

Template 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

**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.

Product name: SEB Impact Fund

Legal entity identifier: 54930007XTSFTBZ7SS04

**Sustainable investment objective**

Does this financial product have a sustainable investment objective?

**Yes**    **No**

- |   |  |
|---|--|
| <p><input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: 40%</b></p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: 10%</b></p> | <p><input type="checkbox"/> <b>It promotes Environmental/ Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p> |
|---|--|



**What is the sustainable investment objective of this financial product?**

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

The sustainable investment objective of the Sub-Fund is to achieve capital appreciation over the medium to long term by generating financial returns through sustainable investments, which contribute to positive social, economic and/or environmental "Impact Themes" (as defined below), provided that investee companies follow good governance practices.

"Impact Themes" include (but are not limited to): (i) water availability (improving access to quality water supply and preservation of the resource), (ii) sustainable energy (transition towards affordable and clean energy), (iii) food and agriculture (ensuring a sustainable food supply), (iv) resource efficiency (enhancing resource efficiency and waste reduction) and (v) social improvement (enhancing society's needs such as but not limited to safety, education, health and wellbeing).

The Sub-Fund has not designated any benchmark for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

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

The Sub-Investment Managers measure each investee company's revenues (or in a few instances if not-yet revenue generating, Capex/Opex) attributable to the sought-after theme. This number is reported to the Investment Manager who aggregates at the Sub-Fund portfolio level.

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

To ensure that sustainable investments do not cause any significant harm (the "DNSH" or Do No Significant Harm principle), the Investment Manager uses a "DNSH" filter that is based on the monitoring of mandatory indicators of the Principal Adverse Impacts in Annex 1, Table 1 of Commission Delegated Regulation (EU) 2022/1288 (for example, the greenhouse gas or GHG intensity of companies), using a combination of indicators (for example, carbon intensity) and specific thresholds or rules (e.g. carbon intensity is not within the last decile in the sector). The Manager already considers specific Principal Adverse Impacts in its exclusion policy, as part of its Responsible Investment Policy. These exclusions, which apply in addition to the tests detailed above, cover the following topics: exclusions concerning controversial weapons, violations of the United Nations Global Compact Principles, Thermal coal and tobacco.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

The Sub-Fund considered PAIs 4, 10 and 14 of Table 1 of Annex I of Commission Delegated Regulation (EU) 2022/1288 within the exclusion policy implemented as part of the Manager's, Responsible Investment Policy.

All PAIs in Table 1, and relevant in Tables 2 and 3 of Annex I of Commission Delegated Regulation (EU) 2022/1288, are also screened to find underperformance that indicates that there is a risk of significant harm. This tries to capture the specific challenges, and thus the most material risks for significant harm to environmental and/or social objectives across various conditions for business.

*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 the norm-based exclusion criteria. Norm-based exclusions mean that the Sub-Fund 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 comprises of several underlying impact investment strategies, all with an explicit goal to invest in purposeful companies with a clear aim at solving the world's pressing environmental or social issues. These strategies are managed by established and skilled asset managers that are regulated by well-known financial supervisors. The strategies have different approaches and themes, but all conduct fundamental analysis and consider relevant PAI's in their investment processes. In total PAIs 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 of Table 1 are incorporated in the strategies.

In addition, the Sub-Fund adheres to the Investment Manager's exclusion policy, which means that PAIs 4, 10 and 14 of Table 1 of Annex I of Commission Delegated Regulation (EU) 2022/1288 are taken into account by exclusion.

**No**



## What investment strategy does this financial product follow?

The Sub-Fund is actively managed and its portfolio is not constrained by reference to any index.

The Sub-Fund seeks to achieve its investment objective by allocating its assets across various long-only equity investment strategies which are proprietary to each Sub-Investment Manager, the Investment Manager and/or the Co-Investment Manager (the "Equity Investment Strategies"), each of which will be implemented by a Sub-Investment Manager, the Investment Manager and/or the Co-Investment Manager with respect to a trading portfolio.

The Equity Investment Strategies that the Sub-Fund may obtain exposure to are proprietary long-only strategies providing exposure primarily to global equities (including emerging markets) listed and/or traded on recognised markets, without any specific geographical, sector or market cap focus. The Equity Investment Strategies will focus on generating financial returns with the intent to contribute to positive social, economic and/or environmental impact themes (such investment approach known as "**Impact Investing**"). Impact Investing can be divided into different impact themes, which are aligned with, for example, the United Nations' Sustainable Development Goals (SDGs) ("**Impact Themes**"). Such Impact Themes include (but are not limited to): water availability (improving access to quality water supply and preservation of the resource), sustainable energy (transition towards affordable and clean energy), food and agriculture (ensuring a sustainable food supply), resource efficiency (enhancing resource efficiency and waste reduction) and social improvement (enhancing society's needs such as but not limited to safety, education, health and wellbeing).

The Equity Investment Strategies will be implemented by gaining exposure to companies whose products and services positively contribute to these Impact Themes.

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

The binding elements in the investment strategy are to have at least 85% sustainable investments and complying with the exclusion policy, described in the question above.

The Sub-Fund will have no exposure to excluded issuers based on:

- breaches in international norms and standards;

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

- operation in controversial sectors or business areas;
- issuer exposure to fossil fuels and other activities with a negative environmental impact.

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

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

The Investment Manager ensures good governance of the securities in the financial product, partly by exclusions and screenings - based on sector screenings, norm breaches, and 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. When selecting investee companies, and on an ongoing basis to ensure good corporate governance, the Sub-Fund looks at indicators such as: facilitation of shareholder participation, percentage of independent board members, independent board committees, CEO to employee compensation ratio, public exposure of management remuneration, size of shareholding for new resolution, voting rights. Within business ethics the Sub-Fund looks at compliance procedures, code of business ethics and controversies.



**Asset allocation** describes the share of investments in specific assets.

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

The Investment Manager will ensure at any time that at least 85% of the securities composing the Sub-Fund's portfolio are sustainable investments. Included in the remaining 15% of "Not sustainable" assets are derivative transactions for hedging and liquidity purposes and cash and/or cash equivalent instruments for the purpose of liquidity and portfolio risk management.

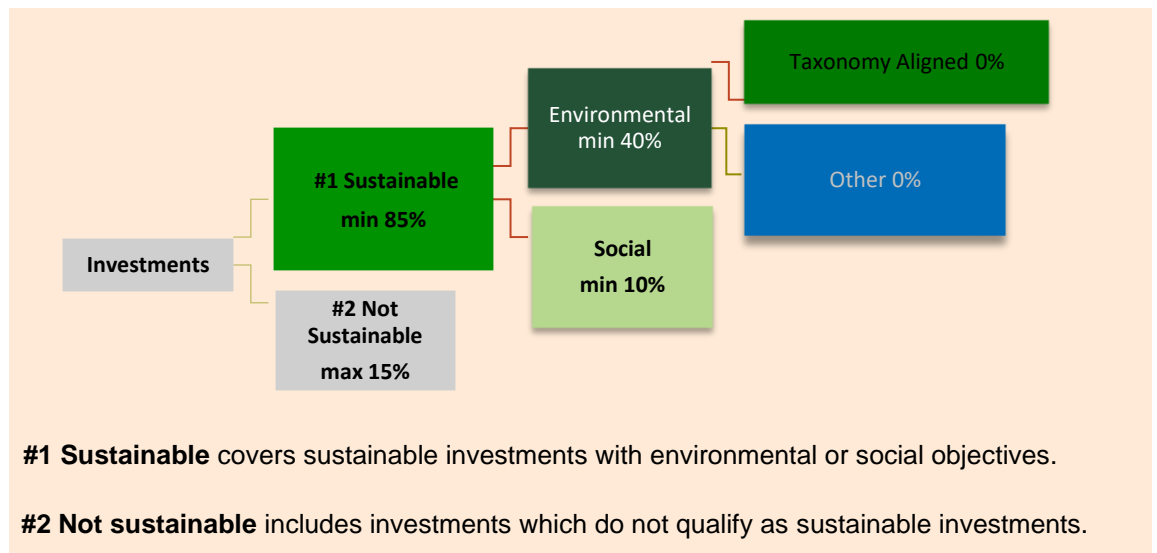
There are no minimum environmental or social safeguards applied to these assets.

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 sustainable investment objective?**

Not applicable. Derivatives are not used to attain the sustainable investment objective of the Sub-Fund.



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

Not applicable. The Sub-Fund currently has no minimum commitment to sustainable investments with an environmental objective aligned with the EU Taxonomy. The Sub-Fund does not commit to make taxonomy-compliant investments in fossil gas and/or nuclear

energy as illustrated below. Nevertheless, as part of the investment strategy, it may invest in companies that are also active in these industries. Such investments may or may not be taxonomy aligned.

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.

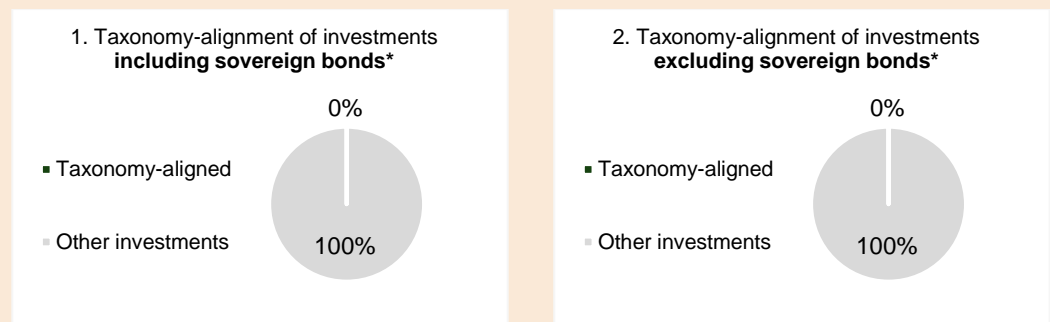
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**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.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>**

- 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.*



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

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

Not applicable. The Sub-Fund has no minimum proportion of investment in transitional or enabling activities.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Sub-Fund commits to have a minimum of 40% of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. This is mainly done through four of its investment themes; (i) water availability (improving access to quality water supply and preservation of the resource), (ii) sustainable energy (transition towards affordable and clean energy), (iii) food and agriculture (ensuring a sustainable food supply), (iv) resource efficiency (enhancing resource efficiency and

<sup>1</sup> 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 Regulations (EU) 2022/1214.

economic activities under the EU Taxonomy.

waste reduction).



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

The Sub-Fund commits to have a minimum of 10% of sustainable investments with a social objective mainly through its “Social Improvement” theme (enhancing society’s needs such as but not limited to safety, education, health and wellbeing).



**What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

There are no minimum environmental or social safeguards.



**Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- *How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?*

Not applicable.

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

Not applicable.

- *How does the designated index differ from a relevant broad market index?*

Not applicable.

- *Where can the methodology used for the calculation of the designated index be found?*

Not applicable.



**Where can I find more product specific information online?**

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

<https://www.amundi.com/globaldistributor/product/view/IE00BDR0SG55>