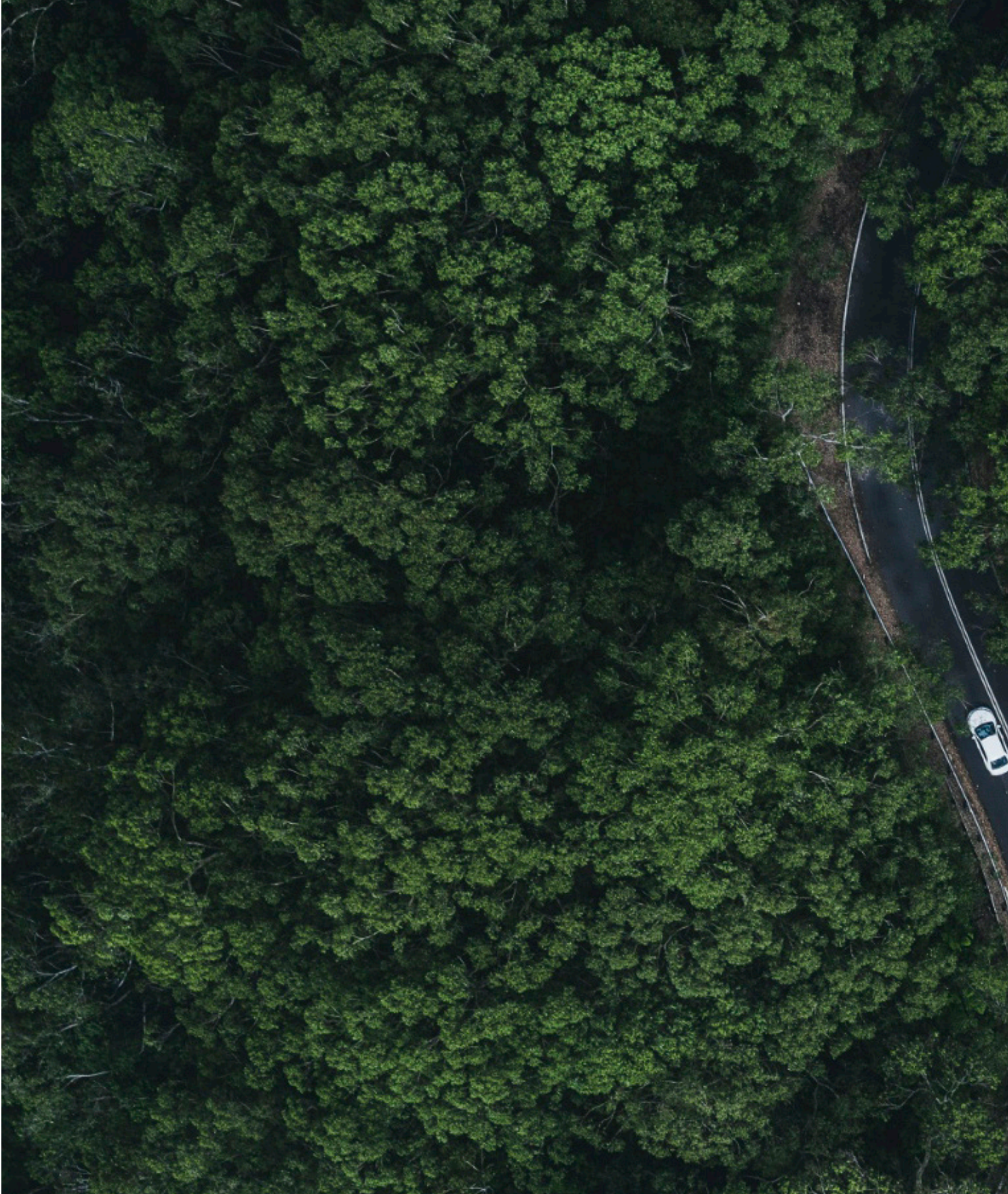


SEB Investment Management
Climate Statement March 2022



Climate change is the most urgent challenge facing the world today. There is clear scientific evidence that points to substantial risks to our planet, of which certain regions, populations and economic sectors are already considerably impacted. Climate change also presents a significant risk for the long-term stability of financial systems. SEB Investment Management (SEB IM) wants to contribute to accelerating de-carbonisation of the global economy while upholding our primary fiduciary duty of delivering positive long-term risk-adjusted returns. To limit global warming to 1.5°C above pre-industrial levels, society and industrial sectors need to decarbonise, in order to achieve net-zero emissions by 2050. This low-carbon transition target will have significant consequences for the real economy and for investors.

Our commitment

SEB IM is committed to on an aggregated level reach net-zero greenhouse gas emissions by 2040 for our investment funds.

We have also set interim targets (baseline year 2019)

- 2025 reduction of greenhouse gas emissions by 50%
- 2030 reduction of greenhouse gas emission by 75%

During 2021 we also joined Net Zero Asset Managers initiative.

Our Strategy

We use several methods to make demands on and encourage companies to meet our expectations: We do this by integrating SEB IM's fundamental sustainability rating into investment decisions, so as to be able to identify and invest in companies that share our strategic view on sustainable development, while divesting from unsustainable businesses, and identifying companies with which we can collaborate through active ownership with the purpose of supporting transition to a sustainable economy. Thus, we will:

- 1. Align investments with the Paris Agreement, but aiming to reach net zero greenhouse gas emissions in our investments already by 2040.** It is our conviction that climate conscious investment principles and coherent portfolio alignment with the Paris Agreement will, over time, reduce risk and deliver better returns to all stakeholders. SEB IM aims to fundamentally assess climate resilience at a sectoral level and to utilise climate scenarios as an analysis tool. We will strive to base climate-related business decisions on science-based climate models.
- 2. Reorient capital flows to climate solutions, climate resilient and transitional business models.** To be able to leverage climate-related opportunities, the intention is to increase our exposure to companies and business models that actively contribute to the mitigation of and adaptation to climate change; that provide climate solutions that help reduce the carbon footprint; or that have an operational model which considers value creation from a stakeholder perspective.

- 3. Discontinue investments from fossil-based business models that contribute negatively to climate change.**

We will undertake a full review of the climate impacts of investments and actively monitor emerging issues and regulatory developments. We do not believe that exclusion from all sectors with high climate risks is the only successful way; we will nonetheless discontinue investment in business models or products that adversely affect the climate and stakeholders, such as fossil fuels. We believe that companies that set science-based targets and have financially sound plans for transition from fossil-based to renewable-based business models can be included in the investment universe. Business models or products that adversely affect the climate and stakeholders will be assessed continuously, and the SEB IM Sustainability Policy will reflect the thresholds regarding revenue generation that are acceptable from time to time.

SEB IM does not invest in companies that use lobbying to counteract climate action taken to reduce global warming, provided that these are reasonable and in line with SEB IM's commitments¹.

- 4. Induce companies to climate resilience in business models through ownership position.** We believe that engagement and active ownership is a constructive process for creating long-term sustainable investment value. Engagement contributes to positive corporate behaviour changes tied to sustainability commitments, creating added long-term value whenever these changes financially materialise. In our role as an active owner, we also seek to safeguard clients' shared interest in ownership issues and to influence companies in their sustainability work. We either maintain an ongoing direct dialogue with management teams and boards or collaborate with other investors outside the Nordic region via IIGCC, PRI Collaboration Platform, and others. We will engage with companies, to support them in their transition to a low-carbon economy.

SEB IM aims to establish a transparent product and communication strategy with our stakeholders that supports our fundamental view of sustainable development. Our ambition is to align our entire business, our complete product range and our investments towards a new reality and to provide a foundation and business opportunity for our investors as we advance.

¹SEB IM uses "InfluenceMap" for the purpose of assessing such negative lobbying activities.