

3. Active Ownership Report 2025

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Advancing sustainability through active ownership

Active ownership is a key tool for SEB Asset Management in pursuing sustainable investments across the assets entrusted to us by unitholders and investors. As one of the largest asset managers in the Nordics, our mission is to make sustainable investments to create a better financial future for our customers.

SEB Asset Management as a long-term asset manager

We are convinced that companies which embed sustainability into their business models are better positioned for long-term success and, over time, can generate stronger investment returns. We believe that the transition from unsustainable activities, along with new innovations and technological development will have a material impact on the risk and return characteristics of investments. We also recognise the fundamental importance of building companies and societies based on the rule of law, respect for human rights, equality, and the absence of corruption.

Our active ownership approach is based on dialogue, voting, participation in nomination committees, and collaboration with other

investors. These tools enable us to influence companies to develop more sustainable solutions and innovations.

The purpose of this section is to disclose our voting activities, prioritised active ownership objectives, and engagement themes, as well as our approach and selected highlights from our engagement activities during 2025. We also want to contribute to a mutual understanding between investee companies, stakeholders, and SEB Asset Management regarding key priorities and material topics. By clearly setting out our expectations, we aim to strengthen communication and dialogue between us as investors and the companies in which we invest.



The cornerstones of active ownership

To ensure positive development in our holdings, we use a range of approaches when practising our active ownership. We exercise stewardship, including direct or partner-led dialogues, participate in collaborative initiatives, apply Paris-aligned voting policies, and serve on nomination committees to contribute to positive change in line with the UN Sustainable Development Goals.

SEB Asset Management seeks to be a strategic partner to our investee companies, particularly if we are a large shareholder or hold a significant amount of corporate debt in Nordic market companies. We consider direct dialogue with companies to be the most productive way to promote positive change and exert influence. However, in some cases, there are strong reasons to work with partners or engage in collaborative initiatives.

We believe that leveraging the power of being an investor, with the potential to trigger positive change across corporates, enables us to make better long-term investment decisions. Active management and active ownership are closely related. At the same time, we place equal importance on engaging with the holdings of our index-tracking funds.

Our engagement process

When engaging with our investee companies, we follow a process that is considered best practice. First, we conduct research and identify data relevant to the company. Based on this, we set an engagement target. With a target set, we start the engagement dialogue. Lastly, we track progress. Our primary goal is not only to measure the companies' development and performance but also to contribute to positive change through sincere and respectful dialogue.

In-house-led and partner-led engagements

In-house-led dialogue implies that our staff – portfolio managers and/or sustainability specialists – engage directly with companies. This is the normal procedure when engaging with our holdings in the Nordic market, and to some extent, in Europe.

There are occasions when it is more effective to act collectively rather than individually, particularly if our investment is relatively small compared to the enterprise value of the company.

One of our main partners is Morningstar Sustainalytics, one of the world's leading organisations in corporate engagement. Morningstar Sustainalytics maintains continuous dialogue with the corporate management of many of our investee companies.

Through our collaboration with other asset managers under Morningstar Sustainalytics' leadership, the foundation is in place for us to achieve greater impact from ownership dialogues with international companies, where we usually hold a smaller stake.

ISS STOXX is another important partner, providing various business solutions, including ISS ESG. ISS ESG also conducts proactive engagement dialogues based on several different themes, such as net zero, Biodiversity, Water, and Gender Equality. All of these are aligned with the engagement themes prioritised by us (see prioritised engagement themes on page 40).

In addition, ISS ESG performs continuous screening of our funds' investment universe based on our policies and exclusion criteria.

When ISS ESG confirms that a company has breached established norms, such as human and labour rights, it initiates a reactive engagement dialogue. We then normally support the initiative and acknowledge our participation in the dialogue led by ISS ESG.

Collaborative initiatives

We have joined several international collaborative initiatives to leverage the power of ownership influence, for example forums such as UN Principles for Responsible Investment (UNPRI), Institutional Investor Group on Climate Change (IIGCC), CDP (supporting disclosure of environmental impact), Climate Action 100+ (CA100+), and the Investor Policy Dialogue on Deforestation (IPDD). We also participate in Swedish collaborative initiatives, such as the Investor Integrity Forum (IIF).

Furthermore, we have joined Investor Initiative on Hazardous Chemicals (IIHC) and are also members of the Farm Animal Investment Risk and Return initiative (FAIRR). See the full list of memberships on page 54.



Twelve prioritised engagement themes

As long-term investors, we engage in dialogues to encourage companies and policymakers to improve their performance on a range of topics. SEB Asset Management has defined twelve engagement themes that are of great importance to identifying risks, opportunities, and issues of relevance when engaging with our investee companies or other investors.



Environment

1. Climate change
2. Biodiversity
3. Water
4. Circularity
5. Pollution
6. Food supply chain



Social responsibility

7. Labour & human rights
8. Human capital



Governance

9. Executive remuneration
10. Board effectiveness
11. Strategy & risk
12. Ethics & anti-corruption

Engagement focus:

Driving long-term value through balanced incentive structures

SEB Asset Management has, along with many of our peers, long emphasised the importance of incorporating ESG-related targets into incentive structures. Today, we are close to a 50 per cent implementation rate of sustainability-linked targets among mid- and large-cap companies in the Swedish market, with even higher adoption rates internationally. We now believe the market is making meaningful progress in embedding relevant ESG targets into variable remuneration.

In late 2025, SEB Asset Management co-authored a letter together with other major Swedish asset managers, which was sent to 160 Nordic companies, of which approximately 130 were Swedish.

In the letter, we highlight a more holistic view, specifically the importance of a

balanced long-term incentive structure. We express our preference for performance-related programmes based on a balanced set of key performance indicators (KPIs), including operational, share value-based, and sustainability metrics.

Ensuring transparency in both the structure of the programme and its targets is essential throughout all phases, including prior to and following implementation. Additionally, we believe that the responsibility for designing the structure of the programme should rest with the board of directors, rather than executive management or external consultants.

Our approach is to engage proactively with companies as constructive partners, aiming to foster substantive dialogue well in advance of the notice of the general meeting, before the incentive structure proposal is finalised.

Engagement activities

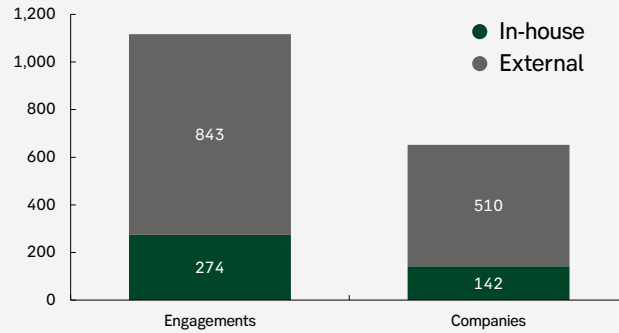
We use different tools, partners, and collaborations to achieve our objectives for active ownership and positive change. An overview of our total engagements shows that we have been active across all our twelve prioritised engagement themes.

Number of engagements per area

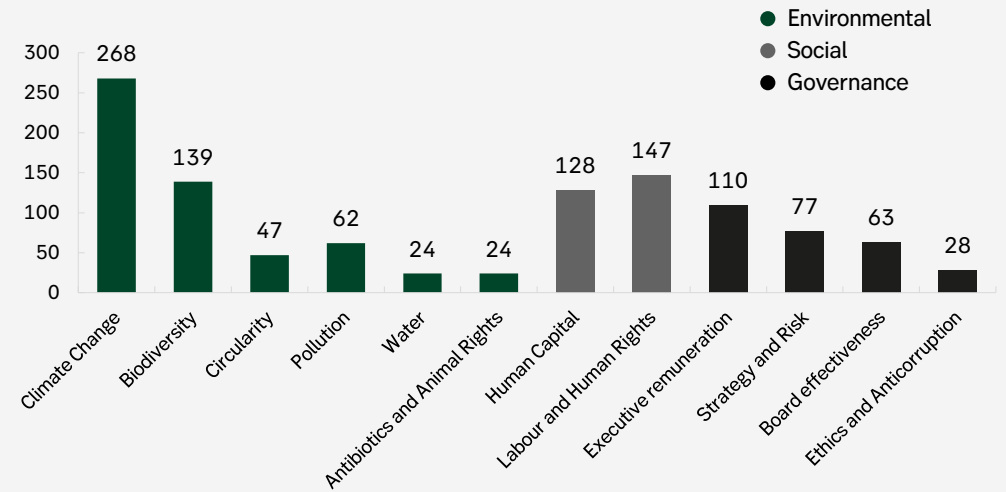


● Environmental	564
● Social	275
● Governance	278

Number of engagements and companies engaged with



Number of engagements per theme



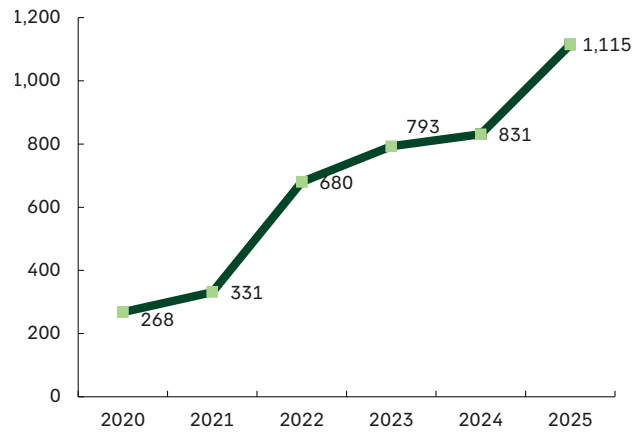
Voting report

At SEB Asset Management, we exercise voting rights to express our opinions at the general meetings of the companies we invest in. We vote for or against proposals to ensure that these companies create long-term value, mitigate sustainability risks, and minimise their negative impact on society. Our voting activity is based on SEB Asset Management's [Principles for Shareholder Engagement](#) and [Sustainability Policy](#).

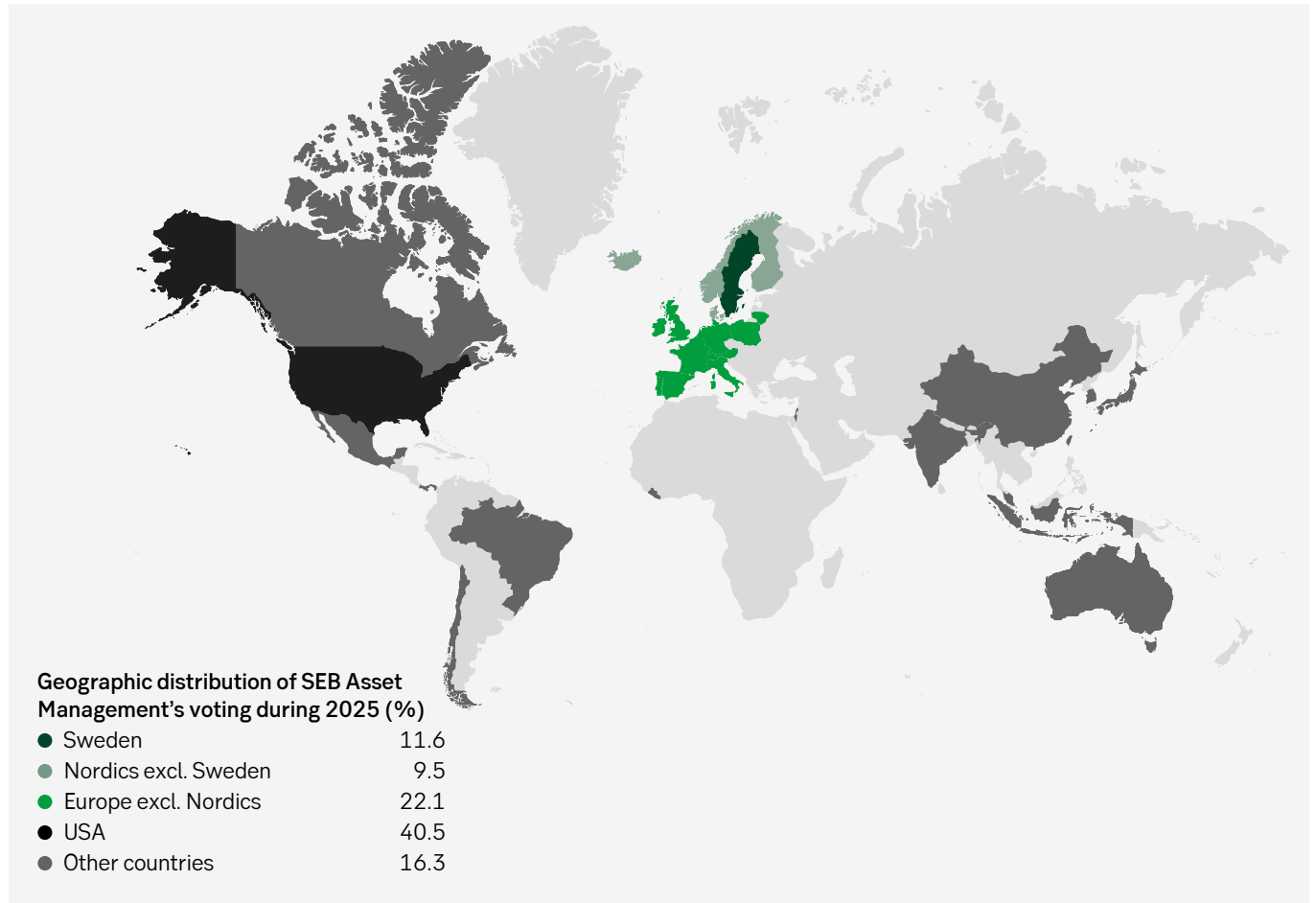
Voting Overview

During 2025, we voted at 1,115 Annual General Meetings. Normally, our own in-house representatives participate in general meetings in Sweden, while voting at General Meetings outside Sweden is carried out via proxy voting. In addition to the Swedish market, we voted at general meetings in 41 markets, as shown in the graph below. To find out more about the outcome of our voting, [visit this website](#).

SEB Asset Management number of AGMs voted between 2020-2025

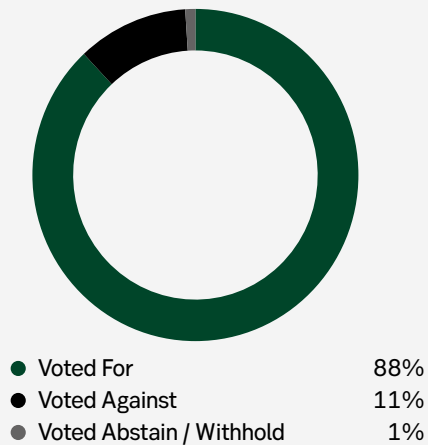


Source: SEB Asset Management and ISS Governance per 31 December 2025.



During 2025, we participated in 129 (95)¹ Annual General Meetings in Sweden, where we voted on 4,017 (2,898) agenda items. We evaluate all proposals internally prior to voting.

SEB Asset Management's voted agenda items on all Annual General Meetings (%)



For international markets, we use a proxy voting service through our provider, Institutional Shareholder Services (ISS). ISS Governance, a business unit within ISS, provides notices of general meetings and comprehensive information about the companies, along with data on the voting items on the agenda. SEB Asset Management has developed a custom voting policy, which ISS Governance applies and votes in accordance with. During 2025, we voted at 986 (736) Annual General Meetings in our international markets, representing 14,402 (11,241) agenda items.

Combination of the CEO role and Chair of the Board and incentive programmes account for most “against” votes

The most common issue we voted against was board proposals related to the composition of the board. Typically, these involved proposals where the CEO was also appointed as Chair of the Board. We believe that separating the roles of the CEO and the Chair of the Board is essential to uphold good corporate governance. Therefore, we usually vote against such proposals. One reason for voting against these proposals is that the board evaluates, appoints, and dismisses the CEO. It is therefore unsuitable for the CEO to also serve as Chair of the Board. This is a common proposal in the US.

Another reason for voting against board composition proposals was the underrepresentation of independent board members. Furthermore, we voted against management incentive programmes due to unambitious targets and/or criteria that undermine a well-structured incentive programme. Read more about our view on incentive programmes on page 8.

Shareholder proposals

Shareholder proposals play a prominent role at Annual General Meetings in many markets. We assess shareholder proposals on a case-by-case basis, considering their relevance, potential positive impact on the company's operations, and alignment with our Principles for Shareholder Engagement. We prioritise proposals that drive the company towards sustainability.

Climate-related and societal items on the agenda are highly prioritised issues for us. Our aim is to invest in companies and other assets that can contribute to the transition to a more sustainable economy. Therefore, we pay extra attention to proposals that drive the company in a more sustainable direction and tend to vote for such proposals.

During the year, some international companies have proposed amendments to their Articles of Association to permit fully virtual meetings. We believe that shareholders should have the option to attend meetings in person. This position is based on the belief that in-person meetings provide shareholders with opportunities to engage directly with the board and management, ask questions, and interact more effectively. Therefore, we vote for hybrid meetings, enabling shareholders to participate either in person or online, but vote against virtual-only meetings.

¹ Numbers in parentheses refer to 2024.

Source: SEB Asset Management and ISS Governance per 31 December 2025.

Reflections on Annual General Shareholder Meetings 2025

Throughout the Nordics, the 2025 season unfolded with notable stability, without any major controversies or scandals. Progress in ex-post disclosure of long-term incentive plans was particularly visible among large-cap companies in Finland and Norway, though Sweden continues to trail in this area.

Swedish board fees experienced a substantial average increase, signalling a shift in remuneration practices. In the companies where SEB Asset Management was represented on the nomination committee, board fees increased by an average of 11 per cent during the year. Across Europe, executive compensation rose broadly, often spurred by comparisons to higher US pay levels, raising strategic questions about the extent of American influence on European remuneration expectations.

Votes were cast against board proposals where issues of insufficient female representation or inadequate remuneration programmes were observed. Ongoing political volatility in the United States, exemplified by executive orders halting diversity and inclusion initiatives, has prompted revisions to proxy service providers' recommendations, specifically resulting in a more neutral stance and recommendations adapted based on client specifications.

In certain states, such as Texas and Nevada, governance structures have, from a minority shareholder perspective, weakened throughout the year as a result of changes in legislation or the application of current legislation. Risks for minority shareholders have grown, with increased concerns about dependent boards, conflicts of interest, and the risk of nepotism and corruption. The number of ESG-related shareholder proposals has sharply declined, with 2025 reaching the lowest level in eight years, a trend likely tied to prevailing political headwinds. SEB Asset Management's voting remained aligned with its commitment to engagement, supporting proposals that strengthen transparency and relevant ESG initiatives, and opposing directors where concerns around board diversity or remuneration were not satisfactorily addressed.



Serving on nomination committees

We are one of the larger shareholders of several mid-sized companies listed on Nasdaq Stockholm. Normally, the top three to four owners of a company hold a seat on the nomination committee.

We tend to be one of the larger owners of several mid-sized companies listed on Nasdaq Stockholm. Typically, the three to four largest shareholders of a company hold a seat on the nomination committee. The primary objective is to achieve the optimal board composition for each company, considering all relevant factors, including experience, knowledge, and diversity. It is also essential to ensure that both current and newly appointed board members have the time and commitment necessary for this important role.

During 2025, we served on 35 (31) nomination committees in Swedish companies. In total, 24 (22) new board members and 5 (1) new chairs were nominated in these companies.

One of the most important themes in the nomination committees we participate in continues to be diversity in board composition. In companies where SEB Asset Management was a member of the nomination committee, 38% (38%) of the nominated directors were women this year. We are not satisfied with this outcome, as the representation of women on the boards did not increase.

Another key topic has been board fees, which increased by an average of 12% (7%) in the companies in which we were part of the nomination committee. Given the high inflation over the last two years, these increases remain modest.

The challenge of uncompetitive board fees

The long-term trend of uncompetitive board fees remains a challenge. We have seen an increasing number of instances where board fees have become a barrier to recruiting members to the boards of listed Swedish companies. Additionally, recruiting international candidates has become increasingly difficult due to Swedish board fees being substantially lower than those in other relevant markets.

Over time, the gap between the remuneration of executive management and board members has widened.

We will more actively address the need for a substantial increase – representing a structural change, in the level of board fees going forward.

Year	Proportion of women on proposed Boards (%)	Female representation before nomination (%)
2021	40.5	
2022	41.0	37.0
2023	41.0	40.0
2024	38.0	39.0
2025	38.0	38.0

² Numbers in parentheses refer to 2024

Shareholder litigation through class actions

As an asset manager, we have an obligation and a responsibility to take action to pursue claims, when appropriate, with portfolio companies in the interest of our unitholders. One way to achieve this is by participating in shareholder litigation internationally.

Monetary compensation and good governance

Shareholder litigation is not only a means of obtaining monetary compensation but also an important tool for encouraging companies to uphold good governance practices. Unethical or unlawful practices can be corrected or prevented through active ownership and shareholder litigation.

It is important that we, as investors, demonstrate our commitment to a company's strategy. In addition, we manage the collective assets of many unitholders. By participating in a class action or collective action, we uphold their interests. Through active or passive shareholder litigation, we recover money for losses suffered due to an investment, promote active shareholder engagement by supporting good corporate governance and corporate behaviour, and send strong signals to the market that certain behaviours will not be

tolerated. In total, over the years since 2009, we have recovered more than USD 27,756,000 for our funds through shareholder litigation.

Current Class Actions

SEB is serving as lead plaintiff in three active US cases. During the year, SEB was able to successfully resolve two of those cases, a USD 85 million settlement with Wells Fargo & Company and a USD 78 million settlement with Catalent, Inc. These figures represent the total settlement amounts awarded to all class members, not solely to SEB's unitholders. Representatives from SEB were deposed in each case to support SEB being appointed as a class representative and to have the class certified. In the third case against Humana, Inc., SEB filed an amended complaint and is awaiting the court's ruling on the defendants' motion to dismiss that complaint.

