

Website Product Disclosures further to art. 10(1) of the Sustainable Finance Disclosure Regulation for art. 8 sub-funds

Name: Lyxor SEB Impact Fund

Legal entity identifier: 54930007XTSFTBZ7SS04

No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

This financial product commits to make sustainable investments.

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

The Fund considers specific Principal Adverse Impacts indicators within its exclusion policy as part the Manager's Responsible Investment Policy (e.g. exposure to controversial weapons).

In addition, the Fund adheres to the Investment Manager's exclusion policy. This can be divided into three categories: fossil fuels, international norms and products and in essence excludes companies with fossil fuel production, unethical products (tobacco, cannabis, pornography, gambling, alcohol, controversial weapons etc.) confirmed violations against e.g., international law and UN Global Compact.

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights via the norm-based exclusion criteria. Norm-based exclusions mean that the fund expects issuers to adhere to international laws and conventions such as:

- the UN Principles for Responsible Investment
- the UN Global Compact, the OECD Guidelines for Multinational Enterprises
- the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Issuers with confirmed breach are not considered as sustainable.

Environmental or social characteristics of the financial product

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

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

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

Investment strategy

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

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

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

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

The binding elements in the investment strategy are : complying with the exclusion policy described above. The Sub-Fund will have no exposure to excluded issuers based on:

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

The Investment Manager ensures good governance of the securities in the financial product, partly by exclusions and screenings - based on sector screenings, norm breaches, and safeguards such as adherence to the UN Global Compact, ILO conventions and OECD Guidelines - in the investment decision process. Screening for relevant sanctions is also applied. When selecting investee companies, and on an ongoing basis to ensure good corporate governance, the Fund looks at indicators such as: facilitation of shareholder participation, percentage of independent board members, independent board committees, CEO to employee compensation ratio, public exposure of management remuneration, size of shareholding for new resolution, voting rights. Within business ethics the Fund looks at compliance procedures, code of business ethics and controversies.

Proportion of investments

The Investment Manager will ensure at any time that at least 85% of the securities composing the Fund's portfolio are aligned with the environmental and / or social characteristics of the Fund. The Fund commits to have a minimum of 10% of sustainable investments.

Monitoring of environmental or social characteristics

The Investment Manager's exclusion policy is implemented through an exclusion list of issuers, along with continuous screening for relevant sanction breaches. The Investment Manager implements pre-trade and post-trade controls for all Fund holdings in reference to the exclusion list. All assets classified as sustainable investments are, in addition, monitored regularly to ensure the fulfilment of the Investment Manager's criteria for sustainable investments. This includes DNSH criteria on environmental and social targets as well as minimum social safeguards.

Methodologies

As described above, the Fund is comprised of several distinct sleeves, each delegated to a Sub-Investment Manager and following a different Equity Investment Strategy. As such there are several different methodologies used to ensure that the different sleeves promote the social and environmental characteristics, metrics such as but not limited to the CO2 emission or amount of materials recovered/waste treated per year by the investee company etc. In addition to the above, the Sub-Investment Managers of the Equity Investment Strategies measures revenues (or in a few instances if not-yet revenue generating, Capex/Opex) attributable to the sought-after theme per company. This number is reported to the Investment Manager who aggregates it to the portfolio level.

Data sources and processing

The Sub-Investment managers are using a wide variety of sources and apart from direct company communication and proprietary datasets other sources such as sell-side brokers, Bloomberg, SASB, ISS etc are used.

On the Investment Manager level, sustainability data is retrieved from external data providers, which provide data on company level. This includes emissions and other environmental indicators, as well as assessments of social and governance indicators. The data provider(s) collects data either directly from the companies' annual or sustainability reports, or by estimating the data themselves. The sustainability data is processed at the Investment Managers' central data hub, where it is governed and quality-assured, in close collaboration with the data providers. Having multiple data providers for the same datapoints enables cross-checking and more opportunities for data quality assessment. The estimated data that is being used is essentially the emissions data, mostly indirect Scope 3 emissions, and the proportion of estimated data depends on the specific financial product. Data for exclusions and screening is obtained from ISS, Sustainalytics, Equileap and RBICS

Limitations to methodologies and data

The methodology limitations are by construction linked to use of ESG data. The ESG data landscape is currently being standardised which can impact data quality; data coverage also is a limitation. Current and future regulation will improve standardized reporting and corporate disclosures on which ESG data rely.

The Investment Manager is aware of this limitations which are mitigated by a combination of approaches: the monitoring of controversies, the use of several data providers, a structured qualitative assessment by our ESG research team of the ESG scores, the implementation of a strong governance.

Due diligence

As described above the Fund comprises of several underlying Equity Investment Strategies managed by dedicated Sub-Investment Managers. These managers are selected based on their proven skill in impact investing and as such they are the first line of defense when it comes to ensure that each position is selected based on performance and sustainability merits. They all have extensive control mechanisms to ensure that best possible data is used when evaluating these merits. The second line of defense is the custodian that ensures that prospectus rules are adhered to at any time. The third line of defense is the Investment Manager, that conducts ongoing evaluation of the level of impact of the portfolio and compiles a quarterly report which aims to give the investors transparency on the exposures. The report also provides a single number of the percent revenues that are attributable to the sought-after themes, which in our mind is one way of depicting the "impactfulness" of the portfolio, we expect this number to be well over 50% at any time. The Investment Manager has quarterly calls with the selected Sub-Investment Managers with updates on relevant issues for the specific strategy. The Investment Manager also uses external data providers, such as ISS, to test the

portfolio from several sustainability angles, such as SDG Rating and Carbon footprint. Any outliers in these reports, e.g. “top ten emission” companies or “Highest negative Impact on SDG” are discussed and further investigated if deemed necessary.

Engagement policies

All of the underlying Sub-Investment Managers are active shareholders and engagement and stewardship is a key part of their investment processes. The Fund has therefore outsourced the ongoing engagement activities to the Sub-Investment Managers. If deemed necessary, the Investment Manager can bring up specific issues to be addressed with an investee company by the Sub-Investment Manager.

Designated reference benchmark

This Fund does not have a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental or social characteristics that it promotes.