



Policy on the integration and impact of Sustainability Risk in Investment Decisions and Investment Advice for SEB Investment Management AB

adopted by the Chief Executive Officer of
SEB Investment Management AB
on 26 October 2023

IM Sustainability

1 Purpose and structure

The purpose of this policy is to describe the framework on how sustainability risks and adverse sustainability impacts are addressed in relation to investment decisions and investment advice in SEB Investment Management AB (“SEB IM” or the “Fund Management Company”). The policy builds on SEB IM’s sustainability policy and on SEB AB’s policy on the integration of sustainability risk and impact in investment decisions and investment advice.

2 Definitions

Sustainability Factor: means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Adverse Sustainability Impact (impact out): adverse impacts should be understood as those impacts of investment decisions and advice that result in negative effects on sustainability factors.

Sustainability Risk (impact in): means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

Investment decision-making: The process of evaluating and selecting investment opportunities or choices based on various factors and criteria.

ESG: Environmental, social and governance issues.

3 Principles for integration of sustainability risks in investment decision-making processes and investment advice

3.1 *Sustainability Risk in Investment decision-making*

3.1.1 *Funds managed by SEB IM*

The funds’ exposure to Sustainability Risks are analyzed and managed through a strategy involving integration, active ownership and exclusion. This strategy is described in SEB IM’s sustainability policy, chapter 1.

3.1.2 *Funds managed by external parties*

Funds managed by external parties can be part of SEB IM’s multi asset funds. In some cases, portfolio management of specific funds is outsourced to external parties. External parties must be signatories to the UN Principles for Responsible Investments, of which one of the principles is to incorporate ESG issues into investment analysis and decision-making processes.

External funds are evaluated and selected through a sustainability assessment, taking into consideration each fund’s integration of Sustainability Risks through a methodology involving the fund company’s sustainability approach, sophistication of integration of sustainability factors, impact and risk, as well as processes for voting and engagement.

3.1.3 Discretionary portfolio management

The process of integration of sustainability risks in the management of discretionary portfolios is described in each individual contract.

3.2 Sustainability Risk in investment advice

SEB IM provides investment advice concerning funds where sustainability risks are taken into account as described in 3.1.1. and 3.1.2 above. How sustainability risks are integrated in investment advice are also described in each individual contract.

4 Principles for consideration of Adverse Sustainability Impact in investment decisions and investment advice

The basis for SEB IM's identification and prioritization of principal adverse impact indicators for sustainability factors in funds are the Fund Management Company's Principles for Shareholder Engagement and Sustainability Policy and Investment Advice Instruction. These internal regulations are updated and adopted annually (at a minimum) by the Board of Directors of the Fund Management Company and can be found on our website.

SEB IM has adopted a Portfolio Management Instruction as the basis for the procedures to be applied in connection with investment decisions in the Fund Management Company's funds and discretionary portfolios. Among other things, this instruction states that the Fund Management Company must ensure that each investment process has integrated sustainability aspects, for example based on screening and inclusion and explains how these aspects are observed in investment decisions.

In addition to this instruction, the Fund Management Company's Sustainability Policy sets the framework for the sustainability work within the company and governs the procedures to be applied and the care to be observed in the sustainability area, in connection with any investment decision in funds managed by the Fund Management Company.

5 Remuneration policies in relation to the integration of sustainability risks

Sustainability risks are included in the remuneration policy for SEB Investment Management AB.