the NAV

The Management Company is entitled to suspend the calculation of the Fund's net asset value, if and for as long as there are circumstances which make this suspension necessary and if the suspension is justifiable, taking into account the interests of the Unitholders, in particular:

- a) the principal stock exchanges or markets associated with a substantial portion of the Sub-Fund's investment are closed during a time when they normally would be open, or their trading is restricted or suspended;
- b) a disruption of communication systems or other emergency has made it impractical to reliably value or to trade Sub-Fund assets;
- c) the Sub-Fund is a feeder fund and its master fund has suspended its NAV calculations or unit transactions for any reason a substantial part of the Sub-Fund's investments cannot be properly or accurately valued;
- d) the Sub-Fund is unable to repatriate monies needed to pay out redemption proceeds, or is unable to exchange monies needed for operations or redemptions at what the Management Company considers to be a normal currency exchange rate;
- e) the Sub-Fund is being liquidated or merged, or notice has been given of a unitholder meeting at which it will be decided whether or not to liquidate or merge;

f) the CSSF has ordered the suspension;

g) any other circumstance out of our control exists that, in the opinion of the Management Company, would justify the suspension for the protection of unitholders.

In case of a suspension for reasons as stated above, Unitholders will be informed accordingly.

Investors who have applied for redemption of Units will be informed promptly of the suspension and will then be notified immediately once the calculation of the net asset value per Unit is resumed. After resumption, investors will receive the then current redemption price.

8. Mergers

For the purposes of this section, the term UCITS also refers to a sub-fund of a UCITS.

Any merger between Sub-Funds or between a Sub-Fund of the Fund and another UCITS and the effective date shall be decided by the board of directors of the Management Company.

In the case required by the Law, the Management Company shall entrust either an authorised auditor or, as the case may be, an independent auditor to perform the necessary validations prescribed by the Law.

Practical terms of mergers will be performed and will have the effect in accordance with Chapter 8 of the Law.

Information on the merger shall be made available to the Unitholders of the merging and/or receiving UCITS on the Website of the Branch and, as the case may be, in all other forms prescribed by laws or related regulations of the countries, where the relevant Units are sold.

9. Duration and liquidation of the Sub-Funds of the Fund

9.1. Duration and liquidation of Sub-Funds

Unless otherwise stipulated in part II of the Prospectus "The Sub-Funds", each Sub-Fund is created for an unlimited period. The Management Company may at any time decide upon the liquidation of one or more Sub-Funds by compulsory redemption of the Units of the respective Sub-Fund(s), particularly in situations of a notable modification of the economic and/or political prevailing circumstances, or if the net assets of a Sub-Fund fall under a certain level to be determined by the Management Company which will not allow an efficient and rational management or in any other cases which will be in the Unitholders' interest.

The decision of the Management Company to liquidate a Sub-Fund, the reason and the procedure of the liquidation will be announced to Unitholders on the Website of the Branch and, as the case may be, in all other forms prescribed by relevant laws or regulations of the countries where the Units of the Sub-Fund are sold.

No application for subscription or conversion of Units into the Sub-Fund to be liquidated will be accepted after the date of the event leading to the dissolution and the decision to liquidate the Sub-Fund. If the equal treatment between Unitholders is ensured, redemption requests may be treated.

Following the liquidation of the assets of the relevant Sub-Fund in the best interests of the Unitholders, the Management Company will instruct the Paying Agent to distribute the proceeds of the liquidation, after deduction of liquidation costs, amongst the Unitholders of the relevant Sub-Fund in proportion to their respective holdings.

The closure of the liquidation of a Sub-Fund and the deposit of any unclaimed amounts with the Caisse de Consignation in Luxembourg shall in principle take place within a period of time not exceeding nine months from the board of directors of the Management Company decision to liquidate the relevant Sub-Fund.

Any unclaimed liquidation proceeds not distributed to Unitholders after closure of the liquidation procedure shall be deposited by the Depositary on behalf of entitled Unitholders with the Luxembourg Caisse de Consignation in accordance with applicable laws and regulations. The liquidation proceeds deposited with the Caisse de Consignation in Luxembourg will be available to the persons entitled thereto for the period established by law. At the end of such period unclaimed amounts will revert to the Luxembourg State.

Liquidation and distribution of a Sub-Fund cannot be requested by a Unitholder, his heirs or beneficiaries.

In case the net assets of a Sub-Fund drop down to zero due to redemption, the Management Company may decide that this Sub-Fund is closed without the need to entail the liquidation procedure.

9.2. Duration and liquidation of the Fund

The Fund is created for an unlimited period and can be dissolved at any time by decision of the Management Company if such dissolution appears necessary or expedient in consideration of the interests of the Unitholders, in order to protect the interests of the Management Company.

Dissolution of the Fund is mandatory in the cases provided for by the Law.

The Management Company shall announce to investors any such dissolution of the Fund on the Website of the Branch and, as the case may be, in all other forms prescribed by laws or related regulations of the countries, where Units are sold.

No application for subscription or conversion of Units will be accepted after the date of the event leading to the dissolution and the decision to liquidate the Fund. If the equal treatment between Unitholders is ensured, redemption requests may be treated.

The closure of the liquidation of the Fund and the deposit of any unclaimed amounts with the Caisse de Consignation in Luxembourg shall in principle take place within a period of time not exceeding nine months from the decision of the board of directors of the Management Company to liquidate the Fund.

Any unclaimed liquidation proceeds not distributed to Unitholders after closure of the liquidation procedure shall be deposited by the Depositary on behalf of entitled Unitholders with the Luxembourg Caisse de Consignation in accordance with applicable laws and regulations. The liquidation proceeds deposited with the Caisse de Consignation in Luxembourg will be available to the persons entitled thereto for the period established by law. At the end of such period unclaimed amounts will revert to the Luxembourg State.

Dissolution and distribution of the Fund cannot be requested by a Unitholder, his heirs or beneficiaries.

10. Taxation of the Fund and the Unitholders

The following summary is based on the laws and practices currently in force and is subject to any future changes. The following information is not exhaustive and does not constitute legal or tax advice.

It is expected that Unitholders in the Fund will be resident in many different countries. Consequently, no attempt is made in this Prospectus to summarize the taxation consequences for each investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Units in the Fund. These consequences will vary in accordance with the law and practice currently in force in a Unitholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances.

Taxation in Luxembourg

The Fund is subject to Luxembourg legislation. Buyers of the Fund's units should inform themselves about the legislation and rules applicable to the purchase, holding and possible sale of units with regard to their residence or nationality.

In accordance with current legislation in Luxembourg, neither the Fund nor the Unitholders, except those whose domicile, residence or permanent establishment is Luxembourg, are subject to any tax on income or capital gains in Luxembourg. The Fund's income may however be subject to withholding tax in the countries where the Fund's assets are invested.

The net assets of the Fund are subject to a Luxembourg tax ("taxe d'abonnement") at an annual rate of 0.05% payable at the end of each quarter. Units of institutional classes, if applicable, as defined in Article 174 (2) (c) of the Law are subject to a "taxe d'abonnement" of 0.01% per annum. The Management Company ensures that such institutional unit classes are only acquired by investors complying with rules set out in the afore-mentioned article. The value of the assets represented by the shares/units held in other Luxembourg undertakings for collective investment already subject to a "taxe d'abonnement" is exempt from the payment of such tax.

Common Reporting Standard ("CRS")

The Organisation for Economic Co-operation and Development ("OECD") has developed the CRS which is a parallel to FATCA to achieve a comprehensive and multilateral automatic exchange of information on a global basis. In Luxembourg, the CRS was implemented by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation (the "CRS Law"). According to the CRS Law, The Management Company qualifies as a Reporting Financial Institution and must annually report to the Luxembourg tax authorities the identification and holdings of, and payments made to, investors and controlling persons of certain non-financial entities. The reporting will include information about transactions made by reportable persons and other personal and financial data.

Prospective investors should consult their professional advisor on the individual impact of the CRS.

Foreign Account Tax Compliance Act ("FATCA")

The FATCA, which was passed as part of the Hiring Incentives to Restore Employment Act (the "Hire Act"), entered into force in the United States of America (the "USA" or "US"). The FATCA generally requires that foreign financial Institutions ("FFIs") and certain other non-financial foreign entities report on the foreign assets held by their US account holders or be subject to withholding on withholdable payments.

Luxembourg has signed a Model I Intergovernmental Agreement ("IGA") with the USA on 28 March 2014. The Management Company and the Fund are hence obliged to comply with the provisions of FATCA under the terms of the IGA and under the terms of Luxembourg legislation implementing the

IGA (the “Luxembourg IGA legislation”), rather than under the US Treasury Regulations implementing FATCA.

Under the IGA, information on direct and indirect ownership of non-US accounts or entities by certain US persons information must be reported to the Luxembourg tax authorities, who in turn may share it with the US Internal Revenue Service or other tax authorities. Unitholders who hold their units through intermediaries should check the intermediaries’ intention to comply with FATCA.

As an FFI, the Fund may potentially be subject to a 30% withholding tax on certain source of US income should it fail to comply with the regime and or not otherwise exempt. In order to protect Unitholders from the effect of any penalty withholding, the Fund must comply with the requirements of the FATCA regime and hence, qualify as a so-called “participating financial institution” as defined in the IGA. As long as the Fund complies with the IGA and the enabling legislation, the Fund does not anticipate that it or its sub-funds will be subject to the related US withholding tax.

The Management Company has agreed to sponsor the Fund which means that the Fund is considered as a “sponsored financial institution” and the Management Company as a “sponsoring financial institution”. The Fund qualifies as a “non-reporting sponsored financial institution” within the meaning of the IGA.

In cases where investors invest in the Fund through an intermediary, investors are reminded to check whether such intermediary is FATCA compliant and, hence, qualifies as a participating financial institution.

Although the Fund and the Management Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the US withholding tax, no assurance can be given that the Fund and the Management Company will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by the Unitholders may suffer material losses.

If you are in any doubt, you should consult your tax advisor, stockbroker, bank manager, solicitor, accountant or other financial adviser regarding the possible implications of FATCA on an investment in the Fund.

11. Information to Unitholders

11.1. Prospectus, Management Regulations and KIID

Copies of the Prospectus, the Management Regulations and the KIID are available, free of charge, at the address office of the Management Company, at the address of its Branch and on the Website of the Branch.

11.2. Reports and financial statements

The financial year of the Fund starts on 1 January and finishes on 31 December of the same year.

The audited annual and unaudited semi-annual reports of the Fund may be obtained, free of charge at the address of the Management Company, at the address of its Branch and on the Website of the Branch.

11.3. Issue and redemption prices

The last known issue and redemption prices may be downloaded from the Website of the Branch and/or requested at any time, free of charge, at the address of the Management Company, at the address of its Branch and at the registered office of the Depositary and the paying agents.

11.4. Notices to Unitholders

All notices to Unitholders may be downloaded from the Website of the Branch and/or, as the case may be, is made available to investors in any other form required by laws or related regulations of the countries, where Units are sold, and/or may be requested at any time, free of charge, at the address of the Management Company and at the address of its Branch.

11.5. Unitholders' rights against the Fund

The Management Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund if the investor is registered himself and in his own name in the in the unitholders' register of the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain unitholder rights directly against the Fund. Investors are advised to take advice on their rights.

11.6. Policies

Conflicts of interest

The Board of Directors, the Management Company, the investment manager(s), the Depositary, and the other service providers of the Fund, and/or their respective affiliates, members, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Fund.

The Board of Directors has adopted and implemented a conflicts of interest policy in accordance with its Code of Conduct.

The Management Company, the Fund, the investment manager(s), and the Depositary have adopted and implemented a conflicts of interest policy and have made appropriate organisational and administrative arrangements to identify and manage conflicts of interests so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund's investors are treated fairly.

The Management Company, the Depositary and certain distributors are part of the SEB Group (the "Affiliated Person").

The Affiliated Person is a worldwide, full-service private banking, investment banking, asset management and financial services organization and a major participant in the global financial markets. As such, the Affiliated Person is active in various business activities and may have other direct or indirect interests in the financial markets in which the Fund invests.

Entities of the Affiliated Person act as counterparty and in respect of financial derivative contracts entered into by the Fund.

Potential conflicts of interest or duties may arise because the Affiliated Person may have invested directly or indirectly in the Fund. The Affiliated Person could hold a relatively large proportion of Units

in the Fund. Furthermore, a potential conflict may arise because the Depositary is related to a legal entity of the Affiliated Person which provides other products or services to the Fund.

In the conduct of its business the Management Company and the Affiliated Person's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the Affiliated Persons' various business activities and the Fund or its investors. The Affiliated Person, as well as the Management Company strive to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, both have implemented procedures that shall ensure that any business activities involving a conflict which may harm the interests of the Fund or its investors, are carried out with an appropriate level of independence and that any conflicts are resolved fairly. Details can be found on the following webpage: [Reports and legal information | SEB \(sebgroup.com\)](https://www.sebgroup.com/reports-and-legal-information)

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the Management Company for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Fund or its Unitholders will be prevented. In such case these non-neutralized conflicts of interest as well as the decisions taken will be reported to investors in an appropriate manner (e.g. in the notes to the financial statements of the Fund). Respective information will also be available free of charge at the address of the Management Company.

Exercise of voting rights

A summary of the strategy for determining when and how voting rights attached to the Fund's investments are to be exercised shall be made available to investors. The information related to the actions taken on the basis of this strategy in relation to the Fund shall be made available to investors upon request at the registered office of the Fund.

Information on the Organization and exercise of voting rights' policy is available, free of charge, upon request at the address of the Management Company, at the address of the Branch and on the Website of the Branch

Preferential treatment of investors

Unitholders are being given a fair treatment by ensuring that they are subject to the same rights and, as the case may be, the same obligations vis-à-vis the Fund (as such rights are obligations notably result from the Management Regulations and this Prospectus) as those to which other Unitholders, having invested in, and equally or similarly contributed to, the same class of Units, are subject to. Notwithstanding the foregoing paragraph, it cannot be excluded that a Unitholder be given a preferential treatment in the meaning of, and to the widest extent, allowed by, the Management Regulations. Whenever a Unitholder obtains preferential treatment or the right to obtain a preferential treatment, a description of that preferential treatment, the type of Unitholders who obtained such preferential treatment and, where relevant, their legal or economic links with the Fund or the Management Company will be made available at the address of the Management Company and the address of the Branch within the same limits required by the Law.

Best execution

The Management Company acts in the best interest of the Fund when executing investment decisions, For that purpose, the Management Company shall monitor that the Investment Manager takes all reasonable steps to obtain the best possible result for the Fund, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution and settlement of the order in accordance with its Instructions for Ensuring

a Proper Execution, Handling and Transmission of orders in Financial Instruments. Information on the Instructions for Ensuring a Proper Execution, Handling and Transmission of orders in Financial Instruments is available, free of charge, upon request at the address of the Management Company and at the address of the Branch as well as on the Website of the Branch.

Inducements

Third parties, including Affiliated Person, may be remunerated or compensated by the Management Company in monetary/non-monetary form in relation to the provision of a covered service as defined in the Instruction relating to Inducements in SEB Investment Management AB. The Management Company strives to ensure that in providing services to its investors, it acts at all times in a honest, fair and professional manner, and in the best interests of the investors. The Instruction relating to Inducements in SEB Investment Management AB is available, free of charge, upon request at the address of the Management Company and at the address of the Branch.

Complaints' handling

Information relating to the complaints' handling procedure will be made available to investors, free of charge, upon request at the address of the Management Company, at the address of its Branch and on the Website of the Branch.

Remuneration Policy

The Management Company has implemented a remuneration policy, which is reviewed at least annually, that is designed to encourage good performance and behaviour, and seeks to achieve a balanced risk-taking that goes in line with Unitholders' expectations.

In SEB Group, there is clear distinction between the criteria for setting fixed remuneration (e.g. base pay, pension and other benefits) and variable remuneration (e.g. short- and long-term variable remuneration). The individual total remuneration corresponds to requirements on task complexity, management and functional accountability and is also related to the individual's performance.

SEB Group provides a sound balance between fixed and variable remuneration and aligns the payout horizon of variable pay with the risk horizon. This implies that certain maximum levels and deferral arrangements apply for different categories of employees.

Details of the up-to-date remuneration policy are available to investors, free of charge, upon request at the address of the Management Company, and on the Website of the Management Company.

The policy shall secure that remuneration is in line with the business strategy, objectives, values and long term interest of the Unitholders, and includes measures to avoid conflicts of interests.

The assessment process of performance is based on the longer term performance of the Fund and its investment risks and the actual payment of performance-based components of remuneration is spread over the same period.

The remuneration policy is available on <https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/about-investment-management/reports-and-legal-information>

12. Data Protection

Any information which directly or indirectly relates to natural persons (the "**Personal Data**") i.e. the individual representative(s) of the Unitholders or prospective unitholders (the "**Data Subjects**") and which is provided to, or collected by or on behalf of the Fund (directly from Data Subjects or from

publicly available sources), will be processed by the Management Company as data controller (the "**Controller**" – contact details available at <https://sebgroupl.lu/sebgroupl.lu/legal-and-regulatory-information/legal-notice/data-protection-notice-for-seb-investment-management-ab>) in compliance with Regulation (EU) 2016/679 of 27 April 2016 (the "**GDPR**") and applicable data protection laws (together the "Data Protection Legislation").

The Controller may collect information including Personal Data from the Data Subjects from time to time in order to develop and process the business relationship between the Unitholder or prospective Unitholder and the Fund, and for other related activities. If a Unitholder or prospective Unitholder fails to provide such information in a form which is satisfactory to the Management Company, the Management Company may restrict or prevent the ownership of Units and the Fund shall, to the extent permitted by applicable laws, be held harmless and indemnified against any loss arising as a result of the restriction or prevention of the ownership of Units.

Personal Data will be processed by the Controller and disclosed to, and processed by, services providers acting as data processors on behalf of the Controller such as the Management Company, Depositary, Central Administration, Global Distributor and its appointed sub-distributors, Paying Agents, Paying and Information Agent, Auditor, legal and financial advisers (the "**Processors**") and any of the foregoing respective agents, delegates, affiliates, subcontractors and/or their successors and assigns, for the purposes of (i) offering and managing investments and performing the related services, (ii) developing and processing the business relationship with the Processors, and (iii) direct or indirect marketing activities (the "**Purposes**").

Personal Data will also be processed by the Controller and Processors to comply with legal or regulatory obligations applicable to them such as cooperation with, or reporting to, public authorities including but not limited to legal obligations under applicable fund and company law, anti-money laundering and counter terrorist financing (AML-CTF) legislation, prevention and detection of crime, tax law such as reporting to the tax authorities under Foreign Account Tax Compliance Act (FATCA), the Common Reporting Standard (CRS), the law transposing Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (DAC 6) or any other tax identification legislation to prevent tax evasion and fraud as applicable (the "**Compliance Obligations**").

The Controller and/or the Processors may be required to report information (including name and address, date of birth and U.S. tax identification number (TIN), account number, balance on account, the "**Tax Data**") to the Luxembourg tax authorities (*Administration des Contributions Directes*) which will exchange this information with the competent authorities in permitted jurisdictions (including outside the European Economic Area) for the purposes provided for in FATCA and CRS, DAC 6 or equivalent Luxembourg legislation. It is mandatory to answer questions and requests with respect to the Data Subjects' identification and Units held in the Fund and, as applicable, FATCA and/or CRS. Failure to provide relevant Personal Data requested by the Controller or the Processors in the course of their relationship with the Fund may result in incorrect or double reporting, prevent them from acquiring or maintaining their Units of the Fund and may be reported to the relevant Luxembourg authorities.

In certain circumstances, the Processors may also process Personal Data of Data Subjects as data controllers, in particular for compliance with their legal obligations in accordance with laws and regulations applicable to them (such as anti-money laundering identification) and/or order of any competent jurisdiction, court, governmental, supervisory or regulatory bodies, including tax authorities. In this case, Unitholders should consult the data privacy policies of the Processors acting as independent data controllers.

The Fund reserves the right to refuse to issue Units to Unitholders who do not provide the necessary Personal Data (including records of their transactions).

Communications (including telephone conversations and e-mails) may be recorded by the Controller and Processors including for record keeping as proof of a transaction or related communication in the event of a disagreement and to enforce or defend the Controller's and Processors' interests or rights in compliance with any legal obligation to which they are subject. Such recordings may be produced in court or other legal proceedings and permitted as evidence with the same value as a written document and will be retained for a period of 10 years starting from the date of the recording. The absence of recordings may not in any way be used against the Controller and Processors.

Personal Data will in principle not be transferred outside the European Economic Area (the "EEA"). If Personal Data were ever to be transferred to countries outside the EEA and not falling under an adequacy decision from the Commission on the basis of article 45 of the GDPR, the Controller shall ensure that such transfers are governed by an arrangement drafted in compliance with the Commission Implementing Decision (EU) 2021/914 of 4 June 2021 on standard contractual clauses for the transfer of personal data to third countries pursuant to Regulation (EU) 2016/679 of the European Parliament and of the Council (the "**Standard Contractual Clauses**") and, where applicable, that appropriate supplementary measures are implemented to ensure compliance with the EU level of protection of Personal Data.

Insofar as Personal Data is not provided by the Data Subjects themselves, the Unitholders represent that they have authority to provide such Personal Data of other Data Subjects. If the Unitholders are not natural persons, they undertake and warrant to (i) adequately inform any such other Data Subject about the processing of their Personal Data and their related rights as described below and in the summary information notice and (ii) where necessary and appropriate, obtain in advance any consent that may be required for the processing of the Personal Data.

Personal Data of Data Subjects will not be retained for longer than necessary with regard to the Purposes and Compliance Obligations, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods.

Detailed data protection information is contained in the information notice and available at <https://sebgroupl.lu/sebgroupl.lu/legal-and-regulatory-information/legal-notice/data-protection-notice-for-seb-investment-management-ab>, in particular in relation to the nature of the Personal Data processed by the Controller and Processors, the legal basis for processing, recipients, safeguards applicable for transfers of Personal Data outside of the European Union.

The Unitholders have certain rights in relation to Personal Data relating to them including the rights to access to or have Personal Data about them rectified or deleted, ask for a restriction of processing or object thereto, right to portability, right to lodge a complaint with the relevant data protection supervisory authority and the right to withdraw consent after it was given. The summary information notice contains more detailed information concerning these rights and how to exercise them.

The full information notice is also available at <https://sebgroupl.lu/site-assistance/legal-notice/data-protection-notice-for-seb-investment-management-ab>, on demand, free of charge, at dataskyddsbud@seb.se or at the registered office of the Fund.

The Unitholders' attention is drawn to the fact that the data protection information contained herein and in the information notice is subject to change at the sole discretion of the Controller.

The Unitholders acknowledge having received and read the data protection information contained in the information notice.

13. Applicable law, jurisdiction and governing language

Disputes arising between the Unitholders, the Management Company and the Depositary shall be settled according to Luxembourg law and subject to the jurisdiction of the District Court of Luxembourg, provided however that the Management Company and the Depositary may subject themselves and the Fund to the jurisdiction of courts of the countries, in which the Units of the Fund are offered and sold, with respect to claims by investors resident in such countries and, with respect to matters relating to subscriptions, redemptions and conversions by Unitholders resident in such countries, to the laws of such countries.

English shall be the governing language for this Prospectus, provided however that the Management Company and the Depositary may, on behalf of themselves and the Fund, consider as binding the translation in languages of the countries in which the Units of the Fund are offered and sold, with respect to Units sold to investors in such countries.

II. The Sub-Funds

SEB High Yield – SEB Global High Yield Fund

1. Investment objective and policy

SEB Global High Yield Fund aims to generate long-term capital growth at a well-balanced level of risk. To achieve this aim, the Sub-Fund invests worldwide in corporate bonds from issuers having mainly non-investment grade rating. The investment focus of the Sub-Fund's investments will be fixed-income securities from issuers mainly in the United States and Europe.

Non-investment grade rated bonds have a credit rating of BB+ to D on Standard & Poor's scale or the equivalent, where D has the highest risk. The ratings of the bonds in which the Sub-Fund invests are regularly reviewed and the Sub-Fund should not, in principle, invest in non-investment grade rated bonds with a lower credit rating than C on Standard & Poor's scale or the equivalent. If any bond in the Sub-Fund's portfolio would drop to a rating of D, that bond would not be kept in the portfolio for a period exceeding one month from the day it attained the rating of D. The amount of bonds in the portfolio with a rating of D will at any time not be exceed 3% of the Sub-Fund's assets.

The Sub-Fund's index is the Bloomberg US and Euro High Yield ex Energy Index (the "Index"), a US and European fixed income index covering corporate high yield bonds rated below investment grade. The Index excludes the energy sector.

The Sub-Fund is actively managed. The Sub-Fund's investment strategy does not aim to limit the extent to which the Sub-Fund's holdings deviate from the Index. The investment team is therefore not constrained by the Index. The majority of the Sub-Fund's holdings may be constituents of the Index but rather differ in weighting. The Index is used for performance comparison.

The Sub -Fund may invest in CoCos up to 20%

The Sub-Fund may also invest in zero coupon bonds and in regularly traded money market instruments as provided for in the Management Regulations.

The Sub-Fund makes active investment decisions, based on analysis and selection of companies fulfilling specific sustainability criteria. To this end the Sub-Fund applies the Sustainability Model as described in 3 "Investment Objective and Policy" of the General Part of the Prospectus and promotes, among others, environmental, social and/or governance characteristics within the meaning of article 8 of SFDR.

Detailed sustainability information about the Sub-Fund can be found under Annex I at the end of this Prospectus.

The currency risks arising from international investments may be hedged.

Furthermore, the Management Company may use financial derivatives instruments ("derivatives"), as provided for hereafter, to ensure efficient portfolio management (including carrying out transactions for hedging purposes) and in order to achieve the investment objective. The Sub-Fund may under no circumstances deviate from the stipulated investment objectives when making use of derivatives.

The Sub-Fund will not invest in Asset Backed Securities and/or in Mortgage Backed Securities.

The Sub-Fund will not invest more than 10% of its net assets in units / shares of other UCITS or UCIs. Within the limits laid down in article 41 (1) (e) of the Law, and unless expressly stated otherwise, such other UCITS or UCIs might have different investment strategies or restrictions than those set

forth in this supplement, to the extent that such investments do not result in a circumvention of the investment strategies or restrictions of the Sub-Fund.

The Sub-Fund may invest up to 100% of its assets in different transferable securities and money market instruments issued and guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other State of the OECD, G20, Singapore or Hong Kong. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities and money market instruments from any one issue may not account for more than 30% of the Sub - Fund's total net assets.

2. Risk profile and risk management process

2.1. Risk profile

The Sub-Fund faces the following specific risks:

- Counterparty risk
- Coco bonds risk
- Credit risk
- Interest risk
- Liquidity risk
- Market risk
- Operational risk

Detailed information on the aforementioned type of risks is stated in Chapter 4 “Information on risk” in part I of the Prospectus.

2.2. Risk management process

For the determination of the global exposure, this Sub-Fund uses the commitment method.

The commitment method calculates all derivative exposure as if they were direct investments in the underlying positions. The commitment allows for hedging and netting. The overall market exposure from derivative commitments shall not exceed 200% of the total net assets of the Sub-Fund (100% from direct investment and 100% from derivatives).

3. Typical Investor

The Sub-Fund is suitable for investors who seek long-term yields greater than those of classic government bonds. To achieve this advantage in yields, they are willing to accept increased fluctuations in value.

Accordingly, the target investment period should be at least three years.

4. Base Currency of the Sub-Fund

The Base Currency of the Sub-Fund is expressed in euro (EUR).

5. Classes available

Class	ISIN Code	Initial subscription price	Minimal initial investment amount**	Maximum management fee
C (EUR)	LU0456547701	EUR 100	none	1%
D (EUR)	LU0120526693	EUR 45	none	0,90%
C (H-SEK)	LU0413134395	SEK 100	none	1%
D (H-SEK)	LU1327394042	SEK 100	none	1%
C (H-NOK)	LU0428578230	NOK 100	none	1%
HNWD (H-SEK)	LU0977256832	SEK 100	SEK 1 000 000	0,75%
HNWC (H-SEK)	LU0977256915	SEK 100	SEK 1 000 000	0,75%
IC (H-NOK)	LU2464403281	NOK 100	NOK 5 000 000	0,50%
IC (H-SEK)	LU0977257053	SEK 100	SEK 5 000 000	0,50%
ID1 (H-SEK)	LU0977257137	SEK 100	SEK 5 000 000	0,50%
ID2 (H-SEK)	LU2689072036	SEK 100	SEK 10 000 000	0,40%
ID3 (H-SEK)	LU2689072200	SEK 100	SEK 50 000 000	0,25%
UC(EUR)	LU1791749010	EUR 1000	none	0,50%
UC (H-SEK)	LU1895565197	SEK 1000	none	0,50%
ZC(EUR)	LU1732231458	EUR 1000	EUR 500,000	0,30%
ZD(EUR)	LU1732231532	EUR 1000	EUR 500,000	0.30%
IC (EUR)	LU2086633489	EUR 1000	EUR 500,000	0,50%
ID (EUR)	LU2086634370	EUR 1000	EUR 500,000	0,50%
D A-Class FIN (EUR)	LU2398777370	n/a	EUR 5,000	0,74%
C B-Class FIN (EUR)	LU2398777297	n/a	EUR 5,000	0,74%

* Will be launched at the discretion of the Management Company

** May be waived at the discretion of the Management Company

6. Charges

In accordance with Chapter 6 “Charges” in part I of the Prospectus “The Fund”, the Sub-Fund will, in principle, bear all the charges mentioned therein.

Details on the management fee can be found in the above section “Classes available”.

6.1. Entry and Exit Fees

The Sub-Fund does not charge for any entry or exit fees for any unit class.

7. Cut-off Time/Order Processing

Notwithstanding the general rules laid down in the sections "Issue of Units" and "Cut off Time" here before, orders received by the Registrar and Transfer Agent (on behalf of the Management Company or directly from the unitholder) for this Sub-Fund before 15:30 P.M.(CET) on a Valuation Day are processed on the basis of the net asset value per Unit of the following Valuation Day. Orders received after 15:30 P.M. (CET), are processed on the basis of the net asset value per Unit of the next but one Valuation Day.

SEB High Yield – SEB Climate Focus High Yield Fund

1. Investment objective and policy

The objective of the Sub-Fund is to deliver an attractive return on your high-yield investments while simultaneously establishing a perdurable positive environmental impact in order to achieve the long-term objectives of the Paris Agreement.

To achieve this objective, the Sub-Fund mainly invests in European non-investment grade rated bonds with a significant concentration on Nordic issuers (Denmark, Finland, Iceland, Norway, and Sweden) and up to 20% of its assets in European investment grade bonds or global non-investment grade rated bonds. The Sub-Fund may also invest in non-rated bonds.

Non-investment grade rated bonds have a credit rating of BB+ to D on Standard & Poor's scale or the equivalent, where D has the highest risk. The ratings of the bonds in which the Sub-Fund invests are regularly reviewed and the Sub-Fund should not, in principle, invest in non-investment grade rated bonds with a lower credit rating than C on Standard & Poor's scale or the equivalent. If any bond in the Sub-Fund's portfolio would drop to a rating of D, that bond would not be kept in the portfolio for a period exceeding one month from the day it attained the rating of D. The amount of bonds in the portfolio with a rating of D will at any time not exceed 3% of the Sub-Fund's assets.

The Sub -Fund may invest in CoCos up to 20%

The Sub-Fund is actively managed by combining a systematic approach with in-depth, bottom-up fundamental analysis to evaluate a company's management of climate risks and opportunities in conjunction with the company's potential to deliver long-term capital growth. Furthermore, the investment team engages with investee companies with defined targets to mitigate the cause and adaption to climate change. Finally, the investment team believes in supporting companies across different sectors to achieve the common global goal of a low-carbon world.

The Sub-Fund's index is the Bloomberg Pan-European High Yield Index (the "Index"), an European fixed - income index covering corporate bonds with lower credit ratings. The Index is not aligned with the sustainable objective of the Sub-Fund and is used only for performance comparison. The investment strategy does not aim to restrict how much of the Sub-Fund's holdings that may deviate from the Index.

The Sub-Fund integrates sustainability risks by applying the Sustainability Model described in 3 "Investment Objective and Policy" of the General Part of the Prospectus and promotes, among others, environmental, social and/or governance characteristics within the meaning of article 9 of SFDR.

Detailed sustainability information about the Sub-Fund can be found in Annex I at the end of this Prospectus.

The Sub-Fund may also invest in zero coupon bonds and in regularly traded money market instruments, including liquid assets, as provided for in the Management Regulations.

The currency risks arising from international investments may be hedged.

Furthermore, the Management Company may use derivative financial instruments ("derivatives"), as provided for hereafter, to ensure efficient portfolio management (including carrying out transactions for hedging purposes) and in order to achieve the investment objective. The Sub-Fund may under no circumstances deviate from the stipulated investment objectives when making use of derivatives.

The Sub-Fund will not invest in Asset-Backed Securities and/or in Mortgage-Backed Securities.

The Sub-Fund will not invest more than 10% of its net assets in units / shares of other UCITS or UCIs.

Within the limits laid down in article 41 (1) (e) of the Law, and unless expressly stated otherwise, such other UCITS or UCIs might have different investment strategies or restrictions than those set forth in this supplement, to the extent that such investments do not result in a circumvention of the investment strategies or restrictions of the Sub-Fund.

The Sub-Fund may invest up to 100% of its assets in different transferable securities and money market instruments issued and guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other State of the OECD, G20, Singapore or Hong Kong. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities and money market instruments from any one issue may not account for more than 30% of the Sub - Fund's total net assets.

2. Risk profile and risk management process

2.1. Risk Profile

The Sub-Fund faces the following specific risks:

- Counterparty risk.
- CoCo bonds risk.
- Credit risk.
- Interest risk.
- Liquidity risk.
- Market risk.
- Operational risk.

Detailed information on the aforementioned types of risks is stated in Chapter 4 "Information on risk" in part I of the Prospectus.

2.2. Risk management process

For the determination of the global exposure, this Sub-Fund uses the commitment method. The commitment method calculates all derivative exposure as if they were direct investments in the underlying positions. The commitment allows for hedging and netting. The overall market exposure from derivative commitments shall not exceed 200% of the total net assets of the Sub-Fund (100% from direct investment and 100% from derivatives).

3. Typical Investor

The Sub-Fund is suitable for investors who seek long-term yields greater than those of classic government bonds. To achieve this advantage in yields, they are willing to accept increased fluctuations in value.

Accordingly, the target investment period should be at least three years

4. Base Currency of the Sub-Fund

The Base Currency of the Sub-Fund is expressed in euro (EUR).

5. Classes available

Class	ISIN Code	Initial subscription price	Minimal investment amount**	Maximum management fee
C (EUR)	LU0977257210	EUR 100	none	1%
D (EUR)	LU0977257301	EUR 100	none	1%
HNWC (EUR)	LU1084480596	EUR 100	EUR 50000	0,75%
IC (EUR)	LU0977257483	EUR 100	EUR 1,000,000	0,50%
C (H-SEK)	LU0977257640	SEK 100	none	1%
D (H-SEK)	LU1084480679	SEK 100	none	10%
HNWC (H-SEK)	LU1084480752	SEK 100	SEK 500,000	0,75%
HNWD (H-SEK)	LU1084480919	SEK 100	SEK 500,000	0,75%
IC (H-SEK)	LU1084481131	SEK 100	SEK 10,000,000	0,50%
ID1 (H-SEK)	LU2689071731	SEK 100	SEK 5,000,000	0,60%
ID2 (H-SEK)	LU2689071814	SEK 100	SEK 10,000,000	0,50%
ID3 (H-SEK)	LU2689072382	SEK 100	SEK50,000,000	0,30%
C (H-NOK)	LU0977257723	NOK 100	none	1%
HNWC (H-NOK)	LU1084481305	NOK 100	NOK 500,000	0,75%
UC (EUR)	LU2625137695	EUR 100	none	0,50%
ZC(EUR)	LU1732230997	EUR 1000	EUR 1,000,000	0,30%
ZD(EUR)	LU1732231292	EUR 1000	EUR 1,000,000	0,30%

* Will be launched at the discretion of the Management Company

** May be waived at the discretion of the Management Company

6. Charges

In accordance with Chapter 6 "Charges" in part I of the Prospectus "The Fund", the Sub-Fund will, in principle, bear all the charges mentioned therein.

Details on the management fee can be found in the above section "Classes available".

6.1. Entry and Exit Fees

The Sub-Fund does not charge for any entry or exit fees for any unit class.

7. C-off Time/Order Processing

Notwithstanding the general rules laid down in the sections "Issue of Units" and "Cut off Time" here before, orders received by the Registrar and Transfer Agent (on behalf of the Management Company or directly from the unitholder) for this Sub-Fund before 15:30 P.M. (CET) on a Valuation Day are processed on the basis of the net asset value per Unit of the following Valuation Day. Orders received after 15:30 P.M. (CET), are processed on the basis of the net asset value per Unit of the next but one Valuation Day.

III. ANNEX I – INFORMATION ABOUT THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS OF THE SUB-FUNDS

Pre-contractual 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 High Yield – 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.

Does this financial product have a sustainable investment objective?

●● <input type="checkbox"/> Yes	●● <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____% <ul style="list-style-type: none"> <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 checked="" type="checkbox"/> 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 20% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments



What environmental and/or social characteristics are promoted by this financial product?

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

The Sub-Fund uses the SIMS-S framework and scores in its sustainable integration process.

The SEB Investment Management Sustainability Score (the "SIMS-S"), is central to our sustainability integration process and evaluation. SIMS-S focuses 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 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.

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 issuer's 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 index used by the Sub-Fund is not aligned with the environmental, social and/or governance characteristics of the Sub-Fund and is used for performance comparison only.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The sustainability indicators to measure the environmental and social characteristics promoted by the Sub-Fund are:

- **Exclusion of issuers that breach international norms and standards:**
is measured by the number of issuers restricted as a result of this restriction
- **Exclusion of issuers that operate in controversial sectors or business areas:**
is measured by the number of issuers restricted as a result of this restriction
- **Exclusion of issuers that have exposure to fossil fuels or other activities with negative environmental impact:**
is measured by the number of issuers restricted as a result of this restriction
- **Integrate sustainability in their ongoing business model and strategy:**
is measured by the Sub-Fund's proprietary ESG score based on the SIMS-S framework.
- **Influence the issuers towards a more sustainable direction:**
is measured by the number of companies subject to engagement, either directly or through collaborative initiatives.
- **Promotion of Sustainable bonds:**
is measured by the share of green, blue, social or sustainability bonds

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The Sub-Fund has sustainable investments with environmental and social objectives connected to the United Nations Sustainable Development Goals ("UNSDGs").

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

The environmental objectives:

The social objectives:

To positively contribute to the environmental 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
- SDG 15: Life on land

Social inclusion, cohesion, and partnerships.
To positively contribute to the social SDGs:

- SDG 1: No Poverty
- SDG 2: Zero hunger
- SDG 3: Good health and wellbeing
- 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
- SDG 17: Partnerships for the goals

The Management Company and the Sub-Fund use a “pass/fail approach”, where an issuer is classified and accounted for as sustainable, if the issuer, based on quantitative measurements provided by third party data providers, fulfil one or more of the following conditions:

- 10 percent of the issuer’s revenue, capital expenditure or operating costs have, through conservative estimation or reporting, been classified as a significant contributor according to EU environmental Taxonomy objectives on climate change mitigation or adaptation to climate change.
- 20 percent of the issuer’s revenue has been assessed to contribute to other environmental or social global goals, directly or indirectly linked to the UN’s above-mentioned objectives for sustainable development.
- The issuer outperforms relative to its sector and region in terms of emission factors, according to quantitative data.
- The issuer outperforms relative to its region in terms of gender equality factors, according to quantitative data.
- The issuer outperforms relative to its sector and region in terms of other resource efficiency, such as water use, raw material consumption or waste generation, according to quantitative data.

The issuer has been fundamentally analysed and viewed as having a high contribution and exposure to the objectives ESG labelled bonds, e.g., green, social, sustainability or sustainability-linked bonds, are classified and accounted as sustainable as their use of proceed contributes to the environmental or/and social objective. The Management Company has procedures in place to ensure that the ESG labelled bonds which the Sub-Fund invests are aligned with the relevant principles for each bond, such as the Green Bond Principles (“GBP”), the Social Bond Principle (“SBP”), the Sustainability Bond Guidelines (“SBG”), the Sustainability-Linked Bond Principles (“SLBP”) from the International Capital Market Association (“ICMA”) or similar organisations.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

The Management Company’s sustainability policy and the SIMS-S are used to ensure no sustainable investment cause significant harm to any environmental or social sustainable investment 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.

Issuers are excluded and not available for investment if they:

- do not comply with international norms and standards
- operates in controversial sectors and business areas
- have exposure to fossil fuels or other activities with negative environmental impact

The Sub-Fund is also screened for misalignment/obstruction towards the UN SDGs. A significant misalignment can lead to exclusion from the Sub-Fund's sustainable investments universe if the issuer is considered at risk of doing significant harm to environmental and/or social objectives.

Apart from the data-driven analysis and exclusion, each sustainable investment will be fundamentally tested not significantly to harm any other environmental or socially sustainable investment objective.

The Management Company has developed internal tools and processes to assess and consider the negative consequences of the Principal Adverse Impact (“PAI”) indicators in Annex I of the CDR 2022/1288, relevant PAIs in relevant PAIs in Tables 2 and 3 of Annex 1 of the CDR 2022/1288. However, the indicators are subject to current data availability. Together with fundamental analysis, the internal exclusion process, and the internal proprietary sustainability score, they will affect the impact analysis in the do no significant harm (“DNSH”) test.

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

Principle adverse impacts (“PAIs”) from Table 1-Annex 1 of the CDR (EU) 2022/1288, are taken into account by the Management Company sustainability policy and are excluded from investment:

- 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

PAIs from Table 1-Annex 1 of the CDR (EU) 2022/1288, are taken into account through the SIMS-S and fundamental analysis to remove the issuers causing significant harm:

- PAI 1: GHG emissions
- PAI 2: Carbon footprint
- PAI 3: GHG intensity of investee companies
- PAI 5: Share of non-renewable energy consumption and production
- PAI 6: Energy consumption intensity per high-impact climate sector
- PAI 7: Activities negatively affecting biodiversity-sensitive areas
- PAI 8: Emissions to water
- PAI 9: Hazardous waste ratio
- PAI 12: Unadjusted gender pay gap
- PAI 13: Board gender diversity
- PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD guidelines for Multinational Enterprises.
- PAI 4 from Table 2-Annex 1 of CDR (EU) 2022/1288: Investments in companies without carbon emission reduction initiatives
- PAI 4 from Table 3-Annex 1 of CDR (EU) 2022/1288: Lack of a supplier code of conduct

- *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 both the norm-based exclusion criteria stated in the Management Company's sustainability policy and using the SIMS-S.

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.

Issuers with confirmed breach are not considered as sustainable.

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.



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

Yes, the Sub-Fund considers principal adverse impacts ("PAIs"), on sustainability factors.

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

On exclusionary basis:

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

- PAI 1: GHG emissions
- PAI 2: Carbon footprint
- PAI 3: GHG intensity of investee companies
- PAI 5: Share of non-renewable energy consumption and production
- PAI 6: Energy consumption intensity per high-impact climate sector
- PAI 7: Activities negatively affecting biodiversity-sensitive areas
- PAI 8: Emissions to water
- PAI 9: Hazardous waste ratio
- 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

From Table 2-Annex 1 of CDR (EU) 2022/1288

- PAI 4: Investments in companies without carbon emission reduction initiatives

From Table 3-Annex 1 of CDR (EU) 2022/1288

- PAI 4: Lack of a supplier code of conduct.

During the investment period, these PAIs are considered:

In engagement dialogues with issuers:

- PAI 1 – 6 from Table 1-Annex 1 of CDR (EU) 2022/1288
- PAI 4, from Table 2-Annex 1 of CDR (EU) 2022/1288: Investments in companies without carbon emission reduction initiatives

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 with an investment focus on high-yielding fixed-income securities from issuers, mainly in the United States of America (USA) and Europe.

The ESG strategy applied in The Sub-Fund is through:

Integration, the Sub-Fund promotes issuers that:

- Integrate sustainability into their ongoing business model and strategy.
- Have a high SIMS-S.
- Demonstrate a high degree of willingness to reduce their greenhouse gas (GHG) emissions (transitioning issuers) or aim to be more energy efficient.

Monitoring and engagement dialogues, the Sub-Fund seeks to influence issuers towards a more sustainable direction, by ensuring that the portfolio companies strive to make ongoing and meaningful progress concerning sustainability risks and opportunities through engagement dialogues, both in direct dialogues and in collaborations.

We believe that companies working with managing environmental challenges, business ethics and social responsibilities will be more successful.

Exclusion, the Sub-Fund will comply with the Management Company's exclusion policy and therefore excludes issuers that:

- Breach international norms and standards where the issuer cannot present clear goals and ongoing measures to address the issue(s).
- Operate in controversial sectors or business areas such as tobacco, recreational cannabis, pornography, commercial gambling, civilian weapons, and alcohol.
- Companies where more than 5% of their revenue is from the development, production and service of weapons comprising combat equipment or certain other military equipment.
- Produce fossil fuels or use unconventional extraction methods. Consequently, the Sub-Fund has limited exposure to:
 - companies generating energy from fossils fuels
 - companies, where distribution linked to fossil fuels exceeds 5% of total revenue
 - companies for which services related to fossil fuels exceed 50% of total revenues.

● What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the Sub-Fund are:

1. **Integration**. Issuers with significant sustainability risk are defined as issuers having a SIMS-S raw below 3. The SIMS-S ranges from 0-10, which 10 being the highest sustainability score. The Sub-Fund will have a maximum exposure of 10% to issuers with significant sustainability risk.
2. **Monitoring and engagement dialogues**. The sub-Fund commits to have dialogues with at least 20 portfolio issuers each year.
3. **Exclusion**. The Sub-Fund will comply with the Management Company's exclusion policy as mentioned above.

● What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

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

The Sub-Fund does not commit to a minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy.

● **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 good governance can be found at: <https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/our-sustainability-approach/active-ownership>.

What is the asset allocation planned for this financial product?

At least 80% of the Sub-Fund 's investments are aligned with the environmental or social, E/S, characteristics. The Sub-Fund plans to have a minimum of 20% sustainable investments. The investments in the “#2 Other” category are cash and/or cash equivalents, government bonds, derivatives, or ETFs and is used for hedging, liquidity and efficient portfolio management, while the cash is used in the meaning of ancillary liquid assets. The “2# Other” category has no minimum environmental or social safeguards.

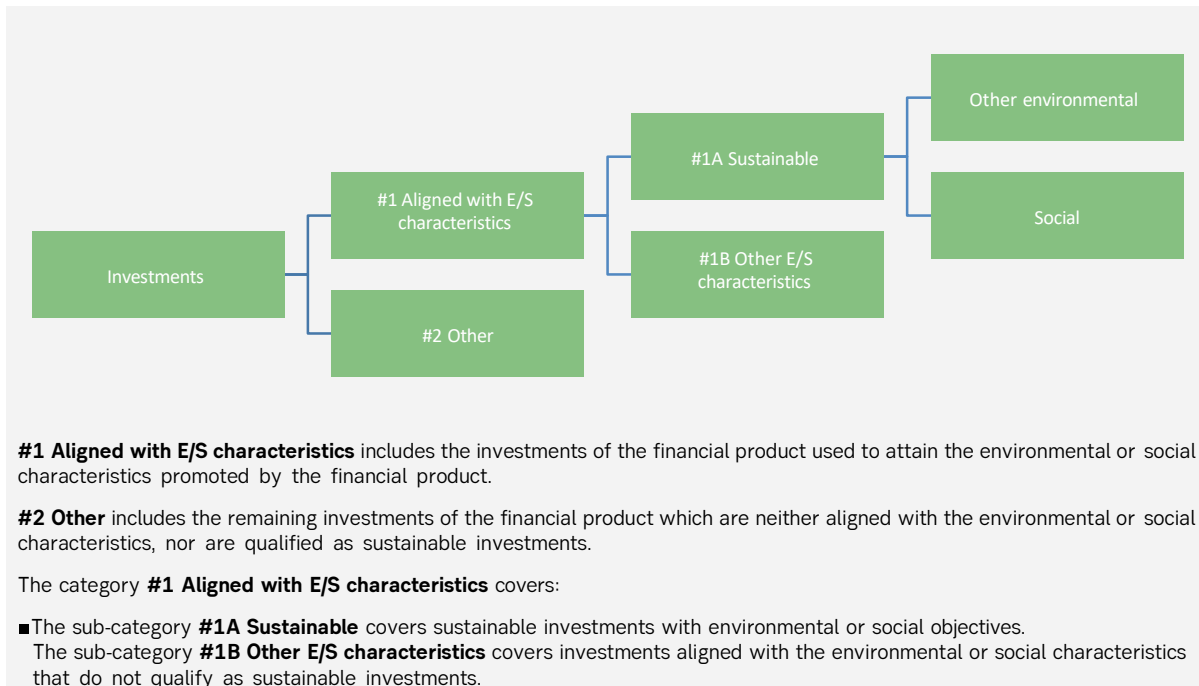
Good governance
practices include sound management structures, employee relations, remuneration of staff and tax compliance.



Asset allocation
describes the share of investments in specific assets.

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.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Not applicable.

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the financial product.



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

0%. The sustainable investments in the Sub-Fund may or may not be aligned with the EU Taxonomy.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

Yes:

In fossil gas

In nuclear energy

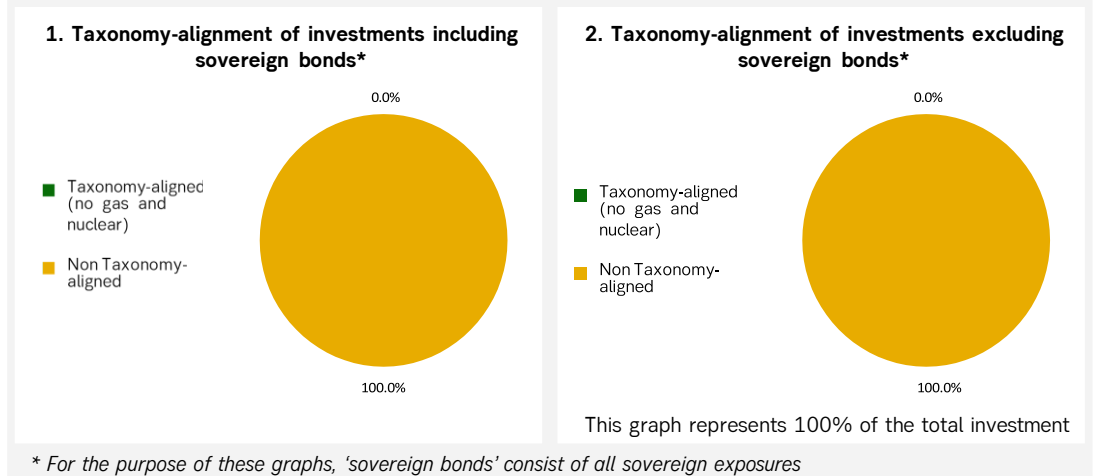
No

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

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.

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.



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

0%. The investments in the Sub-Fund may or may not be in transitional and enabling activities. However, the Sub-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?

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 socially sustainable investments?

1%, where the sum of sustainable investments with a social or environmental objective will have a minimum proportion of 20%.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

#2 Other includes cash or cash equivalents, government bonds, derivatives or ETFs.

The investments included under #2 Other are used for hedging, liquidity, and efficient portfolio management purposes, while cash is used in the meaning of ancillary liquid assets.

There are currently no minimum environmental or social safeguards for these investments.

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



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No

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



Where can I find more product specific information online?

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

<https://sebgrouplu/private/our-funds/our-luxembourg-funds>

More information about the sustainability approach of the Management Company can be found on the website:

<https://sebgrouplu/about-us/our-business/our-divisions/seb-investment-management/our-sustainability-approach>

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 High Yield – SEB Climate Focus High Yield

Legal entity identifier: 5299008JUQGJUW3U4446

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.

Sustainable investment objective

Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective: 85%**

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 will make a minimum of **sustainable investments with a social objective: ___%**

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

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 promotes E/S characteristics, but **will not make any sustainable investments**

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.



What is the sustainable investment objective of this financial product?

The sustainable investment objective of the Sub-Fund is establishing a perdurable positive environmental impact to achieve the long-term goals of the Paris Agreement.

The SEB Investment Management Sustainability Score (the "SIMS-S"), is central to our sustainability integration process and evaluation. SIMS-S focuses 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 Sub-Fund uses the SIMS-S framework and scores for attaining its sustainable investment objective.

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 issuer's 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

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

on specific sustainability topics. The SIMS-S ranges between 0 and 10, with 10 being the highest sustainability score.

The Sub-Fund invests in issuers that contribute to and/or enable reducing global greenhouse gas, GHG, emissions based on the combined assessment of their:

- Committed science-based emission targets and strategy
- Potential EU taxonomy-aligned revenue, Operational Expenditure (“OpEx”) and/or Capital Expenditure (“CapEx”) related to climate mitigation
- Current and historical absolute GHG emission, carbon footprint and carbon intensity
- Enabling activities for other activities to make a substantial contribution to reducing GHG emissions

The Sub-Fund promotes investments in green and sustainability-linked bonds to finance projects with environmental objectives.

The benchmark is the Bloomberg Pan-European High Yield Index, 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. The benchmark is purely for performance comparison.

The objective of reducing carbon emissions is instead attained by identifying and investing with continued efforts in issuers or projects:

- with ambitious science-based emission reduction strategy and targets.
- with products and services that mitigate climate change
- with an operation setup involved in energy efficiency solutions, renewable energy and a circular economy.
- A pass-fail approach is used to classify if an issuer is environmentally sustainable and aligned with the objectives of the Paris Agreement. An issuer is environmentally sustainable if the issuer fulfils one or more of the following conditions: 10 percent of the issuer’s revenue, capital expenditure or operating costs have, through conservative estimation or reporting, been classified as a significant contributor according to EU environmental Taxonomy objectives on climate change mitigation or adaptation to climate change.
- 20 percent of the issuer’s revenue has been assessed to contribute to one or several of the climate related UN Sustainability Development Goals including SDG 7 (Clean Energy), SDG 13 (Climate action), 14 (Life below water), SDG 15 (Life on land), SDG 12 (responsible consumption), SDG 11 (sustainable cities).
- The issuer outperforms relative to its sector and region in terms of emission factors, according to quantitative data.
- The issuer outperforms relative to its sector and region in terms of other resource efficiency, such as water use, raw material consumption or waste generation, according to quantitative data.
- The issuer has been fundamentally analysed and viewed as having a high contribution and exposure to the environmental objective.

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.

Issuers with science-based targets have clearly defined pathways to reduce emissions in line with Paris Agreement goals. Combined with products and services aiming to mitigate climate change as well as energy efficiency solutions and renewable energy and circular strategy in their own operation, investments in these issuers and in green and sustainability-

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.

linked bonds will ensure that the Sub-Fund's GHG emissions be aligned with the objectives of the Paris Agreement.

Green, social and sustainability-linked bonds, can be classified and accounted as sustainable as their use of proceed contributes to the environmental objective of the Sub-Fund. The Management Company has procedures in place to ensure that the bonds invested in are aligned with the relevant principles, such as Green Bond Principles ("GBP"), the Sustainability-Linked Bond Principles ("SLBP") from the International Capital Market Association ("ICMA") or similar organisations

The attainment of the Sub-Fund's sustainable investment objectives is monitored on a regular basis and is reported in the Sub-Fund's periodic reports.

● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The sustainability indicators to measure the attainment of the sustainable investment objective are:

- **Committed science-based emission targets and strategy:**
is measured by the proportion of bonds from issuers having science-based targets committed or approved by the Science Based Targets initiative (the "SBTi"), or an equivalent organization.
- **Potential EU taxonomy-aligned revenue, OpEx and/or CapEx related to climate mitigation:**
- is measured by the proportion of bonds from issuers being potential EU taxonomy-aligned, using the pass/fail approach.**Finance projects with environmental and/or social objectives:**
is measured by the proportion of ESG-labelled bonds.

Other indicators to measure the environmental and social characteristics promoted by this financial product are:

- **Exclusion of issuers that breach international norms and standards:**
is measured by the number of issuers restricted as a result of this restriction
- **Exclusion of issuers that operate in controversial sectors or business areas:**
is measured by the number of issuers restricted as a result of this restriction
- **Exclusion of issuers that have exposure to fossil fuels or other activities with negative environmental impact:**
is measured by the number of issuers restricted as a result of this restriction
- **Integrate sustainability in their ongoing business model and strategy:**
is measured by the Sub-Fund's weighted average ESG score based on the SIMS-S framework.
- **Influence the issuers towards a more sustainable direction:**
is measured by the number of companies subject to engagement, either directly or through collaborative initiatives.

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

Management Company sustainability policy and the SIMS-S are used to ensure no sustainable investment cause significant harm to any environmental or social sustainable investment objective.

Issuers are excluded and not available for investment if they:

- do not comply with international norms and standards
- operates in controversial sectors and business areas
- have exposure to fossil fuels or other activities with negative environmental impact

The Sub-Fund is also screened for misalignment/obstruction towards the UN SDGs. A significant misalignment can lead to exclusion from the Sub-Fund's sustainable investments universe if the issuer is considered at risk of doing significant harm to environmental and/or social objectives.

Apart from the data-driven analysis and exclusion, each sustainable investment will be fundamentally tested not significantly to harm any other environmental or social sustainable investment objective.

The Management Company has developed internal tools and processes to assess and consider the negative consequences of the Principal Adverse Impact (“PAI”) indicators in Annex I of the CDR 2022/1288, relevant PAIs in relevant PAIs in Tables 2 and 3 of Annex 1 of the CDR 2022/1288. However, the indicators are subject to current data availability. Together with fundamental analysis, the internal exclusion process, and the internal proprietary sustainability score, they will affect the impact analysis in the do no significant harm (“DNSH”) test.

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

PAIs from Table 1-Annex 1 of the CDR (EU) 2022/1288, are taken into account by Management Company sustainability policy and are excluded from investment:

- 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

PAIs from Table 1-Annex 1 of the CDR (EU) 2022/1288, are taken into account through the SIMS-S and fundamental analysis to remove the issuers causing significant harm:

- PAI 1: GHG emissions
- PAI 2: Carbon footprint
- PAI 3: GHG intensity of investee companies
- PAI 5: Share of non-renewable energy consumption and production
- PAI 6: Energy consumption intensity per high-impact climate sector
- PAI 7: Activities negatively affecting biodiversity-sensitive areas
- PAI 8: Emissions to water
- PAI 9: Hazardous waste ratio
- PAI 12: Unadjusted gender pay gap
- PAI 13: Board gender diversity
- PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD guidelines for Multinational Enterprises.
- PAI 4 from Table 2-Annex 1 of CDR (EU) 2022/1288: Investments in companies without carbon emission reduction initiatives
- PAI 4 from Table 3-Annex 1 of CDR (EU) 2022/1288: Lack of a supplier code of conduct

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

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights via both the norm-

based exclusion criteria stated in Management Company's sustainability policy and using the SIMS-S.

Norm-based exclusions mean that 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.

Issuers with confirmed breach are not considered as sustainable.



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



Yes, the Sub-Fund considers principal adverse impacts (“PAIs”), on sustainability factors.

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

On exclusionary basis:

From Table 1-Annex 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 SIM-S combined with fundamental analysis:

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

- PAI 1: GHG emissions
- PAI 2: Carbon footprint
- PAI 3: GHG intensity of investee companies
- PAI 5: Share of non-renewable energy consumption and production
- PAI 6: Energy consumption intensity per high-impact climate sector
- PAI 7: Activities negatively affecting biodiversity-sensitive areas
- PAI 8: Emissions to water
- PAI 9: Hazardous waste ratio
- 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

From Table 2-Annex 1 of CDR (EU) 2022/1288

- PAI 4: Investments in companies without carbon emission reduction initiatives

From Table 3-Annex 1 of CDR (EU) 2022/1288

- PAI 4: Lack of a supplier code of conduct.

During the investment period, these PAIs are considered:

In engagement dialogues with issuers:

- PAI 1 – 6 from Table 1-Annex 1 of CDR (EU) 2022/1288

- PAI 4, from Table 2-Annex 1 of CDR (EU) 2022/1288: Investments in companies without carbon emission reduction initiatives

More information about PAIs on sustainability factor is available in <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 investment strategy of the Sub-Fund is to actively seek and select issuers and investment projects that contribute to or viewed as being aligned with the Paris Agreement goals of limiting the global warming to well below 2°C, preferably 1.5°C, compared to pre-industrial levels.

To fulfil its contribution to the Paris Agreement, the Sub-Fund applies:

Thematic investment: a thorough investment analysis is carried out to identify issuers that:

- Have a high overall SIMS-S and high environmental SIMS-S component scores, connected to the objective of being aligned with the Paris Agreement, such as carbon emission intensity, science-based target ambitions, potential EU taxonomy alignment, and etc.
- Derive significant current or future cashflows from products and services that directly mitigate climate change or from cost reduction from own operation being more energy efficient and having a circular economy policy and processes.
- Have adopted or are willing to adopt, via engagement, a science-based carbon reduction strategy in their operation and supply-chain

Monitoring and engagement dialogues: The Sub-Fund seeks to influence issuers to:

- set up science-based emission targets and strategies
- make ongoing and meaningful progress concerning climate change risks and opportunities

through engagement dialogues, both direct and in collaborations.

Exclusion: the Sub-Fund will comply with the Management Company's exclusion policy and therefore excludes issuers that:

- Breach international norms and standards where the issuer cannot present clear goals and ongoing measures to address the issue(s).
- Operate in controversial sectors or business areas such as tobacco, recreational cannabis, pornography, commercial gambling, civilian weapons, and alcohol.
- Companies where more than 5% of their revenue is from the development, production and service of weapons comprising combat equipment, or certain other military equipment.
- Produce fossil fuels or use unconventional extraction methods. Consequently, the Sub-Fund don't invest in:

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

- companies generating energy from fossils fuels
- companies where distribution linked to fossil fuels exceeds 5% of total revenue
- companies for which services related to fossil fuels exceed 50% of total revenues.

Issuers having science-based targets rely on a method to put scientifically based climate goals in line with the Paris Agreement. Those targets can be provided by the SBTi.

SBTi is a collaboration between the Carbon Disclosure Project (“CDP”), the United Nations Global Compact (“UNGC”), World Resources Institute (“WRI”) and the World Wide Fund for Nature (“WWF”) and has helped issuers to set emission reduction targets to meet the Paris Agreement goals.

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

The sustainable investment objective of the Sub-Fund is attained by investing at least 85% of the assets in sustainable investments.

The binding elements of the Sub-Fund to achieve the sustainable investment objective are:

Thematic:

- At least 10% of the portfolio bonds are green or sustainability-linked bonds.
- At least 30% of the portfolio bonds issued by an issuer having science-based carbon reduction targets committed to or approved by SBTi or an equivalent organization.

Commitment dialogues

- At least 15% of the portfolio issuers are subject to engagement dialogues with a specific and targeted objective to achieve a change.

Exclusion.

- The Sub-Fund will comply with the Management Company's exclusion policy as mentioned above.

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

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 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

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

- 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 good governance can be found at: <https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/our-sustainability-approach/active-ownership>



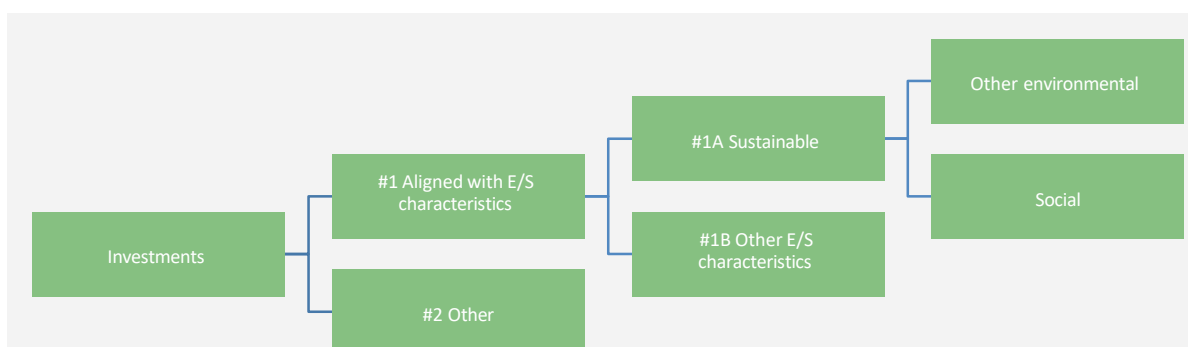
What is the asset allocation and the minimum share of sustainable investments?

At least 85% of the investments are sustainable investments with an environmental objective and of those 85%, a minimum of 1% will be in taxonomy aligned activities.

The other non-sustainable investments are cash and/or derivatives.

The investments included under “#2 Not sustainable” 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. Hence investments will be allowed only if all their underlying exposures comply with the Management Company's exclusion policy.



#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.

● How does the use of derivatives attain the sustainable investment objective?

Not applicable.

The Sub-Fund does not use derivatives to attain the sustainable investment objective.



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

1%, as a minimum.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy²?**

Yes:

In fossil gas

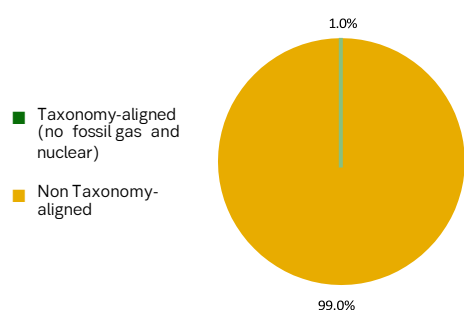
In nuclear energy

No

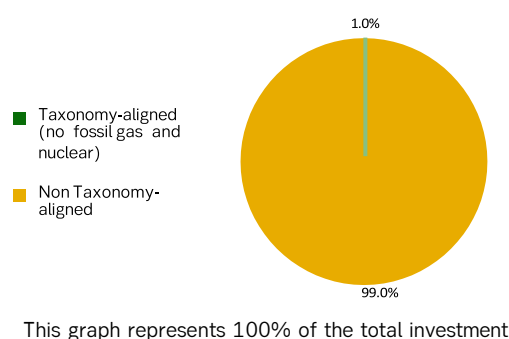
The two graphs below show in green the minimum percentage of investments that are aligned with the EU

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.

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding 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 is the minimum share of investments in transitional and enabling activities?**

0%. The investments in the Sub-Fund may or may not be in transitional and enabling activities. However, the Sub-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?**

1%. The Fund does not exclude any investments that would be aligned with the EU taxonomy.

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

Not applicable

² 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.

The Sub-Fund does not commit to having a minimum share of sustainable investments with a social objective, as the Sub-Fund's investment strategy does not have a specific social objective.



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/or derivatives.

The investments included under “#2 Not sustainable” 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. Hence investments will be allowed only if all their underlying exposures comply with the Management Company's exclusion policy.



Is a specific index designated as a reference benchmark to meet 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://sebgrouplu/private/our-funds/our-luxembourg-funds>

More information about the sustainability approach of the Management Company can be found on the website:

<https://sebgrouplu/about-us/our-business/our-divisions/seb-investment-management/our-sustainability-approach>

IV. ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY

In accordance with Section 310 (1) and (2) of the Investment Code (Kapitalanlagegesetzbuch – KAGB), the Management Company has notified the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin: the German Federal Financial Supervisory Authority), Frankfurt am Main, of the distribution of Fund units in Germany. The following Sub-Fund(s) are not publicly approved for distribution in Germany:

Distributor in Germany
SEB AB Frankfurt Branch
Stephanstrasse 14-16
D-60313 Frankfurt am Main
Information Agent in Germany
SEB AB Frankfurt Branch
Stephanstrasse 14-16
D-60313 Frankfurt

Publications

The prospectus, the key investor information documents, the constitutive documents as well as the annual and semi-annual reports can be obtained free of charge from the Information Agent and are available to investors on the website www.sebgroup.lu. The issue and redemption prices of the sub-fund are available upon request at the office of the Management Company and published on the website www.sebgroup.lu. In addition, the investors in Germany will be provided, by means of a durable medium in accordance with § 167 KAGB in German or in a language that is customary in the sphere of international finance (§ 298 clause 2 KAGB):

- a) suspension of the redemption of the units of an EU UCITS;
- b) termination of an EU UCITS' management or the winding-up of an EU UCITS;
- c) amendments to the fund rules which are inconsistent with existing investment principles, affect material investor rights, or relate to remuneration or the reimbursement of expenses that may be taken out of the EU UCITS' assets, including the reasons for the amendments and the rights of investors, the information must be communicated in an easily understandable form and manner and must indicate where and how further information may be obtained;
- d) the merger of EU UCITS in the form of information on the proposed merger which must be drawn up in accordance with Article 43 of Directive 2009/65/EC;
- e) the conversion of an EU UCITS into a feeder fund or any change to a master fund in the form of information which must be drawn up in accordance with Article 64 of Directive 2009/65/EC.

All payments to unitholders (sales proceeds, distributions, if applicable, and all other payments) may be received in Germany through the Transfer Agent of the sub-fund via the German correspondent bank.

Furthermore, investors in Germany may address their redemption or conversion request directly to their German corresponding bank.

Specific risks arising from new obligations on the publication of tax data in Germany Upon request and at any time, the Management Company of the Sub-Fund must provide the German tax authorities with documents which the tax authorities require to permit the verification of the tax information published by the Sub-Fund. The basis for calculating the tax-relevant data can be interpreted in various ways. As a result, there can be no guarantee that the German tax authorities will accept the calculation method of the Fund's Management Company in every respect.

If, as a result of this state of affairs, it should emerge that the tax data published by the Fund are incorrect, the investor must be aware that any corrections made will not have a retroactive effect and will, as a general rule, apply only to the current tax year. Consequently, a correction may have a positive or negative impact on the investor only for the current tax year in which distributions have been received or in which distribution-like income is attributable.