



RI TRANSPARENCY REPORT

2020

Skandinaviska Enskilda Banken (SEB) AB

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2020 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
🔍	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		🔒	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	✓	Private							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	✓	Public							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	✓	Public							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	✓	Private							✓
OO PE 01	Breakdown of private equity investments by strategy	✓	Public							✓
OO PE 02	Typical level of ownership in private equity investments	✓	Private							✓
OO PR 01	Breakdown of property investments	✓	Private							✓
OO PR 02	Breakdown of property assets by management	✓	Private							✓
OO PR 03	Largest property types	✓	Private							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	✓	Private							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	✓	Private	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		✓	Public							✓
SG 14	Long term investment risks and opportunity	✓	Public	✓						
SG 14 CC		✓	Public							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Public	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 17	ESG issues for externally managed assets not reported in framework	⚠	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	ESG incorporation strategies	✓	Public	✓						
SAM 02	Selection processes (LE and FI)	✓	Public	✓						
SAM 03	Evaluating engagement and voting practices in manager selection (listed equity/fixed income)	✓	Public		✓					
SAM 04	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 05	Monitoring processes (listed equity/fixed income)	✓	Public	✓						
SAM 06	Monitoring on active ownership (listed equity/fixed income)	✓	Public	✓						
SAM 07	Percentage of (proxy) votes	✓	n/a		✓					
SAM 08	Percentage of externally managed assets managed by PRI signatories	✓	Private	✓						
SAM 09	Examples of ESG issues in selection, appointment and monitoring processes	✓	Public	✓					✓	
SAM End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Private	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 04	Types of screening applied	✓	Public	✓						
LEI 05	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 06	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 07	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 11	ESG issues in index construction	✓	Private	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 13	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Role in engagement process	✓	Public		✓		✓			
LEA 07	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 08	Tracking number of engagements	✓	Public		✓					
LEA 09	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 10	Engagement methods	✓	Private		✓					
LEA 11	Examples of ESG engagements	✓	Private		✓					
LEA 12	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 13	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 14	Securities lending programme	✓	Private		✓					
LEA 15	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 16	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 17	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 18	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 19	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 20	Shareholder resolutions	✓	Private		✓					
LEA 21	Examples of (proxy) voting activities	✓	Private		✓					
LEA End	Module confirmation page	✓	-							

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Incorporation strategies applied	✓	Public	✓						
FI 02	ESG issues and issuer research	✓	Private	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	✓	Public	✓						
FI 05	Examples of ESG factors in screening process	✓	Private	✓						
FI 06	Screening - ensuring criteria are met	✓	Public	✓						
FI 07	Thematic investing - overview	✓	Private	✓						
FI 08	Thematic investing - themed bond processes	✓	Public	✓						
FI 09	Thematic investing - assessing impact	✓	Public	✓						
FI 10	Integration overview	✓	Public	✓						
FI 11	Integration - ESG information in investment processes	✓	Public	✓						
FI 12	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 13	ESG incorporation in passive funds	🔒	n/a	✓						
FI 14	Engagement overview and coverage	✓	Private		✓					
FI 15	Engagement method	✓	Private	✓	✓					
FI 16	Engagement policy disclosure	✓	Private	✓	✓					
FI 17	Financial/ESG performance	✓	Private							✓
FI 18	Examples - ESG incorporation or engagement	✓	Private	✓	✓					
FI End	Module confirmation page	✓	-							

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Description of approach to RI	✓	Private	✓					✓	
PE 02	Investment guidelines and RI	✓	Public		✓					
PE 03	Fund placement documents and RI	✓	Public	✓			✓		✓	
PE 04	Formal commitments to RI	✓	Private				✓			
PE 05	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 06	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PE 07	Encouraging improvements in investees	✓	Private	✓	✓					
PE 08	ESG issues impact in selection process	✓	Private	✓						
PE 09	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 10	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 11	Actions taken by portfolio companies to incorporate ESG issues into operations	✓	Private		✓					
PE 12	Type and frequency of reports received from portfolio companies	✓	Private		✓	✓				
PE 13	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 14	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PE 15	Examples of ESG issues that affected your PE investments	✓	Private	✓	✓					
PE 16	Approach to disclosing ESG incidents	✓	Private						✓	
PE End	Module confirmation page	✓	-							

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 02	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 03	Formal commitments to RI	✓	Private				✓			
PR 04	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 05	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 06	ESG issues impact in selection process	✓	Public	✓						
PR 07	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 08	ESG issues in post-investment activities	✓	Public		✓					
PR 09	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 10	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 11	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 12	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 13	Proportion of green leases or MOUs referencing ESG issues	✓	Public		✓					
PR 14	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 15	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 16	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR End	Module confirmation page	✓	-							

Direct - Hedge Funds				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
HF 01	Rationale for adopting a RI policy	✓	Public							✓
HF 02	Normative codes/initiatives in the Hedge Fund industry	✓	Private				✓	✓		
HF 03	Organisation of RI responsibilities	✓	Public							✓
HF 04	RI training programme	✓	Public							✓
HF 05	Performance/remuneration metrics linked to RI incorporation	✓	Private	✓						
HF 06	ESG data, research and other resources used	✓	Public							✓
HF 07	ESG incorporation into quantitative and fundamental analysis	✓	Public	✓	✓					
HF 08	Changes to the RI incorporation process over the past 12 months	✓	Public	✓					✓	
HF 09	Integration of Active Ownership	✓	Public	✓	✓					
HF 10	Examples of ESG risks/opportunities in investment decisions	✓	Public	✓	✓					
HF 11	Derivatives products and ESG impact	✓	Public							✓
HF 12	Long/short exposure and reporting	✓	Public	✓	✓					
HF 13	Metrics/KPI for RI progress	✓	Public	✓	✓					
HF 14	Exposure to climate risk	✓	Private							✓
HF 15	Reports to investors	✓	Public		✓				✓	
HF End	Module confirmation page	✓	-							

Direct - Inclusive Finance				Principle							General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	7	
IFD 01	Mission and investment objective	✓	Private								✓
IFD 02	Governance, management structures and processes	✓	Private								✓
IFD 03	Social targets	✓	Private								✓
IFD 04	Percentage in equity, debt and guarantees	✓	Private								✓
IFD 05	Percentage in microfinance and/or SME finance	✓	Private								✓
IFD 06	Geographical spread of microfinance investments	✓	Private								✓
IFD 07	Tracking microfinance investees portfolio	✓	Public	✓							
IFD 08	Support financial services beyond credit, compulsory savings and/or compulsory insurance	✓	Public	✓							
IFD 09	Support the introduction of services tailored to the 'poor', 'very poor' and 'low income'	✓	Private	✓							
IFD 10	Technical assistance to investees	✓	Private	✓							
IFD 11	Public endorsement of the Client Protection Principles	✓	Public		✓						
IFD 12	Provide training and assistance for investees implementing the Client Protection Principles	✓	Private		✓						
IFD 13	Include the Client Protection Principles in investment policies	✓	Public		✓						
IFD 14	Investment in local currency	✓	Public			✓					
IFD 15	Average maturity of debt investments	✓	Public			✓					
IFD 16	Average holding period of equity investments	🔒	n/a			✓					
IFD 17	Terms and conditions	✓	Public			✓					
IFD 18	Tools for social performance reporting	✓	Public				✓				
IFD 19	Retail institutions have independent financial/social rating and/or social audit	✓	Public				✓				
IFD 20	Due diligence on and monitoring and reporting of corporate governance among investees	✓	Public				✓				
IFD 21	Training or assistance for investees on corporate governance	✓	Private				✓				
IFD 22	Percentage of investees where board seats are held	🔒	n/a				✓				
IFD 23	Procedure to integrate environmental issues in investment decision processes	✓	Public				✓				
IFD 24	Anti-corruption and whistle-blowing policies	✓	Private				✓				
IFD 25	How mission and investment objectives are communicated to stakeholders	✓	Private					✓			
IFD 26	Investors and/or the public provided with information aligned with industry standards	✓	Public					✓			
IFD 27	Transparency of pricing, terms and conditions among investees	✓	Public					✓			
IFD 28	How social performance of investees affects decision making and portfolio	✓	Public						✓		

	management												
IFD 29	Staff incentives linked to social performance measures	✓	Private							✓			
IFD 30	Collecting data regarding social outcomes of investees work	✓	Private							✓			
IFD 31	Incentivise investees to track social performance	✓	Private							✓			
IFD 32	Collaborative initiatives your organisation has supported or participated in	✓	Public								✓		
IFD 33	Encouraging investees to participate in collaborative initiatives	✓	Private								✓		
IFD 34	Encouraging your investees to participate in initiatives which contribute to the development of industry benchmarks	✓	Private								✓		
IFD End	Module confirmation page	✓	-										

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01	Assurance, verification, or review	✓	Public							✓
CM1 02	Assurance of last year's PRI data	✓	Public							✓
CM1 03	Other confidence building measures	✓	Public							✓
CM1 04	Assurance of this year's PRI data	✓	Public							✓
CM1 05	External assurance	✓	Public							✓
CM1 06	Assurance or internal audit	✓	Public							✓
CM1 07	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Organisational Overview

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Basic information

OO 01	Mandatory	Public	Gateway/Peering	General
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OO 01.1 Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- ☒ Hedge funds
☐ Fund of hedge funds

OO 02	Mandatory	Public	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Sweden

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- ☐ 1
☐ 2-5
☒ 6-10
☐ >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

202

OO 03

Mandatory

Public

Descriptive

General

OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

☒ Yes

OO 03.2

List your subsidiaries that are separate PRI signatories and indicate if you would like to report their RI activities in your organisation's consolidated report.

Name of PRI signatory subsidiary (Up to six subsidiaries may be reported)	RI implementation reported here on a consolidated basis
SEB Pension & Försäkring AB	<input type="radio"/> Yes <input checked="" type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No

☐ No

OO 04

Mandatory

Public

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2019

OO 04.2

Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM	1	021	000	000	000
Currency	SEK				
Assets in USD		106	685	182	704

☐ Not applicable as we are in the fund-raising process

OO 04.3

Indicate the total AUM of subsidiaries you have excluded from your report (as named in OO 03.2 under "No"). Provide this figure based on the end of your reporting year

	trillions	billions	millions	thousands	hundreds
Total AUM		574	000	000	000
Currency	SEK				
Assets in USD		59	977	761	872

OO 04.4

Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

☒ Not applicable as we do not have any assets under execution and/or advisory approach

OO 06	Mandatory	Public	Descriptive	General
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OO 06.1	Select how you would like to disclose your asset class mix.
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☐ as percentage breakdown

☒ as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	<10%
Fixed income	10-50%	0
Private equity	<10%	0
Property	<10%	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	<10%	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	<10%	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	0	0
Other (2), specify	0	0

OO 06.2	Publish asset class mix as per attached image [Optional].
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OO 06.3	Indicate whether your organisation has any off-balance sheet assets [Optional].
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☐ Yes

☒ No

OO 06.5	Indicate whether your organisation uses fiduciary managers.
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☒ Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.

☐ No, we do not use fiduciary managers.

OO 09	Mandatory	Public	Peering	General
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OO 09.1	Indicate the breakdown of your organisation's AUM by market.
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	Developed Markets
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96

	Emerging Markets
--	------------------

3

	Frontier Markets
--	------------------

1

	Other Markets
--	---------------

0

	Total 100%
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100%

Asset class implementation gateway indicators
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OO 10	Mandatory	Public	Gateway	General
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OO 10.1	Select the active ownership activities your organisation implemented in the reporting year.
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Listed equity – engagement

- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☒ We require our external managers to engage with companies on ESG factors on our behalf.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors.

Listed equity – voting

- ☒ We cast our (proxy) votes directly or via dedicated voting providers
- ☐ We require our external managers to vote on our behalf.
- ☐ We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

Fixed income SSA – engagement

- ☒ We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

Fixed income Corporate (financial) – engagement

- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (non-financial) – engagement

- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

OO 11

Mandatory

Public

Gateway

General

OO 11.1

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Listed equity

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Fixed income - SSA

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Fixed income - corporate (financial)

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Fixed income - corporate (non-financial)

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Private equity

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Property

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Hedge funds

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Inclusive finance

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

OO 11.2

Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

Asset class	ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
Listed equity	<div> <div>Listed equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation </div>

OO 11.4

Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

SEB Manager Research, the unit responsible for manager selection of external funds eligible for broad distribution across the bank, during 2017 incorporated an in-depth qualitative ESG due diligence on the external funds SEB distributes. The process is focused on three pillars. Firstly, how ESG is addressed at the fund management company level including processes, resources, ESG training and reporting. Secondly, how ESG is incorporated in the philosophy and investment process for the specific fund including idea generation, research, portfolio construction and risk management as well as team experience and resources. The third pillar relates to Active ownership/engagement and voting. The analysis is conducted on-site with meeting with portfolio managers, analysts and ESG teams. During the year, the rating system of external funds has been modified (from 3 to 4 degree scale). All external managers have to be PRI signatories.

OO 12**Mandatory****Public****Gateway****General****OO 12.1**

Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- ☒ Organisational Overview
- ☒ Strategy and Governance

RI implementation directly or via service providers**Direct - Listed Equity incorporation**

- ☒ Listed Equity incorporation

Direct - Listed Equity active ownership

- ☒ Engagements
- ☒ (Proxy) voting

Direct - Fixed Income

- ☒ Fixed income - SSA
- ☒ Fixed income - Corporate (financial)
- ☒ Fixed income - Corporate (non-financial)

Direct - Other asset classes with dedicated modules

- ☒ Private Equity
- ☒ Property
- ☒ Hedge Funds and/or Fund of Hedge Funds
- ☒ Inclusive Finance

	RI implementation via external managers
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	Indirect - Selection, Appointment and Monitoring of External Managers
--	---

☒ Listed Equities

	Closing module
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☒ Closing module

Peering questions

OO LE 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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OO LE 01.1	Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.			
------------	---	--	--	--

Percentage of internally managed listed equities

	Passive
--	---------

27

	Active - quantitative (quant)
--	-------------------------------

42

	Active - fundamental and active - other
--	---

31

	Total
--	-------

100%

OO FI 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
----------	---	--------	---------	---------

OO FI 01.1	Provide a breakdown of your internally managed fixed income securities by active and passive strategies			
------------	---	--	--	--

SSA	<div> <div>Passive</div> <div>0</div> </div> <div> <div>Active - quantitative (quant)</div> <div>0</div> </div> <div> <div>Active - fundamental and active - other</div> <div>100</div> </div> <div> <div>Total</div> <div>100%</div> </div>
Corporate (financial)	<div> <div>Passive</div> <div>0</div> </div> <div> <div>Active - quantitative (quant)</div> <div>0</div> </div> <div> <div>Active - fundamental and active - other</div> <div>100</div> </div> <div> <div>Total</div> <div>100%</div> </div>
Corporate (non-financial)	<div> <div>Passive</div> <div>0</div> </div> <div> <div>Active - quantitative (quant)</div> <div>0</div> </div> <div> <div>Active - fundamental and active - other</div> <div>100</div> </div> <div> <div>Total</div> <div>100%</div> </div>

OO FI 01.2 Additional information. [Optional]

OO FI 03	Mandatory	Public	Descriptive	General
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Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

OO FI 03.1 Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.

SSA		
		Developed markets
	96	
		Emerging markets
	4	
		Total
	100%	

OO FI 03.2 Indicate the approximate (+/- 5%) breakdown of your corporate and securitised investments by investment grade or high-yield securities.

Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed
Corporate (financial)	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Corporate (non-financial)	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%

	If you are invested in private debt and reporting on ratings is not relevant for you, please indicate below
--	---

☐ OO FI 03.2 is not applicable as our internally managed fixed income assets are invested only in private debt.

OO PE 01	Mandatory	Public	Descriptive	General
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OO PE 01.1	Provide a breakdown of your organisation's internally managed private equity investments by investment strategy.
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Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
(Leveraged) buy-out	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Distressed/Turnaround/Special Situations	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Secondaries	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify (1)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify (2)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Total 100%	

OO PE
01.2

Additional information. [Optional]

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

☒ Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input checked="" type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- ☒ Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- ☐ Your investment objectives that take ESG factors/real economy influence into account
- ☐ Time horizon of your investment
- ☒ Governance structure of organisational ESG responsibilities
- ☒ ESG incorporation approaches
- ☒ Active ownership approaches
- ☒ Reporting
- ☒ Climate change
- ☒ Understanding and incorporating client / beneficiary sustainability preferences
- ☐ Other RI considerations, specify (1)
- ☐ Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

The management company believes that responsible actions is a prerequisite for long-term, sustainable value creation. Responsible investments include the integration of environmental, social and corporate governance factors in investment processes and investment decisions, in order to better handle risks and opportunities, which is expected to contribute to sustainable, long-term returns. The management company therefore has a special responsibility to act in the unitholders' interests concerning such matters.

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Please find the link to SEB Investment Management Sustainability policy below;

https://sebgroupl.lu/siteassets/asset-management/information-for-investors/policies/english/sustainability_policy.pdf

☐ No

SG 01 CC**Mandatory to Report Voluntary to Disclose****Public****Descriptive****General****SG 01.6 CC**

Indicate whether your organisation has identified transition and physical climate-related risks and opportunities and factored this into the investment strategies and products, within the organisation's investment time horizon.

☒ Yes

Describe the identified transition and physical climate-related risks and opportunities and how they have been factored into the investment strategies/products.

A large part of the management company's sustainability work is focused on the environment and climate, for which the management company as an investor has an important role to play in achieving the goals of the Paris Agreement. The management company seeks to increase investment in companies offering solutions to global sustainability challenges, and which contribute to achieving the global Sustainable Development Goals. The management company also seeks to reduce the funds' negative environmental and climate impact by such measures as reducing the proportion of investments in companies that extract fossil fuels.

SEB is a signatory of the Montreal Carbon Pledge and has thereby committed to reporting yearly on its carbon footprint. In 2019, 94 per cent of SEB's equity funds were measured and reported on SEB's website. SEB reports on the carbon footprint from all three central emission areas (scope 1-3) according to the Greenhouse Gas Protocol. For the remaining 6 per cent of the equity funds, there is no official benchmark and in some funds the underlying data is currently insufficient for accurate reporting of carbon footprint. This work provides valuable information for unitholders, through dialogue with the companies in which the funds invest, as well as for investment decisions.

In line with the business plan, SEB continued to strengthen its sustainable investment offering during the year. At year-end, close to 35 per cent (30), SEK 256bn, of SEB's fund company's assets under management were managed according to the fund company's highest level of sustainability criteria (exclusion of production of coal, oil and gas)

In 2019 we tightened our coal criteria which means that SEB Investment does not invest in companies involved in thermal coal extraction, i.e., mining activities in which thermal coal accounts for more than 5 per cent (earlier 20 %) of the company's or group's turnover

In line with TCFD recommendations, we have made scenario analysis for approx 80% of our AUM but could only receive a result on 60%. We used the PACTA modelling tool developed by 2C investing initiative. The output provided an analysis of the portfolio relative to an economic transition consistent with limiting global warming to 2C above pre-industrial levels. This work provides valuable information for unitholders, through dialogue with the companies in which the funds invest, as well as for investment decisions.

We are involved in IIGCC and C100+ where we as a collaboration engage with the world's largest corporate greenhouse [gas] emitters to improve their climate performance and ensure transparent disclosure of emissions

Taxonomy - The taxonomy report, regarded as the cornerstone for all present and future measures of sustainable finance, sets out criteria for 67 economic activities that can make a substantial contribution to climate change mitigation. We will during 2020-2022 continue to work with the implementation of the taxonomy in the investment strategies. We are also a part of the PRI Taxonomy Practitioners Group.

☐ No

**SG 01.7
CC**

Indicate whether the organisation has assessed the likelihood and impact of these climate risks?

☒ Yes

Describe the associated timescales linked to these risks and opportunities.

Climate change is one of the most urgent challenges facing the world today. Scientific evidence points to substantial risks to the planet. SEB recognises the importance of limiting the average global temperature rise to well below 2°C and striving for 1.5°C in line with the Paris Agreement. This makes transition to a low-carbon economy vital. Banks have a crucial role to play in enabling the transition to more efficient low-carbon alternatives. SEB has endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a global initiative that aims to increase and harmonise companies' climate-related financial disclosure to stakeholders.

A large part of the management company's sustainability work is focused on the environment and climate, for which the management company as an investor has an important role to play in achieving the goals of the Paris Agreement. The management company seeks to increase investment in companies offering solutions to global sustainability challenges, and which contribute to achieving the global Sustainable Development Goals. The management company also seeks to reduce the funds' negative environmental and climate impact by such measures as reducing the proportion of investments in companies that extract fossil fuels.

In SEB's business, addressing climate change means for example that lending, investments and business development decisions should take climate impact into account. In line with the 2019-2021 business plan, SEB aims to further develop ways of working, to focus on managing risks and opportunities related to climate change and to classify its credit and investment portfolios.

In line with TCFD recommendations, we have made scenario analysis for approx 60% of our AUM. We used the PACTA modelling tool developed by 2C investing initiative. The output provided an analysis of the portfolio relative to an economic transition consistent with limiting global warming to 2C above pre-industrial levels.

Taxonomy - The taxonomy report, regarded as the cornerstone for all present and future measures of sustainable finance, sets out criteria for 67 economic activities that can make a substantial contribution to climate change mitigation. We will during 2020-2022 continue to work with the implementation of the taxonomy in the investment strategies. We are also a part of the PRI Taxonomy Practitioners Group.

☐ No

**SG 01.8
CC**

Indicate whether the organisation publicly supports the TCFD?

☒ Yes

☐ No

**SG 01.9
CC**

Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.

☒ Yes

Describe

Principles for Responsible Banking

SEB has committed to complying with the UN initiative Principles for Responsible Banking. This means that the bank undertakes to continuously strengthen its positive impact on society in accordance with the UN Development Goals. Sustainability is an integrated part of SEB's business since many years and we have an ambition to act as a role model within the financial industry. Sustainability is one of the key strategic investment areas in our new business plan - The signing of the principles means that SEB is committed to continue adapting its business strategy to align and contribute to the UN Development Goals and the Paris Climate Agreement.

Climate Change & TCFD

Climate change is one of the most urgent challenges facing the world today. Scientific evidence points to substantial risks to the planet. SEB recognises the importance of limiting the average global temperature rise to well below 2°C and striving for 1.5°C in line with the Paris Agreement. This makes transition to a low-carbon economy vital. Banks have a crucial role to play in enabling the transition to more efficient low-carbon alternatives. SEB has endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a global initiative that aims to increase and harmonise companies' climate-related financial disclosure to stakeholders. As part of this endorsement the bank is working to implement the recommendations, under the sponsorship of the Chief Risk Officer, targeting four main areas - governance, strategy, risk management, and metrics and targets.

During 2019 SEB enhanced its method for estimating the consequences of climate change. Within SEB Investment Management we have made scenario analysis for approx 80% of our AUM but could only get result for 60%.

Climate change governance at SEB The Board of Directors oversees SEB's sustainability work and has adopted the Corporate Sustainability Policy, which includes SEB's environmental commitment. The Board of Directors also oversees SEB's risk management framework. SEB's position statement on Climate Change is approved by the President.

Taxonomy

The European Commission's Action Plan on Sustainable Finance took important steps in 2019 when its Technical Expert Group, TEG, published four reports with recommendations on what is needed to reorient capital flows towards investments made to achieve sustainable and inclusive growth: • report on the EU Taxonomy • report on the EU Green Bond standard • report on Climate Benchmarks and Disclosure • guidelines on how to report climate-related information, the EU's Non-Binding Guidelines on Non-Financial Reporting

The taxonomy report, regarded as the cornerstone for all present and future measures of sustainable finance, sets out criteria for 67 economic activities that can make a substantial contribution to climate change mitigation. SEB, which has been one of 35 members in the TEG, considers all reports as important tools for increasing comparability and clarity of what is to be defined as sustainable, and thus creating the conditions for investors to make long-term sustainable decisions.

☐ No

SG 1.10 CC

Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.

- ☒ Public PRI Climate Transparency Report
- ☒ Annual financial filings
- ☐ Regular client reporting
- ☐ Member communications
- ☐ Other
- ☐ We currently do not publish TCFD disclosures

SG 02

Mandatory

Public

Core Assessed

PRI 6

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- ☒ Policy setting out your overall approach

URL/Attachment

- ☒ URL

URL

https://sebgroupp.com/contentassets/2a0d5a136fc1481bb0bee06a6cb7de38/sebimab_sustainabilitypolicy_nov_2019.pdf

- ☐ Attachment (will be made public)

- ☒ Formalised guidelines on environmental factors

URL/Attachment

- ☒ URL

	URL
--	-----

<https://sebgroup.com/about-seb/sustainability/how-we-work/policies>

- ☐ Attachment (will be made public)
- ☒ Formalised guidelines on social factors

	URL/Attachment
--	----------------

- ☒ URL

	URL
--	-----

<https://sebgroup.com/about-seb/sustainability/how-we-work/policies>

- ☐ Attachment (will be made public)
- ☒ Formalised guidelines on corporate governance factors

	URL/Attachment
--	----------------

- ☒ URL

	URL
--	-----

http://sebgroup.com/siteassets/om_seb/fondbolaget/fondbolaget-agarpolicy.pdf

- ☐ Attachment (will be made public)
- ☒ Sector specific RI guidelines

	URL/Attachment
--	----------------

- ☒ URL

	URL
--	-----

<https://sebgroup.com/sv/om-seb/hallbarhet/sa-har-arbetar-vi/policys>

- ☐ Attachment (will be made public)
- ☒ Screening / exclusions policy

	URL/Attachment
--	----------------

- ☒ URL

URL

<https://sebgroup.com/about-seb/who-we-are/organisation/our-divisions/about-the-fund-management-company-seb-im-ab/our-sustainability-work/exclude>

- ☐ Attachment (will be made public)
- ☒ Engagement policy

URL/Attachment

- ☒ URL

URL

https://sebgroup.com/contentassets/2624ecd1a35149eea7f0ba51ccc981bd/principles_for_ownership_engagement_sebimab.pdf

- ☐ Attachment (will be made public)
- ☒ (Proxy) voting policy

URL/Attachment

- ☒ URL

URL

https://sebgroup.com/contentassets/2624ecd1a35149eea7f0ba51ccc981bd/voting_policy_sebimab.pdf

- ☐ Attachment (will be made public)
- ☐ We do not publicly disclose our investment policy documents

SG 02.2	Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.
----------------	---

- ☒ Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- ☒ URL

URL

<https://sebgroup.com/about-seb/sustainability/how-we-work/policies>

- ☐ Attachment
- ☒ Governance structure of organisational ESG responsibilities

	URL/Attachment
--	----------------

☒ URL

	URL
--	-----

<https://sebgroup.com/about-seb/sustainability/how-we-work>

☐ Attachment

☒ ESG incorporation approaches

	URL/Attachment
--	----------------

☒ URL

	URL
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https://sebgroup.com/contentassets/2a0d5a136fc1481bb0bee06a6cb7de38/sebimab_sustainabilitypolicy_nov_2019.pdf

☐ Attachment

☒ Active ownership approaches

	URL/Attachment
--	----------------

☒ URL

	URL
--	-----

<https://sebgroup.com/sv/om-seb/vilka-vi-ar/organisation/vara-divisioner/om-fondbolaget-seb-im-ab/vart-hallbarhetsarbete/paverkar/sa-har-paverkar-vi>

☐ Attachment

☐ Reporting

☒ Climate change

	URL/Attachment
--	----------------

☒ URL

	URL
--	-----

https://sebgroup.com/siteassets/about_seb1/sustainability/sustainability_governance/policies/climate_change.pdf

☐ Attachment

☐ Understanding and incorporating client / beneficiary sustainability preferences

☐ We do not publicly disclose any investment policy components

SG 02.3	Additional information [Optional].
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SEB has a number of sector policies and position statements regarding different ESG subjects which can be found here:

<https://sebgroup.com/about-seb/sustainability/how-we-work/policies>

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
----------------	---

☒ Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
----------------	---

The instruction for handling of Conflicts of Interest (Col) specifies the procedures to be followed in respect of the specific services and activities carried out by or on behalf of the fund company, for the identification of circumstances which constitute or may give rise to a Col entailing a material risk of damage to the interests of one or more of the unit holders/clients.

The instruction also specifies the procedures to be followed and measures that have been adopted in order to prevent any such potential theoretical Col from arising.

The main measure to prevent Col from adversely affecting a client is to ensure that actions taken in respect of the client are based solely on its own interests, and are taken independently of the interests of any of the fund company's and/or the SEB Group's other clients, other activities, or employees etc. With regard to unit holders in the funds actions should be taken in the common interests of the unit holders.

Identified conflicts of interest are reported to the board on a quarterly basis. The company have an appointed manager responsible for handling any Col and reporting to the board.

Link at sebgroup.com

<https://sebgroup.com/sv/om-seb/vilka-vi-ar/organisation/vara-divisioner/om-fondbolaget-seb-im-ab/mer-om-fondbolaget/intressekonflikter>

☐ No

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.			
<input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input checked="" type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad-hoc basis <input type="radio"/> It is not set/reviewed				
SG 05.2	Additional information. [Optional]			

Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
SG 07.1	Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.			
	Roles			
<input checked="" type="checkbox"/> Board members or trustees <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment <input checked="" type="checkbox"/> Internal Roles (triggers other options)				

Select from the below internal roles

- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other Chief-level staff or head of department, specify
 - Deputy CEO**
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
 - ☒ Portfolio managers
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
 - ☐ Investment analysts
 - ☒ Dedicated responsible investment staff
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
 - ☐ Investor relations
 - ☐ Other role, specify (1)
 - ☐ Other role, specify (2)
- ☒ External managers or service providers
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment

SG 07.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

Through clear roles, responsibilities and goals. The guiding document is the portfolio management's instruction adopted by the board of directors of the fund company.

The sustainability policy impacts our portfolio management.

The level of integration of sustainability is product specific.

SG 07.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number

20

SG 07 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.
------------	---

	Board members or trustees
--	---------------------------

- ☒ Oversight/accountability for climate-related issues
- ☐ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee
--	---

- ☒ Oversight/accountability for climate-related issues
- ☒ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

	Other Chief-level staff or heads of departments
--	---

- ☐ Oversight/accountability for climate-related issues
- ☒ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

	Portfolio managers
--	--------------------

- ☒ Oversight/accountability for climate-related issues
- ☒ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

	Dedicated responsible investment staff
--	--

- ☒ Oversight/accountability for climate-related issues
- ☒ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

	External managers or service providers
--	--

- ☒ Oversight/accountability for climate-related issues
- ☐ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

SG 07.6 CC	For board-level roles that have climate-related issue oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.
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Climate change governance at SEB The Board of Directors oversees SEB's sustainability work and has adopted the Corporate Sustainability Policy, which includes SEB's environmental commitment. The Board of Directors also oversees SEB's risk management framework. SEB's position statement on Climate Change is approved by the President.

Climate change strategy SEB is committed to supporting its customers in the transition to a more sustainable world and actively participates in the global green transformation. Activities include international initiatives such as implementing the TCFD recommendations

Each Head of division, business area and group function is responsible for ensuring that activities are carried out and instructions are in accordance with applicable policies, such as e.g corporate sustainability policy, sector policies and position statements. The Management in the Fundcompany is in charge of monitoring and developing the work around climate change, which includes governance and strategy development. The head of Sustainability is responsible for coordinating and developing the work around climate change and also responsible for informing the organisation about new industry standards and developments in the area in order to manage it.

SG 07.7 CC	For management-level roles that assess and manage climate-related issues, provide further information on the structure and processes involved.
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SEB has endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a global initiative that aims to increase and harmonise companies' climate-related financial disclosure to stakeholders. As part of this endorsement the bank is working to implement the recommendations, under the sponsorship of the Chief Risk Officer, targeting four main areas - governance, strategy, risk management, and metrics and targets. During 2019 SEB enhanced its method for estimating the consequences of climate change. SEB Investment Managements Head of Sustainability is part of the working group.

SG 07.8 CC	Indicate how your organisation engages external investment managers and/or service providers on the TCFD recommendations and their implementation.
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- ☐ Request that external managers and/or service providers incorporate TCFD into mainstream financial filings (annual financial reports, other regulatory reporting or similar)
- ☐ Request incorporation of TCFD into regular client reporting
- ☒ Request that external managers complete PRI climate indicator reporting
- ☐ Request responses to TCFD Fund Manager questions in the PRI Asset Owner Guide
- ☐ Other
- ☐ We do not engage with external managers and/or service providers on the TCFD recommendations and their implementation

Promoting responsible investment

SG 09	Mandatory	Public	Core Assessed	PRI 4,5
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SG 09.1	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
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Select all that apply

☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Participating in the AGM and pooled engagement initiatives. Leading investor for some companies in the pooled engagement initiatives. Attended PRI-conference in Paris and Nordic PRI Conference in Stockholm.

Participating in the Taxonomy practitioners group.

- ☐ Asian Corporate Governance Association
☐ Australian Council of Superannuation Investors
☐ AVCA: Sustainability Committee
☐ France Invest – La Commission ESG
☐ BVCA – Responsible Investment Advisory Board
☐ CDP Climate Change
☐ CDP Forests
☒ CDP Water

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Active in pooled engagement with companies

- ☐ CFA Institute Centre for Financial Market Integrity
☒ Climate Action 100+

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Supporting investor in company dialogues.

Signatory of an IIGCC letter to EU leaders on the 2050 net-zero emissions target

- ☐ Code for Responsible Investment in SA (CRISA)
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ ESG Research Australia
- ☐ Invest Europe Responsible Investment Roundtable
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Impact Investing Network (GIIN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☒ Green Bond Principles

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Initiator of the principles and active in the development of the principles

- ☐ HKVCA: ESG Committee
- ☒ Institutional Investors Group on Climate Change (IIGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Focusing on an initiative targeting the worlds 100+ largest emitters.

Supporting investor in company dialogues.

Signatory of an IIGCC letter to EU leaders on the 2050 net-zero emissions target

- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☐ International Corporate Governance Network (ICGN)
- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ International Integrated Reporting Council (IIRC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☐ Principles for Financial Action in the 21st Century
- ☐ Principles for Sustainable Insurance
- ☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify Swesif, Dansif, Finsif and Eurosif

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Board member of Swesif, and also active in the nomination committee. Active in working groups.

- ☒ Responsible Finance Principles in Inclusive Finance

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We have signed the PIIF and report according to the principles

- ☐ Shareholder Association for Research and Education (Share)
- ☒ United Nations Environmental Program Finance Initiative (UNEP FI)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

SEB is a member of the steering group

- ☒ United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
☐ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Basic involvement on global level but moderate involvement in the Nordic network

- ☒ Other collaborative organisation/initiative, specify

Sustainable Value Creation (Hållbart Värdeskapande)

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Member of working group in this Swedish organisation.

- ☒ Other collaborative organisation/initiative, specify

Swedish Fund Association, EFAMA, Tillväxtverket, SIDA

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Member of the board for the Swedish Fund Association and EFAMA. Member of different working groups.

- ☒ Other collaborative organisation/initiative, specify

Equator Principles

	Your organisation's role in the initiative during the reporting year (see definitions)
--	--

- ☐ Basic
☒ Moderate
☐ Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--	--

Contributing to the development of the principles

- ☒ Other collaborative organisation/initiative, specify

Swedish Investors for Sustainable Development

	Your organisation's role in the initiative during the reporting year (see definitions)
--	--

- ☐ Basic
☐ Moderate
☒ Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--	--

SEB Investment Management is a partner of SISD - Swedish Investors for Sustainable Development

<https://www.sida.se/English/partners/Resources-for-specific-partner-groups/Private-sector/Collaboration-principles/swedish-investors-for-sustainable-development/>

We are also participating in different working groups e.g for the SDG's in cooperation with other asset owners, institutional investors, company groups and government bodies.

SG 10	Mandatory	Public	Core Assessed	PRI 4
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SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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- ☒ Yes

SG 10.2	Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.
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- ☒ Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

	Description
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Frequently meet and educate clients on sustainable investments, other financial actors and are a regular guest-lecturer at Universities and Business Schools

Frequency of contribution

- ☒ Quarterly or more frequently
 - ☐ Biannually
 - ☐ Annually
 - ☐ Less frequently than annually
 - ☐ Ad hoc
 - ☐ Other
- ☐ Provided financial support for academic or industry research on responsible investment
- ☒ Provided input and/or collaborated with academia on RI related work

Description

We give guest lectures at Universities and Business Schools in Sweden. We regularly give input on White papers and participate frequently in student essays on sustainable finance.

Frequency of contribution

- ☒ Quarterly or more frequently
 - ☐ Biannually
 - ☐ Annually
 - ☐ Less frequently than annually
 - ☐ Ad hoc
 - ☐ Other
- ☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry

Description

We always encourage companies to be more transparent. During 2019 we have asked for transparency towards measuring scope 1, 2 and 3, and TCFD reporting. Also how companies are performing on climate action and Paris Agreement (IIGCC Climate Action 100+)

Frequency of contribution

- ☒ Quarterly or more frequently
 - ☐ Biannually
 - ☐ Annually
 - ☐ Less frequently than annually
 - ☐ Ad hoc
 - ☐ Other
- ☒ Spoke publicly at events and conferences to promote responsible investment

Description

ESG specialists from SEB regularly act as participants in conferences, panel-debates and other client or institutional events in Scandinavia, focusing on strengthening ESG. Regular guest-lecturer at Universities and Business Schools.

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

- ☐ Wrote and published in-house research papers on responsible investment
- ☒ Encouraged the adoption of the PRI

Description

We require that our external fund managers (on SEB platform) to be a PRI signatory - 100 % have signed up.

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

- ☒ Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

Description

We are are part of working groups Tillväxtverket and SIDA.

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

- ☐ Wrote and published articles on responsible investment in the media
- ☒ A member of PRI advisory committees/ working groups, specify

Description

Palm Oil, Tax Transparency, Access to Medicine, Taxonomy Practioners Group

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

☒ On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

Description

Swesif and The Swedish investment fund association. Partner at SISD (Swedish Investors for Sustainable development)

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

☒ Other, specify

specify description

EFAMA

Description

Member of the sustainability working-group

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

☐ No

SG 10.3

Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

Examples

1) In the evaluation and selection process of external fund managers, we require that the respective fund manager is a signatory to PRI. In total, 100 per cent of our external fund managers have signed the PRI. We include sustainability aspects as part of all product development discussions. The ESG team is always involved to ensure that relevant sustainability elements are taken into account from the start.

2) We are members in the Swedish investment Fund association. Within the association we are participating in the working group for responsible investments driving the ESG agenda within the industry. At the end of 2019 the methodology of the Swedish Fund associations guidelines regarding carbon footprinting was modified in line with TCFD recommendations.

3) As part of our Swesif engagement - e.g. each year we arrange a PRI seminar after the PRI conference to invite a panel and discuss key takeaways from the conference, as well as offering a possibility for members who were not able to participate to catch up on the discussion. 2019 the board member from SEB arranged this seminar. The guidelines for marketing and information by fund mgmt companies was updated during 2019

4) We have participated in various local and european seminars, events and meetings discussing ESG issues with private clients, media, institutional clients, universities and corporates.

5) Signatory of an open letter to EU leaders on 2050 net-zero emissions target.

6) SIDA & SISD; We are a partner of SISD (Swedish Investors for Sustainable Investments) and participate in several initiatives hosted by SIDA, Swedish International Development Agency in order to promote SDGs on the swedish market.

<https://www.sida.se/English/partners/Resources-for-specific-partner-groups/Private-sector/Collaboration-principles/swedish-investors-for-sustainable-development/>

Outsourcing to fiduciary managers and investment consultants

SG 12**Mandatory****Public****Core Assessed****PRI 4**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1

Indicate whether your organisation uses investment consultants.

☐ Yes, we use investment consultants

☒ No, we do not use investment consultants.

SG 12.5	Indicate whether your organisation considers any of the following responsible investment factors in the monitoring of fiduciary managers
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- ☒ Including responsible investment as a standard agenda item at performance review meetings
- ☒ Discussing whether the fiduciary manager has acted in accordance with your organisation's overall investment beliefs/ strategy/ policy on responsible investment and ESG factors
- ☒ Reviewing the fiduciary manager's PRI Transparency or Assessment reports
- ☐ Reviewing the fiduciary manager's responsible investment reporting (excluding PRI generated reports)
- ☐ Reviewing ESG characteristics/factors used by the fiduciary manager in portfolio construction
- ☒ Reviewing the fiduciary manager's incorporation approaches of ESG through-out asset classes
- ☐ Reviewing the impact of ESG factors on financial performance
- ☒ Encouraging your fiduciary managers to consider joining responsible investment initiatives/organisations or participate in educational or collaborative projects with other investors
- ☒ Including responsible investment criteria as a formal component of overall manager performance evaluation
- ☒ Reviewing the fiduciary manager's ESG incorporation in external managers' selection, appointment, monitoring
- ☐ Reviewing how ESG materiality is defined by the fiduciary manager
- ☐ Other general aspects of your monitoring; specify
- ☐ We do not consider responsible investment in the monitoring processes for fiduciary managers.

SG 12.6	Describe the approach you take to monitoring your fiduciary managers and the reason(s) for this approach [Optional].
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We demand the same transparency, control and ESG inclusion of our external/fiduciary managers as we demand from our own portfolio managers, employed by the company.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1	Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
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- ☐ Yes, in order to assess future ESG factors
- ☒ Yes, in order to assess future climate-related risks and opportunities

	Describe
--	----------

Yes, we have started to carry out scenario analysis for approx 60 % of our AUM (equities and Corporate fixed income). We have been using the PACTA tool to understand climate related risks and opportunities.

- ☐ No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.
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We do the following

- ☐ Allocation between asset classes
- ☐ Determining fixed income duration
- ☐ Allocation of assets between geographic markets
- ☐ Sector weightings
- ☐ Other, specify
- ☒ We do not consider ESG issues in strategic asset allocation

SG 13 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 13.4 CC	Describe how your organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, its results, and any future plans.
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- ☒ Initial assessment

Describe

SEB has committed to complying with the UN initiative Principles for Responsible Banking. This means that the bank undertakes to continuously strengthen its positive impact on society in accordance with the UN Development Goals. The signing of the principles means that SEB is committed to continue adapting its business strategy to align and contribute to the UN Development Goals and the Paris Climate Agreement.

Yes, we have started to carry out scenario analysis for approx 80% of our AUM (equities and Corporate fixed income). We have been using the PACTA tool to understand climate related risks and opportunities. The PACTA-analysis shows that our exposure to both high and low-carbon activities at the time was lower than the equity benchmark. Our total equity and corp bonds exposure to sectors included in the scenario analysis is 10.5 per cent and our exposure to oil, gas and coal production is below 1.5 per cent of total equity and corporate bonds under management.

We believe tools such as PACTA are an important development, helping us as an asset manager to manage risk and opportunities. The output also get insight to have more informed engagement dialogues.

We have identified a few activities to develop our climate related work going forward;

- Evaluate the new tool - temperature score from 2 C scenario initiative which will be launched during 2020
- Extend CO 2 measurement (carbon footprint) to other asset classes e.g corporate bonds and mixed funds
- Evaluate other climate tools on the market to find metrics and targets that could be integrated in the internal risk model
- Evaluating portfolios in line with the taxonomy and the new green bond principles. We are participating in the PRI Taxonomy Practitioners group.
- Develop methods for physical climate risk analysis
- Continue to engage with companies to help a support to a net-zero carbon economy e.g through IIGCC and Climate Action 100+
- Continue to educate our portfolio managers on climate related risks

- ☐ Incorporation into investment analysis
- ☒ Inform active ownership

Describe

For investments outside the Nordic region, SEB cooperates with other investors through organisations such as the Institutional Investors Group on Climate Change (IIGCC), PRI Clearinghouse and Hermes Equity Ownership Services, one of the world's leading actors in corporate dialogues. In total during the year SEB conducted 1,564 engagement dialogues

We have been involved in IIGCC and Climate Action 100 + since Dec 2017. C100+ is a five-year initiative to ensure the world's largest corporate greenhouse gas (GHG) emitters take critical action to align with the goals of the Paris Agreement. For example companies have been asked to provide enhanced corporate disclosure in line with the final recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and, when applicable, sector-specific Global Investor Coalition on Climate Change (GIC) Investor Expectations on Climate Change guidelines to enable investors to assess the robustness of companies' business plans against a range of climate scenarios, including well below 2°C, and improve investment decision-making.

Progress report for 2019 shows that 70% of companies have set long-term quantitative targets for reducing GHG emissions. However, only 9% of companies have targets that are aligned with either the IEA Beyond 2°C Scenario or the IEA 2°C Scenario. A further 9% of companies are aligned with emissions reductions pledged by governments as part of the Paris Agreement via Nationally Determined Contributions. 35% are not aligned with any of these scenarios, and the remainder were either not assessed (39%) or had insufficient public disclosure (8%). One in five (20%) of Climate Action 100+ focus companies have set or committed to set an SBT (Science based targets).

Going forward;

- We are part of the PRI Taxonomy practitioners group and hope to collaborate/engage together with other investors with selected companies on the taxonomy
- Based on our findings when measuring 2 C scenarios engage with selected companies
- Continue dialogue through the IIGCC and Carbon Action 100 + programme

☐ Other

SG 13.5 CC	Indicate who uses this analysis.
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- ☒ Board members, trustees, C-level roles, Investment Committee
- ☒ Portfolio managers
- ☒ Dedicated responsible investment staff
- ☐ External managers
- ☐ Investment consultants/actuaries
- ☐ Other

**SG 13.6
CC**

Indicate whether your organisation has evaluated the potential impact of climate-related risks, beyond the investment time horizon, on its investment strategy.

- ☐ Yes
☒ No

Please explain the rationale

We are currently evaluating different methods and tools

**SG 13.7
CC**

Indicate whether a range of climate scenarios is used.

- ☒ Analysis based on a 2°C or lower scenario
☐ Analysis based on an abrupt transition, consistent with the Inevitable Policy Response
☐ Analysis based on a 4°C or higher scenario
☐ No, a range is not used

**SG 13.8
CC**

Indicate the climate scenarios your organisation uses.

Provider	Scenario used	
IEA	<input checked="" type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)	
IEA	<input type="checkbox"/> Energy Technology Perspectives (ETP) 2 Degrees scenario	
IEA	<input checked="" type="checkbox"/> Sustainable Development Scenario (SDS)	
IEA	<input checked="" type="checkbox"/> New Policy Scenario (NPS)	
IEA	<input checked="" type="checkbox"/> Current Policy Scenario (CPS)	
IRENA	<input type="checkbox"/> RE Map	
Greenpeace	<input type="checkbox"/> Advanced Energy [R]evolution	
Institute for Sustainable Development	<input type="checkbox"/> Deep Decarbonisation Pathway Project (DDPP)	
Bloomberg	<input type="checkbox"/> BNEF reference scenario	
IPCC	<input type="checkbox"/> Representative Concentration Pathway (RCP) 8.5	
IPCC	<input type="checkbox"/> RPC 6	
IPCC	<input type="checkbox"/> RPC 4.5	
IPCC	<input type="checkbox"/> RPC 2.6	
Other	<input type="checkbox"/> Other (1)	
Other	<input type="checkbox"/> Other (2)	
Other	<input type="checkbox"/> Other (3)	

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- ☐ Changing demographics
- ☒ Climate change
- ☒ Resource scarcity
- ☒ Technological developments
- ☐ Other, specify(1)
- ☐ Other, specify(2)
- ☐ None of the above

SG 14.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- ☐ Established a climate change sensitive or climate change integrated asset allocation strategy
- ☒ Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

	trillions	billions	millions	thousands	hundreds
Total AUM			256	000	000
Currency	SEK				
Assets in USD			26	749	664

Specify the framework or taxonomy used.

Internal ESG guidelines, exclusion of fossil fuel extraction companies.

- ☐ Phase out your investments in your fossil fuel holdings
- ☒ Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- ☒ Used emissions data or analysis to inform investment decision making
- ☒ Sought climate change integration by companies
- ☒ Sought climate supportive policy from governments
- ☐ Other, specify
- ☐ None of the above

SG 14.3

Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- ☒ Scenario analysis
- ☒ Disclosures on emissions risks to clients/trustees/management/beneficiaries
- ☒ Climate-related targets
- ☒ Encouraging internal and/or external portfolio managers to monitor emissions risks
- ☐ Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- ☒ Weighted average carbon intensity
- ☒ Carbon footprint (scope 1 and 2)
- ☒ Portfolio carbon footprint
- ☐ Total carbon emissions
- ☒ Carbon intensity
- ☒ Exposure to carbon-related assets
- ☐ Other emissions metrics
- ☐ Other, specify
- ☐ None of the above

SG 14.4

If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.

We use ISS Climate Solutions (Your SRI) database for calculating the carbon footprint for equity funds. We disclose carbon emission for our equity funds (scope 1, 2 and 3). Two versions, one summary for retail clients and one in depth-analysis which include scope 3, for fund managers and institutions. They are all public on SEB's web-site.

We also use MSCI ESG data for climate metrics - information in the ESG integration process

For engagements with issuers and companies regarding climate change we are participating in collaborations within e.g IIGCC, PRI and other collaborations to influence issuers, companies and countries.

We also engage with sovereigns through PRI/for signing the global investor letter to G7 and G20 governments on climate change. We signed an IIGCC letter to EU leaders on the net zero emissions target

According to TCFD recommendation - Yes, we have started to carry out 2 C scenario analysis for approx 80 % of our AUM (equities and Corporate fixed income). We have been using the PACTA tool to understand climate related risks and opportunities.

We have tightened the exclusion criteria for coal which means that SEB Investment Management Funds do not invest in companies involved in thermal coal extraction, i.e., mining activities in which thermal coal accounts for more than 5 per cent (earlier 20 %) of the company's or group's turnover

For the screening part - exclusion of coal extraction companies and coal, gas and oil extraction companies we use ISS ESG data

SG 14 CC

Voluntary

Public

General

**SG 14.6
CC**

Provide further details on the key metric(s) used to assess climate-related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Climate-related targets	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	SEB Sustainability Global Fund Reduce overall carbon emissions. Target to align with Paris Agreement	Alignment with Paris Agreement according to TCFD recommendations	Carbon footprint for the fund - The method that the Swedish Fund Association promotes (in line with TCFD recommendations) PACTA methodology
Weighted average carbon intensity	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Equities Monitoring - Compare Fund carbon performance to benchmark. Reduce overall carbon emissions. Information included in the investment process. Reporting externally	kg CO2e/SEK 1000	New method that the Swedish Fund Association promotes (in line with TCFD recommendations). Measured by ISS ESG
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Equities Monitoring - Compare Fund carbon performance to benchmark Reduce overall carbon emissions. Reporting externally	kg of CO2e and TCO2e	Company annual carbon emissions from our provider - ISS ESG.
Portfolio carbon footprint	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Equities Monitoring - Compare Fund carbon performance to benchmark. Reduce overall carbon emissions. Reporting externally	kg of CO2e and tCO2e	Company annual carbon emissions from our provider - ISS ESG
Carbon intensity	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Equities Monitoring - Compare Fund carbon performance to benchmark. Reduce overall carbon emissions	Kg CO2e/SEK 1000	Company annual carbon emissions from our carbon data providers
Exposure to carbon-related assets	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Assess exposure in carbon intensive sectors	Alignment with Paris agreement according to TCFD recommendations	PACTA methodology. The methodology has limitations due to that there is no coverage of other sectors than the most carbon intensive sectors.

SG 14.7
CC

Describe in further detail the key targets.

Targettype	Baseline year	Target year	Description	Attachments
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				

**SG 14.8
CC**

Indicate whether climate-related risks are integrated into overall risk management and explain the risk management processes used for identifying, assessing and managing climate-related risks.

- ☒ Processes for climate-related risks are integrated into overall risk management

Please describe

Yes, we have started to carry out scenario analysis for approx 80% of our AUM (equities and Corporate fixed income). We have been using the PACTA tool to understand climate related risks and opportunities. We are also a part of the PRI Taxonomy Practioners group working on to understand how to implement the taxonomy.

- ☐ Processes for climate-related risks are not integrated into overall risk management

**SG 14.9
CC**

Indicate whether your organisation, and/or external investment manager or service providers acting on your behalf, undertake active ownership activities to encourage TCFD adoption.

- ☒ Yes

Please describe

Yes we do -We encourage all companies to report on TCFD. Either directly with companies or through collaborations like IIGCC and through Hermes EOS.

- ☐ No, we do not undertake active ownership activities.
- ☐ No, we do not undertake active ownership activities to encourage TCFD adoption.

SG 15

Mandatory to Report Voluntary to Disclose

Public

Descriptive

PRI 1

SG 15.1

Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

☒ Yes

SG 15.2

Indicate the percentage of your total AUM invested in environmental and social themed areas.

%

2

SG 15.3

Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

☒ Energy efficiency / Clean technology

Asset class invested

☒ Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

5

☒ Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

4

☒ Fixed income - Corporate (financial)

Percentage of AUM (+/-5%) per asset class invested in the area

4

☒ Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

4

☐ Fixed income - Securitised

☐ Private equity

☐ Property

☐ Hedge funds

☐ Inclusive finance

Brief description and measures of investment

SEB funds managed with sustainability criteria, share of Fund company AuM is 35% (earlier 30%)

New fund Lyxor SEB Impact Fund invests in companies that operate in five areas related to the UN Sustainable Development Goals: sustainable energy, water availability, food and agriculture, resource efficiency and social improvement.

Our investors are becoming increasingly interested in investments that have a broader positive impact than just the financial returns. To further respond to this demand we launched a green bond fund during 2015 and the AUM of that fund has increased 10 times since launch, which shows the significant client interest. The fixed income fund SEB FRN Fond Hållbar was launched in 2019. The fund, which includes investments in Nordic corporate bonds with variable interest rates, excludes companies that extract fossil fuels and invests in green bonds where the capital is earmarked for climate and environmental projects. At year-end the fund had approximately SEK 7.6bn in assets under management.

Fixed Income - Green Bonds accounts for 4% of the AUM for the asset class fixed income. Around 30% of the investments in green bonds are related to energy efficiency. This relates to all instruments within fixed income- SSA, Corp fin and corporate non-fin.

☒ Renewable energy

Asset class invested

- ☐ Listed equity
- ☒ Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

4

- ☒ Fixed income - Corporate (financial)

Percentage of AUM (+/-5%) per asset class invested in the area

4

- ☒ Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

4

- ☐ Fixed income - Securitised
- ☐ Private equity
- ☐ Property
- ☐ Hedge funds
- ☐ Inclusive finance

Brief description and measures of investment

Fixed Income - Green Bonds accounts for 4% of the AUM for the asset class fixed income. Around 50% of the investments in green bonds are related to renewable energy. This relates to all instruments within fixed income- SSA, Corp fin and corporate non-fin.

☒ Green buildings

Asset class invested

- ☐ Listed equity
- ☐ Fixed income - SSA
- ☐ Fixed income - Corporate (financial)
- ☒ Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

4

- ☐ Fixed income - Securitised
- ☐ Private equity
- ☒ Property

Percentage of AUM (+/-5%) per asset class invested in the area

100

- ☐ Hedge funds
- ☐ Inclusive finance

Brief description and measures of investment

Our real estate management has a focus to invest and develop "green buildings" and so far around 10 % of AUM is allocated to such projects but more or less all new project are "green".

Fixed Income - Green Bonds accounts for 4% of the AUM for the asset class fixed income. Around 20% of the investments in green bonds are related to green buildings.

- ☐ Sustainable forestry
- ☐ Sustainable agriculture
- ☒ Microfinance

Asset class invested

- ☐ Listed equity
- ☐ Fixed income - SSA
- ☐ Fixed income - Corporate (financial)
- ☒ Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

100

- ☐ Fixed income - Securitised
- ☐ Private equity
- ☐ Property
- ☐ Hedge funds
- ☐ Inclusive finance

Brief description and measures of investment

SEB is one of Europe's largest microfinance fund managers. Through some 60 microfinance institutions, SEB's funds offer loans to people with lower income in developing countries, who are often excluded from financial markets. Microfinance is today the most established asset class within the field of impact investments, with its success founded on the ability to offer investors both an attractive financial return and contribute to socioeconomic development for this target group. SEB manages 7 microfinance funds (including Impact Opportunity Fund) with a total value of approximately SEK 9bn (7), reaching more than 25 (23) million entrepreneurs in 59 (40) developing countries

SEB Microfinance II final report

https://sebgroupp.com/siteassets/press_sv/bilagor/ovriga/seb_microfinance_fund_ii_final_report_march2020_sek.pdf

SEB Microfinance I final report

https://sebgroupp.com/siteassets/press/attachments/other/seb_microfinance_fund_i_final_report_march_2019.pdf

- ☐ SME financing
- ☐ Social enterprise / community investing
- ☐ Affordable housing
- ☐ Education
- ☐ Global health
- ☐ Water
- ☐ Other area, specify

☐ No

Asset class implementation not reported in other modules

SG 16	Mandatory	Public	Descriptive	General
SG 16.1	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.			

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Inclusive finance	http://sebweb1.sebank.se/insite_nyhets_bilder/bilagor/SEB_Microfinance_Fund_I_Final_report_March_2019_SEWM0042_201903_Digital.pdf https://sebgroun.com/siteassets/press_sv/bilagor/ovriga/seb_microfinance_fund_ii_final_report_march2020_sek.pdf

Communication

SG 19	Mandatory	Public	Core Assessed	PRI 2, 6
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SG 19.1

Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Selection, Appointment and Monitoring

Do you disclose?

- ☒ We do not disclose to either clients/beneficiaries or the public.
- ☐ We disclose to clients/beneficiaries only.
- ☐ We disclose to the public

Listed equity - Incorporation

Do you disclose?

- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries
- ☐ We disclose to clients/beneficiaries only.
- ☒ We disclose it publicly

The information disclosed to clients/beneficiaries is the same

- ☒ Yes
- ☐ No

Disclosure to public and URL	
	<p>Disclosure to public and URL</p> <p><input checked="" type="radio"/> Broad approach to ESG incorporation</p> <p><input type="radio"/> Detailed explanation of ESG incorporation strategy used</p>
	<p>Frequency</p> <p><input type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input checked="" type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>
	<p>URL</p> <p>https://sebgroup.com/sv/om-seb/vilka-vi-ar/organisation/vara-divisioner/om-fondbolaget-seb-im-ab/vara-forvaltningsteam</p>

Listed equity - Engagement

Do you disclose?

- ☐ We do not disclose to either clients/beneficiaries or the public.
- ☐ We disclose to clients/beneficiaries only.
- ☒ We disclose to the public

The information disclosed to clients/beneficiaries is the same

- ☒ Yes
- ☐ No

Disclosure to public and URL	
	<div>Disclosure to public and URL</div> <div> <input checked="" type="checkbox"/> Details on the overall engagement strategy <input type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals <input checked="" type="checkbox"/> Number of engagements undertaken <input type="checkbox"/> Breakdown of engagements by type/topic <input checked="" type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives <input checked="" type="checkbox"/> Examples of engagement cases <input type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.) <input type="checkbox"/> Details on whether the provided information has been externally assured <input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement <input type="checkbox"/> Other information </div>
	<div>Frequency</div> <div> <input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested </div>
	<div>URL</div> <div> https://sebgroupp.com/sv/om-seb/vilka-vi-ar/organisation/vara-divisioner/om-fondbolaget-seb-im-ab/vart-hallbarhetsarbete/paverkar/sa-har-paverkar-vi </div> <div>URL</div> <div> https://sebgroupp.com/contentassets/d1b6af581c2c45aeb1107320d6919c47/engagement_report_seb_hermes_q2_2019.pdf </div>

Listed equity – (Proxy) Voting	
	<div>Do you disclose?</div> <div> <input type="radio"/> We do not disclose to either clients/beneficiaries or the public. <input type="radio"/> We disclose to clients/beneficiaries only. <input checked="" type="radio"/> We disclose to the public </div>

The information disclosed to clients/beneficiaries is the same

☒ Yes

☐ No

Disclosure to public and URL

Disclosure to public and URL

☐ Disclose all voting decisions

☒ Disclose some voting decisions

☐ Only disclose abstentions and votes against management

Frequency

☐ Quarterly or more frequently

☐ Biannually

☒ Annually

☐ Less frequently than annually

☐ Ad hoc/when requested

URL

https://sebgroupp.com/contentassets/d1b6af581c2c45aeb1107320d6919c47/engagementreport_seb_hermes_2017_q1.pdf

Fixed income

Do you disclose?

☐ We do not disclose to either clients/beneficiaries or the public.

☒ We disclose to clients/beneficiaries only.

☐ We disclose to the public

Disclosure to clients/beneficiaries	
	<div>Disclosure to clients/beneficiaries</div> <p> <input checked="" type="radio"/> Broad approach to RI incorporation <input type="radio"/> Detailed explanation of RI incorporation strategy used </p>
	<div>Frequency</div> <p> <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested </p>

Private equity

Do you disclose?

- ☐ We do not disclose to either clients/beneficiaries or the public.
☒ We disclose to clients/beneficiaries only.
☐ We disclose to the public

Disclosure to clients/beneficiaries	
	<div>Disclosure to clients/beneficiaries</div> <p> <input checked="" type="checkbox"/> ESG information in relationship to our pre-investment activities <input checked="" type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities <input type="checkbox"/> Information on our portfolio companies' ESG performance <input type="checkbox"/> Other </p>
	<div>Frequency</div> <p> <input type="checkbox"/> Quarterly or more frequently <input checked="" type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested </p>

Property

Do you disclose?

- ☐ We do not disclose to either clients/beneficiaries or the public.
☒ We disclose to clients/beneficiaries only.
☐ We disclose to the public

Disclosure to clients/beneficiaries

Disclosure to clients/beneficiaries

- ☒ ESG information on how you select property investments
☒ ESG information on how you monitor and manage property investments
☐ Information on your property investments' ESG performance
☐ Other

Frequency

- ☒ Quarterly or more frequently
☐ Biannually
☐ Annually
☐ Less frequently than annually
☐ Ad-hoc/when requested

Hedge Funds

Do you disclose?

- ☒ We do not disclose to either clients/beneficiaries or the public.
☐ We disclose to clients/beneficiaries only.
☐ We disclose to the public

SG 19.2

Additional information [Optional]

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

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Listed Equity and Fixed Income Strategies

SAM 01	Mandatory	Public	Gateway	PRI 1
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SAM 01.1 Indicate which of the following ESG incorporation strategies you require your external manager(s) to implement on your behalf for all your listed equity and/or fixed income assets:

Active investment strategies

Active investment strategies	Listed Equity				
Screening	<input checked="" type="checkbox"/>				
Thematic	<input checked="" type="checkbox"/>				
Integration	<input checked="" type="checkbox"/>				
None of the above	<input type="checkbox"/>				

SAM 01.2 Additional information. [Optional]

Screening - Exclusion according to SEB Investment Management ABs guidelines and framework.

Thematic strategy - Funds in relation to Climate Change for example Robeco Smart Energy and Robeco Sustainable Water .

Integration - ESG analysis is conducted on all external funds. One example of ESG integration in a high yield fund is - Sky harbour Sustainable focused high yield fund.

Selection

SAM 02	Mandatory	Public	Core Assessed	PRI 1
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SAM 02.1 Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

	LE								
Assess ESG expertise of investment teams	<input checked="" type="checkbox"/>								
Review the oversight and responsibilities of ESG implementation	<input checked="" type="checkbox"/>								
Review how is ESG implementation enforced /ensured	<input checked="" type="checkbox"/>								
Review the manager's RI-promotion efforts and engagement with the industry	<input checked="" type="checkbox"/>								
Other	<input type="checkbox"/>								
None of the above	<input type="checkbox"/>								

Process/portfolio construction/investment valuation

	LE								
Review the process for ensuring the quality of the ESG data used	<input checked="" type="checkbox"/>								
Review and agree the use of ESG data in the investment decision making process	<input checked="" type="checkbox"/>								
Review and agree the impact of ESG analysis on investment decisions	<input checked="" type="checkbox"/>								
Review and agree ESG objectives (e.g. risk reduction, return seeking, real-world impact)	<input checked="" type="checkbox"/>								
Review and agree manager's ESG risk framework	<input checked="" type="checkbox"/>								
Review and agree ESG risk limits at the portfolio level (portfolio construction) and other ESG objectives	<input checked="" type="checkbox"/>								
Review how ESG materiality is evaluated by the manager	<input checked="" type="checkbox"/>								
Review process for defining and communicating on ESG incidents	<input checked="" type="checkbox"/>								
Review and agree ESG reporting frequency and detail	<input checked="" type="checkbox"/>								
Other, specify	<input type="checkbox"/>								
None of the above	<input type="checkbox"/>								

SAM 02.3 Indicate the selection process and its ESG/RI components

- ☒ Review ESG/RI responses to RfP, RfI, DDQ etc.
- ☒ Review responses to PRI's Limited Partners' Responsible Investment Due Diligence Questionnaire (LP DDQ)
- ☒ Review publicly available information on ESG/RI
- ☒ Review assurance process on ESG/RI data and processes
- ☒ Review PRI Transparency Reports
- ☒ Request and discuss PRI Assessment Reports
- ☒ Meetings with the potential shortlisted managers covering ESG/RI themes
- ☒ Site visits to potential managers offices
- ☐ Other, specify

SAM 02.4 When selecting external managers does your organisation set any of the following:

	LE								
ESG performance development targets	<input checked="" type="checkbox"/>								
ESG score	<input checked="" type="checkbox"/>								
ESG weight	<input checked="" type="checkbox"/>								
Real world economy targets	<input type="checkbox"/>								
Other RI considerations	<input type="checkbox"/>								
None of the above	<input type="checkbox"/>								

SAM 02.5 Describe how the ESG information reviewed and discussed affects the selection decision making process.[OPTIONAL]

The analysts do on-site visits and in-depth interviews with fund managers. They also meet with ESG analysts and the central ESG team.

SAM 03	Mandatory	Public	Additional Assessed	PRI 2
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SAM 03.1 Indicate how your organisation typically evaluates the manager's active ownership practices in the majority of the manager selection process.

Engagement

	LE				
Review the manager's engagement policy	<input checked="" type="checkbox"/>				
Review the manager's engagement process (with examples and outcomes)	<input checked="" type="checkbox"/>				
Ensure whether engagement outcomes feed back into the investment decision-making process	<input checked="" type="checkbox"/>				
Other engagement issues in your selection process specify	<input type="checkbox"/>				

SAM 03.2

Describe how you assess if the manager's engagement approach is effective.

- ☒ Impact on investment decisions
- ☒ Financial impact on target company or asset class
- ☒ Impact on ESG profile of company or the portfolio
- ☒ Evidence of changes in corporate practices(i.e. ESG policies and implementation activities)
- ☒ Other, specify

We also assess portfolio managers how they work with company dialogues and voting. Number of engagements per year in relation to number of fund holdings and focus areas for these engagements. Company engagement - We also follow up on the result of these engagements.

- ☐ None of the above

SAM 03.4

Additional information [OPTIONAL]

SEB Manager Research, the unit responsible for manager selection of external funds eligible for broad distribution across the bank, during 2017 incorporated an in-depth qualitative ESG due diligence on the external funds SEB distributes. The process is focused on three pillars. Firstly, how ESG is addressed at the fund management company level including processes, resources, ESG training and reporting. Secondly, how ESG is incorporated in the philosophy and investment process for the specific fund including idea generation, research, portfolio construction and risk management as well as team experience and resources. The third pillar relates to Active ownership/engagement and voting. The analysis is conducted on-site with meeting with portfolio managers, analysts and ESG teams. During the year, the rating system of external funds has been modified (from 3 to 4 degree scale)

Appointment

SAM 04	Mandatory	Public	Core Assessed	PRI 1
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SAM 04.1

Indicate if in the majority of cases and where the structure of the product allows, your organisation does any of the following as part of the manager appointment and/or commitment process

- ☒ Sets standard benchmarks or ESG benchmarks
- ☒ Defines ESG objectives and/ or ESG related exclusions/restrictions
- ☒ Sets incentives and controls linked to the ESG objectives
- ☒ Requires reporting on ESG objectives
- ☒ Requires the investment manager to adhere to ESG guidelines, regulations, principles or standards
- ☐ Other, specify (1)
- ☐ Other, specify (2)
- ☐ None of the above

SAM 04.2

Provide an example per asset class of your benchmarks, objectives, incentives/controls and reporting requirements that would typically be included in your managers' appointment.

Asset class

- ☒ Listed equity (LE)

Benchmark

- ☒ Standard benchmark
- ☐ ESG benchmark, specify

ESG Objectives

- ☒ ESG related strategy, specify
ESG focused strategies. For example sustainability focused high yields funds. Thematic strategy funds - Robeco smart energy fund, Robeco Sustainable water fund.
- ☒ ESG related investment restrictions, specify
We are conducting holdings based analysis to assess if their exclusion lists are aligned with the SEB' Investment Managements exclusion list."
- ☒ ESG integration, specify
ESG analysis is required for all funds
- ☒ Engagement, specify
Included in the evaluation of all funds - cross all asset classes. Both from a general perspective but also on a more granular level with concrete examples and progress of these examples.
- ☒ Voting, specify
Included in the evaluation of all Equity funds. We are asking for the their voting approach and how they vote.
- ☒ Promoting responsible investment
We require external fund companies to be PRI signatories.
- ☒ ESG specific improvements
Integration and Active ownership. Alignment with the 6 PRI principles. We also give feedback to funds and fund companies how they can improve.
- ☐ Other, specify
- ☐ ESG guidelines/regulation, principles/standards, specify

	Incentives and controls
--	-------------------------

- ☐ Fee based incentive
- ☒ Communication and remedy of breaches
- ☐ Termination
- ☐ No fee/ breach of contract

	Reporting requirements
--	------------------------

- ☐ Monthly
- ☐ Quarterly
- ☒ Bi-annually
- ☐ Annually
- ☐ Ad-hoc/when requested

SAM 04.3	Indicate which of these actions your organisation might take if any of the requirements are not met
-----------------	---

- ☒ Discuss requirements not met and set project plan to rectify
- ☒ Place investment manager on a “watch list”
- ☒ Track and investigate reason for non-compliance
- ☐ Re-negotiate fees
- ☒ Failing all actions, terminate contract with the manager
- ☐ Other, specify
- ☐ No actions are taken if any of the ESG requirements are not met

SAM 04.4	Provide additional information relevant to your organisation’s appointment processes of external managers. [OPTIONAL]
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The fund company is evaluated on their ability to incorporate sustainability in their investment processes. Then the specific fund gets a sustainability score depending on the level of sustainability criteria.

Monitoring

SAM 05	Mandatory	Public	Core Assessed	PRI 1
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SAM 05.1	When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates
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	LE								
ESG score	<input checked="" type="checkbox"/>								
ESG weight	<input checked="" type="checkbox"/>								
ESG performance minimum threshold	<input checked="" type="checkbox"/>								
Real world economy targets	<input type="checkbox"/>								
Other RI considerations	<input checked="" type="checkbox"/>								
None of the above	<input type="checkbox"/>								

If you select any `Other` option(s), specify

- Compliance of SEB's exclusion list.
- Engagement with companies on ESG related issues. We also follow up on the results of the engagements
- Voting - How have you voted? Voting of % of AUM or holdings.
- Level of ESG integration.

SAM 05.3

Provide additional information relevant to your organisation`s monitoring processes of external managers. [OPTIONAL]

If there is a breach, a dialogue is initiated with the fund company. We do on-site visits to external fund companies.

SAM 06

Mandatory

Public

Additional Assessed

PRI 1

SAM 06.1

When monitoring managers, indicate which of the following active ownership information your organisation typically reviews and evaluates from the investment manager in meetings/calls

Engagement

	LE				
Report on engagements undertaken (summary with metrics, themes, issues, sectors or similar)	<input checked="" type="checkbox"/>				
Report on engagement ESG impacts (outcomes, progress made against objectives and examples)	<input checked="" type="checkbox"/>				
Information on any escalation strategy taken after initial unsuccessful dialogue	<input checked="" type="checkbox"/>				
Alignment with any eventual engagement programme done internally	<input type="checkbox"/>				
Information on the engagement activities' impact on investment decisions	<input checked="" type="checkbox"/>				
Other RI considerations relating to engagement in investment management agreements; specify	<input checked="" type="checkbox"/>				
None of the above	<input type="checkbox"/>				

If you select any `Other` option(s), specify

Number of engagements per year in relation to number of fund holdings and focus areas for these engagements.
Company engagement - We also follow up on the result of these engagements.
We also give feedback to funds and fund companies how they can improve their ESG integration and active ownership work.

Outputs and outcomes

SAM 09	Mandatory	Public	Additional Assessed	PRI 1,6
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SAM 09.1

Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.

☒ Add Example 1

Topic or issue	ESG analysis could be deeper on a company-specific level and including a more evolved integration process including quantifying the financial impacts of ESG issues.
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input checked="" type="checkbox"/> All asset classes <input type="checkbox"/> Listed Equity
Scope and process	US based credit manager Establish structured processes for active engagement, including systematically documenting engagement efforts and following-up/measuring the impact of such engagements.
Outcomes	Established/improved ESG reporting to investors/public.

☒ Add Example 2

Topic or issue	More focus on Environmental and Social aspects in their ESG analysis. Relevant Long/Short equity manager
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input checked="" type="checkbox"/> All asset classes <input type="checkbox"/> Listed Equity
Scope and process	- Long/Short equity manager Improve documentation of ESG analysis and establish a structured voting process where the fund company votes for all holdings.
Outcomes	Improved documentation of ESG analysis and a more structured voting process

- ☐ Add Example 3
- ☐ Add Example 4
- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ We are not able to provide examples

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

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ESG incorporation in actively managed listed equities

Implementation processes

LEI 01	Mandatory	Public	Gateway	PRI 1
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LEI 01.1

Indicate which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities; and the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e., not combined with any other strategies)
- ☐ Thematic alone (i.e., not combined with any other strategies)
- ☐ Integration alone (i.e., not combined with any other strategies)
- ☒ Screening and integration strategies

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	<div> <div></div> <div>%</div> </div> 99
---	---

- ☒ Thematic and integration strategies

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	<div> <div></div> <div>%</div> </div> 1
---	--

- ☐ Screening and thematic strategies
- ☐ All three strategies combined
- ☐ We do not apply incorporation strategies

Total actively managed listed equities

100%

LEI 01.2

Describe your organisation's approach to ESG incorporation and the reasons for choosing the particular strategy/strategies.

The reason for incorporation of ESG is that SEB Investment Management believe that it supports value creation and that the majority of clients are interested in sustainable products. Our passive funds have exclusions and our sustainability range have ESG integration in their index, but we have launched 3 index-products with best-in-class-approach. In the active managed funds sustainability is integrated in the investment process with support from the ESG team. We are looking for companies who either do well in regards to sustainability or companies who are on the journey to become more sustainable. We are active owners and put resources into stakeholder-dialogs

LEI 01.3

If assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

Exclusions have three different layers.

Layer 1: Applicable to all funds: exclusion of controversial and nuclear weapons, companies breaching international norms and companies where more than 5% of the turn-over comes from coal extraction and tobacco production

Layer 1+2: Applicable to ethical funds: exclusion of alcohol, commercial gambling, pornography, tobacco and conventional weapons

Layer 1+2+3: Applicable to sustainable funds: exclusion of companies involved in fossil fuel extraction and more emphases on sustainability criteria

All funds have to take an ESG perspective into consideration when investing. The level of integration depends on the specific product. The Fund Managers have integration of sustainability as a KPI.

Thematic= SEB WWF Nordenfond

Social = 7 Microfinance funds (6 funds + 1 mandate)

(A) Implementation: Screening

LEI 04**Mandatory****Public****Descriptive****PRI 1****LEI 04.1**

Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

☒ Negative/exclusionary screening

Screened by

☒ Product

☒ Activity

☒ Sector

☐ Country/geographic region

☒ Environmental and social practices and performance

☒ Corporate governance

Description

We have processes for responsible investments that are supported by a systematic screening of Swedish and International companies, both pre-trade and post-trade. The investment universe is screened twice yearly externally by ISS ESG in order to get updated information on possible violations of international conventions and guidelines on environmental responsibility, labour rights, human rights, controversial weapons and corruption.

We also exclude controversial and nuclear weapons and companies where more than 5% of the turn-over comes from thermal coal extractions and also companies involved tobacco production

This is completed with the in-house research of the ESG team focussing on ESG practises and performance.

☒ Positive/best-in-class screening

Screened by

- ☒ Product
- ☒ Activity
- ☒ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

	Description
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The fund manager utilises the screening tools provided by our ESG research providers and combine this with our detailed in-house research to create a portfolio to capture successful companies and investment themes.

- ☒ Norms-based screening

Screened by

- ☒ UN Global Compact Principles
- ☒ The UN Guiding Principles on Business and Human Rights
- ☒ International Labour Organization Conventions
- ☒ United Nations Convention Against Corruption
- ☒ OECD Guidelines for Multinational Enterprises
- ☐ Other, specify

	Description
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We have processes for responsible investments and are supported by a systematic screening of Swedish and International companies. The investment universe is screened bi-annually by an external part in (ISS ESG) order to detect possible violations of international conventions and guidelines on environmental responsibility, labour rights, human rights, controversial weapons and corruption.

LEI 04.2

Describe how you notify clients and/or beneficiaries when changes are made to your screening criteria.

The criteria are established by the Exclusion Committee at SEB Investment Management. The criteria are reviewed at least annually and approved by the Board. When changes are made clients are duly informed.

LEI 05	Mandatory	Public	Core Assessed	PRI 1
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LEI 05.1

Indicate which processes your organisation uses to ensure ESG screening is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies.
- ☒ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar.
- ☒ Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- ☒ Trading platforms blocking / restricting flagged securities on the black list.
- ☒ A committee, body or similar with representatives independent of the individuals who conduct company research reviews some or all screening decisions.
- ☒ A periodic review of internal research is carried out.
- ☒ Review and evaluation of external research providers.
- ☐ Other; specify
- ☐ None of the above

LEI 05.2

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy.

- ☐ <10%
- ☐ 10-50%
- ☐ 51-90%
- ☒ >90%

LEI 05.3

Indicate how frequently third party ESG ratings are updated for screening purposes.

- ☐ Quarterly or more frequently
- ☒ Bi-Annually
- ☐ Annually
- ☐ Less frequently than annually

LEI 05.4

Indicate how frequently you review internal research that builds your ESG screens.

- ☒ Quarterly or more frequently
- ☐ Bi-Annually
- ☐ Annually
- ☐ Less frequently than annually

LEI 05.5

Additional information. [Optional]

We evaluate our reseach providers annually and benchmark them against each other in regards of geographical coverage, size of companies, asset class and quality of research. When a dialog with a company has been conducted that inforamtion is taken into account by the Fund Manager which can affect the input in the investment process. The information is also shared to the other Fund Managers

(B) Implementation: Thematic

LEI 07	Mandatory	Public	Descriptive	PRI 1
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LEI 07.1 Indicate the type of sustainability thematic funds or mandates your organisation manages.

- ☒ Environmentally themed funds
- ☒ Socially themed funds
- ☒ Combination of themes

LEI 07.2 Describe your organisation's processes relating to sustainability themed funds. [Optional]

We manage six microfinance funds (and one mandate). Our sustainability-fund-range are tilted towards environmental themes. Fund managers expertise together with information from research providers contributes to the underlying analysis in order to find appropriate themed investments.

We have one equity fund with "Svanen"-label, which is a Nordic Ecolabe and a Nordic Fund SEB WWF Nordenfond is focusing on investments around the Baltic Sea from an environmental perspective (especially water related issues).

Our range of sustainability themed funds are continuously growing in numbers: Global, Swedish, Nordic, European, World and also a number of index products.

(C) Implementation: Integration of ESG factors

LEI 08	Mandatory	Public	Core Assessed	PRI 1
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LEI 08.1 Indicate the proportion of actively managed listed equity portfolios where E, S and G factors are systematically researched as part of your investment analysis.

ESG issues	Proportion impacted by analysis
Environmental	<div> <div></div> <div>Environmental</div> </div> <p> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% </p>
Social	<div> <div></div> <div>Social</div> </div> <p> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% </p>
Corporate Governance	<div> <div></div> <div>Corporate Governance</div> </div> <p> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% </p>

LEI 08.2 Additional information. [Optional]

Fund managers have access to both internal and external ESG research and analysis. The funds universe is screened bi-annually by an external part. If there are external ESG scores for companies they will be an input in the investment process. If there are no external scores the fund managers do the analysis themselves and if needed with assistance of the ESG-team.

In the Nordics it is the fund managers responsibility to conduct company dialogues, which can include the ESG team. If a dialogue is conducted by another staff a report is created and made available to the fund managers. We also collaborate with our Swedish peers in "Hållbart Värdeskapande" (Sustainable Value Creation) together with other large asset owners and asset managers in Sweden.

Outside the Nordics we collaborate with Hermes EOS, UNPRI, IIGCC and CDP for company and/or thematic engagements.

Mandatory training has been conducted in all investment teams. Follow-up session is planned.

We also conduct direct dialogues with companies who are conducting business on occupied territories (Palestine), or breaching other international norms or conventions.

LEI 09	Mandatory	Public	Core Assessed	PRI 1
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LEI 09.1

Indicate which processes your organisation uses to ensure ESG integration is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Third-party ESG ratings are updated regularly
- ☒ A periodic review of the internal research is carried out
- ☒ Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ☒ ESG risk profile of a portfolio against benchmark
- ☒ Analysis of the impact of ESG factors on investment risk and return performance
- ☐ Other; specify
- ☐ None of the above

LEI 09.2

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.

- ☐ <10%
- ☐ 10-50%
- ☐ 51-90%
- ☒ >90%

LEI 09.3

Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- ☒ Quarterly or more frequently
- ☐ Bi-Annually
- ☐ Annually
- ☐ Less frequently than annually

LEI 09.4

Indicate how frequently you review internal research that builds your ESG integration strategy.

- ☒ Quarterly or more frequently
- ☐ Bi-Annually
- ☐ Annually
- ☐ Less frequently than annually

LEI 09.5

Describe how ESG information is held and used by your portfolio managers.

- ☒ ESG information is held within centralised databases or tools, and it is accessible by all relevant staff
- ☒ ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- ☒ Systematic records are kept that capture how ESG information and research were incorporated into investment decisions
- ☐ Other; specify
- ☐ None of the above

ESG perspectives are included into the "regular" company analysis and dialogues are conducted by the Fund Managers. ESG information, analysis and scoring are available in the fund managers frontoffice-systems. Fund managers also have access to ESG providers databases (ISS ESG, MSCI, ISS Climate Solutions, Hermes EOS and CDP). Within the ESG team there is a designated person assigned to support and work with the specific asset classes with in-depth knowledge.

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

LEA 01	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 01.1

Indicate whether your organisation has an active ownership policy (includes engagement and/or voting).

☒ Yes

LEA 01.2

Attach or provide a URL to your active ownership policy.

☐ Attachment provided:

☒ URL provided:

URL

https://sebgroup.com/contentassets/2624ecd1a35149eea7f0ba51ccc981bd/principles_for_ownership_engagement_sebimab.pdf7de38/sebimab_sustainabilitypolicy_nov_2019.pdf

LEA 01.3

Indicate what your active engagement policy covers:

General approach to Active Ownership

- ☒ Conflicts of interest
- ☒ Alignment with national stewardship code requirements
- ☒ Assets/funds covered by active ownership policy
- ☒ Expectations and objectives
- ☒ Engagement approach

Engagement

- ☒ ESG issues
- ☒ Prioritisation of engagement
- ☒ Methods of engagement
- ☒ Transparency of engagement activities
- ☒ Due diligence and monitoring process
- ☒ Insider information
- ☒ Escalation strategies
- ☒ Service Provider specific criteria
- ☒ Other; (specify)
- ☒ (Proxy) voting approach

Voting

- ☒ ESG issues
- ☒ Prioritisation and scope of voting activities
- ☒ Methods of voting
- ☒ Transparency of voting activities
- ☒ Regional voting practice approaches
- ☒ Filing or co-filing resolutions
- ☒ Company dialogue pre/post-vote
- ☒ Decision-making processes
- ☒ Securities lending processes
- ☒ Other; (specify)

☐ Other

☐ None of the above

☐ No

LEA 01.4

Do you outsource any of your active ownership activities to service providers?

☒ Yes

LEA 01.5

Where active ownership activities are conducted by service providers, indicate whether your active ownership policy covers any of the following:

- ☐ Outline of service provider's role in implementing your organisation's active ownership policy
- ☐ Description of considerations included in service provider selection and agreements
- ☐ Identification of key ESG frameworks which service providers must follow
- ☐ Outline of information sharing requirements of service providers
- ☐ Description of service provider monitoring processes
- ☐ Other; (specify)
- ☒ None of the above

☐ No

LEA 01.6

Additional information [optional]

Voting policy

https://sebgroupp.com/contentassets/2624ecd1a35149eea7f0ba51ccc981bd/principles_for_ownership_engagement_sebimab.pdf

Engagement

LEA 02

Mandatory

Public

Core Assessed

PRI 1,2,3

LEA 02.1

Indicate the method of engagement, giving reasons for the interaction.

Type of engagement	Reason for interaction
Individual / Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via service providers

LEA 02.2

Indicate whether your organisation plays a role in the engagement process that your service provider conducts.

☒ Yes

LEA 02.3

Indicate the role(s) you play in engagements that your service provider conducts on your behalf.

- ☒ We discuss the topic of the engagement (or ESG issue(s)) of engagement
- ☒ We discuss the rationale for the engagement
- ☒ We discuss the objectives of the engagement
- ☐ We select the companies to be engaged with
- ☐ We discuss the frequency/intensity of interactions with companies
- ☐ We discuss the next steps for engagement activity
- ☐ We participate directly in certain engagements with our service provider
- ☒ Other; specify

Hermes have quarterly meetings where we give input to their businessplan on topics and/or companies to engage with.

- ☐ We play no role in engagements that our service provider conducts.

☐ No

LEA 02.4	Additional information. [Optional]
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Information regarding our engagements is published on our web-site (<https://sebgroup.com/sv/om-seb/vilka-vi-ar/organisation/vara-divisioner/om-fondbolaget-seb-im-ab/vart-hallbarhetsarbete/paverkar/sa-har-paverkar-vi>)

LEA 03	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagements.
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☒ Yes

LEA 03.2	Indicate the criteria used to identify and prioritise engagements for each type of engagement.
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Type of engagement	Criteria used to identify/prioritise engagements
Individual / Internal staff engagements	<div>Individual / Internal staff engagements</div> <ul style="list-style-type: none"> <input type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Follow-up from a voting decision <input checked="" type="checkbox"/> Client request <input checked="" type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our individual engagements
Collaborative engagements	<div>Collaborative engagements</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Potential to enhance knowledge of ESG issues through other investors <input checked="" type="checkbox"/> Ability to have greater impact on ESG issues <input checked="" type="checkbox"/> Ability to add value to the collaboration <input type="checkbox"/> Geography/market of the companies targeted by the collaboration <input checked="" type="checkbox"/> Materiality of the ESG factors addressed by the collaboration <input type="checkbox"/> Exposure (size of holdings) to companies targeted by the collaboration <input type="checkbox"/> Responses to ESG impacts addressed by the collaboration that have already occurred <input type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Alleviate the resource burden of engagement <input type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our collaborative engagement providers
Service-provider engagements	<div>Service-provider engagements</div> <ul style="list-style-type: none"> <input type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input type="checkbox"/> Exposure (size of holdings) <input type="checkbox"/> Responses to ESG impacts that have already occurred

	<input type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our service providers
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☐ No

LEA 04	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 04.1	Indicate whether you define specific objectives for your organisation's engagement activities.
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Individual / Internal staff engagements	<input type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input checked="" type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff
Collaborative engagements	<input type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input checked="" type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out through collaboration
Service-provider engagements	<input type="radio"/> All engagement activities <input checked="" type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by our service providers

LEA 05	Mandatory	Public	Core Assessed	PRI 2
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LEA 05.1	Indicate whether you monitor and/or review engagement outcomes.
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Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our internal staff.
Collaborative engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out through collaboration.
Service-provider engagements	<input type="radio"/> Yes, in all cases <input checked="" type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our service providers.

LEA 05.2

Indicate whether you do any of the following to monitor and/or review the progress of engagement activities.

Individual / Internal staff engagements	<input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify
Collaborative engagements	<input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify
Service-provider engagements	<input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify

LEA 05.3

Additional information. [Optional]

Collaborative engagements with, CDP, IIGCC, PRI and Access to Medicine

Service-provider is Hermes EOS who conducts some engagements on our behalf.

LEA 06	Mandatory	Public	Additional Assessed	PRI 2,4
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LEA 06.1	Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.
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☒ Yes

LEA 06.2	Indicate the escalation strategies used at your organisation following unsuccessful engagements.
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- ☒ Collaborating with other investors
- ☐ Issuing a public statement
- ☐ Filing/submitting a shareholder resolution
- ☐ Voting against the re-election of the relevant directors
- ☒ Voting against the board of directors or the annual financial report
- ☐ Submitting nominations for election to the board
- ☐ Seeking legal remedy / litigation
- ☐ Reducing exposure (size of holdings)
- ☒ Divestment
- ☐ Other; specify

☐ No

LEA 07	Voluntary	Public	Additional Assessed	PRI 1,2
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LEA 07.1	Indicate whether insights gained from your organisation's engagements are shared with investment decision-makers.
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Type of engagement	Insights shared
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Service-provider engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 07.2	Indicate the practices used to ensure that information and insights gained through engagements are shared with investment decision-makers.
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- ☒ Involving investment decision-makers when developing an engagement programme
- ☒ Holding investment team meetings and/or presentations
- ☒ Using IT platforms/systems that enable data sharing
- ☒ Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels
- ☐ Other; specify
- ☐ None

LEA 07.3	Indicate whether insights gained from your organisation's engagements are shared with your clients/beneficiaries.
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Type of engagement	Insights shared
Individual/Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
Service-provider engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 07.4	Additional information. [Optional]
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Information and conclusions from the engagements are available to the fund managers. The ESG team and the fund managers do separate and jointly stakeholder engagement meetings. The ESG team also conduct internal education on different ESG topics to increase the level of understanding and knowledge amongst staff and other stakeholders within and outside the organisation. We also share information within Hållbart Värdeskapande (Sustainable Value Creation).

LEA 08	Mandatory	Public	Gateway	PRI 2
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LEA 08.1	Indicate whether you track the number of your engagement activities.
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Type of engagement	Tracking engagements
Individual/Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of collaborative engagements in full <input type="radio"/> Yes, we partially track the number of our collaborative engagements <input type="radio"/> We do not track
Service-provider engagements	<input checked="" type="radio"/> Yes, we track the number of service-provider engagements in full <input type="radio"/> Yes, we partially track the number of our service-provider engagements <input type="radio"/> We do not track

LEA 08.2 Additional information. [Optional]

We track and communicate the number of engagements which are also externally audited and included in SEB's annual report. We also give examples of engagements (companies and topics) on our web-site for clients.

(Proxy) voting and shareholder resolutions

LEA 12	Mandatory	Public	Descriptive	PRI 2
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LEA 12.1 Indicate how you typically make your (proxy) voting decisions.

Approach

- ☐ We use our own research or voting team and make voting decisions without the use of service providers.
- ☒ We hire service providers who make voting recommendations and/or provide research that we use to guide our voting decisions.

Based on

- ☐ The service-provider voting policy we sign off on
- ☒ Our own voting policy
- ☐ Our clients' requests or policies
- ☐ Other (explain)
- ☐ We hire service providers who make voting decisions on our behalf, except in some pre-defined scenarios where we review and make voting decisions.
- ☐ We hire service providers who make voting decisions on our behalf.

LEA 12.2	Provide an overview of how you ensure that your agreed-upon voting policy is adhered to, giving details of your approach when exceptions to the policy are made.
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Our service provider make voting recommendations based on our policies. But we evaluate the recommendations for all companies and make the final voting decision based on our evaluation.

Our ambition is to follow our policy and don't handle any exceptions. If exceptions have to be handled they are always discussed with management (deputy CEO) in SEB Investment Management.

LEA 12.3	Additional information.[Optional]
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We make all the voting decisions ourself. We review the recommendations given by our proxy advisor but make the decisions ourself. Each year we have a few cases were we vote differently than our proxy advisors recommendation.

LEA 15	Mandatory	Public	Descriptive	PRI 2
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LEA 15.1	Indicate the proportion of votes participated in within the reporting year in which where you or the service providers acting on your behalf raised concerns with companies ahead of voting.
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- ☐ 100%
- ☐ 99-75%
- ☐ 74-50%
- ☐ 49-25%
- ☒ 24-1%
- ☐ Neither we nor our service provider(s) raise concerns with companies ahead of voting

LEA 15.2	Indicate the reasons for raising your concerns with these companies ahead of voting.
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- ☐ Vote(s) concerned selected markets
- ☐ Vote(s) concerned selected sectors
- ☒ Vote(s) concerned certain ESG issues
- ☐ Vote(s) concerned companies exposed to controversy on specific ESG issues
- ☐ Vote(s) concerned significant shareholdings
- ☐ Client request
- ☐ Other

LEA 15.3	Additional information. [Optional]
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We have frequently discussions with management regarding executive compensation and LTIP programmes ahead of the AGM

LEA 16	Mandatory	Public	Core Assessed	PRI 2
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LEA 16.1	Indicate the proportion of votes where you, and/or the service provider(s) acting on your behalf, communicated the rationale to companies for abstaining or voting against management recommendations. Indicate this as a percentage out of all eligible votes.
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- ☐ 100%
- ☐ 99-75%
- ☐ 74-50%
- ☐ 49-25%
- ☒ 24-1%
- ☐ We do not communicate the rationale to companies
- ☐ Not applicable because we and/or our service providers did not abstain or vote against management recommendations

LEA 16.2	Indicate the reasons why your organisation would communicate to companies, the rationale for abstaining or voting against management recommendations.
-----------------	---

- ☐ Vote(s) concern selected markets
- ☐ Vote(s) concern selected sectors
- ☐ Vote(s) concern certain ESG issues
- ☐ Vote(s) concern companies exposed to controversy on specific ESG issues
- ☐ Vote(s) concern significant shareholdings
- ☐ Client request
- ☒ Other

	Explain
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When companies ask us or if a client want us to communicate it.

LEA 16.3	In cases where your organisation does communicate the rationale for abstaining or voting against management recommendations, indicate whether this rationale is made public.
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- ☐ Yes
- ☒ No

LEA 16.4	Additional information. [Optional]
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When we are contacted by a company regarding our voting we explain the reason for our voting. On our web site we indicate that we have voted against the boards recommendation on one ore more items on the agenda. However, we do not give the details.

LEA 17	Mandatory	Public	Core Assessed	PRI 2
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LEA 17.1	For listed equities in which you or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
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- ☒ We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
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29

	Specify the basis on which this percentage is calculated
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- ☐ Of the total number of ballot items on which you could have issued instructions
- ☐ Of the total number of company meetings at which you could have voted
- ☒ Of the total value of your listed equity holdings on which you could have voted
- ☐ We do not track or collect this information

LEA 17.2	Explain your reason(s) for not voting on certain holdings
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- ☐ Shares were blocked
- ☐ Notice, ballots or materials not received on time
- ☐ Missed deadline
- ☐ Geographical restrictions (non-home market)
- ☒ Cost
- ☐ Conflicts of interest
- ☒ Holdings deemed too small
- ☒ Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- ☐ Client request
- ☐ Other (explain)

LEA 18	Voluntary	Public	Additional Assessed	PRI 2
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LEA 18.1	Indicate whether you track the voting instructions that you or your service provider on your behalf have issued.
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- ☒ Yes, we track this information

LEA 18.2	Of the voting instructions that you and/or third parties on your behalf have issued, indicate the proportion of ballot items that were:
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Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	<div> <div></div> <div>%</div> </div> 43
Against (opposing) management recommendations	<div> <div></div> <div>%</div> </div> 57
Abstentions	<div> <div></div> <div>%</div> </div> 0

100%

☐ No, we do not track this information

LEA 18.3	In cases where your organisation voted against management recommendations, indicate the percentage of companies which you have engaged.
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5

LEA 18.4	Additional information. [Optional]
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The percentages are calculated as the number of companies where we vote against management on at least one item on the agenda or vote in favour of all items.

LEA 19	Mandatory	Public	Core Assessed	PRI 2
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LEA 19.1	Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.
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☐ Yes

☒ No

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Direct - Fixed Income









PRI disclaimer

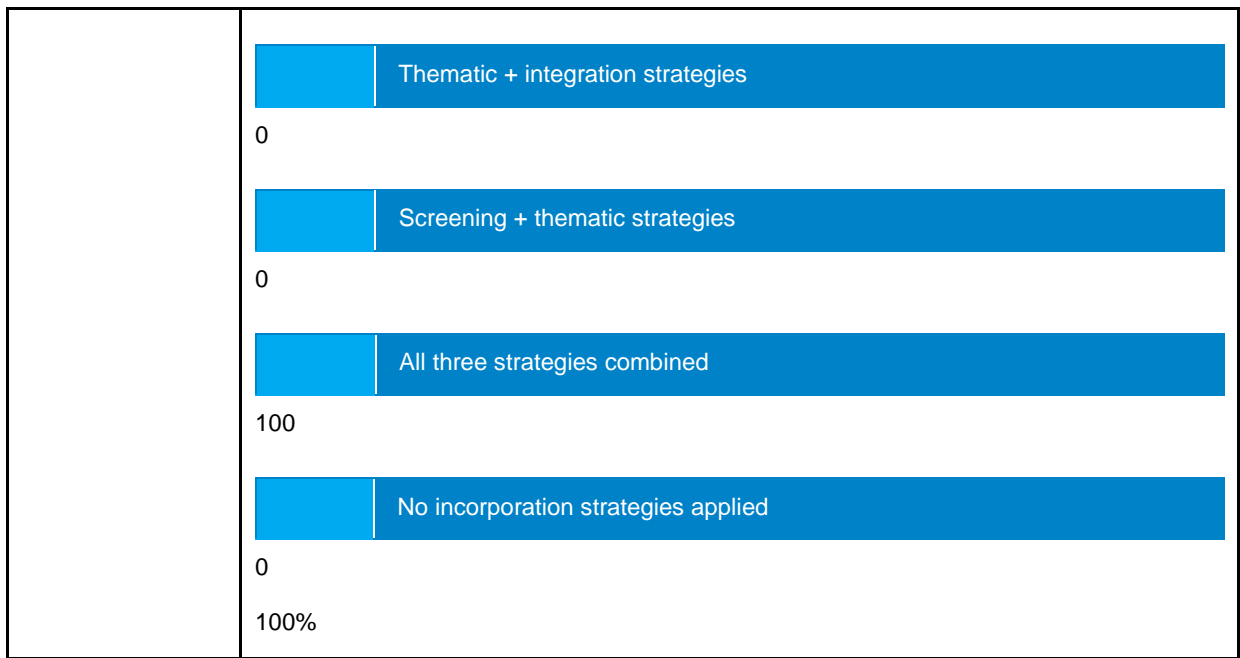
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ESG incorporation in actively managed fixed income

Implementation processes

FI 01	Mandatory	Public	Gateway	PRI 1
FI 01.1	Indicate (1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and (2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

SSA	 Screening alone
	0
	 Thematic alone
	0
	 Integration alone
	0
	 Screening + integration strategies
	0
Corporate (financial)	 Thematic + integration strategies
	0
	 Screening + thematic strategies
	0
	 All three strategies combined
	100
	 No incorporation strategies applied
	0
	100%



Corporate (non-financial)		Screening alone	0
		Thematic alone	0
		Integration alone	0
		Screening + integration strategies	0
		Thematic + integration strategies	0
		Screening + thematic strategies	0
		All three strategies combined	100
		No incorporation strategies applied	0
			100%

FI 01.2

Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

SEB is one of the largest institutional investors in the Nordic region with SEK 2,041bn in assets under management for private, corporate and institutional clients. SEB's fund company has assets under management of SEK 736b.

In line with the business plan, SEB continued to strengthen its sustainable investment offering during the year. At year-end, close to 35 per cent (30), SEK 256bn, of SEB's fund company's assets under management were managed according to the fund company's highest level of sustainability criteria. Of SEB's total assets under management, approximately 13 per cent (11) were managed according to the same criteria. SEB's fund company strives to integrate sustainability into all types of investments and in all asset classes. The investment strategies are based on the inclusion of companies that perform well in sustainability or have well-defined transition plans, exclusion of sectors or companies that do not abide by SEB's fund company's sustainability criteria and continuous engagement with the companies in which it invests.

Please find further info below 01.3

SEB's fund company strives to integrate sustainability into all types of investments and in all asset classes. The investment strategies are based on the inclusion of companies that perform well in sustainability or have well-defined transition plans, exclusion of sectors or companies that do not abide by SEB's fund company's sustainability criteria and continuous engagement with the companies in which it invests.

Customer interest in sustainable mutual funds is high. SEB invests in businesses that actively manage the environmental, social and governance aspects of their operations. The belief is that in doing so they will be more successful over time, which will add value for customers, companies and society. In SEB's sustainability funds, the fund managers focus on companies that have a reduced climate impact in areas such as carbon emissions, water use and management of toxic waste

Our sustainable investment activities take a variety of forms - from seeking to influence companies in the right direction to actively investing in issuers-companies based on specific sustainability themes. We aim to include some level of sustainability into the investment strategy of all our funds.

We group our sustainability activities into three areas:

1. Inclusion: integrating ESG aspects into our active investment processes.
2. Engagement: influencing companies through dialogue, whether it is direct or in collaboration with others.
3. Exclusion: excluding investing in companies due to their corporate policy, breach of international conventions, guidelines or involvement in specific sectors.

Our approach is described in the Sustainability policy for SEB Investment Management AB. Please find the link below.

https://sebgroup.com/contentassets/2a0d5a136fc1481bb0bee06a6cb7de38/sebimab_sustainabilitypolicy_nov_2019.pdf

Innovation

We have introduced a number of new products and services in financing and investments to meet our customers' increasing expectations and needs regarding sustainability

Microfinance funds SEB is one of Europe's largest microfinance fund managers. Through some 60 microfinance institutions, SEB's funds offer loans to people with lower income in developing countries, who are often excluded from financial markets. Microfinance is today the most established asset class within the field of impact investments, with its success founded on the ability to offer investors both an attractive financial return and contribute to socioeconomic development for this target group. SEB manages 7 microfinance funds (including Impact Opportunity Fund) with a total value of approximately SEK 9bn (7), reaching more than 25 (23) million entrepreneurs in 59 (40) developing countries.

SEB FRN Fond Hållbar The fixed income fund SEB FRN Fond Hållbar was launched in 2019. The fund, which includes investments in Nordic corporate bonds with variable interest rates, excludes companies that extract fossil fuels and invests in green bonds where the capital is earmarked for climate and environmental projects. At year-end the fund had approximately SEK 7.6bn in assets under management.

SEB Green Bond Fund - SEB's green bond fund, investing in green bonds worldwide, has grown tenfold since launched in 2015. The bonds finance climate improving activities. One example of a green bond in the portfolio is tied to the KfW Renewable Energy Program. A one million euro investment in the bond tied to the program implies a carbon emission reduction of 1,200 tonnes. SEB Green Bond Fund had at year end 6 million euro invested in KfW bonds tied to this programme. An example of a project is the Ourzazate solar power plant in Morocco which we are invested in with several bonds from issuers such as EIB, AFDB, IBRD and AFD. We use ESG Research data from MSCI and ISS ESG to verify that the issuers are compatible with the highest level of our sustainability profile. We analyse the framework and the underlying projects in order to choose relevant climate activities and maximise reductions of GHG

FI 03	Mandatory	Public	Additional Assessed	PRI 1
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FI 03.1	Indicate how you ensure that your ESG research process is robust:
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- ☒ Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- ☒ Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- ☒ Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- ☒ A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- ☒ Other, specify

	specify description
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Screening of issuers - normbased screening and fossil fuel screening

- ☐ None of the above

FI 03.2	Describe how your ESG information or analysis is shared among your investment team.
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- ☒ ESG information is held within a centralised database and is accessible to all investment staff
- ☒ ESG information is displayed on front office research platforms
- ☒ ESG information is a standard item on all individual issuer summaries, research notes, 'tear sheets', or similar documents
- ☒ Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- ☒ Records capture how ESG information and research was incorporated into investment decisions
- ☐ Other, specify
- ☐ None of the above

FI 03.3	Additional information. [Optional]
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All our portfolio management teams actively integrate sustainability in their investment decisions. We place considerable significance on identifying and searching for exposure in what we regard are important sustainability themes. By integrating sustainability in our investments we aim to benefit our unitholders in the long-term. Before investing, the portfolio manager analyse ESG factors alongside with other factors.

All portfolio managers have access to issuer/company and country ESG rating through several ESG research providers, which support the portfolio managers in their investment decisions. We have built up a more robust structure to take ESG factors into account - we follow up the total ESG ratings on our mutual funds on a weekly basis and ESG ratings can be accessed and are now integrated into our front office systems. Another example of how we actively take ESG factors into account is that we have added an extra layer to the common relative value evaluation of corporate bonds from different issuers where we now include the esg rating in the OAS/OAD analysis.

From a fixed income perspective, portfolio managers are also integrating ESG through actively choosing and buying green bonds in the main stream portfolios

(A) Implementation: Screening

FI 04	Mandatory	Public	Gateway	PRI 1
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FI 04.1 Indicate the type of screening you conduct.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
Negative/exclusionary screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Positive/best-in-class screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Norms-based screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

FI 04.2 Describe your approach to screening for internally managed active fixed income

Normbased screening and negative screening

SEB IM's processes for responsible investments are supported by systematic ESG screening of issuers /companies in which we invest or aim to invest. The screening procedure aims to detect violations of international conventions and guidelines on environmental responsibility, labour rights, human rights, controversial weapons and corruption, thus avoiding investments in companies that breach SEB Investment Managements Sustainability policy. The policy is updated on a yearly basis

We engage the services of ISS ESG, a well-known and experienced ESG research - screening provider. ISS-ESG performs a screening of a defined universe twice a year, basing their screening on our exclusion criteria and policies. Using the screening results, we then exclude issuers/companies from our funds' investment universe for each relevant asset class.

All our actively managed SEB IM funds have a core level of exclusion - according to the SEB Investment Management policy. In addition to the core level, our range of ethical and sustainable funds also has additional exclusions. The mentioned policy is updated on a yearly basis

https://sebgroupp.com/contentassets/2a0d5a136fc1481bb0bee06a6cb7de38/sebimab_sustainabilitypolicy_nov_2019.pdf

When product changes are made in funds, clients are duly informed.

FI 04.3 Additional information. [Optional]

Positive inclusion - integration.

Our belief is that companies / issuers that are sustainable in their operations will be more successful in the long term. Evaluating ESG aspects is an embedded part of our investment decision. We use ESG research from different providers as input into the investment analysis. An external ESG rating is used as a guidance for where to dig deeper, and to generate an overall score for a portfolio. However, investment decisions is not based on a single ESG score but rather on a comprehensive view of how sustainable the business model is.

The inclusion process for green bonds is an extra layer to our ESG framework. Green bonds are assessed to see that they fulfill the framework for green bonds and the underlying projects are evaluated to see that they are

sufficiently green. Furthermore we engage with the issuers directly to discuss their sustainability profile and their green bonds

SEB IM has recently significantly increased holdings in green, social and environmental bonds in both its mutual funds and in separate client portfolios. For example - Our thematic investments in green bonds has resulted in such bonds constituting 19% of our sustainable corporate bond funds.

FI 06	Mandatory	Public	Core Assessed	PRI 1
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FI 06.1	Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.
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Type of screening	Checks
Negative/exclusionary screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
Positive/best-in-class screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
Norms-based screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

(B) Implementation: Thematic

FI 08	Mandatory	Public	Core Assessed	PRI 1
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FI 08.1	Indicate whether you encourage transparency and disclosure relating to the issuance of themed bonds as per the Green Bonds Principles, Social Bond Principles, or Sustainability Bond Guidelines..
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- ☒ We require that themed bond proceeds are only allocated to environmentally or socially beneficial projects
- ☒ We require the issuer (or 3rd party assurer) to demonstrate a process which determines the eligibility of projects to which themed bond proceeds are allocated
- ☒ We require issuers to demonstrate a systematic and transparent process of disbursing themed bond proceeds to eligible projects until all funds are allocated
- ☒ We require issuers to report at least once per year on the projects to which proceeds have been allocated including a description of those projects
- ☐ Other, specify
- ☐ None of the above

FI 08.2	Describe the actions you take when issuers do not disburse bond proceeds as described in the offering documents.
----------------	--

If we hold a green bond that fails according to all requirements and if the dialogue with the issuer fails, we will sell the bond. A bond is not investable if it is labelled as green bond but lacking in framework/information or if the bond is not fulfilling our ESG framework

FI 09	Mandatory	Public	Additional Assessed	PRI 1
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FI 09.1	Indicate how you assess the environmental or social impact of your thematic investments.
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- ☒ We require issuers to report at least once per year on specific environmental or social impacts resulting from our themed investments
- ☒ We ensure independent audits are conducted on the environmental or social impact of our investments
- ☒ We have a proprietary system to measure environmental and social impact
- ☒ We measure the impact of our themed bond investments on specific ESG factors such as carbon emissions or human rights
- ☐ Other, specify
- ☐ None of the above

FI 09.2	Additional information. [Optional]
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SEB Micro Finance

We have a proprietary system to measure ESG impact - Symbiotics' due diligence covers both the credit risk but also the Environment and Social Impact. They have around 100 underlying questions on various ESG issues and then reach a scoring on: Social Governance, Labour Climate, Financial Inclusion, Client Protection Product Quality, Community Engagement and Environmental Policy.

We have now published a report for the second Micro Finance fund. This report provides an overview of the investment strategy and portfolio, as well as the financial and social performance achieved by the SEB Microfinance Fund II. It also provides illustrative cases and rationale for investors on their contribution to building inclusive and sustainable financial markets in growing emerging and frontier economies . During 2019 the first report for SEB Micro finance fund I was published.

Micro Finance I Fund Report

http://sebweb1.sebank.se/insite_nyhets_bilder/bilagor/SEB_Microfinance_Fund_I_Final_report_March_2019_SEWM0042_201903_Digital.pdf

Micro Finance Fund II Report

https://sebgroupp.com/siteassets/press_sv/bilagor/ovriga/seb_microfinance_fund_ii_final_report_march2020_sek.pdf

SEB Green Bond Fund

SEB's green bond fund, investing in green bonds worldwide, has grown tenfold since launched in 2015. The bonds finance climate improving activities. Green bonds are assessed to see that they fulfill the framework for green bonds and the underlying projects are evaluated to see that they are sufficiently green and that they are in line with relevant climate goals. Furthermore we engage with the issuers directly to discuss their sustainability profile and their green bonds. Nytt exempe 2020 ?? One example of a green bond in the portfolio is tied to the KfW Renewable Energy Program. A one million euro investment in the bond tied to the program implies a carbon emission reduction of 1,200 tonnes. SEB Green Bond Fund had at year end 6 million euro invested in KfW bonds tied to this programme. An example of a project is the Ourazate solar power plant in Morocco which we are invested in with several bonds from issuers such as EIB, AFDB, IBRD and AFD.

We use ESG Research data from MSCI and Ethix to verify that the issuers are compatible with the highest level of our sustainability profile. We analyse the framework and the underlying projects in order to choose relevant climate activities and maximise reductions of GHG.

(C) Implementation: Integration

FI 10	Mandatory	Public	Descriptive	PRI 1
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FI 10.1	Describe your approach to integrating ESG into traditional financial analysis.
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SEB has a strong ambition to create value for customers, shareholders, employees and society at large. Through long-term relationships SEB aims to support its customers, also in their transition towards a more sustainable world

In line with the business plan, SEB continued to strengthen its sustainable investment offering during the year. At year-end, close to 35 per cent (30), SEK 256bn, of SEB's fund company's assets under management were managed according to the fund company's highest level of sustainability criteria. Of SEB's total assets under management, approximately 13 per cent (11) were managed according to the same criteria. SEB's fund company strives to integrate sustainability into all types of investments and in all asset classes. The investment strategies are based on the inclusion of companies that perform well in sustainability or have well-defined transition

Our belief is that companies / issuers that are sustainable in their operations will be more successful in the long term. Evaluating ESG aspects is an embedded part of our investment decision. We use ESG research from different providers as input into the investment analysis. An external ESG rating is used as a guidance for where to dig deeper, and to generate an overall score for a portfolio. However, investment decisions is not based on a single ESG score but rather on a comprehensive view of how sustainable the business model is. The inclusion process for green bonds is an extra layer to our ESG framework. Green bonds are assessed to see that they fulfill the framework for green bonds and the underlying projects are evaluated to see that they are sufficiently green. Furthermore we engage with the issuers directly to discuss their sustainability profile and their green bonds.

SEB IM has recently significantly increased holdings in green, social and environmental bonds in both its mutual funds and in separate client portfolios. For example - Our thematic investments in green bonds has resulted in such bonds constituting 19% of our sustainable corporate bond funds.

We do engagement by ourselves e.g in personal meetings with the issuer, participating in meetings/roadshows when an issuer is issuing new bonds, participating in company visits. A typical dialogue regarding how to make

improvements can touch on issues including management, risks and opportunities related to the environment, social aspects, and business ethics. We also do engagement in collaboration with others. Outside the Nordics we work with Hermes Equity Ownership Services, an international leader in engaging companies in dialogue. Hermes EOS maintains ongoing, direct dialogue with the management and the board of the companies/issuers in which we invest. Working with other asset managers, under the leadership of Hermes EOS, enables us to be more successful in conducting dialogue with companies outside Sweden. We also collaborate through e.g PRI on thematic engagements, IIGCC and Climate Action 100+, Access to Medicine, CDP. One example of impact on investment decision or performance: Through our international partner, Hermes, we have initiated engagement on the three issuers that for different reasons have the weakest ESG profiles. In some cases, where we see there is progress or that more is actually done than publicly communicated, it has enabled us to maintain or increase the positions.

We measure forward looking metrics - 2C scenario - through the PACTA tool for selected fixed income funds.

SEB IM's processes for responsible investments are supported by systematic ESG screening of issuers /companies in which we invest or aim to invest. The screening procedure aims to detect violations of international conventions and guidelines on environmental responsibility, labour rights, human rights, controversial weapons and corruption, thus avoiding investments in companies that breach SEB's corporate policy. The policy is updated on a yearly basis. We engage the services of ISS-ESG, an experienced screening provider. ISS-ESG performs a screening of our funds' investment universe twice a year, basing their screening on our exclusion criteria and policies. Using the screening results, we then exclude issuers/companies from our funds' investment universe for each relevant asset class.

FI 10.2

Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.

SSA

We apply the same structure - ESG approach for all issuers. Please find info above 10.1

Corporate (financial)

We apply the same structure - ESG approach for all issuers. Please find info above 10.1

Corporate (non-financial)

We apply the same structure - ESG approach for all issuers. Please find info above 10.1

FI 11

Mandatory

Public

Core Assessed

PRI 1

FI 11.1

Indicate how ESG information is typically used as part of your investment process.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is used to adjust the internal credit assessments of issuers.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis impacts the ranking of an issuer relative to a chosen peer group.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
An issuer's ESG bond spreads and its relative value versus its sector peers are analysed to find out if all risks are priced in.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sensitivity analysis and scenario analysis are applied to valuation models to compare the difference between base-case and ESG-integrated security valuation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is integrated into portfolio weighting decisions.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
The ESG profile of portfolios is examined for securities with high ESG risks and assessed relative to the ESG profile of a benchmark.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, specify in Additional Information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 12

Mandatory

Public

Additional Assessed

PRI 1

FI 12.1

Indicate the extent to which ESG issues are reviewed in your integration process.

	Environment	Social	Governance
SSA	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

FI 12.2

Please provide more detail on how you review E, S and/or G factors in your integration process.

SSA

In line with the business plan, SEB continued to strengthen its sustainable investment offering during the year. At year-end, close to 35 per cent (30), SEK 256bn, of SEB's fund company's assets under management were managed according to the fund company's highest level of sustainability criteria. Of SEB's total assets under management, approximately 13 per cent (11) were managed according to the same criteria

Our belief is that companies / issuers that are sustainable in their operations will be more successful in the long term. Evaluating ESG aspects is an embedded part of our investment decision. We use ESG research from different providers as input into the investment analysis. An external ESG rating is used as a guidance for where to dig deeper, and to generate an overall score for a portfolio. However, investment decisions is not based on a single ESG score but rather on a comprehensive view of how sustainable the business model is. The inclusion process for green bonds is an extra layer to our ESG framework. Green bonds are assessed to see that they fulfill the framework for green bonds and the underlying projects are evaluated to see that they are sufficiently green. Furthermore we engage with the issuers directly to discuss their sustainability profile and their green bonds

SEB IM has recently significantly increased holdings in green, social and environmental bonds in both its mutual funds and in separate client portfolios. For example - Our thematic investments in green bonds has resulted in such bonds constituting 19% of our sustainable corporate bond funds.

We do engagement by ourselves e.g in personal meetings with the issuer, participating in meetings/roadshows when an issuer is issuing new bonds, participating in company visits. A typical dialogue regarding how to make improvements can touch on issues including management, risks and opportunities related to the environment, social aspects, and business ethics. We also do engagement in collaboration with others. Outside the Nordics we work with Hermes Equity Ownership Services, an international leader in engaging companies in dialogue. Hermes EOS maintains ongoing, direct dialogue with the management and the board of the companies/issuers in which we invest. Working with other asset managers, under the leadership of Hermes EOS, enables us to be more successful in conducting dialogue with companies outside Sweden. We also collaborate through e.g PRI on thematic engagements, IIGCC and Climate Action 100+, Access to Medicine, CDP. Impact on investment decision or performance: Through our international partner, Hermes EOS, we have initiated engagement on the three issuers that for different reasons have the weakest ESG profiles. In some cases, where we see there is

progress or that more is actually done than publicly communicated, it has enabled us to maintain or increase the positions.

We use forward looking metrics - 2C scenario - through the PACTA tool for selected fixed income funds.

SEB IM's processes for responsible investments are supported by systematic ESG screening of issuers /companies in which we invest or aim to invest. The screening procedure aims to detect violations of international conventions and guidelines on environmental responsibility, labour rights, human rights, controversial weapons and corruption, thus avoiding investments in companies that breach SEB Investment Managements sustainability policy. The policy is updated on a yearly basis. We engage the services of ISS ESG, a well-known and experienced screening provider. ISS ESG performs a screening of our funds' investment universe twice a year, basing their screening on our exclusion criteria and policies. Using the screening results, we then exclude issuers/companies from our funds' investment universe for each relevant asset class.

Corporate (financial)

We apply the same structure - ESG approach for all issuers. Please find info above

Corporate (non-financial)

We apply the same structure - ESG approach for all issuers. Please find info above

FI 12.3

Additional information.[OPTIONAL]

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Direct – Private Equity

PRI disclaimer

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Overview

PE 02	Mandatory	Public	Core Assessed	PRI 2
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PE 02.1 Indicate whether your organisation's investment activities are guided by a responsible investment policy / follow responsible investment guidelines.

- ☒ Our investment activities are guided by a responsible investment policy

PE 02.2 Describe how your organisation outlines expectations on staff and portfolio companies' approach towards ESG issues in investment activities.

https://sebgroupp.com/contentassets/2a0d5a136fc1481bb0bee06a6cb7de38/sebimab_sustainabilitypolicy_nov_2019.pdf

- ☐ Our investment activities are not guided by a responsible investment policy
- ☐ We do not have a responsible investment policy

Fundraising of private equity funds

PE 03	Mandatory	Public	Core Assessed	PRI 1,4,6
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PE 03.1 Indicate if your most recent fund placement documents (private placement memorandums (PPM) or similar) refer to responsible investment.

- ☒ Yes

PE 03.2 Indicate how your most recent fund placement documents (PPM or similar) refer to the following responsible investment:

- ☒ Policy and commitment to responsible investment
- ☒ Approach to ESG issues in pre-investment processes
- ☒ Approach to ESG issues in post-investment processes
- ☐ Approach to ESG reporting

PE 03.3 Describe how your organisation refers to responsible investment in fund placement documents (PPMs or similar). [Optional]

https://seb.se/pow/fmk/2500/SAR/SEB_Sicav_2.pdf

- ☐ No
- ☐ Not applicable as our organisation does not fundraise

Pre-investment (selection)

PE 05	Mandatory	Public	Gateway	PRI 1
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PE 05.1	During due-diligence indicate if your organisation typically incorporates ESG issues when selecting private equity investments.
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☒ Yes

PE 05.2	Describe your organisation's approach to incorporating ESG issues in private equity investment selection.
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Integration of ESG in pre-investment is a part of our investment guidelines. We integrate client policies or views where these differ from our approach.

Long and short term ESG aspects are included from the first investment idea discussions, to being formally included in investment committee memos. The ESG specialist is part of the discussions in all stages of the investment process, providing input along the way.

ESG risks and opportunities are identified by the ESG specialist, or by the external due diligence teams (commercial, legal, environmental) as instructed by the ESG specialist. The conclusions are subsequently integrated into the analysis of the investment object that goes into investment committee documentation.

This is applied uniformly to all investments in all geographies, industries and investment strategies, although the risks and opportunities themselves may differ depending on geography and industry.

☐ No

PE 06	Mandatory	Public	Core Assessed	PRI 1,3
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PE 06.1	Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.
---------	--

- ☒ Raw data from target company
- ☒ Benchmarks against other companies
- ☒ Sector level data/benchmarks
- ☒ Country level data/benchmarks
- ☒ Reporting standards, industry codes and certifications
- ☒ International initiatives, declarations or standards
- ☐ Engagements with stakeholders (e.g. customers and suppliers)
- ☒ Advice from external resources
- ☐ Other, specify
- ☐ We do not track this information

PE 06.2	Describe how this information is reported to, considered and documented by the Investment Committee or similar.
---------	---

Our main sources of ESG information for investment objects are the company itself - interviews with management, company reports etc. Secondly we rely on due diligence providers and any other sources that may be available and relevant., such as industry bodies.

We document the ESG aspects that have been considered in all the steps of the investment process.

Post-investment (monitoring)

PE 09	Mandatory	Public	Gateway/Core Assessed	PRI 2
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PE 09.1	Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.
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☒ Yes

PE 09.2	Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.
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- ☐ >90% of portfolio companies
- ☒ 51-90% of portfolio companies
- ☐ 10-50% of portfolio companies
- ☐ <10% of portfolio companies

(in terms of total number of portfolio companies)

PE 09.3	Indicate ESG issues for which your organisation typically sets and monitors targets (KPIs or similar) and provide examples per issue.
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ESG issues

☒ Environmental

	List up to three example targets of environmental issues
--	--

	Example 1
--	-----------

Energy efficiency

	Example 2 (optional)
--	----------------------

Measure Carbon Footprint of holdings where possible

☒ Social

	List up to three example targets of social issues
--	---

	Example 1
--	-----------

Supplier Code of Conduct

	Example 2 (optional)
--	----------------------

Employee turnover

	Example 3 (optional)
--	----------------------

Occupational health and safety

☒ Governance

List up to three example targets of governance issues

Example 1

Board composition and meetings

Example 2 (optional)

Succession planning

Example 3 (optional)

Internal control and risk management

☐ We do not set and/or monitor against targets

☐ No

PE 09.4

Additional information. [Optional]

We want to ensure companies we own are performing well from an ESG perspective. We set ESG targets in the value creation plan, for typically 3-5 years, on what we want to achieve before exit. However, if we have a 5 year plan for improving ESG performance, but we end up exiting after three years, all aspects of ESG improvements will not have been fully implemented. This then becomes a part of our assessment of who we sell to, that the buyer has a mindset similar to ours when it comes to ESG.

Our approach is rather uniform regardless of strategy and geography/industry.

ESG aspects will be discussed on board level at least once a year.

PE 10

Mandatory

Public

Core Assessed

PRI 2

PE 10.1

Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).

☒ Yes

PE 10.2

Indicate what percentage of your portfolio companies has an ESG/sustainability policy (or similar guidelines).

- ☒ >90% of portfolio companies
- ☐ 51-90% of portfolio companies
- ☐ 10-50% of portfolio companies
- ☐ <10% of portfolio companies
- ☐ 0% of portfolio companies

(in terms of total number of portfolio companies)

☐ No

PE 10.3

Additional information. [Optional]

We set individual plans for each portfolio company. These build on existing ESG work of the company, if that exists. If not, we create such a strategy together with company management. Thus, 100 percent of our portfolio companies have or will have a sustainability policy or similar guidelines during the time of our holding.

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Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Direct - Property

PRI disclaimer

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Overview

PR 01	Mandatory	Public	Core Assessed	PRI 1-6
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PR 01.1 Indicate if your organisation has a Responsible Property Investment (RPI) policy.

☒ Yes

PR 01.2 Provide a URL or attach the document

☒ URL

https://sebgroupp.com/contentassets/2a0d5a136fc1481bb0bee06a6cb7de38/sebimab_sustainabilitypolicy_nov_2019.pdf

☐ Attach Document

☐ No

PR 01.3 Provide a brief overview of your organisation's approach to responsible investment in property, and how you link responsible investment in property to your business strategy. [Optional]

A major part of the ESG work is focused on environment and climate as part of the realization of the Paris Agreement. The residential funds strive to increase investments that contribute to achieving the global sustainability goals. At the same time, the funds strive to reduce their negative environmental and climate impact by integrating the sustainability perspective into both the investment and management process and working for sustainable development. The funds work actively with waste management and water resources, among other things, and take great responsibility for reducing the proportion of carbon dioxide emissions. The objective concerning direct environmental impact on organizational level (SEB) is a decrease of energy use and GHG emissions by 20% in 2022. This among other goals is translated to entity (SEB Trygg Liv portfolio) and property level and completed with several other sustainability objectives within the ESG sphere.

On entity level, an annual budget is granted for ESG-related investments and maintenance projects. Moreover, the reaching of all ESG-related objectives is ensured through our governance and environmental processes. We constantly evaluate environmental risks and opportunities. We review the data we hold and collect on property level concerning ESG-related matters. We have energy management programs in place for the whole portfolio and work closely with service providers and external consultants to follow up the results of investments and technical improvements to ensure the reaching of our goals.

Progress is reported throughout the organization and sustainability risk data is captured and analyzed at potential acquisitions. All employees receive training in ESG-related matters.

The targets are updated yearly towards our long term goals and are part of SEB's long term vision of becoming a role model within sustainability in the financial sector.

Fundraising of property funds

PR 02	Mandatory	Public	Core Assessed	PRI 1,4,6
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PR 02.1

Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

☒ Yes

PR 02.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- ☒ Policy and commitment to responsible investment
- ☒ Approach to ESG issues in pre-investment processes
- ☒ Approach to ESG issues in post-investment processes

PR 02.3

Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]

Inclusion

Investments are analysed from a financial perspective as well as an ESG perspective to ensure potential value is considered in the investment decision, and to ensure the investments are aligned with SEB's overall ESG requirements. This process is performed by the teams jointly with external experts. The goal is to establish sustainable certification for the Real Estate team's substantial investments and development projects.

Engagement and value creation

The teams take an asset's ESG potential into account when considering specific investment, which they believe will contribute to create value during an investment's holding period.

Some of the factors the Real Estate team focuses on include improved energy efficiency for buildings, reduced carbon emissions and how a building impacts its immediate environment, efficient management, as well as healthy and safe internal and external environment for building residents/occupants.

Exit

After the value creation period, the teams sell the assets and ensure that the ESG improvements have been implemented, and that potential buyers will continue with the ESG approach. This enables them to fulfil SEB's ownership ambitions.

☐ No

☐ Not applicable as our organisation does not fundraise

Pre-investment (selection)

PR 04**Mandatory****Public****Gateway/Core Assessed****PRI 1****PR 04.1**

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

☒ Yes

PR 04.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection.

There are DD-processes where ESG issues are investigated. Also, the Real Estate team continuously evaluate possible enhancements of the properties such as improving energy efficiency, better indoor air quality etc.

PR 04.3

Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process, and list up to three examples per issue.

☒ Environmental

Environmental example 1, select one

- ☒ Climate change adaptation
- ☐ Contamination
- ☐ Energy efficiency
- ☐ Energy supply, Flooding, GHG emissions
- ☐ Indoor environmental quality
- ☐ Natural hazards
- ☐ Resilience
- ☐ Transportation
- ☐ Water efficiency
- ☐ Waste management
- ☐ Water supply
- ☐ Other
- ☐ Other
- ☐ Flooding
- ☐ GHG emissions

Environmental example 1, description

Green electricity used. Solar panels are installed on the roof of the properties

Environmental example 2, select one

- ☐ Climate change adaptation
- ☐ Contamination
- ☒ Energy efficiency
- ☐ Energy supply, Flooding, GHG emissions
- ☐ Indoor environmental quality
- ☐ Natural hazards
- ☐ Resilience
- ☐ Transportation
- ☐ Water efficiency
- ☐ Waste management
- ☐ Water supply
- ☐ Other
- ☐ Other
- ☐ Flooding
- ☐ GHG emissions

Environmental example 2, description

Energy efficient glazing such as double or triple glazing are used that help reduce both the carbon footprint and energy bills.

Environmental example 3, select one

- ☐ Climate change adaptation
- ☐ Contamination
- ☐ Energy efficiency
- ☐ Energy supply, Flooding, GHG emissions
- ☐ Indoor environmental quality
- ☐ Natural hazards
- ☐ Resilience
- ☐ Transportation
- ☐ Water efficiency
- ☒ Waste management
- ☐ Water supply
- ☐ Other
- ☐ Other
- ☐ Flooding
- ☐ GHG emissions

Environmental example 3, description

Waste management – Waste storage rooms exist where the tenants can separate and recycle the garbage. Also, education regarding waste management are held by the local property caretakers for the tenants.

☒ Social

Social example 1, select one

- ☐ Building safety and materials
- ☐ Health, safety and wellbeing
- ☐ Socio-economic
- ☒ Accessibility
- ☐ Affordable Housing
- ☐ Occupier Satisfaction
- ☐ Other
- ☐ Other
- ☐ Other

Social example 1, description [OPTIONAL]

Accessibility for disabled persons. All apartments are adapted for disabled persons in the residential funds.

Social example 2, select one

- ☐ Building safety and materials
- ☐ Health, Safety and wellbeing
- ☒ Socio-economic
- ☐ Accessibility
- ☐ Affordable Housing
- ☐ Occupier Satisfaction
- ☐ Other
- ☐ Other
- ☐ Other

Social example 2, description [OPTIONAL]

Socio-economic: The residential funds are renting out some of the apartments to “LSS boende”, which are people with special needs. Also there are spaces rented to stores with a ESG focused business.

Social example 3, select one

- ☐ Building safety and materials
- ☐ Health, Safety and wellbeing
- ☐ Socio-economic
- ☐ Accessibility
- ☒ Affordable Housing
- ☐ Occupier Satisfaction
- ☐ Other
- ☐ Other
- ☐ Other

Social example 3, description [OPTIONAL]

Constructing module-housing to keep the rental fee low

- ☒ Governance

Governance example 1, select one

- ☒ Anti-bribery & corruption
- ☐ Board structure
- ☐ Conflicts of interest
- ☐ Governance structure
- ☐ Regulatory
- ☐ Shareholder structure & rights
- ☐ Supply chain governance
- ☐ Other
- ☐ Other
- ☐ Other

Governance example 1, description

SEB IM/ Real Estate counteract all forms of corruption, in line with rules and regulations. These include both external and internal incidents, as well as processes and behaviors. In our business, we are guided by global initiatives, international standards and our own policies and position statements. Performs KYC before acquisitions.

	Governance example 2, select one
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- ☐ Anti-bribery & corruption
- ☐ Board structure
- ☐ Conflicts of interest
- ☐ Governance structure
- ☐ Regulatory
- ☐ Shareholder structure & rights
- ☒ Supply chain governance
- ☐ Other
- ☐ Other
- ☐ Other

	Governance example 2, description
--	-----------------------------------

The property management of the funds, Riksbyggen, are certified with the quality standard ISO 90001 and the environmental standard ISO 14001, which means that accredited auditors check that Riksbyggens working method meets all the requirements set by the standard. This applies to all risk planning from strategies to supplier assessments and mapping of risks and opportunities when planning new housing projects.

	Governance example 3, select one
--	----------------------------------

- ☐ Anti-bribery & corruption
- ☐ Board structure
- ☐ Conflicts of interest
- ☐ Governance structure
- ☒ Regulatory
- ☐ Shareholder structure & rights
- ☐ Supply chain governance
- ☐ Other
- ☐ Other
- ☐ Other

	Governance example 3, description
--	-----------------------------------

Corporate governance in funds complies with Swedish legislation and the Swedish Companies Act. The Board of Directors of the funds strives to live up to the requirements of the Fund from its stakeholders.

☐ No

PR 06	Mandatory	Public	Core Assessed	PRI 1
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PR 06.1	Indicate if ESG issues impacted your property investment selection process during the reporting year.
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- ☒ ESG issues helped identify risks and/or opportunities for value creation
- ☒ ESG issues led to the abandonment of potential investments
- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☐ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ Not applicable, our organisation did not select any investments in the reporting year
- ☐ We do not track this potential impact

PR 06.2	Indicate how ESG issues impacted your property investment deal structuring processes during the reporting year.
----------------	---

- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☐ ESG issues were considered but did not have an impact on the deal structuring process
- ☐ Other, specify
- ☐ Not applicable, our organisation did not select any investments in the reporting year
- ☐ We do not track this potential impact

PR 06.3	Additional information.
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All new investments are required to have environmental certification.

We are constructing affordable housing in smaller municipalities to enable the population to grow. The buildings have a very high sustainability spec (build in wood, only renewable energy).

Selection, appointment and monitoring third-party property managers

PR 07	Mandatory	Public	Core Assessed	PRI 4
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PR 07.1	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
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☒ Yes

PR 07.2	Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.
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- ☒ Selection process of property managers incorporated ESG issues

Types of actions

- ☒ Request explanation of how ESG is effectively integrated, including inquiries about governance and processes
- ☒ Request track records and examples of how the manager implements ESG in their asset and property management
- ☒ Discuss property level out-performance opportunities through greater integration of ESG criteria
- ☒ Request explanation of engaging stakeholders on ESG issues
- ☐ Other, explain

Coverage

- ☒ >75% to 100%
- ☐ >50% to 75%
- ☐ <50%
- ☒ Contractual requirements when appointing property managers includes ESG issues

Types of actions

- ☐ Include clear and detailed expectations for incorporating ESG
- ☒ Require dedicated ESG procedures in all relevant asset and property management phases
- ☐ Clear ESG reporting requirements
- ☐ Clear ESG performance targets
- ☐ Other, explain

Coverage

- ☒ >75% to 100%
- ☐ >50% to 75%
- ☐ <50%
- ☒ Monitoring of property managers covers ESG responsibilities and implementation

Types of actions

- ☒ Performance against quantitative and material environmental / resource targets over specified timeframe.
- ☒ Performance against quantitative and material environmental / resource targets against relevant benchmarks
- ☒ Performance against quantitative and qualitative targets to address social impacts of the portfolio/investment,
- ☐ Other, explain

Coverage

☒ >75% to 100%

☐ >50% to 75%

☐ <50%

☐ No

PR 07.3	Provide a brief description of your organisations selection, appointment and monitoring of third party property managers and how they contribute to the management of ESG issues for your property investments.
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As part of our assessment of property managers' capabilities, we assess their ESG credentials. The two property managers that we work with are both deemed to be among the better on the market regarding ESG.

One of the property manager is Riksbyggen, who was in 2019 appointed the most sustainable company in the construction industry via the Sustainable Brand Index for the second year in a row, which is a recognition from the industry that the work performed is of good quality.

We ask them to ensure that our ESG targets are met, and follow this up on a monthly and annual basis.

We further discuss with them if they see opportunities for improvements that we ourselves have not (yet) identified, that we can include in their work with improving our holdings.

Our sustainability taskforce meet on a quarterly basis and senior decision makers are informed of the sustainability performance of the entity.

Post-investment (monitoring and active ownership)

Overview

PR 08	Mandatory	Public	Gateway	PRI 2
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PR 08.1	Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.
----------------	---

☒ Yes

PR 08.2	Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.
----------------	--

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and major renovations.
- ☒ We consider ESG issues in property occupier engagements
- ☒ We consider ESG issues in community engagements related to our properties
- ☒ We consider ESG issues in other post-investment activities, specify
Solar panel installation, geothermal heating, waste management education for tenants

PR 08.3

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets.

Monitoring and management relates to the management plans that we have for the properties we own. The management plans contains ESG aspects, and govern how the property manager shall implement and follow up these. This is done in monthly evaluation meetings with the investment manager and the property manager.

All development and refurbishment take ESG aspects into consideration. This relates to e.g. choice of building materials, and exploring ways to improve energy efficiency.

Riksbyggen, one of our property managers, committed to employ more than 100 immigrants before the end of 2018.

☐ No

Property monitoring and management

PR 09**Mandatory****Public****Core Assessed****PRI 2,3****PR 09.1**

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- ☒ >90% of property assets
- ☐ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

PR 09.2

Indicate which ESG targets your organisation and/or property managers typically set and monitor

☒ Environmental

Target/KPI	Progress Achieved
Decrease CO2e	100%
Increase carbon neutral energy sources	100%
Install solar panel	100%
Install geothermal heating	100%

☒ Social

Target/KPI	Progress Achieved
Increase client satisfaction	100%
Access for functional impaired	50%
Security Hosts employed	100%

☒ Governance

Target/KPI	Progress Achieved
Anti-money laundering	100%
Property managers certification ISO 9001, ISO 14001	50%
Supply chain manager - guidelines (environmental and social)	100%

☐ We do not set and/or monitor against targets

PR 09.3	Additional information. [Optional]
----------------	------------------------------------

We have an ambition to buy only certified property and improve it during our holding period. This implies that the property we invest in is normally in a good condition when we invest, and our work is focussed on building on that, from an ESG perspective.

We have a set of ESG KPIs for each of our investments, which are addressed in the management plan for each property. These are measured and managed by the property manager, and followed up on by the investment manager on a monthly basis.

Some benchmarks, e.g. regarding energy efficiency, needs to be adjusted for geographic location; our investments in northern Sweden will have a different energy profile than the ones in the south, due to different climate.

Property developments and major renovations

PR 11	Mandatory	Public	Core Assessed	PRI 2
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PR 11.1	Indicate the proportion of active property developments and major renovations where ESG issues have been considered.
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- ☒ >90% of active developments and major renovations
- ☐ 51-90% of active developments and major renovations
- ☐ 10-50% of active developments and major renovations
- ☐ <10% of active developments and major renovations
- ☐ N/A, no developments and major renovations of property assets are active

(by number of active property developments and refurbishments)

PR 11.2	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.
----------------	---

- ☒ Environmental site selection requirements
- ☒ Environmental site development requirements
- ☒ Sustainable construction materials
- ☐ Water efficiency requirements
- ☒ Energy efficiency requirements
- ☒ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☒ Health and wellbeing of residents
- ☒ Construction contractors comply with sustainability guidelines
- ☒ Resilient building design and orientation
- ☐ Other, specify

PR 11.3	Additional information. [Optional]
----------------	------------------------------------

Our developments and refurbishments always entails ESG aspects, with the goal of improving the ESG performance of our properties.

The main driver is value creation; cost savings and increasing the value of the assets during the holding period, and making the assets more attractive to clients. The latter is especially important for our commercial property portfolios.

Occupier engagement

PR 12	Mandatory	Public	Core Assessed	PRI 2
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PR 12.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
----------------	---

- ☒ >90% of occupiers
- ☐ 50-90% of occupiers
- ☐ 10-50% of occupiers
- ☐ <10% of occupiers

(in terms of number of occupiers)

PR 12.2

Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.

- ☒ Distribute a sustainability guide to occupiers
- ☒ Organise occupier events focused on increasing sustainability awareness
- ☒ Deliver training on energy and water efficiency
- ☒ Deliver training on waste minimisation
- ☒ Provide feedback on energy and water consumption and/or waste generation
- ☒ Provide feedback on waste generation
- ☒ Carry out occupier satisfaction surveys
- ☒ Health and wellbeing of residents
- ☐ Offer green leases
- ☐ Other, specify

PR 13**Voluntary****Public****Additional Assessed****PRI 2****PR 13.1**

Indicate the proportion of all leases signed during the reporting year that used green leases or the proportion of Memoranda of Understandings (MoUs) with reference to ESG issues.

- ☐ >90% of leases or MoUs
- ☐ 50-90% of leases or MoUs
- ☐ 10-50% of leases or MoUs
- ☒ <10% of leases or MoUs
- ☐ 0% of leases or MoUs
- ☐ N/A, no leases or MoUs were signed during the reporting year

(in terms of number of leases or MoUs)

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Direct - Hedge Funds

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Policy

HF 01	Mandatory	Public	Descriptive	General
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HF 01.1	What is your rationale for adopting a policy to incorporate RI into the investment decision-making process? Please select all options that apply to your organisation.
---------	--

- ☐ To provide a framework and ESG applicability to security selection (the strategy) and decision-making in Hedge Funds (e.g. breaking the strategy into different components and focus on risk/return).
- ☐ To provide a framework of the fund governance structure.
- ☒ Because ESG incorporation is perceived as a competitive advantage in the industry.
- ☒ Growing momentum of sustainable investing in Hedge Funds in the financial community.
- ☐ Other
- ☐ None of the above (we don't have a policy addressing RI incorporation into Hedge Funds).

HF 01.2	Additional information. [Optional]
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Our hedge funds typically invest their cash into treasury bills and -bonds. In addition, they take derivative positions in equity indices, government bonds, interest rates, currencies, volatilities, dividends and commodities. ESG is applied to the cash management part of the fund and to derivatives on single issuers, e.g. government bond derivatives.

Governance

HF 03	Mandatory	Public	Descriptive	General
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HF 03.1	Indicate whether and how your organisation has organised RI implementation and/or oversight responsibilities.
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- ☒ We have dedicated internal staff with RI oversight responsibility for Hedge Funds (CEO, CIO, PM, etc.)

	Specify
--	---------

Risk & Compliance

- ☒ We have dedicated internal staff with RI implementation responsibility for Hedge Funds (CEO, CIO, PM, etc.).

	Specify
--	---------

Portfolio Managers and an ESG-team and in that team a dedicated ESG specialist

- ☐ We use external consultants that have oversight and/or RI implementation responsibilities.
- ☐ Other
- ☐ We do not have staff dedicated to RI oversight and implementation.

HF 04	Mandatory	Public	Descriptive	General
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HF 04.1

Please indicate whether you implemented any RI training program regarding hedge funds investments for your staff during the reporting year.

- ☐ Yes, we have a formal RI training/educational program covering hedge funds.
- ☐ Yes, we have a RI training program to educate staff regarding our hedge funds policies.
- ☒ Yes, we regularly train our staff on code of ethics/compliance manuals covering hedge funds investments.
- ☐ Other
- ☐ No, we don't have a RI training program.

HF 04.2

Explain how the RI training program is conducted?

Mandatory education for all staff all

Investment process**HF 06****Mandatory****Public****Descriptive****General****HF 06.1**

Please describe the ESG resources and tools used in your investment decision-making process.

Category of ESG	Reason for use
<input checked="" type="checkbox"/> ESG data (proprietary, 3rd party, etc.)	Good global coverage
<input type="checkbox"/> ESG research (broker, etc.)	
<input type="checkbox"/> Consultants	
<input type="checkbox"/> Other resources/tools/practices	

HF 06.2

Select and explain how these resources are incorporated into the investment and risk management process?

Category of ESG	Investment/risk management process	Additional text (optional)
ESG data (proprietary, 3rd party, etc.)	<input type="checkbox"/> Investment origination <input checked="" type="checkbox"/> Investment analysis <input checked="" type="checkbox"/> Portfolio construction <input type="checkbox"/> Trade management <input checked="" type="checkbox"/> Risk management	

HF 07**Mandatory****Public****Descriptive****1,2**

HF 07.1

Does your organisation uses quantitative analysis?

☒ Yes

Please indicate at which level ESG is incorporated into the analysis.

Quantitative modelling	ESG incorporation	Outcomes and assessment/review
<input checked="" type="checkbox"/> Multi-factors models <input type="checkbox"/> Fractal Market Hypothesis (FMH) modelling <input type="checkbox"/> Models Yield <input type="checkbox"/> Technical analysis (Fibonacci retracements, Bollinger bands, etc.) <input type="checkbox"/> Univariate models (Box-Jenkins) <input type="checkbox"/> Monte-Carlo simulations <input type="checkbox"/> Multiple regression analysis <input checked="" type="checkbox"/> Correlation analysis <input type="checkbox"/> Other	<input type="checkbox"/> Pre-defined ESG parameters are added in our quantitative models. <input type="checkbox"/> We conduct scenario analysis to define ESG parameters separately. <input type="checkbox"/> Variance/Value at Risk analysis with embedded ESG-risks. <input checked="" type="checkbox"/> Other <div>Please specify</div> ESG-rating AAA-BBB	Exclusion of ESG-rating of BB or lower

☐ We don't use quantitative analysis.

HF 07.2

Does your organisation uses fundamental analysis?

☒ Yes

Please indicate at which level ESG is incorporated into the analysis.

Fundamental approach	ESG incorporation	Outcomes and assessment/review
<input checked="" type="checkbox"/> Top-down <input type="checkbox"/> Bottom-up	<input type="checkbox"/> At a micro level - ESG factors are integrated into financial models (DCF, multiples, etc.) <input checked="" type="checkbox"/> Financial ratios with embedded ESG factors. <input checked="" type="checkbox"/> At a macro level - ESG factors are embedded with economic indicators (GDP, inflation, etc.) <input type="checkbox"/> Other	Investments in securities issued by sovereigns who have a sustainable approach to governance, to social matters and the environment, tend to be investments that have more stable returns and that contain less credit risk. By paying attention to ESG, sovereigns are building a long-term / sustainable relationship with their investors.

☐ We don't use fundamental analysis.

HF 08	Mandatory	Public	Descriptive	1,6
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HF 08.1	Could you please indicate whether there have been any changes to your RI incorporation process over the past 12 months (e.g. additional resources, information sources)?
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- ☒ Yes
☐ No

HF 08.2	If yes, please describe them.
---------	-------------------------------

Over the last 12 months, we have started to use MSCI's ESG-ratings for sovereign issuers when picking securities in our cash management. Due to the previous lack / scarcity of ESG-ratings for sovereigns, we had to do our own ESG-research on sovereign issuers. Starting to apply MSCI's ESG ratings for sovereigns has not resulted in any changes in our cash management investments. Our internal ESG-approach had already identified issuers that MSCI also rated AAA and AA from an ESG perspective. The adoption and use of MSCI's ESG ratings was however still justified. Clients find it easier to relate to rating principles and ratings determined by a well-known company that other asset managers also are likely to use.

HF 09	Mandatory	Public	Descriptive	1,2
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HF 09.1	Please select and explain how active ownership practices are integrated into investment decisions.
---------	--

- ☐ (Proxy) Voting
☒ Engagement
 We engage with index-providers such as STOXX
☐ Shareholder resolution
☐ None of the above
☐ Not applicable (N/A)

HF 10	Mandatory	Public	Descriptive	1,2
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HF 10.1	Please provide examples of where ESG risks and opportunities were incorporated into the investment decisions over the past 12 months.
---------	---

- ☒ Add Example 1

Hedge Funds Strategy	<p>Global macro</p> <p><input checked="" type="checkbox"/> Global macro</p> <p><input type="checkbox"/> Equity Hedge</p> <p><input type="checkbox"/> Event driven</p> <p><input type="checkbox"/> Relative value</p> <p><input type="checkbox"/> Risk parity</p> <p><input type="checkbox"/> Blockchain</p> <p><input type="checkbox"/> Fund of Hedge Funds</p>
ESG factors	<p>Environmental, Social, Governance</p> <p><input checked="" type="checkbox"/> Environmental</p> <p><input checked="" type="checkbox"/> Social</p> <p><input checked="" type="checkbox"/> Governance</p>
ESG risks/opportunities	<p>The ESG approach we have applied in our hedge funds since 2006 has not provided us with significantly greater opportunities, but the approach has indeed helped us to stay away from undesirable and potentially disastrous risks.</p> <p>We chose to stay away from poorly rated issuers and non-sustainable debt instruments during the financial crisis in 2007 and 2008. Some of our competitors had fallen for the temptation to invest in lowly rated issuers and/or sub-prime debt – they suffered not only from poor performance but also a loss of trust from their clients.</p> <p>In 2020, we have again avoided the sell-off of lowly rated issuers and therefore experienced more stable returns.</p> <p>In times of uncertainty and market turbulence, investors tend to favour higher quality government debt. Sovereigns build trust by applying and implementing policies that are long-term sustainable. This is true for fiscal policies, monetary policies, governance structures as well as social- and environmental policies. Long-term sustainable behaviour is the foundation of trust, quality and economic/financial success.</p>
Financial risks	More stable returns and more limited drawdowns.
Scope and process	Global process, multi-asset and quantitative. Aiming for MSCI's ESG-Leader rating for our funds.
Outcomes	<p>Since inception in Oct 2006, our managed futures fund SEB Asset Selection has outperformed the SGCTA Index (20 largest CTAs / managed futures funds globally) and delivered the highest risk-adjusted return in a group of some of the 11 largest or more well-known managed futures / CTA funds (see Investment Case for SEB Asset Selection, 30 Sept 2019).</p>

- ☐ Add Example 2
- ☐ Add Example 3
- ☐ Add Example 4
- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ Add Example 8
- ☐ Add Example 9
- ☐ Add Example 10
- ☐ We are not able to provide examples

HF 10.2

Based on your example(s) provided above, please specify whether the incorporation of ESG factors affected the risk-adjusted returns of your hedge funds.

- ☒ The incorporation of ESG risks positively affected the risk adjusted returns of the hedge funds
- ☐ The incorporation of ESG risks negatively affected the risk adjusted returns of the hedge funds
- ☐ The incorporation of ESG risks had an overall neutral effect on the risk adjusted returns of the hedge funds
- ☐ No impact, or we do not track this information.

HF 11**Mandatory****Public****Descriptive****General****HF 11.1**

Do you use derivatives instruments as part of your hedge funds strategies and/or Funds of Hedge Funds?

- ☒ Yes
- ☐ No

HF 11.2

Please select all the applicable categories of derivatives used.

Listed/OTC	Category of derivatives
<input checked="" type="radio"/> Listed derivatives	<input checked="" type="checkbox"/> Futures <input type="checkbox"/> Options (Equity, Index, ETF, FX, IR, etc.) <input type="checkbox"/> Other <input type="checkbox"/> None of the above
<input checked="" type="radio"/> OTC derivatives	<input type="checkbox"/> Swaps <input type="checkbox"/> FRA <input type="checkbox"/> Exotic derivatives <input type="checkbox"/> CDS <input checked="" type="checkbox"/> Other <div style="border: 1px solid black; height: 20px; width: 100%; background-color: #0070C0; color: white; padding: 2px;">specify</div> FX Forwards <input type="checkbox"/> None of the above

HF 11.3

Please explain whether and how these derivatives impacted the risk-adjusted returns of your hedge funds investments?

Impact

- ☒ Positive impact

Outcomes

The derivative positions aim to generate the excess returns for our investors. The cash management part of the portfolio aims to generate the risk free rate of return.

- ☐ Negative impact
- ☐ Neutral impact
- ☐ No impact or we do not track this information

HF 11.4 Please indicate whether the use of derivatives triggered ESG risks/opportunities at the fund level?

- ☐ Yes
- ☒ No, or undetermined

Monitoring and reporting

HF 12	Mandatory	Public	Descriptive	1,2
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HF 12.1 Could you indicate whether you report separately on your funds' long/short/net exposures?

- ☐ Yes
- ☐ No
- ☒ Not Applicable

Please explain

We do not take short positions in transferrable securities. We take long positions in transferrable securities for the cash management part of the fund and we take long and/or short positions in macro-related derivatives (can be seen as an overlay). Detailed holdings reports are produced and published on a quarterly basis.

HF 13	Mandatory	Public	Descriptive	1,2
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HF 13.1 Please describe what metrics/initiatives (internal and/or external) your organisation uses to measure its progress in incorporating RI into the investment process.

- ☒ Add Example 1

Hedge Funds Strategy	Global macro <input checked="" type="checkbox"/> Global macro <input type="checkbox"/> Equity Hedge <input type="checkbox"/> Event driven <input type="checkbox"/> Relative value <input type="checkbox"/> Fund of Hedge Funds <input type="checkbox"/> Risk parity <input type="checkbox"/> Blockchain	
Metrics/Initiatives	<div>Metrics</div> <input type="checkbox"/> RI policy implementation <input type="checkbox"/> RI Recommendation changes <input checked="" type="checkbox"/> ESG Alpha <input type="checkbox"/> ESG Beta <input type="checkbox"/> GHG Emissions	<div>Initiatives</div> <input type="checkbox"/> Transparency <input checked="" type="checkbox"/> Integration of ESG data <input type="checkbox"/> Education <input type="checkbox"/> Other
Internal/external	<input checked="" type="checkbox"/> Internal <input type="checkbox"/> External	
Metrics/Initiatives definition	Negative screening	
Assessment/outcomes	Positive	

- ☐ Add Example 2
☐ Add Example 3
☐ Add Example 4
☐ Add Example 5
☐ Add Example 6
☐ Add Example 7
☐ Add Example 8
☐ Add Example 9
☐ Add Example 10
☐ We are not able to provide examples

HF 15	Mandatory	Public	Descriptive	2,6
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HF 15.1	How often and in what format (e.g. meetings, written reports) does your organisation report to its investors on ESG activities risks assessments? Please provide reporting examples.
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- ☒ Add Example 1

Frequency of reporting	<input type="radio"/> Annually <input checked="" type="radio"/> More frequently than annually <input type="radio"/> Other
Format	<input type="checkbox"/> Minutes of meetings <input checked="" type="checkbox"/> Written reports <input checked="" type="checkbox"/> Side letters/emails <input type="checkbox"/> Other
ESG activities	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Governance
Portfolio ESG risks assessment	<input type="checkbox"/> Fund governance <input type="checkbox"/> Linear constraints <input checked="" type="checkbox"/> Quadratic constraints <input type="checkbox"/> Other
Outcomes	Positive

- ☐ Add Example 2
- ☐ Add Example 3
- ☐ Add Example 4
- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ Add Example 8
- ☐ Add Example 9
- ☐ Add Example 10
- ☐ We are not able to provide examples

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Direct - Inclusive Finance

PRI disclaimer

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PIIF Principle 1: Range of services

IFD 07	Mandatory	Public	Core Assessed	PIIF 1
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Possible action:

Develop and extend the range of financial services available to low-income populations. Extensions could include savings, loans, insurance, payment services, remittance facilities and pension plans.

IFD 07.1	Indicate if you track the percentage of your microfinance investees' portfolio that is in microenterprise loans.
----------	--

☒ Yes, we track

If you aggregate this information at an organisational level, indicate the percentage of your portfolio in microenterprise loans. [Optional]

- ☐ <20%
- ☐ 20-40%
- ☐ 41-60%
- ☒ 61-80%
- ☐ >80%

☐ No, we do not track

☐ Not applicable (there are no microenterprise loans in the portfolio)

IFD 07.2	Indicate if you track the percentage of your microfinance investees' portfolio that is in loans for immediate household needs (i.e. consumer loans).
----------	--

☒ Yes, we track

If you aggregate this information at an organisational level, indicate the percentage of your portfolio in loans for immediate household needs. [Optional]:

- ☒ <20%
- ☐ 20-40%
- ☐ 41-60%
- ☐ 61-80%
- ☐ >80%

☐ No, we do not track

☐ Not applicable (there are no loans for immediate household needs in the portfolio)

IFD 07.3	Indicate if you track the percentage of your investees' portfolio in housing loans.
----------	---

☒ Yes, we track

If you aggregate this information at an organisational level, indicate the percentage of your portfolio in loans for other categories. [Optional]

- ☒ <20%
- ☐ 20-40%
- ☐ 41-60%
- ☐ 61-80%
- ☐ >80%

☐ No, we do not track

☐ Not applicable (there are no loans for housing in the portfolio)

IFD 08

Mandatory

Public

Core Assessed

PIIF 1

IFD 08.1

In your microfinance portfolio, indicate if you support the provision of financial services beyond credit, compulsory savings and/or compulsory insurance.

☒ Yes

IFD 08.2

Indicate which of the following services you support:

☒ Voluntary savings products

Provide examples of how and what you support.

88% of the institutions we finance offer at least one of these services (beyond credit).

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

☒ Yes

If you aggregate this information at an organisational level, indicate the percentage of microfinance providers in the MIV or organisational direct portfolio offering such products.

- ☐ <20%
- ☐ 20-40%
- ☐ 41-60%
- ☐ 61-80%
- ☒ >80%

☐ No

☒ Voluntary insurance products

Provide examples of how and what you support.

Credo in Georgia offers microinsurance to farmers.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

☒ Yes

If you aggregate this information at an organisational level, indicate the percentage of microfinance providers in the MIV or organisational direct portfolio offering such products.

- ☐ <20%
- ☐ 20-40%
- ☐ 41-60%
- ☒ 61-80%
- ☐ >80%

☐ No

☒ Other financial services, specify

Payment services (remittances, mobile money)

Provide examples of how and what you support.

Moviired in Colombia is a payment platform, that enables a wide variety of payments through mom & pop stores or through an e-wallet.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

☒ Yes

If you aggregate this information at an organisational level, indicate the percentage of microfinance providers in the MIV or organisational direct portfolio offering such products.

- ☐ <20%
- ☐ 20-40%
- ☒ 41-60%
- ☐ 61-80%
- ☐ >80%

☐ No

☒ Non-financial services, specify

Health and financial education

	Provide examples of how and what you support.
--	---

Crecer in Bolivia provides female entrepreneurs business training and how to use technology. They also offer education around health, e.g. has screened 28% of female population for cervical cancer.

	Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.
--	---

☒ Yes

	If you aggregate this information at an organisational level, indicate the percentage of microfinance providers in the MIV or organisational direct portfolio offering such products.
--	---

- ☐ <20%
- ☐ 20-40%
- ☒ 41-60%
- ☐ 61-80%
- ☐ >80%

☐ No

☐ No

PIIF Principle 2: Client protection

IFD 11	Mandatory	Public	Core Assessed	PIIF 2
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Possible action:

Publicly endorse the Client Protection Principles (CPP).

IFD 11.1	Indicate if you have publicly endorsed the Client Protection Principles.
----------	--

- ☒ Yes
- ☐ No

IFD 11.2	Additional information. [Optional]
----------	------------------------------------

Through our partner Symbiotics (provides investment advisory services to SEB Investment Management for our investments in the microfinance sector)

IFD 13	Mandatory	Public	Core Assessed	PIIF 2
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IFD 13.1	Indicate if you include the Client Protection Principles and/or other client protection measures in your investment policies.
----------	---

- ☒ Yes

IFD 13.2 Indicate if this is systematically applied.

During due diligence

☒ Yes

☐ No

In covenants in loan agreements and/or in financing or shareholder agreements

☐ Yes

☒ No

IFD 13.3 Indicate if you encourage investees to apply for Client Protection Certification. [Optional]

☒ Yes

☐ No

☐ No

PIIF Principle 3: Fair treatment

IFD 14

Mandatory

Public

Core Assessed

PIIF 3

Possible action:

Provide financing in an appropriate currency and tenor.

IFD 14.1 In relation to your direct portfolio in debt, indicate if you provide investment in local currency.

☒ Yes

Indicate what percentage of your direct portfolio in debt is invested in the investee's local currency.

☐ <20%

☐ 20-40%

☐ 41-60%

☐ 61-80%

☒ >80%

☐ No

IFD 14.3 Additional information. [Optional]

The investment strategy of the funds is to invest in local currency (unhedged)

IFD 15	Mandatory	Public	Descriptive	PIIF 3
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Possible action:

Provide financing in an appropriate currency and tenor.

Actively support the building of a diversified funding base.

IFD 15.1	In relation to your direct portfolio in debt, indicate what percentage have a maturity (from the point of investment) of the specified duration:
----------	--

☒ 12 months or fewer

	Indicate percentage
--	---------------------

☒ <20

☐ 20-40%

☐ 41-60%

☐ 61-80%

☐ >80%

☐ 13 to 24 months

☐ 25 to 60 months

☐ Over 60 months

IFD 15.2	Indicate if you have a set limit regarding the maximum fixed income investment exposure of the investees in which you invest. [Optional]
----------	--

☒ Yes

☐ No

IFD 15.3	Additional information. [Optional]
----------	------------------------------------

20%

IFD 17	Mandatory	Public	Core Assessed	PIIF 3
--------	-----------	--------	---------------	--------

Possible action:

Negotiate terms and conditions that are transparent, fair and reasonable, including fair break-up clauses.

IFD 17.1	Indicate if you adopt the following practices:
----------	--

☒ For fixed income investments: Use the Lenders' Guidelines for Setting Covenants in Support of Responsible Microfinance as an example or reference document.

Indicate if these practices are formalised in written policies and procedures.

☒ Yes

☐ No

☒ Ensure that the investee understands the terms, covenants and their implications prior to signing loan / shareholder documentation.

Describe your process.

Symbiotics is responsible for negotiating the contracts and monitoring

Indicate if these practices are formalised in written policies and procedures.

☒ Yes

☐ No

☐ Foster trust and proactive dialogue with investees through straightforward discussions on issues such as a covenant breach.

☐ In the case of material covenant breach, create/participate in a voluntary workout group where applicable, with the goal to help the investee remain a going concern whenever possible.

☐ For fixed income investments: Train your staff on effective monitoring and covenant waiver negotiations to manage deteriorating conditions, and transition a non-performing loan from loan origination staff to specialised workout staff.

☐ Encourage investee skills-building on financial projections, scenario planning and stress-testing for management, and on financial expertise and governance for Directors.

☐ Other (explain)

☐ None of the above

PIIF Principle 4: Responsible investment

IFD 18

Mandatory

Public

Gateway

PIIF 4

Possible action:

Negotiate terms and conditions that are transparent, fair and reasonable, including fair break-up clauses.

IFD 18.1

Indicate if you use the following tools for social performance reporting:

Externally developed tools

During due diligence.

☒ Yes

☐ No

☐ We don't track social performance

For monitoring and reporting purposes.

- ☒ Yes
- ☐ No
- ☐ We don't track social performance

Describe the approaches used and frequency of use.

Symbiotics social performance;

Each investee microfinance institution is assessed pre-investment against seven dimensions and 100 indicators of social responsibility, in order to gauge the likelihood of the microfinance institution to contribute positively to sustainable development and social impact. These seven dimensions include:

1. Financial inclusion: Ability of the institution to serve low-income and underserved clients.
2. Social governance: Social and development objectives of the institution's owners.
3. Client protection: Fair treatment of clients including efforts to prevent over-indebtedness of clients.
4. Product quality: Diversity and quality of financial and non-financial products and services.
5. Labour climate: Human capital development, employee satisfaction and staff turnover rates.
6. Community engagement: Community development support and impacts.
7. Environmental policy: Efforts to mitigate environmental impacts of financed enterprises.

This assessment is also conducted post-investment on an annual basis.

In-house tools based on externally developed tools

During due diligence.

- ☒ Yes
- ☐ No
- ☐ We don't track social performance

For monitoring and reporting purposes.

- ☒ Yes
- ☐ No
- ☐ We don't track social performance

Describe the approaches used and frequency of use.

We have developed our in-house scorecard for each institution that we invest in, which includes the social mission and ESG performance of each institution.

Tools developed solely in-house

During due diligence.

- ☐ Yes
- ☒ No
- ☐ We don't track social performance

For monitoring and reporting purposes.

- ☐ Yes
- ☒ No
- ☐ We don't track social performance

IFD 19

Mandatory

Public

Descriptive

PIIF 4

IFD 19.1

Indicate if you require the retail institutions in which you invest to have an independent financial rating.

- ☐ Always
- ☐ In a majority of cases
- ☐ In a minority of cases
- ☒ No

IFD 19.2

Indicate if you require the retail institutions in which you invest to have an independent social rating.

- ☐ Always
- ☐ In a majority of cases
- ☐ In a minority of cases
- ☒ No

IFD 19.3

Indicate if you require the retail institutions in which you invest to have an independent social audit.

- ☐ Yes
- ☒ No

IFD 19.4	Additional information. [Optional]
----------	------------------------------------

Only by Symbiotics

IFD 20	Mandatory	Public	Core Assessed	PIIF 4
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Possible action:

Assist in developing appropriate references for corporate governance issues.

IFD 20.1	In relation to your due diligence on and monitoring and reporting of corporate governance among investees, indicate if you assess:
----------	--

Compensation of the Board of Directors and Executive Directors (i.e. its transparency, the use of benchmarking)

	Pre-investment
--	----------------

- ☒ Yes
- ☐ No
- ☐ Not for all of our investments in inclusive finance

	Post-investment
--	-----------------

- ☐ Yes
- ☐ No
- ☒ Not for all of our investments in inclusive finance

	Describe what you look at and, if post-investment, the frequency of assessment. [Optional]
--	--

Annual credit ratings and social (ESG) performance ratings are conducted on each institution in the fund by our sourcing partner Symbiotics.

Composition of the Board (i.e. breadth and depth of experience, effective client representation, diversity)

	Pre-investment
--	----------------

- ☒ Yes
- ☐ No
- ☐ Not for all of our investments in inclusive finance

	Post-investment
--	-----------------

- ☒ Yes
- ☐ No
- ☐ Not for all of our investments in inclusive finance

	Describe what you look at and, if post-investment, the frequency of assessment. [Optional]
--	--

Annual credit ratings and social (ESG) performance ratings are conducted on each institution in the fund by our sourcing partner Symbiotics.

Whether the Board receives social performance management-related information from the management team that is analysed and contributes to Board decision making.

	Pre-investment
--	----------------

- ☒ Yes
- ☐ No
- ☐ Not for all of our investments in inclusive finance

	Post-investment
--	-----------------

- ☐ Yes
- ☐ No
- ☒ Not for all of our investments in inclusive finance

IFD 20.2	Additional information. [Optional]
----------	------------------------------------

Annual credit ratings and social (ESG) performance ratings are conducted on each institution in the fund by our sourcing partner Symbiotics.

IFD 23	Mandatory	Public	Descriptive	PIIF 4
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Possible action:

Assist in developing appropriate references for environmental issues.

IFD 23.1	Indicate if you have a procedure to integrate the consideration of environmental issues in your investment decision processes.
----------	--

- ☒ Yes
 - ☒ For all inclusive finance investments
 - ☐ For a majority of inclusive finance investments
 - ☐ For a minority of inclusive finance investments

IFD 23.2

Describe how your procedure to integrate the consideration of environmental issues in your investment decisions processes affect decisions pre-investment. [Optional]

Each investee microfinance institution is assessed pre-investment against seven dimensions and 100 indicators of social responsibility, in order to gauge the likelihood of the microfinance institution to contribute positively to sustainable development and social impact. These seven dimensions include:

1. Financial inclusion: Ability of the institution to serve low-income and underserved clients.
2. Social governance: Social and development objectives of the institution's owners.
3. Client protection: Fair treatment of clients including efforts to prevent over-indebtedness of clients.
4. Product quality: Diversity and quality of financial and non-financial products and services.
5. Labour climate: Human capital development, employee satisfaction and staff turnover rates.
6. Community engagement: Community development support and impacts.
7. Environmental policy: Efforts to mitigate environmental impacts of financed enterprises.

This assessment is also conducted post-investment on an annual basis.

IFD 23.3

Describe how your procedure to integrate the consideration of environmental issues in your investment decisions processes affect decisions post-investment. [Optional]

Each investee microfinance institution is assessed pre-investment against seven dimensions and 100 indicators of social responsibility, in order to gauge the likelihood of the microfinance institution to contribute positively to sustainable development and social impact. These seven dimensions include:

1. Financial inclusion: Ability of the institution to serve low-income and underserved clients.
2. Social governance: Social and development objectives of the institution's owners.
3. Client protection: Fair treatment of clients including efforts to prevent over-indebtedness of clients.
4. Product quality: Diversity and quality of financial and non-financial products and services.
5. Labour climate: Human capital development, employee satisfaction and staff turnover rates.
6. Community engagement: Community development support and impacts.
7. Environmental policy: Efforts to mitigate environmental impacts of financed enterprises.

This assessment is also conducted post-investment on an annual basis.

☐ No

IFD 23.4	Indicate if you request your investees to comply with an environmental exclusion list.
----------	--

- ☒ Yes, for all investees
- ☐ Yes, for a majority of investees
- ☐ Yes, for a minority of investees
- ☐ No

IFD 23.5	Additional information. [Optional]
----------	------------------------------------

Exclusion list is in line with IFC requirements

PIIF Principle 5: Transparency

IFD 26	Mandatory	Public	Core Assessed	PIIF 5
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Possible action:

Fully disclose policies, criteria and related conditions of products and services to investees and other relevant stakeholders.

IFD 26.1	Other than the PRI/PIIF, indicate if you provide your investors and/or the public with information aligned with industry standards.
----------	---

- ☒ Yes

IFD 26.2	Do you provide information aligned with:
----------	--

- ☒ The MIV Disclosure Guidelines
 - ☒ Yes, to our investors only
 - ☐ Yes, to the public
- ☐ The Impact Reporting & Investment Standards (IRIS)
- ☐ Other, specify
- ☐ No

IFD 26.3	Additional information. [Optional]
----------	------------------------------------

We provide our investors with quarterly information.

IFD 27	Mandatory	Public	Core Assessed	PIIF 5
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Possible action:

Ensure that investees adequately disclose the pricing, terms and conditions of financial products and services offered, and that the pricing, terms and conditions are understood by clients.

IFD 27.1	Indicate if you encourage the retail institutions in which you invest to ensure that the following are transparent and fully explained to their clients (i.e. those seeking financial services from them) in a form they can understand.
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	Pricing
--	---------

☒ Yes

IFD 27.2	Indicate how you ensure this for pricing and provide examples.
----------	--

Annual credit ratings and social (ESG) performance ratings are conducted on each institution in the fund by our sourcing partner Symbiotics. SEB Portfolio managers often visits the institutions with the Symbiotics analysts where they conduct head office, branch and client visits to verify this information. Also please see response to IFD 18.1

☐ No

	Other terms and conditions
--	----------------------------

☒ Yes

IFD 27.3	Indicate how you ensure this for other terms/conditions and provide examples.
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Annual credit ratings and social (ESG) performance ratings are conducted on each institution in the fund by our sourcing partner Symbiotics. SEB Portfolio managers often visits the institutions with the Symbiotics analysts where they conduct head office, branch and client visits to verify this information. Also please see response to IFD 18.1

☐ No

PIIF Principle 6: Balanced returns

IFD 28	Mandatory	Public	Core Assessed	PIIF 6
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Possible action:

Strive for a balanced long-term social and financial risk-adjusted return that recognises the interests of clients, retail providers and investors.

IFD 28.1	Indicate if the social performance of investees affects your:
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	Investment decision making
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☒ Yes

IFD 28.2	Explain how social performance of investees affects investment decision making.
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Social performance is critical in making the investment decision.

Each investee microfinance institution is assessed pre-investment against seven dimensions and

100 indicators of social responsibility, in order to gauge the likelihood of the microfinance institution to contribute positively to sustainable development and social impact. These seven dimensions include:

1. Financial inclusion: Ability of the institution to serve low-income and underserved clients.
2. Social governance: Social and development objectives of the institution's owners.
3. Client protection: Fair treatment of clients including efforts to prevent over-indebtedness of clients.
4. Product quality: Diversity and quality of financial and non-financial products and services.
5. Labour climate: Human capital development, employee satisfaction and staff turnover rates.
6. Community engagement: Community development support and impacts.
7. Environmental policy: Efforts to mitigate environmental impacts of financed enterprises.

This assessment is also conducted post-investment on an annual basis.

☐ No

Portfolio management

☒ Yes

IFD 28.3

Explain how social performance of investees affects portfolio management.

Social performance is critical in making the investment decision

Each investee microfinance institution is assessed pre-investment against seven dimensions and 100 indicators of social responsibility, in order to gauge the likelihood of the microfinance institution to contribute positively to sustainable development and social impact. These seven dimensions include:

1. Financial inclusion: Ability of the institution to serve low-income and underserved clients.
2. Social governance: Social and development objectives of the institution's owners.
3. Client protection: Fair treatment of clients including efforts to prevent over-indebtedness of clients.
4. Product quality: Diversity and quality of financial and non-financial products and services.
5. Labour climate: Human capital development, employee satisfaction and staff turnover rates.
6. Community engagement: Community development support and impacts.
7. Environmental policy: Efforts to mitigate environmental impacts of financed enterprises.

This assessment is also conducted post-investment on an annual basis.

☐ No

PIIF Principle 7: Standards

IFD 32	Mandatory	Public	Core Assessed	PIIF 7
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Possible action:

Participate in networks to share tools, information and resources.

IFD 32.1

Select which of the following collaborative initiatives your organisation has supported or participated in, and the role you played.

The Principles for Investors in Inclusive Finance

- ☐ Yes
☒ No

The Smart Campaign

- ☐ Yes
☒ No

Social Performance Task Force

- ☐ Yes
☒ No

Financial Inclusion Equity Council (formerly CMEF)

- ☐ Yes
☒ No

European Microfinance Platform (eMFP)

- ☐ Yes
☒ No

Global Impact Investors Network (GIIN)

- ☐ Yes
☒ No

Other network, association memberships and/or specific collaboration related to the promotion of inclusive finance, specify

- ☐ Yes
☒ No

Skandinaviska Enskilda Banken (SEB) AB

Reported Information

Public version

Confidence building measures

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
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CM1 01.1 Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- ☐ Third party assurance over selected responses from this year's PRI Transparency Report
- ☒ Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- ☒ Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- ☒ Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- ☒ Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - ☐ Whole PRI Transparency Report has been internally verified
 - ☒ Selected data has been internally verified
- ☒ Other, specify
Our report is finalized after cross-collaboration between different units of the SEB Group, The Asset Management arm of the bank has been coordinating.
- ☐ None of the above

CM1 02	Mandatory	Public	Descriptive	General
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CM1 02.1 We undertook third party assurance on last year's PRI Transparency Report

- ☐ Whole PRI Transparency Report was assured last year
- ☒ Selected data was assured in last year's PRI Transparency Report
- ☐ We did not assure last year's PRI Transparency report
- ☐ None of the above, we were in our preparation year and did not report last year.

CM1 02.2 Whole report was assured in last year's PRI Transparency Report

Who has conducted the assurance

PriceWaterhouseCooper AB

Assurance standard used

- ☐ ISAE/ ASEA 3000
- ☐ ISAE 3402
- ☐ ISO standard
- ☐ AAF01/06
- ☐ AA1000AS
- ☐ IFC performance standards
- ☐ ASAE 3410 Assurance Engagements on Greenhouse Gas Statements.
- ☒ National standard

Specify

RevR 6 Assurance of Sustainability Reports issued by FAR & IAASB's

- ☐ Other

Level of assurance sought

- ☐ Limited or equivalent
- ☒ Reasonable or equivalent

Link to external assurance provider's report
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https://sebgroup.com/siteassets/about_seb1/sustainability/reporting_package/2018/seb_sustainability_report_2018.pdf

CM1 02.2	Selected data was assured in last year's PRI Transparency Report
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What data has been assured

- ☒ Financial and organisational data
- ☒ Data related to RI activities
- ☒ RI policies
- ☒ RI processes (e.g. engagement process)
- ☒ ESG operational data of the portfolio
- ☐ Other

Relevant modules

- ☒ Organisational Overview
- ☒ Strategy and Governance
- ☐ Indirect – Manager Selection, Appointment and Monitoring
- ☒ Direct - Listed Equity Incorporation
- ☒ Direct - Listed Equity Active Ownership
- ☒ Direct - Fixed Income
- ☒ Direct – Private Equity
- ☒ Direct - Property
- ☒ Direct - Inclusive Finance

CM1 03	Mandatory	Public	Descriptive	General
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CM1 03.1	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:
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- ☒ We adhere to an RI certification or labelling scheme

CM1 03.2	Which scheme?
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- ☒ National SRI label based on the EUROSIF Transparency guidelines

% of total AUM the scheme applies

- ☐ < 25%
- ☐ 25-50 %
- ☐ 50-70 %
- ☒ >75 %
- ☐ B-corporation
- ☐ UK Stewardship code
- ☐ GRESB
- ☐ Commodity type label (e.g. BCI)
- ☐ Social label
- ☐ Climate label
- ☐ RIAA
- ☒ Other

Specify

Svanen (Nordic eco label), Morningstar (Sustainability Globes) and sustainability profiles for funds, Swedish Investment Fund Association guidelines for carbon footprint.

	% of total AUM the scheme applies
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- ☐ < 25%
☐ 25-50 %
☐ 50-70 %
☒ >75 %

☒ We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report

CM1 03.3	Provide a link to the public report (such as a sustainability report that you carry out third party assurance over and for which you have used extracts of in this year's PRI Transparency Report. Also include a link to the external assurance provider's report.
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	Link to sustainability, RI, or integrated report [URL]
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https://sebgroupp.com/siteassets/about_seb1/sustainability/reporting_package/2019/seb_sustainability_report_2019.pdf

	Link to external assurance provider's report [URL]
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https://sebgroupp.com/siteassets/investor_relations1/annual_reports/annual_report_2019.pdf

☒ ESG audit of holdings

CM1 03.4	Describe the process of external/third party ESG audit of holdings, including which data has been assured.
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SEB Internal audit and SEB External audit (EY) have audited the whole annual report, including ESG data used for the report.

- ☐ Other, specify
☐ None of the above

CM1 04	Mandatory	Public	Descriptive	General
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CM1 04.1	Do you plan to conduct third party assurance of this year's PRI Transparency report?
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- ☐ Whole PRI Transparency Report will be assured
☒ Selected data will be assured

CM1 04.2b	Selected data will be assured
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What data will be assured

- ☒ Financial and organisational data
- ☒ Data related to RI activities
- ☒ RI policies
- ☒ RI processes (e.g. engagement process)
- ☒ ESG operational data of the portfolio
- ☐ Other

Relevant modules

- ☒ Organisational Overview
- ☒ Strategy and Governance
- ☐ Indirect – Manager Selection, Appointment and Monitoring
- ☒ Direct - Listed Equity Incorporation
- ☒ Direct - Listed Equity Active Ownership
- ☒ Direct - Fixed Income
- ☒ Direct – Private Equity
- ☒ Direct - Property
- ☒ Direct - Inclusive Finance

☐ We do not plan to assure this year's PRI Transparency report

CM1 04.2a

Provide details related to the assurance that will be conducted

Expected date the assurance will be complete

30/06/2020

Who will conduct the assurance

SEB's internal audit. External audit done by: EY.

Assurance standard to be used

- ☒ ISAE/ ASEA 3000
- ☐ ISAE 3402
- ☐ ISO standard
- ☐ AAF01/06
- ☐ AA1000AS
- ☐ IFC performance standards
- ☐ ASAE 3410 Assurance Engagements on Greenhouse Gas Statements.
- ☐ National standard
- ☐ Other

	Level of assurance sought
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- ☐ Limited or equivalent
☒ Reasonable or equivalent

CM1 05	Mandatory	Public	Descriptive	General
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CM1 05.1	Provide details related to the third party assurance over selected responses from this year's PRI Transparency Report and/or over data points from other sources that have subsequently been used in your PRI responses this year
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	What data has been assured
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- ☒ Financial and organisational data
☒ Data related to RI activities
☒ RI Policies
☒ RI Processes (e.g. engagement process)
☒ ESG operational data of the portfolio
☐ Other

	Relevant modules
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- ☒ Organisational Overview
☒ Strategy and Governance
☐ Indirect – Manager Selection, Appointment and Monitoring
☒ Direct - Listed Equity Incorporation
☒ Direct - Listed Equity Active Ownership
☒ Direct - Fixed Income
☐ Direct – Private Equity
☒ Direct - Property
☐ Direct - Inclusive Finance

	Who has conducted the assurance
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EY

Assurance standard used

- ☒ ISAE/ASEA 3000
- ☐ ISAE 3402
- ☐ ISO standard
- ☐ AAF01/06
- ☐ AA1000AS
- ☐ IFC performance standards
- ☐ ISAE/ASAE 3410 Assurance Engagements on Greenhouse Gas Statements.
- ☐ National standard
- ☐ Other

Level of assurance sought

- ☐ Limited or equivalent
- ☒ Reasonable or equivalent

Please provide:

Link to external assurance provider's report [URL]
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https://sebgroup.com/siteassets/about_seb1/sustainability/reporting_package/2018/seb_sustainability_report_2018.pdf

CM1 06	Mandatory	Public	Descriptive	General
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CM1 06.1	Provide details of the third party assurance of RI related processes, and/or details of the internal audit conducted by internal auditors of RI related processes (that have been reported to the PRI this year)
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What RI processes have been assured

- ☒ Data related to RI activities
- ☒ RI policies

Specify

Policies & guidelines IM and group

- ☐ RI related governance
- ☒ Engagement processes
- ☒ Proxy voting process
- ☒ Integration process in listed assets
- ☒ Screening process in listed assets
- ☐ Thematic process in listed assets
- ☒ Investment selection process in non-listed assets
- ☐ Manager selection process for externally managed assets
- ☐ Manager appointment process for externally managed assets
- ☒ Manager monitoring process for externally managed assets
- ☐ Third party property manager SAM process
- ☒ ESG incorporation in selection process for private equity investments
- ☐ Post-investment ESG activities for infrastructure and/or property assets
- ☐ Other

Who has conducted the assurance

Internal Audit

When was the process assurance completed(dd/ mm/yy)

21/12/2019

Assurance standard used

- ☐ IIA's International Standards for the Professional Practice of Internal Auditing
- ☐ ISAE 3402
- ☐ ISO standard
- ☐ AAF 01/06
- ☐ SSE18
- ☐ AT 101 (excluding financial data)
- ☒ Other

Specify

ISAE 3000 Assurance Engagements

Level of assurance sought

- ☐ Limited or equivalent
- ☒ Reasonable or equivalent

CM1 07

Mandatory

Public

Descriptive

General

CM1 07.1

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

Who has conducted the verification

- ☒ CEO or other Chief-Level staff

Sign-off or review of responses

- ☐ Sign-off
☒ Review of responses

What data has been verified

- ☒ Policies
☒ Overarching strategy and processes
☒ Asset class specific processes
☒ Quantitative data related to RI processes
☐ Other

Relevant modules

- ☒ Organisational Overview
☒ Strategy and Governance
☐ Indirect – Manager Selection, Appointment and Monitoring
☐ Direct - Listed Equity Incorporation
☐ Direct - Listed Equity Active Ownership
☐ Direct - Fixed Income
☐ Direct – Private Equity
☐ Direct - Property
☐ Direct - Inclusive Finance
☐ The Board
☐ Investment Committee
☐ Compliance Function
☒ RI/ESG Team

What data has been verified

- ☒ Policies
☒ Overarching strategy and processes
☒ Asset class specific processes
☒ Quantitative data related to RI processes
☐ Other

Relevant modules

- ☐ Organisational Overview
- ☐ Strategy and Governance
- ☒ Indirect – Manager Selection, Appointment and Monitoring
- ☒ Direct - Listed Equity Incorporation
- ☒ Direct - Listed Equity Active Ownership
- ☒ Direct - Fixed Income
- ☒ Direct – Private Equity
- ☒ Direct - Property
- ☐ Direct - Inclusive Finance
- ☒ Investment Teams

What data has been verified

- ☐ Policies
- ☒ Overarching strategy and processes
- ☒ Asset class specific processes
- ☒ Quantitative data related to RI processes
- ☐ Other

Relevant modules

- ☐ Organisational Overview
- ☐ Strategy and Governance
- ☒ Indirect – Manager Selection, Appointment and Monitoring
- ☒ Direct - Listed Equity Incorporation
- ☐ Direct - Listed Equity Active Ownership
- ☒ Direct - Fixed Income
- ☒ Direct – Private Equity
- ☒ Direct - Property
- ☐ Direct - Inclusive Finance
- ☐ Legal Department
- ☐ Other (specify)