

Market communication  
for professional investors  
and distributors only

# CB European Quality Fund

Quarterly update

Fund performance and AUM		NAV (EUR)	
	<u>EUR</u>		
YTD 2026	+5.5%	Class A	178.36
FY 2025	-0.8%	Class D (distr. 6% p a)	86.12
Since 1995* (annualized)	+796% (+7.5%)	Class I	252.02
AUM (million)	72		



All fund data in the presentation refers to the I share class, and all data is as of 2026-04-08 unless otherwise stated.

\*Strategy inception



# About us

# Overview

## CB European Quality Fund

**>15** years with the same team

**>25** years with the same ethical framework

**>60** years total financial experience

**≈230** Million EUR in total AUM

### CB European Quality Fund

- A long-only equity fund with a focus on European quality growth companies
- The strategy was launched in 1995
- Concentrated portfolio and a long-term perspective
- Benchmark: MSCI Europe Net
- Objectives:
  - Lower standard deviation than benchmark
  - Outperform benchmark over 12 months

### CB Fonder

- Company founded in 1994
- Family- and partner-owned, acting under the supervision of the Swedish Financial Supervisory Authority
- Guidelines: active, ethical and long-term
- An ethical and sustainable framework is applied in the portfolio management
- The team is based in Stockholm, Sweden. All fund administration is performed in Luxembourg
- All portfolio managers must agree on every investment decision, and they all have the same influence on the management

# The team

## CB European Quality Fund

- The portfolio management team have worked together for over 15 years.
- All investment decisions are made mutually between them.

### Carl Bernadotte



#### Portfolio manager & Majority owner

**Born** 1955

**Financial Experience** ~40 years

1995 – present Portfolio Manager, CB Fonder

1994 Founder, CB Asset Management AB

1992 - 1993 Portfolio Manager European stocks, ABB Investment Management

**Education** M.Sc. In Economics, Stockholm University, 1979

**Holdings in the funds** Owns shares in CB European Quality Fund and CB Save Earth Fund

### Marcus Grimfors



#### Portfolio manager & Partner

**Born** 1981

**Financial Experience** ~20 years

2008 - present Portfolio Manager, CB Fonder

**Education** B.Sc in Business, Stockholm University, 2007

M.Sc. Engineering Physics, KTH Royal Institute of Technology, 2005

**Holdings in the funds** Owns shares in CB European Quality Fund and CB Save Earth Fund

### Alexander Jansson



#### Portfolio manager, CEO & Partner

**Born** 1983

**Financial Experience** ~20 years

2009 - present Portfolio Manager, CB Fonder

2008 - 2009 Analyst, Acacia Partners (now Alder)

**Education** M.Sc. In Business, B.Sc in Economics, Uppsala University, 2008

**Holdings in the funds** Owns shares in CB European Quality Fund and CB Save Earth Fund

### Emil Teimert



#### Analyst

**Born** 1997

2022-present CB Fonder

**Education** M.Sc. In Civil Engineering, KTH Royal Institute of Tech., 2024, B.Sc in Economics, Stockholm University, 2022

### Cecilia Haglund



#### Social Media and Digital Marketing

**Born** 1997

2023-present CB Fonder

2023-present IT and Business Development, Sapato

2021-2023 Social Media & Digital Marketing, Atle

2020-2022 Trainee, JM

**Education** M.Sc. Industrial Engineering & Management, Luleå University of Tech., 2020

# A small management team

CB European Quality Fund

*Investing is a complex problem-solving practice, where the playing field is constantly changing*

*In our opinion, a small team is best suited to the challenges associated with investing*

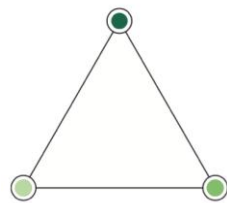
*The benefits are imminent for both the team members and its investors*

Jeff Bezos, founder of Amazon.com:

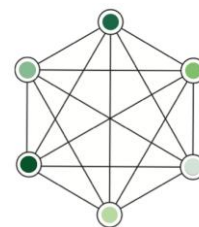
*If a team cannot be fed by two pizzas, the team is too big*

## Strengths of small teams

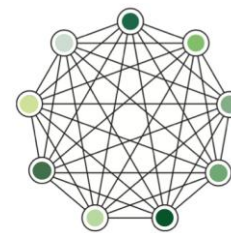
- It is easier to establish robust relationships with deep trust in small teams
- Group affiliation, individual responsibility and the sense of collective ownership of portfolios are strengthened in smaller teams
- Good investment decisions are based on cooperation to identify which data is important. A small team with few communication paths facilitates collaboration and enhances the decision-making process.



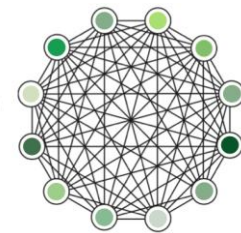
3 persons = 3 pathways



6 persons = 15 pathways



9 persons = 36 pathways

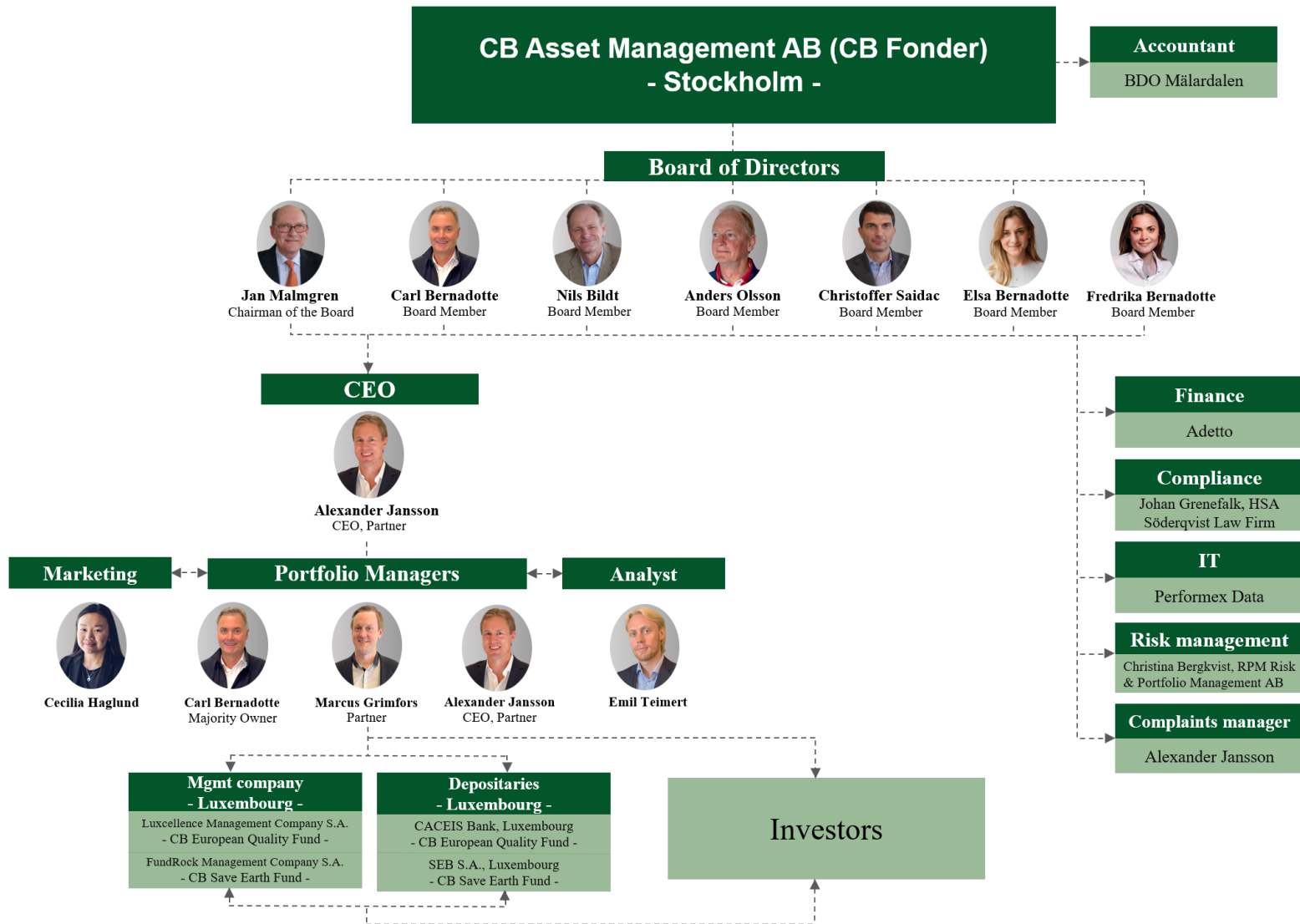


12 persons = 66 pathways

*The picture illustrates how the number of communication pathways increases quadratically as the number of persons in the team increases*

# Corporate structure

## CB European Quality Fund

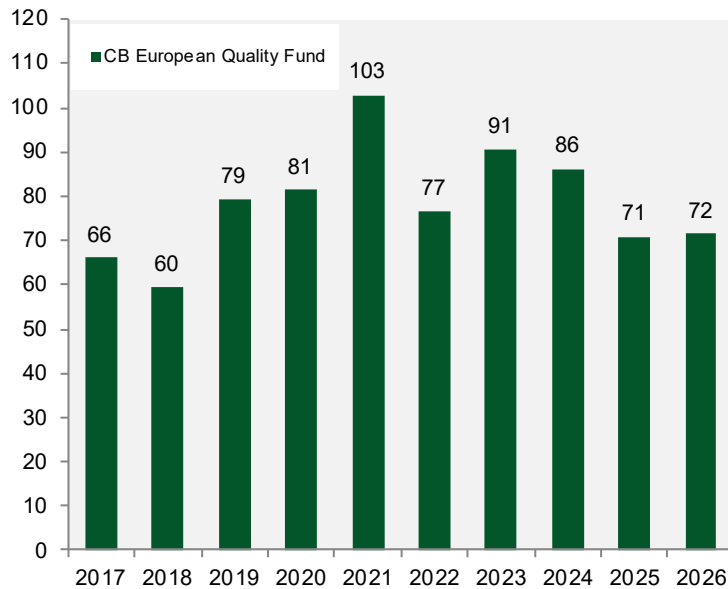


# AUM development

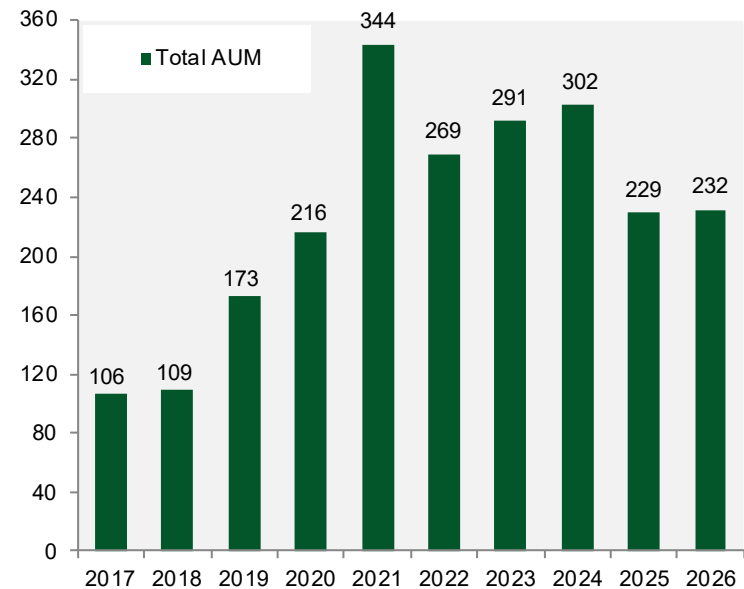
## CB European Quality Fund

### AUM development, 10 years in MEUR

#### CB European Quality Fund



#### CB Fonder



# Distributors

## CB European Quality Fund



ALPCOT



Fondo.

Handelsbanken

levler



Montrose™



ÅLANDSBANKEN

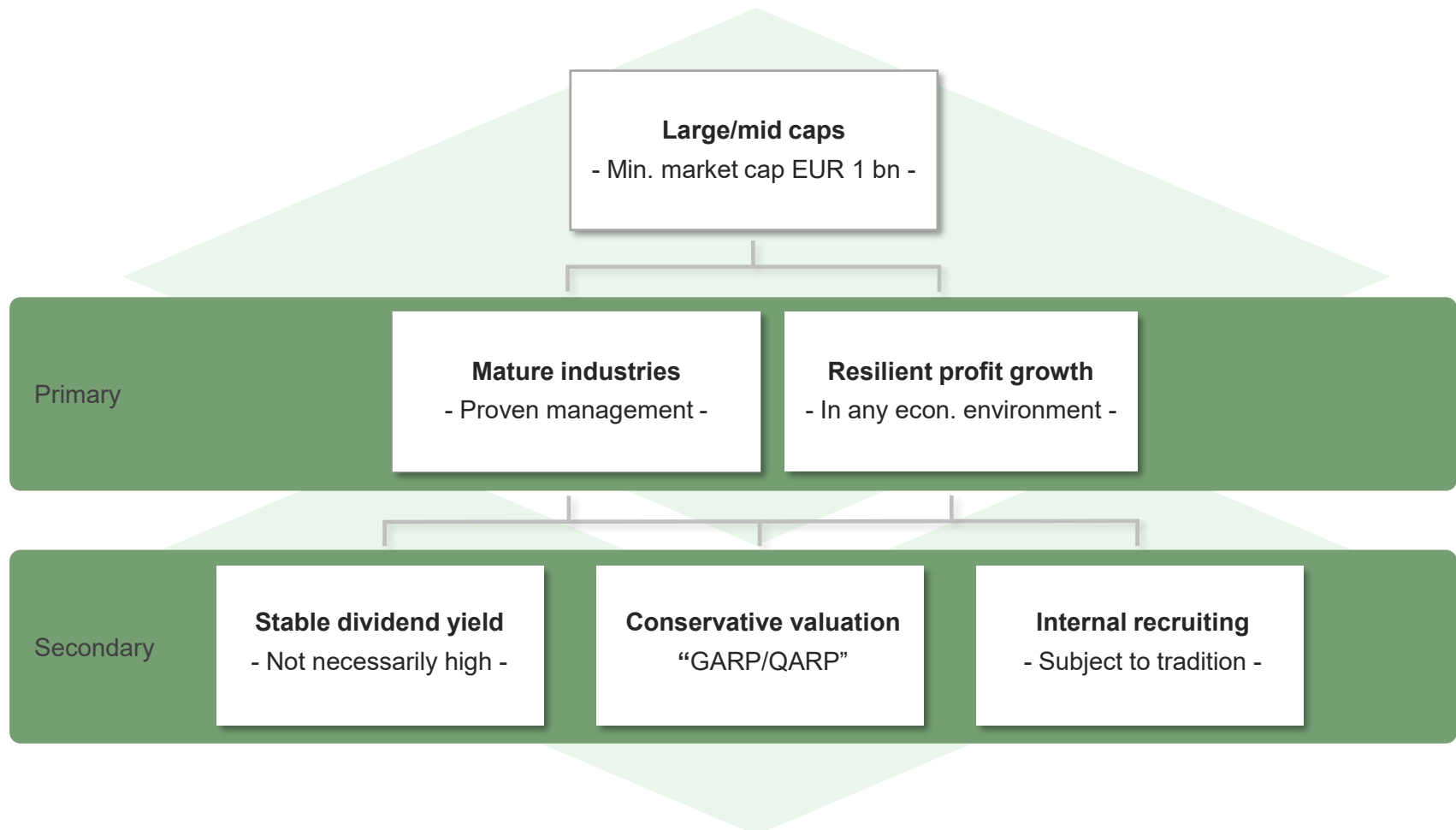


# Strategy

CB FINDER

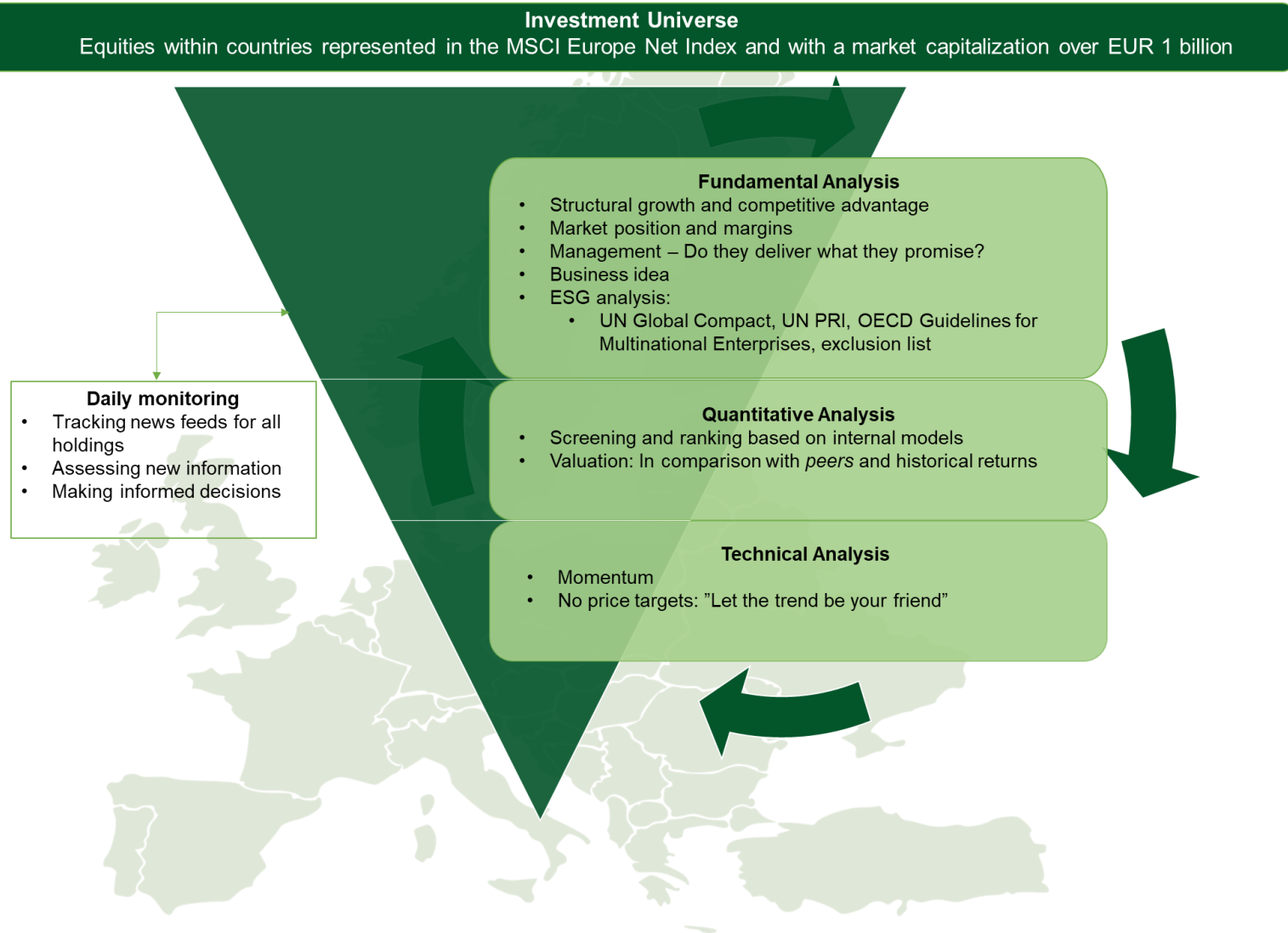
# Investment criteria

## CB European Quality Fund



# Investment process

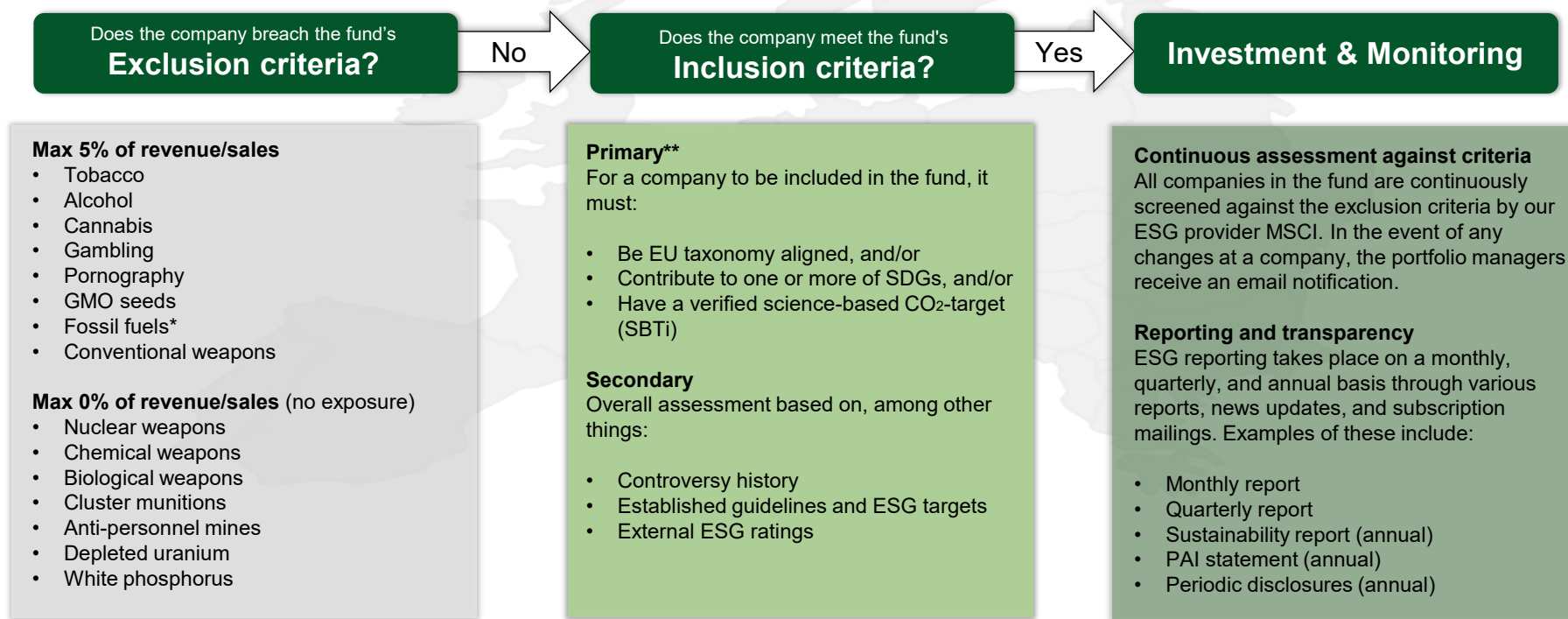
CB European Quality Fund



# ESG-analysis

## CB European Quality Fund

- All potential investments must first be assessed against the fund's strict exclusion and inclusion criteria
- If a company meets the requirements, it may be included in the fund from an ESG perspective
- Should the portfolio managers then choose to invest in the company, the holding is continuously screened by MSCI



\*This includes mining, refining and/or energy extraction of coal, natural gas, crude oil or uranium for fuel

\*\*This is the fund's definition of a sustainable investment

# Structural growth

CB European Quality Fund

- Structural growth is more value generating than cyclical growth and less dependent on the economic cycle

## Structural vs. cyclical growth

### Structural growth component

Drivers:

- Secular trends
- Leading business model
- Technical leadership

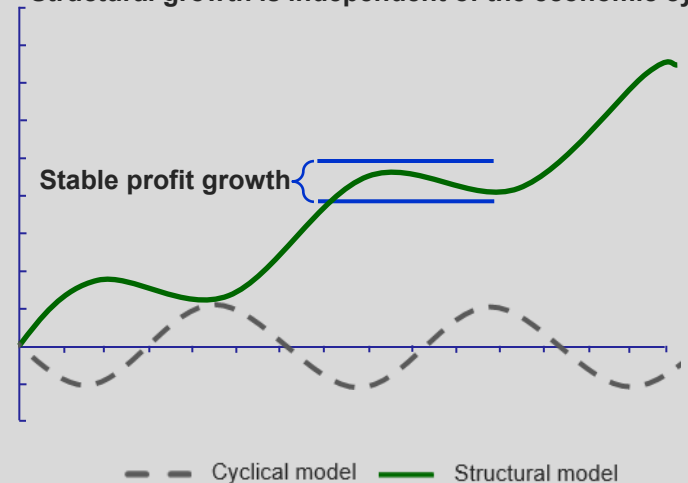
Strong multiple expansion relative to the market

### Cyclical growth component

Purely driven by macro factors

Limited multiple expansion relative to the market

Structural growth is independent of the economic cycle



# Examples of Themes with Structural Growth

CB European Quality Fund

**Efficiency & Infrastructure** 

**ABB** -- Electrification & Automation

**Halma** -- Infrastructure Safety

**HOCHTIEF** -- Construction & Engineering

**HOLCIM** -- Efficient Materials

**KONECRANES** -- Lifting Solutions & Port Automation

**legrand** -- Electrical & digital infrastructure

**Metso** -- Process Equipment

**NKT** -- Power Transmission & Infrastructure

**SANDVIK** -- Industrial Efficiency

**Schneider Electric** -- Energy Management & Automation


**SIEMENS energy** -- Wind Power & Gas Turbines

**WÄRTSILÄ** -- Marine Technology & Energy Balancing

**Serial Acquirers** 

**ADDTECH** -- Electrification & Automation

**DIPLOMA** -- Niche Distribution & Acquisitions

**Semiconductors** 

**ASM** -- Atomic Layer Deposition

**ASML** -- Lithography machines

**Health Care** 

**AstraZeneca** -- Pharmaceutical research & oncology

**NOVARTIS** -- Pharmaceuticals & biotechnology

**Transport & Logistics** 

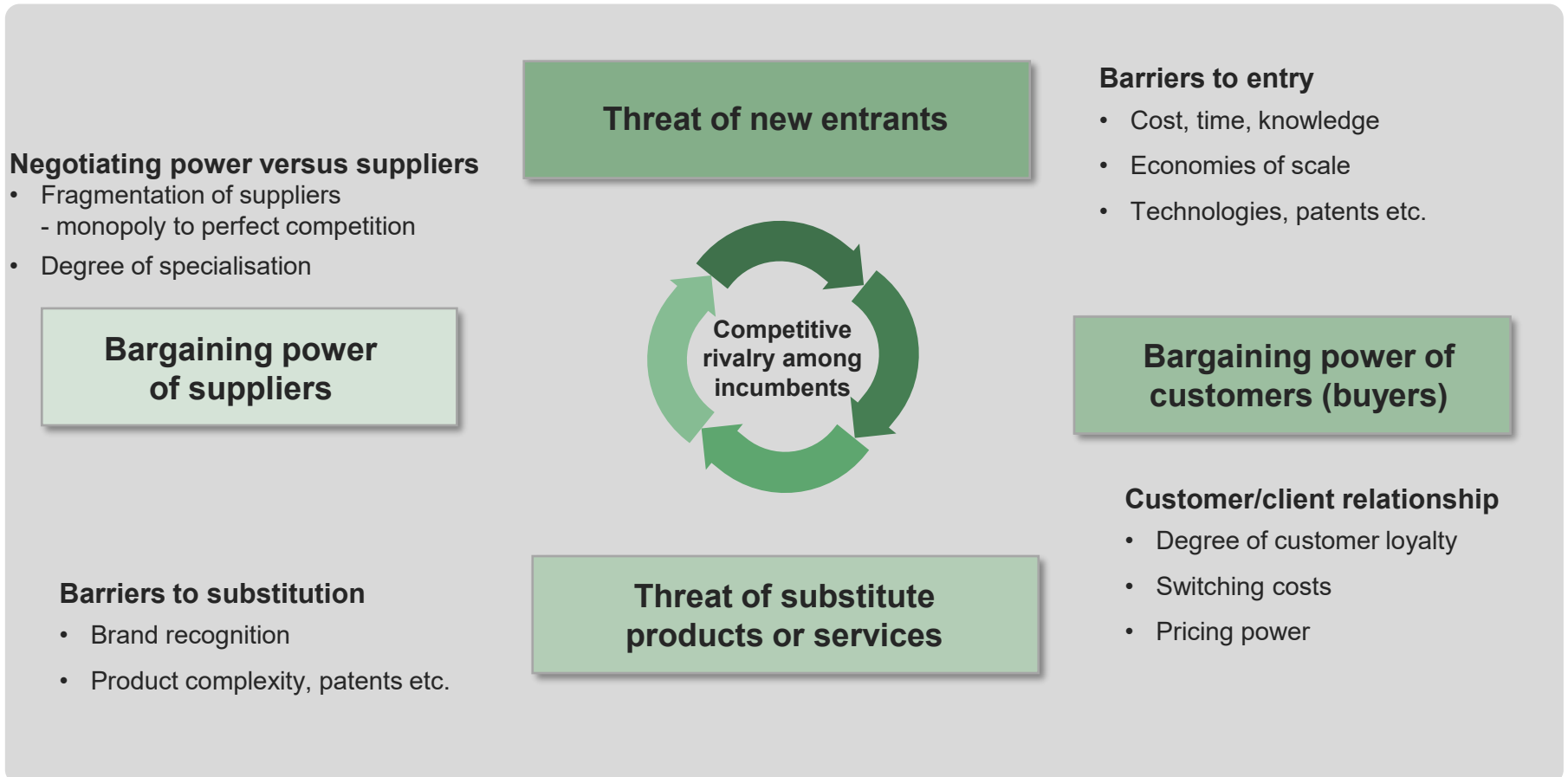
**DSV** -- Freight Forwarding

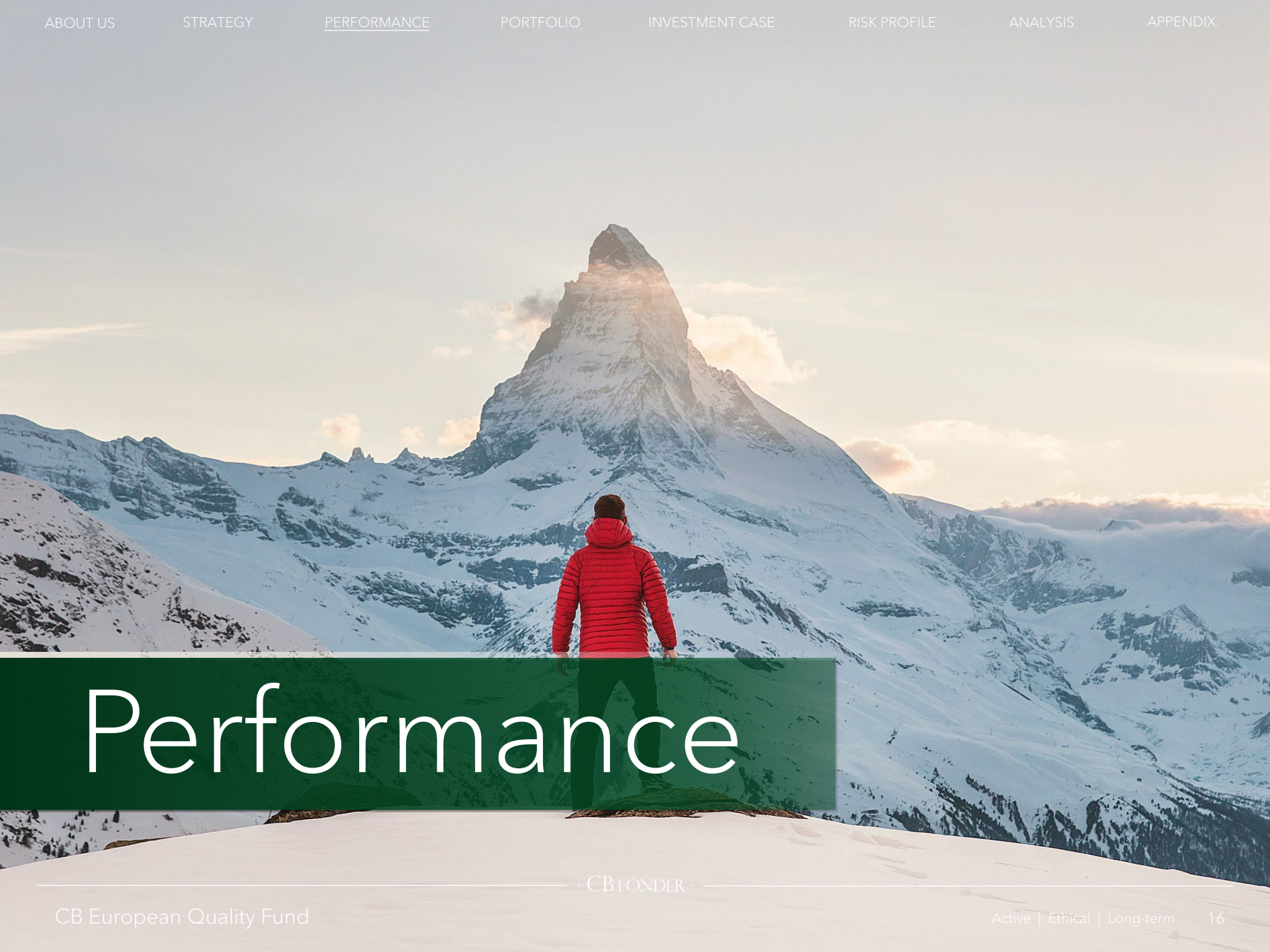


# High barriers to entry → protected growth

CB European Quality Fund

## Competitiveness: *Porter's 5 forces*-model





# Performance

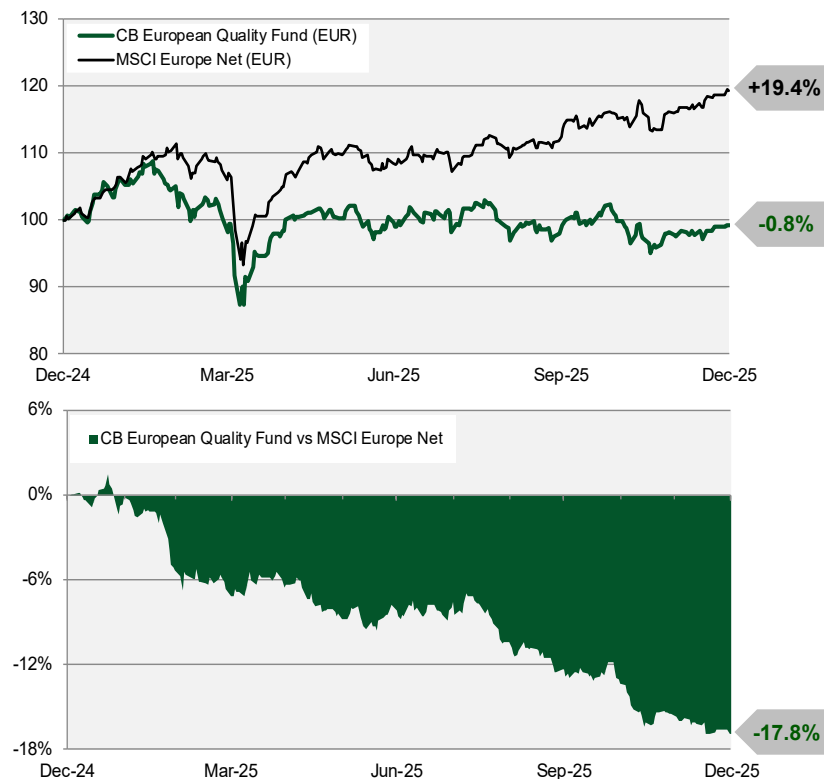
· CBTONDER ·

# The fund and the index

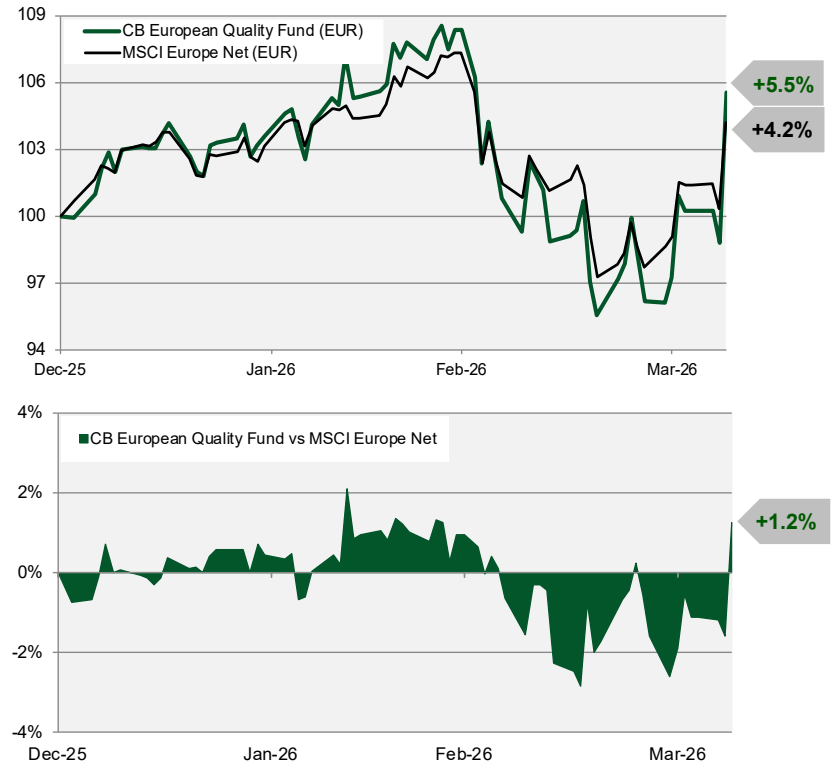
## CB European Quality Fund

- **The fund returned -1% in 2025**, which was worse than the benchmark index MSCI Europe Net.
- **YTD 2026 the fund has returned +6%**, which is better than the benchmark index.

The fund and the benchmark index, 2025 (EUR)



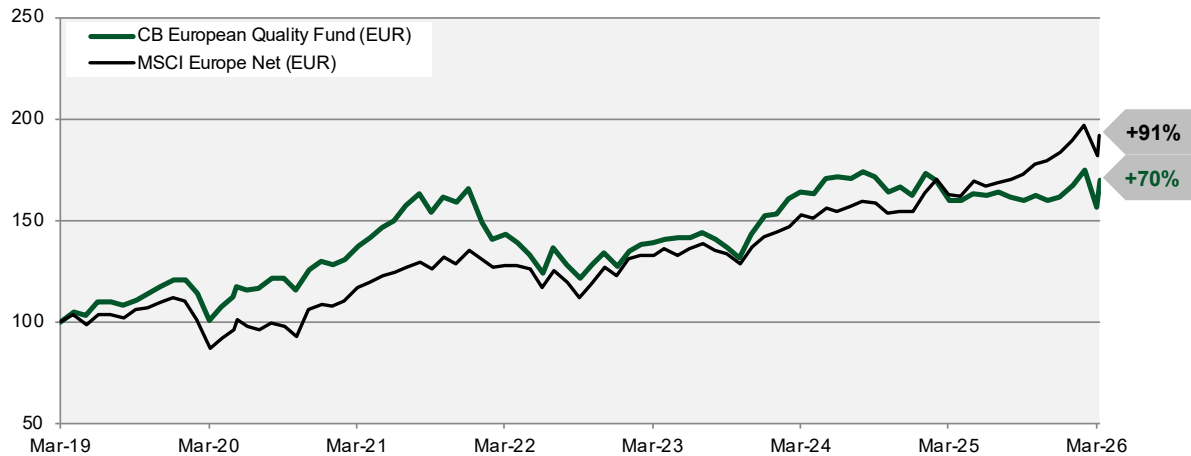
The fund and the benchmark index, YTD 2026 (EUR)



# The fund and the index

## CB European Quality Fund

The fund (EQF) and the benchmark index, 7 year (EUR)



Key ratios (7 yrs)*	EQF	Europe
Performance, %	+69.9	+91.4
Standard deviation, %	17.1	16.1
Sharpe (0%)	+0.46	+0.60
Max drawdown, %	-32.2	-35.3
Beta against MSCI Europe	+0.96	
Alpha against MSCI Europe, % p.a.	-1.5	
Consistency with MSCI Europe, %	49.8	
Tracking error, %	7.2	
Information ratio	-3.0	
Carbon Intensity**	804	1014

The fund has performed worse than the benchmark index, but with lower risk (beta: 0.96), generating a negative alpha. The fund's risk-adjusted return, Sharpe, is lower than that of the index.

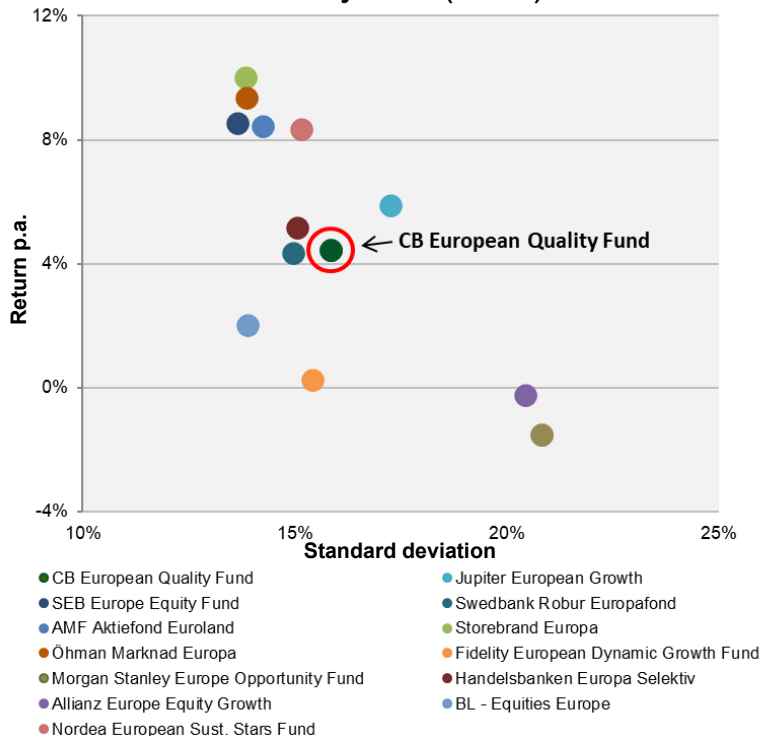
Sources: MSCI, CB Fonder  
 \*Daily data \*\*Weighted average (tons of CO2e (scope 1+2+3)/€M Sales), as of quarter-end.

# The fund and peers

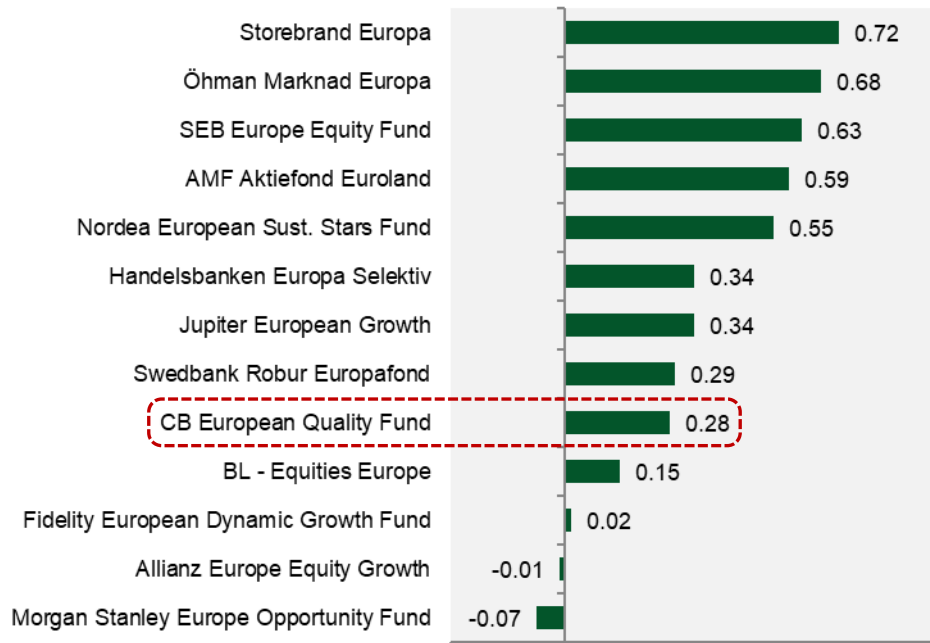
## CB European Quality Fund

- CB European Quality Fund's objective is to offer investors a **high and competitive risk adjusted return**.
- The fund has had an average risk and an average return; a combination that results in an average Sharpe ratio.

Risk and return, 5 years (EUR)



Sharpe, 5 years (EUR)

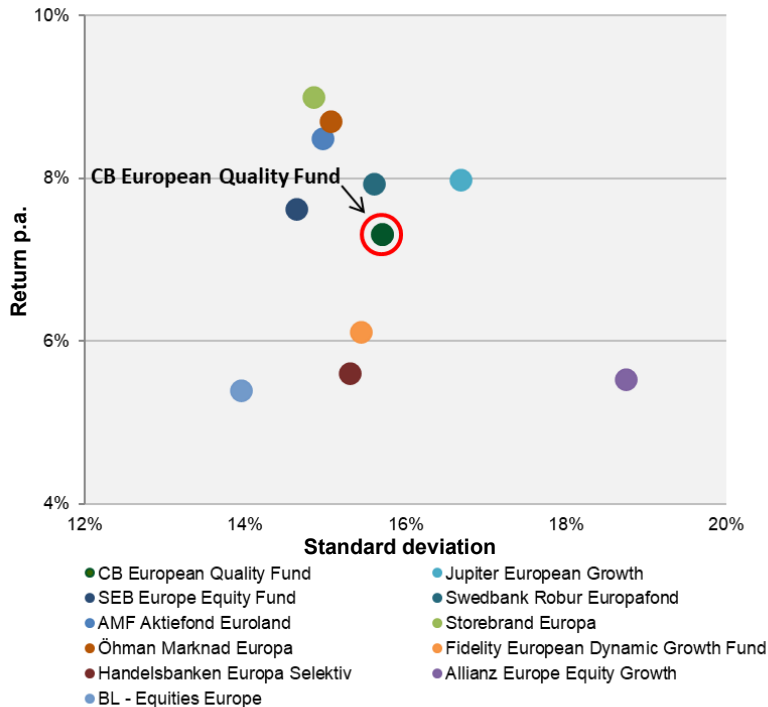


# The fund and peers

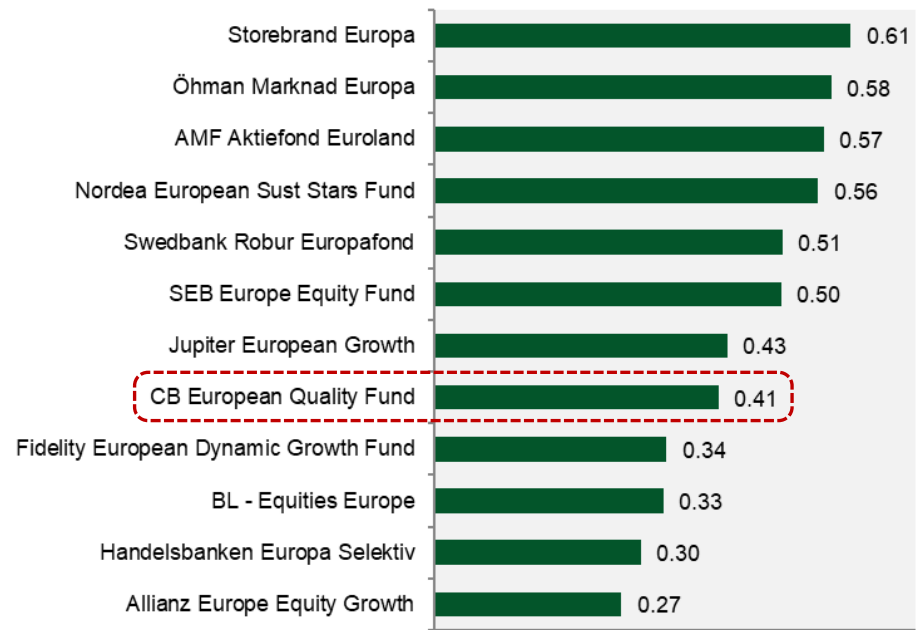
## CB European Quality Fund

- CB European Quality Fund's objective is to offer investors a **high and competitive risk adjusted return**.
- The fund has had an average risk and an average return; a combination that results in an average Sharpe ratio.

### Risk and return, 10 years (EUR)



### Sharpe, 10 years (EUR)



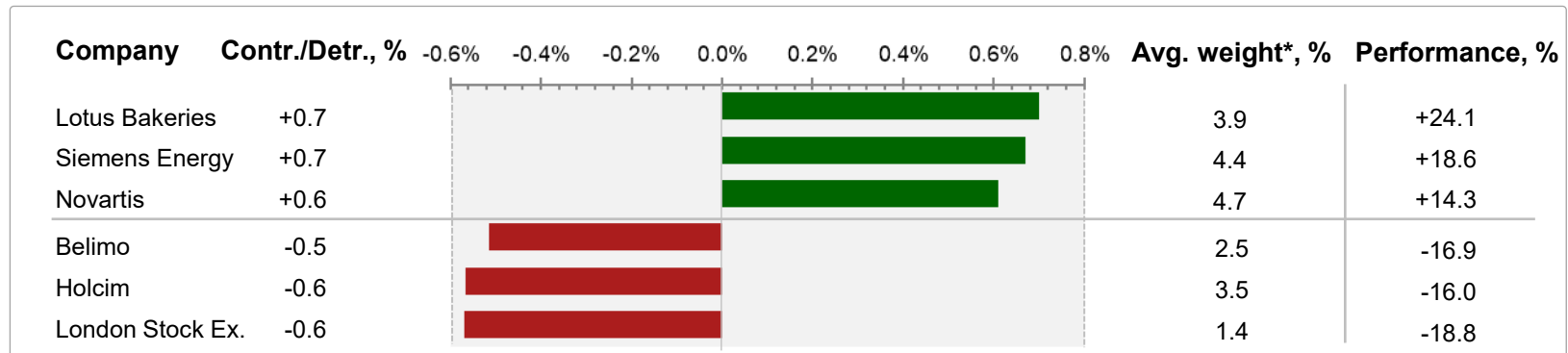


# Portfolio

# Contributors and detractors

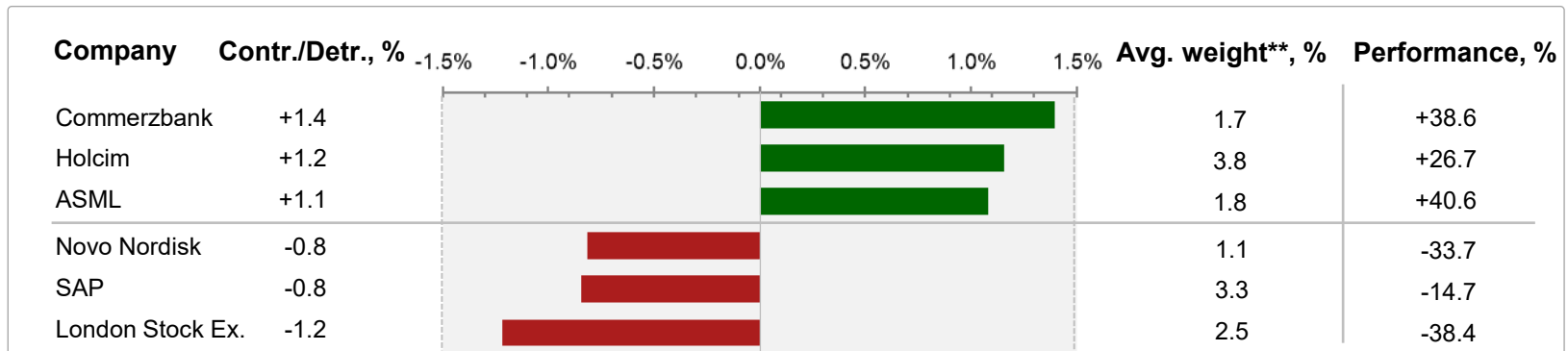
## CB European Quality Fund

### Top three quarterly contributors and detractors, most recent quarter (EUR)



\*Average values during the quarter

### Top three contributors and detractors, last 12 months (EUR)



\*\*Average values last 12 months

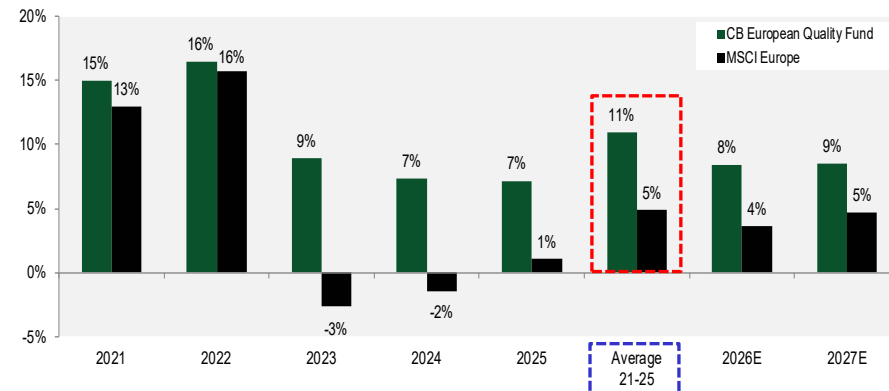
# Holdings

## CB European Quality Fund

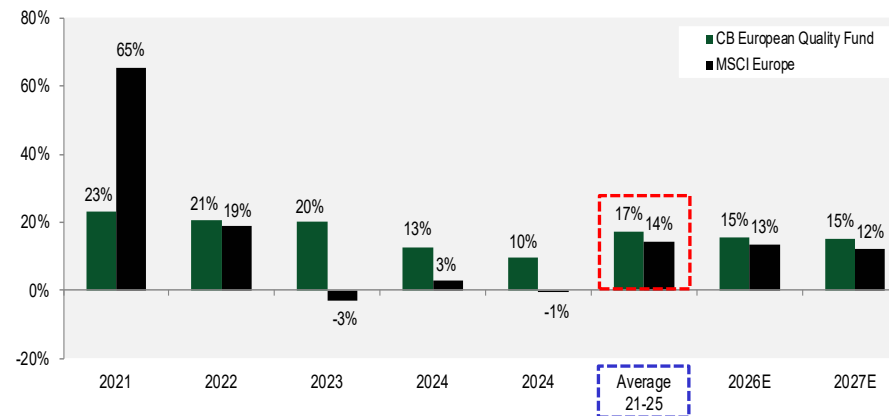
### The portfolio as of quarter-end

Company	Country	Sector	Market cap € bn	P/E 2026E	EPS-growth 2026E	Share of MSCI Europe	Share of AUM
ABB	Switzerland	Industrials	126	25	4%	0.9%	5.0%
Halma	UK	IT	17	31	11%	0.1%	4.8%
AstraZeneca	UK	Health Care	261	17	13%	2.3%	4.8%
Novartis	Switzerland	Health Care	266	16	10%	2.2%	4.8%
Hochtief	Germany	Industrials	30	23	27%	0.1%	4.6%
Diploma	UK	Industrials	9	26	4%	0.0%	4.3%
Siemens Energy	Germany	Industrials	122	n/a	n/a	1.0%	4.3%
Lotus Bakeries	Belgium	Consumer Staples	8	37	14%	0.0%	4.3%
Schneider Electric	France	Industrials	132	20	16%	1.1%	4.2%
ASML	Netherlands	IT	434	30	29%	3.8%	4.2%
Wärtsilä	Finland	Industrials	19	25	13%	0.1%	4.1%
Sandvik	Sweden	Industrials	41	21	11%	0.3%	4.1%
NKT	Denmark	Industrials	6	23	41%	0.0%	4.0%
ASM I	Netherlands	IT	31	28	25%	0.3%	4.0%
Metso	Finland	Industrials	12	17	16%	0.1%	3.9%
Legrand	France	Industrials	35	21	10%	0.3%	3.8%
Konecranes	Finland	Industrials	7	14	11%	0.0%	3.7%
Holcim	Switzerland	Materials	40	16	14%	0.3%	3.4%
Heijmans	Netherlands	Industrials	2	11	13%	0.0%	3.4%
SSAB	Sweden	Materials	7	10	9%	0.0%	3.3%
DSV	Denmark	Industrials	49	18	36%	0.4%	3.1%
Atlas Copco	Sweden	Industrials	71	25	13%	0.4%	3.0%
Addtech	Sweden	Industrials	8	33	17%	0.1%	2.7%
Belimo	Switzerland	Industrials	8	30	19%	0.1%	1.7%
L'Oreal	France	Consumer Discr.	186	24	8%	0.7%	1.6%
Galenica	Switzerland	Health Care	5	22	7%	0.0%	1.0%
			<b>30.6</b>	<b>21.5</b>	<b>15.0%</b>	<b>14.5%</b>	<b>97.0%</b>
			Median	Weighted Average	Weighted Average	Total	Total

### Revenue growth, the portfolio and index



### EPS-growth, the portfolio and index



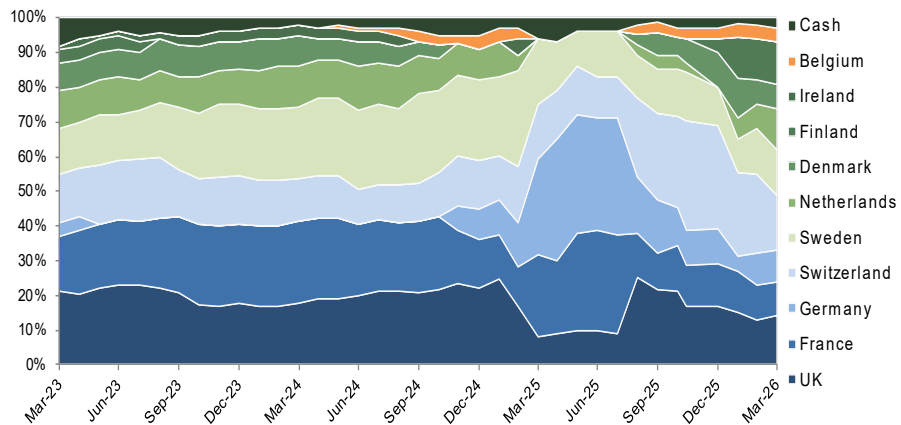
➔ 24 portfolio companies are working with the [U.N. Global Goals for Sustainable Development](#)

Sources: MSCI, Bloomberg, FTSE, Dow Jones, Deutsche Bank, CB Fonder, U.N. Global Compact

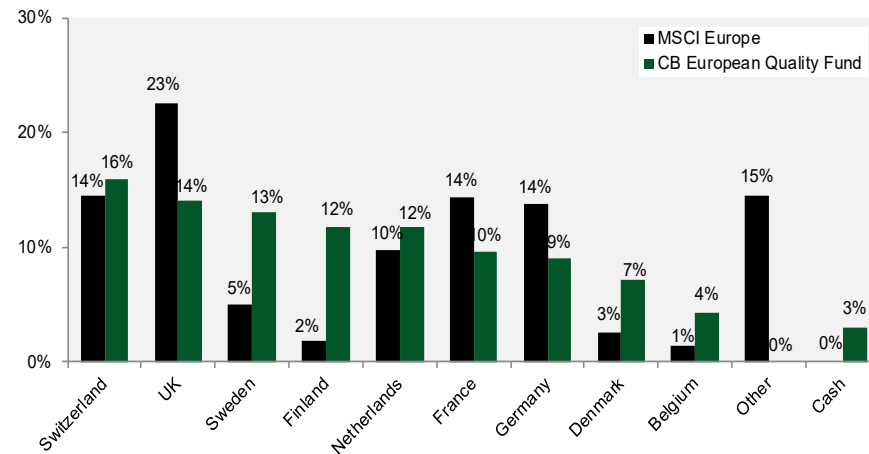
# Geographical and sector allocation

## CB European Quality Fund

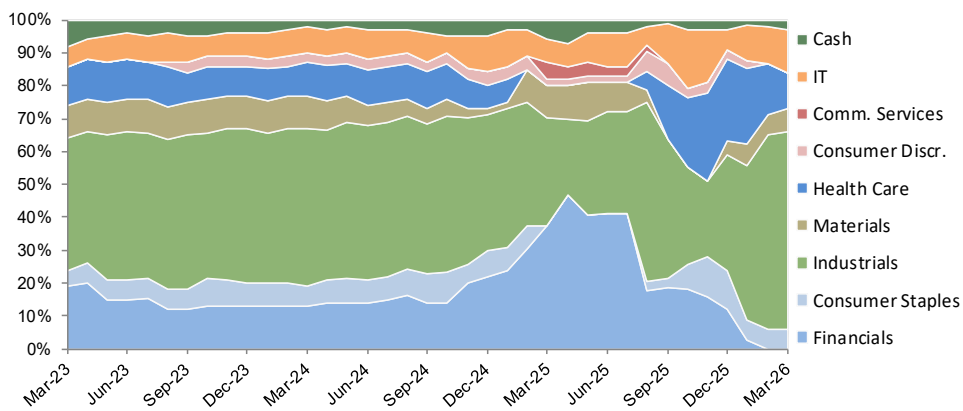
### Geographical exposure, 36 months



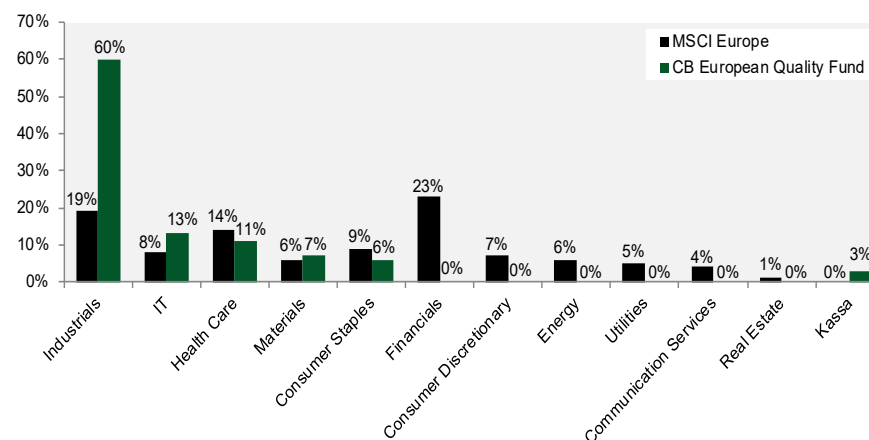
### Geographical exposure



### Sector exposure, 36 months



### Sector exposure



Sources: MSCI, iShares, CB Fonder, Bloomberg  
Data as of quarter-end

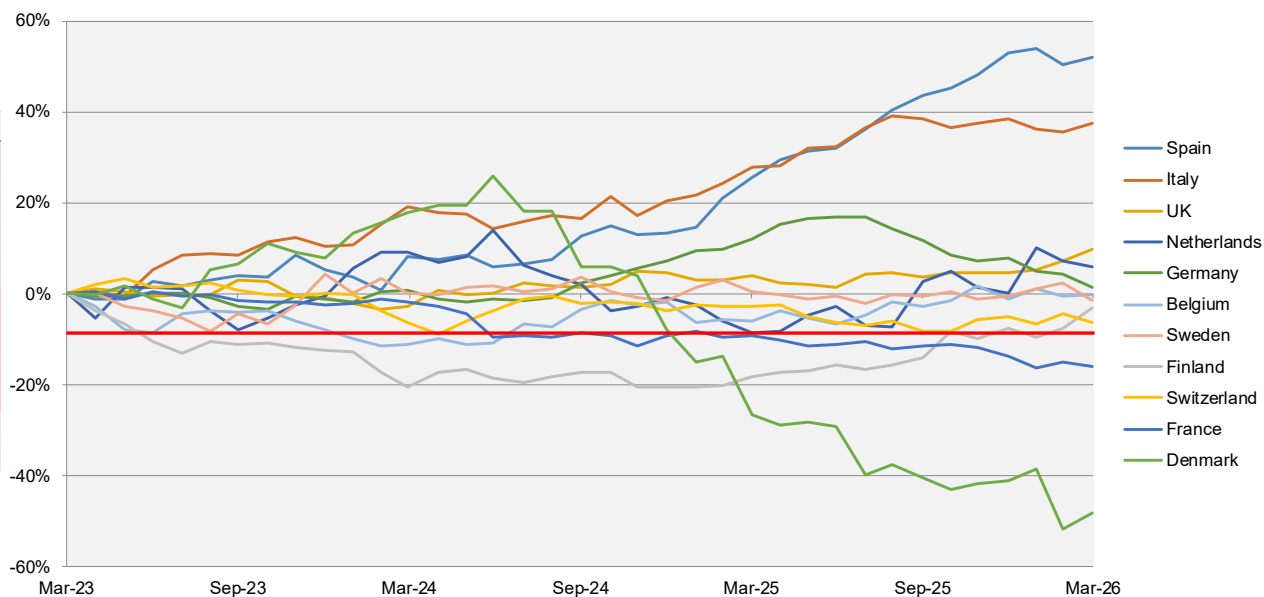
# Performance per country

## CB European Quality Fund

Relative performance for selected countries in MSCI Europe, compared with MSCI Europe in the same currency. All values include dividend (Net).

- The best markets on a three year basis are Spain, Italy and UK; the worst are Switzerland, France and Denmark.
- UK and Netherlands have outperformed on all periods; France and Denmark have underperformed on all periods.

	3M	6M	12M	36M
Spain	0%	6%	21%	52%
Italy	-1%	-1%	8%	38%
UK	5%	6%	5%	10%
Netherlands	6%	3%	16%	6%
Germany	-6%	-9%	-9%	2%
Belgium	1%	3%	6%	0%
Sweden	-1%	-1%	-2%	-2%
Finland	5%	13%	19%	-3%
Switzerland	-1%	2%	-4%	-6%
France	-3%	-5%	-7%	-16%
Denmark	-12%	-13%	-29%	-48%



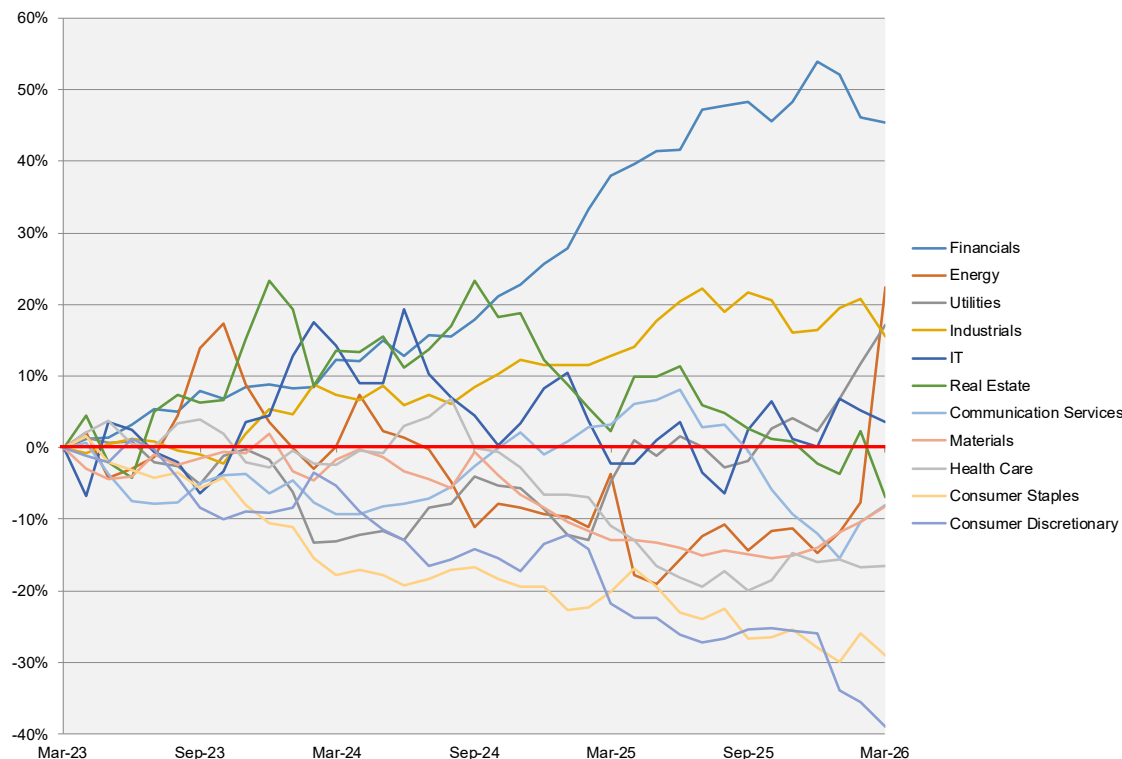
# Sector performance

CB European Quality Fund

Relative performance for sectors in MSCI Europe, compared with MSCI Europe in the same currency. All values include dividend (Net).

- The best performing sectors on a three year basis are Financials, Energy and Utilities; the worst are Health Care, Consumer Staples and Consumer Discretionary.
- Energy, Utilities and IT has outperformed on all periods; Real Estate, Consumer Staples and Consumer Discretionary have underperformed on all periods.

	3M	6M	12M	36M
Financials	-6%	-2%	5%	45%
Energy	44%	43%	27%	22%
Utilities	14%	19%	23%	17%
Industrials	-1%	-5%	2%	15%
IT	3%	1%	6%	4%
Real Estate	-5%	-9%	-9%	-7%
Communication Services	4%	-8%	-11%	-8%
Materials	7%	8%	6%	-8%
Health Care	-1%	4%	-6%	-17%
Consumer Staples	-1%	-3%	-11%	-29%
Consumer Discretionary	-18%	-18%	-22%	-39%

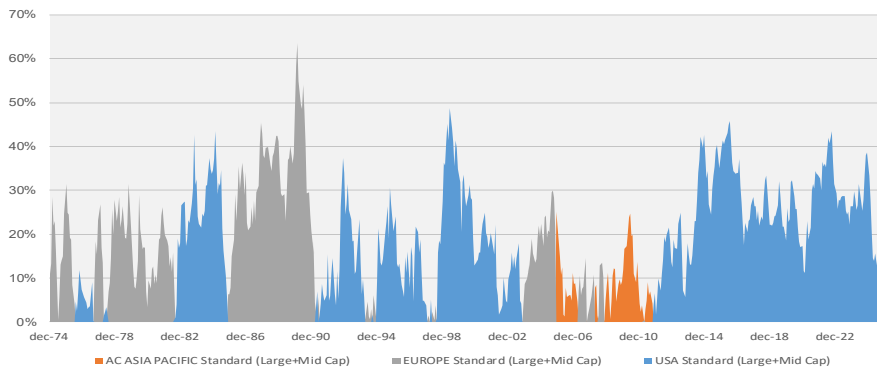


# Performance per region

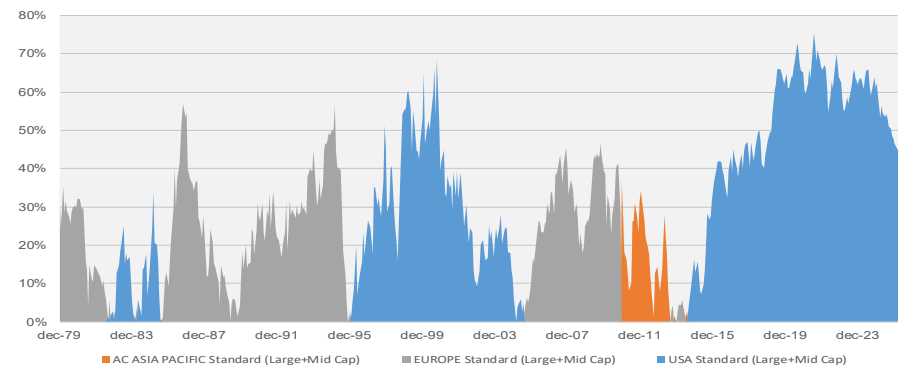
## CB European Quality Fund

- The US market has outperformed for a historically long period of time, both on a rolling 60 and 120 months.
- As the regions Europe and the United States have demonstrated a tendency towards mean-reversion in their long-term development, it is reasonable to assume that Europe may soon emerge as a superior performer. While this implies a relative underperformance for the United States, it does not necessarily imply a negative absolute performance.

Performance of the best market, relative to the second best market, rolling 60 months\*



Performance of the best market, relative to the second best market, rolling 120 months\*



# Investment Case

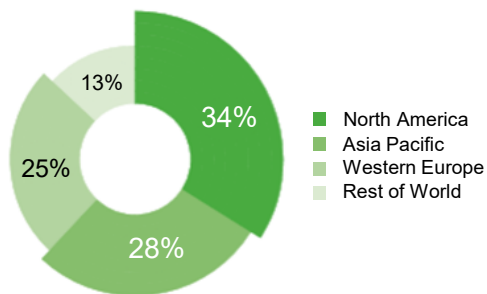
# Case: Schneider Electric

## CB European Quality Fund



**Global Leader in Industry Technology**

Diversified Geographical Exposure



Source: Company reports

- Provides **world-class expertise** in areas such as electrification, automation, and digitalization to smart industries, resilient infrastructure, future-proof data centers, and intelligent buildings.
- **Leader in energy efficiency** with strong structural growth.



World-leading portfolio addressing the opportunities from structurally growing end-markets

	Data Centers & Networks	Buildings	Industry	Infrastructure
End-markets Exposure:	19%	34%	35%	12%
Market Positioning:	#1 Electrical distribution Most complete portfolio	#1 Electrical distribution Present within 1 out of 4 buildings	#1 Electrical distribution #1 Industrial data & safety	#1 Electrical distribution #1 Industrial data #1 Grid
Market CAGR to 2027:	>10%	+4% to +5%	+5% to +6%	+5% to +7%
Key Drivers:	Artificial Intelligence	Decarbonization	Reshoring & mega-projects	Big government funding

Source: Company reports

Facts	Science Based Target	MSCI ESG rating	ESG controversies
<p><b>R&amp;D</b> 5.6% of Sales</p> <p><b>Carbon Intensity</b> 485 t/MEUR sales*</p> <p><b>EU Taxonomy alignment</b> 18.0% of Revenue</p>	<p>Schneider have verified SBTi CO<sub>2</sub>-reduction targets:</p> <p><b>Near term</b> 1.5°C by 2030</p> <p><b>Long term</b> 1.5°C by 2050</p> <p><b>Net zero</b> Committed by 2050</p>	<p>AAA</p>	<p>Schneider Electric is not involved in any major ESG controversies.</p>

Source: Company reports, MSCI, Bloomberg

\*(tons of CO<sub>2</sub>e (scope 1+2+3)/year)/MEUR Sales, source: MSCI

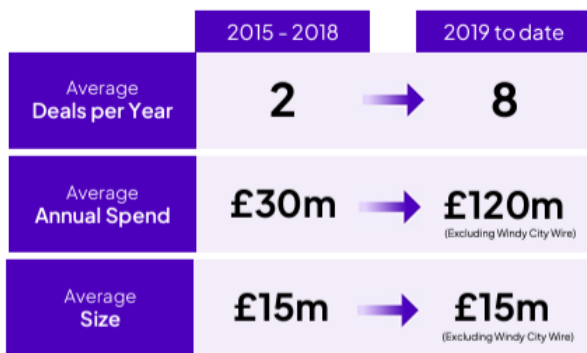
# Case: Diploma

## CB European Quality Fund

### DIPLOMA PLC

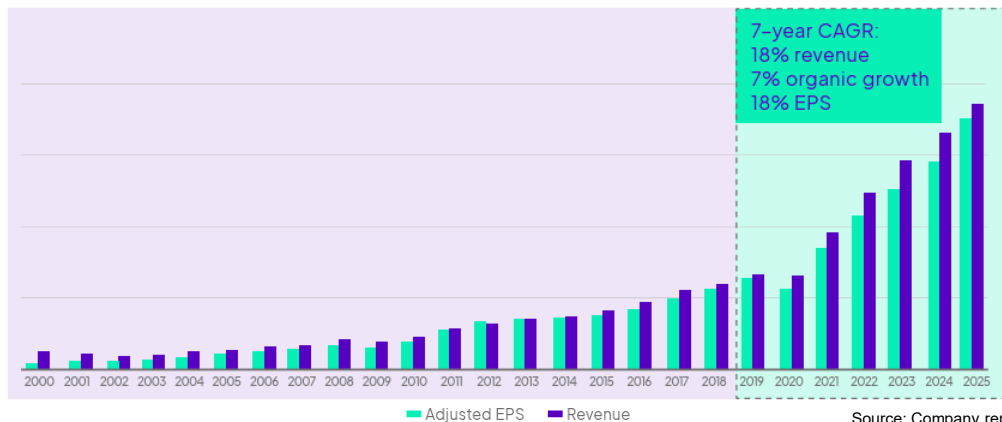
Leading serial acquirer with strong positioning in structurally growing end markets

A more aggressive M&A strategy in recent years...



Source: Company reports

...combined with strong organic growth, has resulted in a long track record of compounding



Source: Company reports

Facts	Science Based Target	MSCI ESG rating	ESG controversies
<b>R&amp;D</b> Different across holdings  <b>Carbon Intensity</b> 701 t/MEUR sales*  <b>EU Taxonomy alignment</b> n/a	Diploma have verified SBTi CO <sub>2</sub> -reduction targets: <b>Near term</b> 1.5°C by FY2030  <b>Long term</b> 1.5°C by FY2045  <b>Net zero</b> Committed by FY2045		Diploma is not involved in any major ESG controversies.

Source: Company reports, MSCI

- Good positioning in **structurally growing end markets** and a diversified business, combined with strong potential for expansion in large, developed geographic areas, creates solid conditions for continued success.
- **Strong track record:** Over the past five years, Diploma has invested £1.3 billion in 41 fast-growing and value-creating companies with strong positions in their niche markets. Peerless, an investment of approximately £236 million, is an example of a successful acquisition with an impressive historical organic growth of 9% CAGR in a structurally growing end market.

\*(tons of CO<sub>2</sub>e (scope 1+2+3)/year)/MEUR Sales, source: MSCI



# Risk Profile

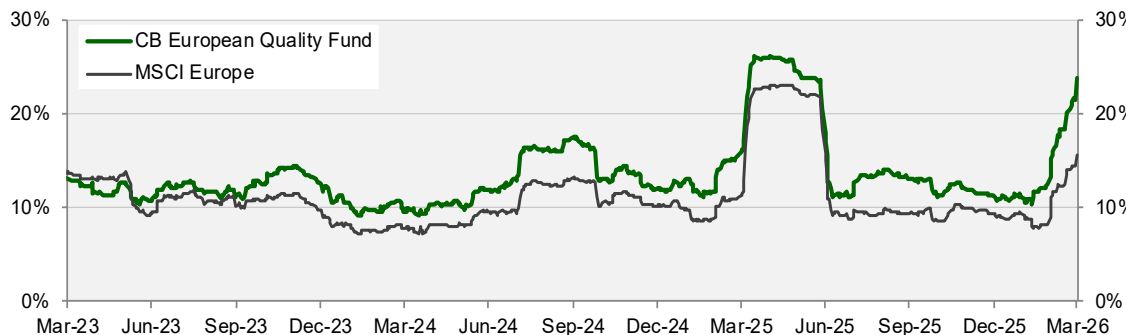
CB FONDER

# Standard deviation and beta

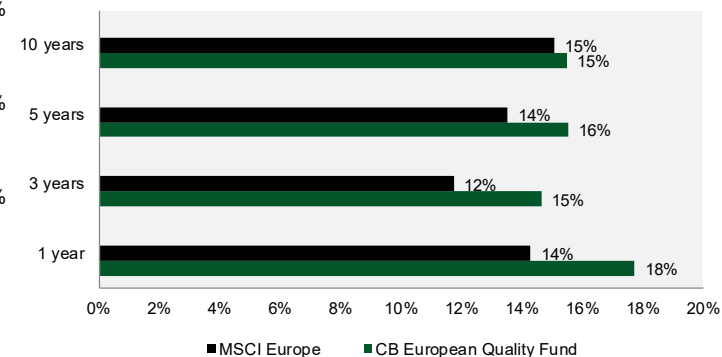
## CB European Quality Fund

### Standard deviation\*

Standard deviation on a 60-day rolling basis, 3 years

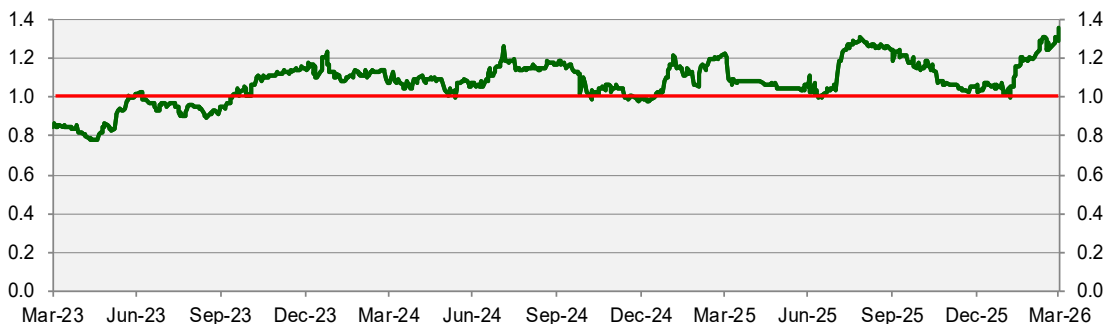


Standard deviation, 1-10 years

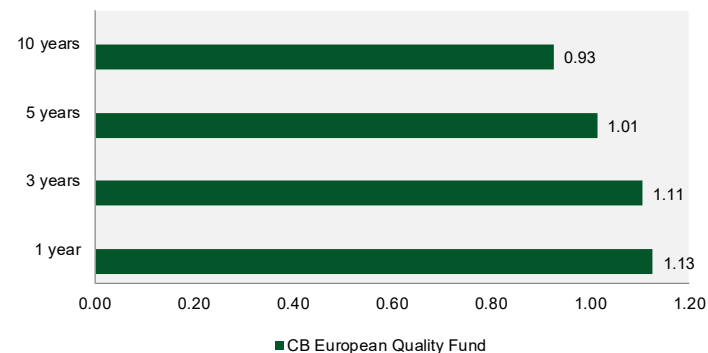


### Beta against MSCI Europe\*

Beta on a 60-day rolling basis, 3 years



Beta, 1-10 years



Sources: MSCI, CB Fonder  
\*Daily data as of quarter-end, in EUR

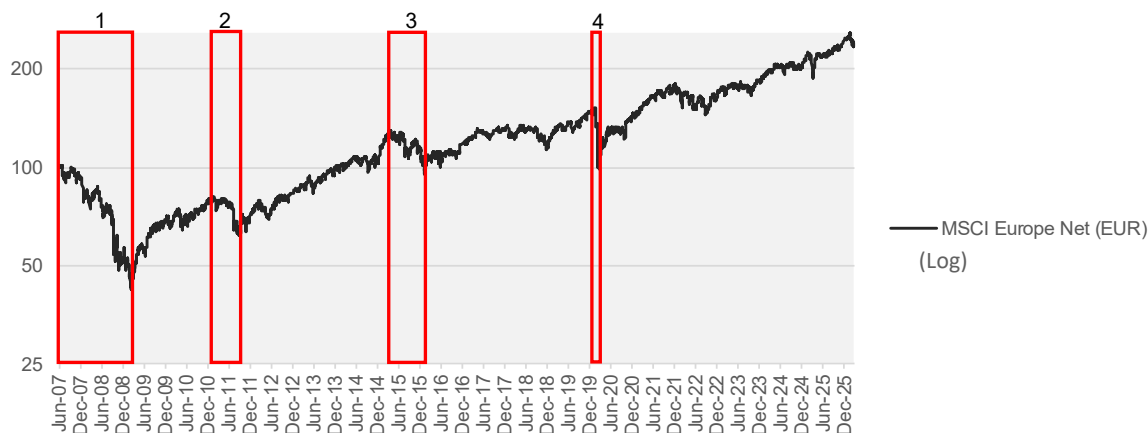
# The fund's ability to preserve capital

CB European Quality Fund

The fund's objective is to perform better than the market during drawdowns

The fund compared to MSCI Europe Net during bear markets (>20 % drawdown) (EUR)

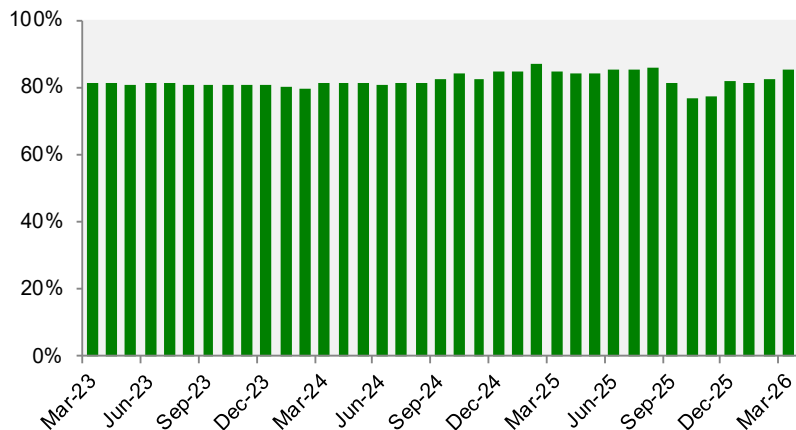
Drawdown				
Period	Index	Fund		Outperformance
1. 2007-07-16 - 2009-03-09	-58.5%	-45.3%	●	31.9%
2. 2011-02-17 - 2011-09-22	-24.3%	-14.1%	●	13.5%
3. 2015-04-15 - 2016-02-11	-25.9%	-18.1%	●	10.6%
4. 2020-02-19 - 2020-03-18	-35.3%	-31.7%	●	5.5%



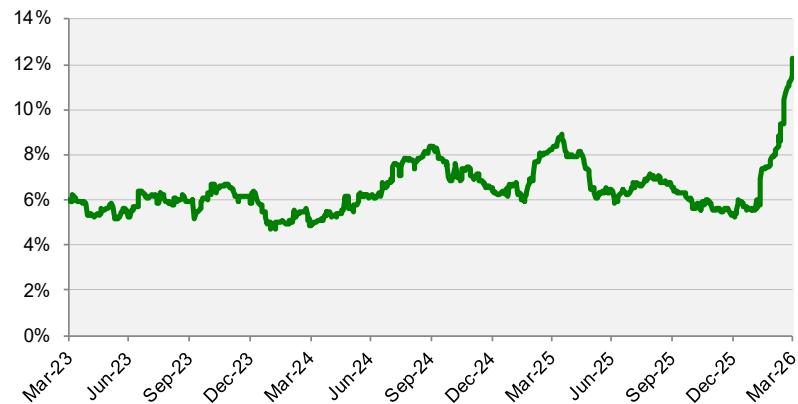
# Deviation from index

## CB European Quality Fund

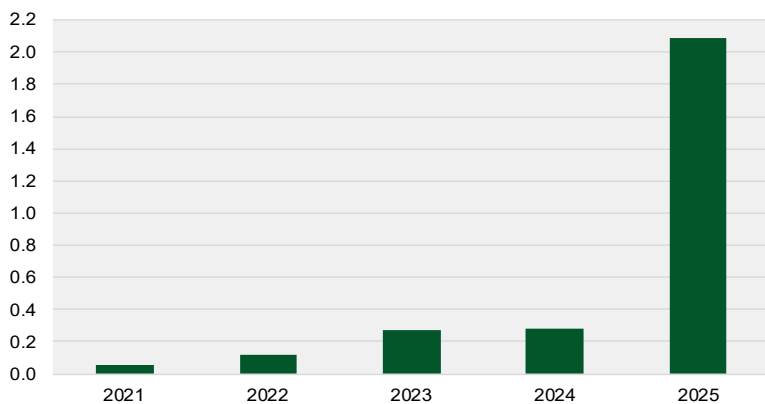
**Active Share**



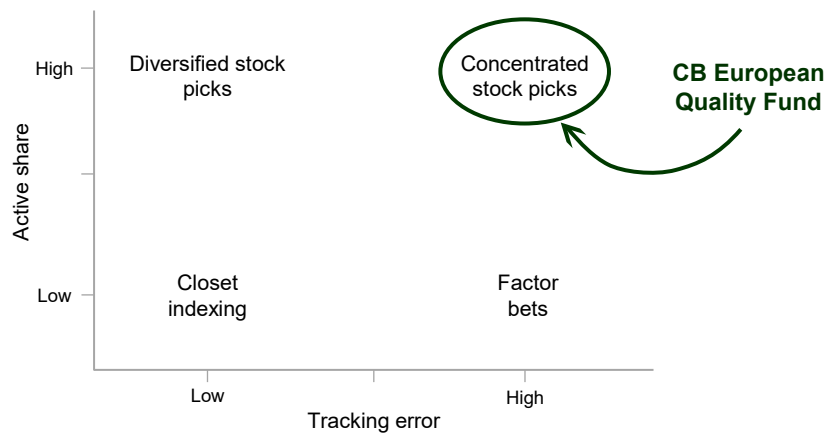
**Tracking error, 60-day rolling basis**



**Turnover\***



**Types of management\*\***



\*Calculated using SPA formula; Turnover = lowest of sum of bought and sum of sold stocks, divided by AUM

\*\*Model by Cremers och Petajisto (2009)



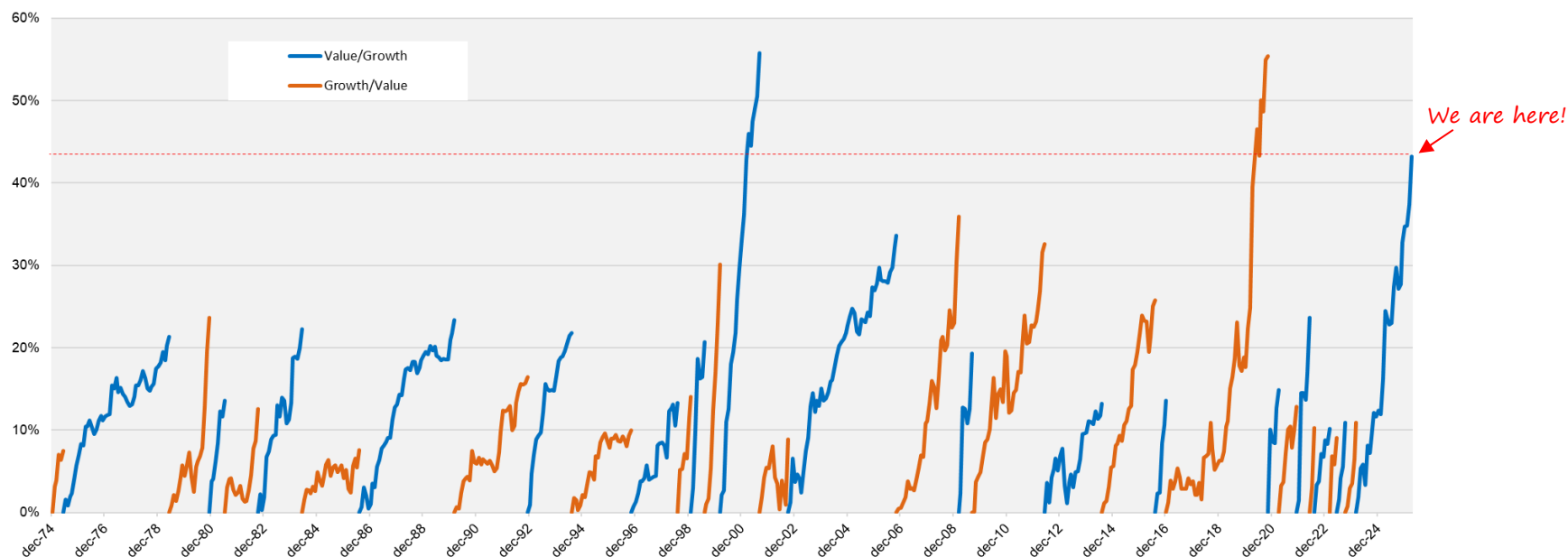
# Analysis

# Growth and value stocks

## CB European Quality Fund

- The market can be divided into two main categories: growth and value stocks. The first one is characterized by high growth while the latter is characterized by low valuations.
- The graph displays periods of outperformance for growth stocks (orange lines) and value stocks (blue lines), respectively. **Trend reversals often occur around the red dashed line.**
- At quarter-end, value companies have outperformed growth companies by +43% since the turn of the month February / March 2024.

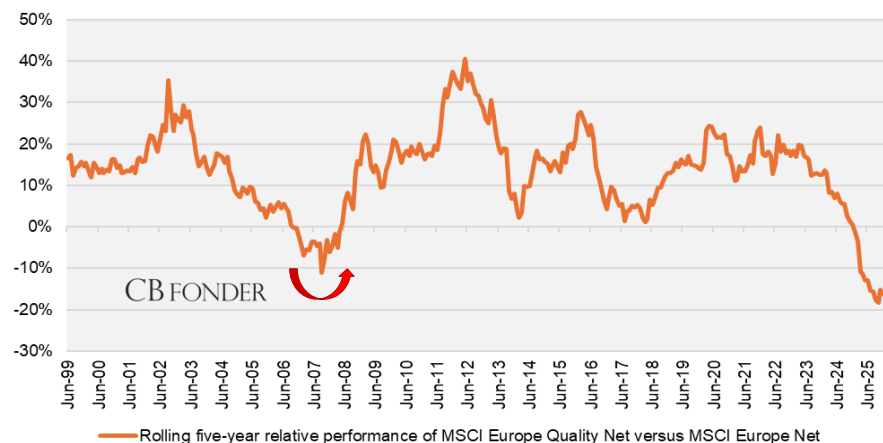
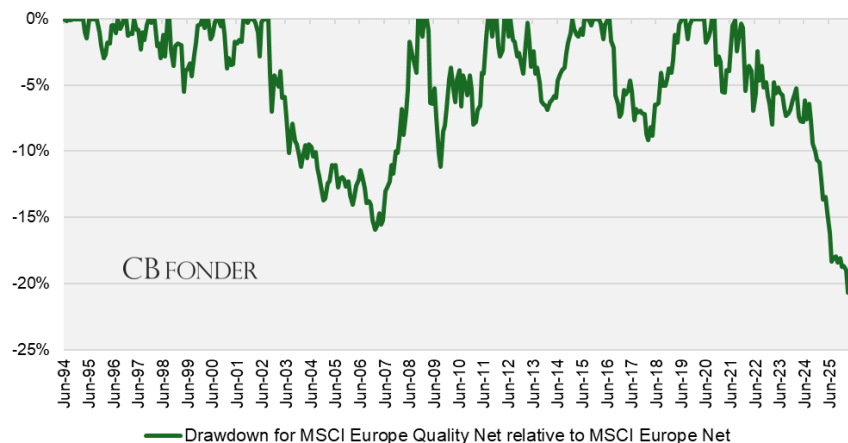
### Periods of outperformance for growth and value stocks, respectively (MSCI Europe Growth resp. MSCI Europe Value)



# "Buy quality, cry once"

## CB European Quality Fund

- **The first chart below shows the drawdown of MSCI Europe Quality Net relative to MSCI Europe Net.** Never before has Quality (stocks with low leverage, stable earnings and high profitability) underperformed to this extent.
- **The second chart shows the rolling five-year relative performance of MSCI Europe Quality Net versus MSCI Europe Net.** Never before has Quality underperformed this much over a five-year period. The last time Quality recorded a five-year underperformance of -10% (in 2007, indicated by the red arrow in the chart), it was followed by **outperformance of +8% over one year, +17% over three years, and +32% over five years.** Today, the five-year underperformance is -16%.



# Europe versus the U.S.

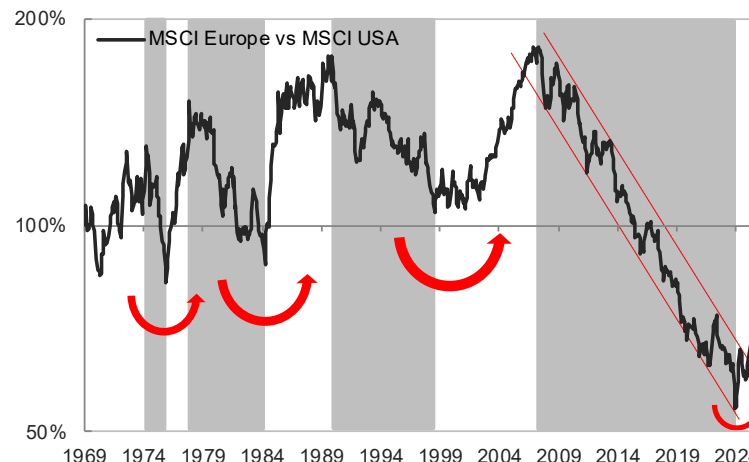
## CB European Quality Fund

- Europe has four explicit periods of underperformance against the U.S.; the three previous periods bottomed out when the accumulated underperformance reached ~40% - during the latest one, **Europe has underperformed by 70%**!
- Does a new period of outperformance stand before Europe?** Never before (with data going back to 1969) has Europe underperformed more than -70% and never before has the underperformance lasted as long as 204 months (approx. 17 years).
- Absolute return has always been good when Europe has outperformed against the U.S.**

### MSCI Europe relative to MSCI USA. Periods of out-/underperformance

Time period		Absolute return (USD)			
From	To	MSCI Europe	MSCI USA	Relative return	Duration Months
1975-02-28	1976-10-29	-18%	30%	-37%	20
1976-10-29	1978-10-31	76%	-4%	84%	24
1978-10-31	1985-02-28	34%	132%	-42%	76
1985-02-28	1990-10-31	283%	90%	102%	68
1990-10-31	1999-06-30	224%	451%	-41%	104
1999-06-30	2007-11-30	102%	15%	75%	101
2007-11-30	2024-11-29	54%	420%	-70%	204
2024-11-29	2026-03-31	28%	9%	18%	16

### MSCI Europe relative to MSCI USA, same currency, logarithmic scale



# Europe versus the U.S.

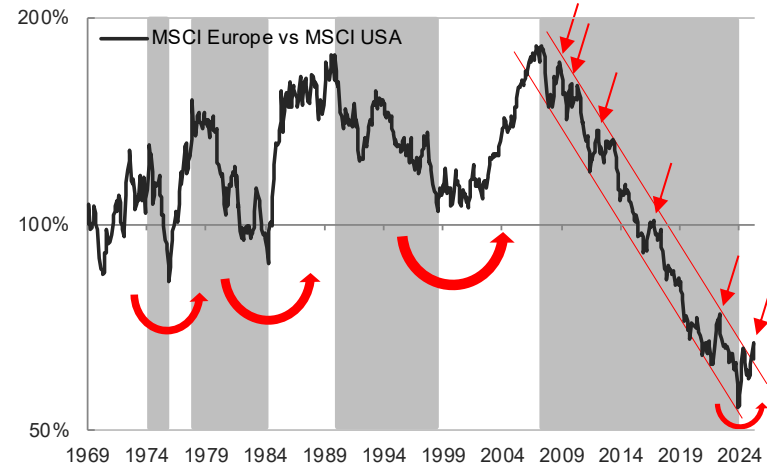
## CB European Quality Fund

- **Longest outperformance since 2007** – Europe has risen **+18% relative to the US over 16 months**, the longest sustained period of outperformance since the negative trend for Europe began in 2007.
- **Second strongest move** – In terms of magnitude, the current rally is **the second largest** for Europe versus the US since 2007.
- **Breakout from the negative trend channel** – For the first time since 2007, Europe has **broken out of the declining trend channel** versus the US – a potential sign of a trend shift.

### MSCI Europe relative to MSCI USA. Periods of outperformance since 2007

Time period		Absolute return (USD)			
From	To	MSCI Europe	MSCI USA	Relative return	Duration Months
2008-10-31	2009-10-30	27%	9%	16%	12
2010-05-31	2010-10-29	24%	10%	13%	5
2012-05-31	2013-01-31	33%	16%	15%	8
2016-11-30	2017-09-30	29%	16%	11%	10
2022-10-31	2023-04-30	28%	8%	19%	6
2024-11-29	2026-03-31	28%	9%	18%	16

### MSCI Europe relative to MSCI USA, same currency, logarithmic scale



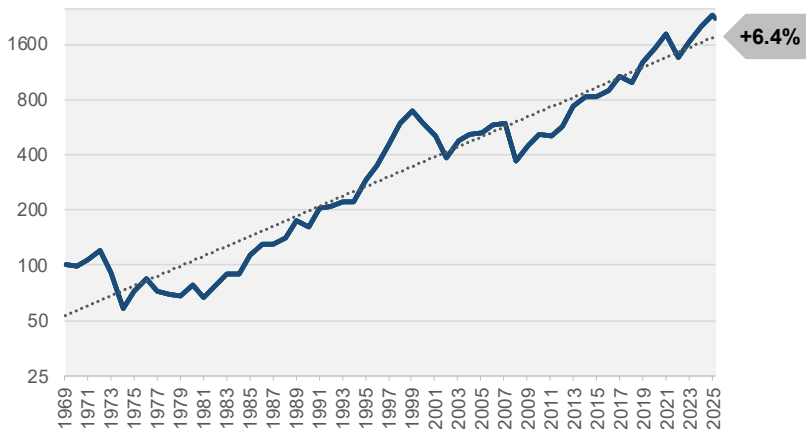
# The market – long-term trend

## CB European Quality Fund

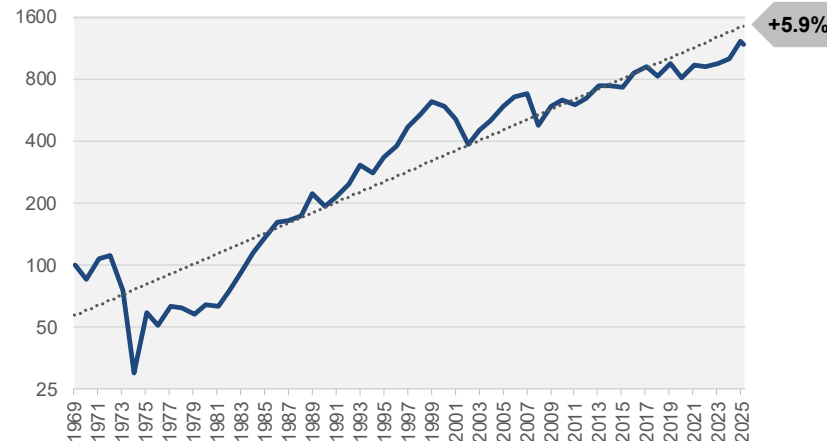
Real return (inflation adjusted) and long-term trend (local curr., incl. div.)\*

+X.X% = Long-term trend. Return p.a.

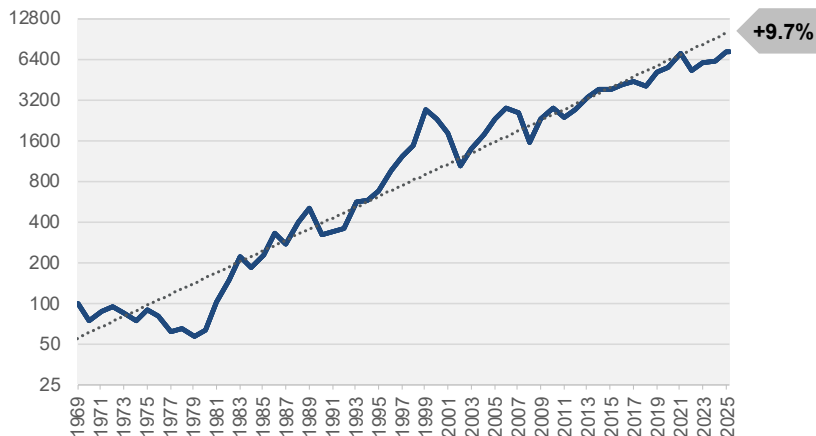
**MSCI USA**



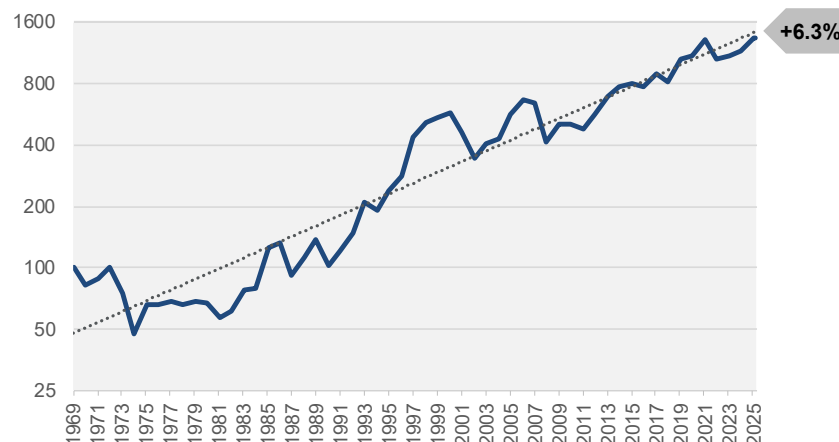
**MSCI UK**



**MSCI Sweden**



**MSCI Switzerland**



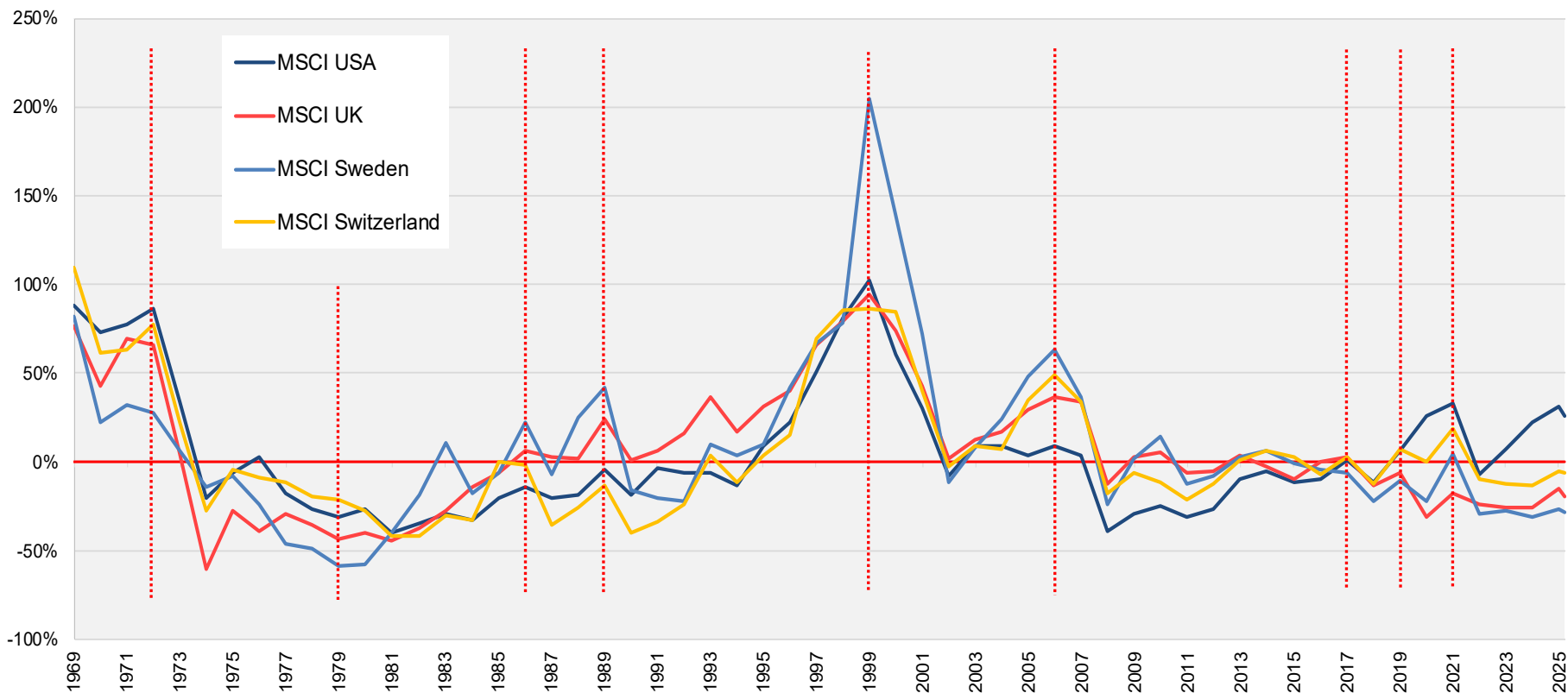
Sources: MSCI, inflation.eu, CB Fonder  
 \*Logarithmic scale  
 Data as of quarter-end

# The market – long-term trend

## CB European Quality Fund

Deviation from trend for each respective market

..... = Year before large drawdown



The year prior to drawdown >20% in the S&P 500 (1972, 1979, 1986, 1999, 2006, 2019, 2021), we have in all of the cases above seen a positive deviation from the long-term trend (>0% on the y-axis), for one or more markets.

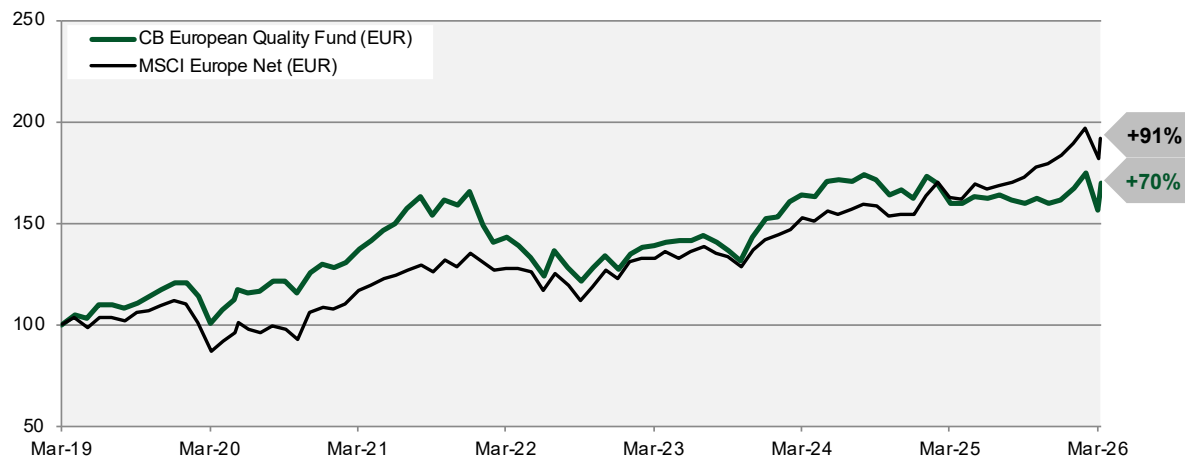


# Appendix.

# CB European Quality Fund in short

## CB European Quality Fund

### The fund (EQF) and the benchmark index, 7 year (EUR)



- Long-term **structural growth in mature industries**; proven management and stable profit growth.
- **Competitive returns and lower risk than the benchmark, MSCI Europe Net. Consistent outperformance against the index during drawdowns.**
- An **ethical and sustainable framework**: no exposure to alcohol, pornography, gambling, tobacco, weapon and fossil energy (stranded assets).
- Classified by SFDR as **Article 9 (Dark Green)**.
- Concentrated portfolio: 26 holdings; **Active Share 86%**.
- With a relatively **low correlation** compared to its benchmark index, MSCI Europe Net, as well as other important indices, the fund will add diversification to most portfolios.
- The distributing share class, class D, pays **a dividend of 3% of NAV as of 30 April and 3% of NAV as of 31 October. The dividend is paid in early May and November, respectively.**

# Share classes

## CB European Quality Fund

### CB European Quality Fund, A

- Management Fee: 1.5%
- Performance Fee: No
- Dividend: No
- ISIN: LU0112589485

### CB European Quality Fund, I

- Management Fee: 0.5%
- Performance Fee: 20% of outperformance vs. MSCI Europe Net, with collective, eternal and relative High-Water Mark. The share class is **-28.8% below HWM**.
- Dividend: No
- ISIN: LU0806934948

### CB European Quality Fund, D

- Management Fee: 1.5%
- Performance Fee: No
- Dividend: Yes, **3% of NAV** as of 30 April and **3% of NAV** as of 31 October. The dividend is paid in early May and November, respectively.
- ISIN: LU1179404386

# Fund facts

## CB European Quality Fund

- Fund name: **CB European Quality Fund**
- Manager: **CB Asset Management AB**
- Domicile: **Luxembourg**
- Mgmt company/Depository: **Luxcellence / CACEIS Investor Services, Luxembourg**
- Auditor: **PricewaterhouseCoopers S.ár.l.**
- UCITS: **Yes**
- Currency: **EUR**
- Liquidity/NAV: **Daily/Daily**
- Subscription/redemption fee: **A: No/Yes\*, I: No/No, D: No/Yes\***
- Sustainability declaration: **Yes**
- SFDR: **Article 9 (Dark Green)**
- Strategy launch: **November 1995**
- Minimum investment: **A & D: No, I: Dependent on client relationship**
- ISIN-code/Bloomberg: **A: LU0112589485 / EUREUEA LX**  
**I: LU0806934948 / EUREQIC LX**  
**D: LU1179404386 / CEQEFD LX**

\*Max 1%, dependent on client relationship

# Correlations

## CB European Quality Fund

The fund's (EQF) correlation with different MSCI indices, 3 years\*

### Regional and country indices

	EQF	Europe	World	EM	Sweden
EQF	1.00	0.83	0.69	0.58	0.83
Europe		1.00	0.64	0.58	0.89
World			1.00	0.57	0.53
EM				1.00	0.60
Sweden					1.00

### Market cap indices

	EQF	Europe	Europe Large Cap	Europe Mid Cap	Europe Small Cap
EQF	1.00	0.83	0.82	0.80	0.79
Europe		1.00	1.00	0.92	0.86
Europe large cap			1.00	0.89	0.82
Europe mid cap				1.00	0.96
Europe small cap					1.00

### Investment style indices

	EQF	Europe	Europe Value	Europe Growth	Europe Quality	Europe Momentum
EQF	1.00	0.83	0.61	0.88	0.86	0.75
Europe		1.00	0.89	0.93	0.94	0.92
Europe Value			1.00	0.66	0.73	0.80
Europe Growth				1.00	0.96	0.87
Europe Quality					1.00	0.83
Europe Momentum						1.00

With a relatively low correlation compared to its benchmark index, MSCI Europe, as well as other important indices, the fund will add diversification to most portfolios. The fund has the highest correlation with MSCI Europe Growth.

# EU Taxonomy & Science Based Target initiative

CB European Quality Fund

## Portfolio as of quarter-end

Company	EU Taxonomy contribution to portfolio alignment**	Science Based Target		Share of AUM*
		Near-term	Net-Zero	
ABB	0.3%	1.5°C by 2030	By 2050	5.2%
Halma	0.0%	Not committed	Not committed	5.0%
AstraZeneca	0.1%	1.5°C by 2030	By 2045	5.0%
Novartis	0.0%	1.5°C by 2030	By 2040	5.0%
Hochtief	2.4%	Not committed	Not committed	4.8%
Diploma	0.0%	1.5°C by 2030	By 2045	4.5%
Siemens Energy	4.5%	1.5°C by 2030	Not committed	4.5%
Lotus Bakeries	0.0%	1.5°C by 2030	By 2050	4.4%
Schneider Electric	3.9%	1.5°C by 2030	By 2050	4.4%
ASML	0.1%	1.5°C by 2030	By 2040	4.4%
Wärtsilä	0.0%	Not committed	Not committed	4.3%
Sandvik	0.0%	1.5°C by 2030	Committed by 2040	4.2%
NKT	4.2%	1.5°C by 2030	By 2050	4.2%
ASM International	0.0%	1.5°C by 2032	By 2045	4.2%
Metso	3.0%	1.5°C by 2030	Committed by 2050	4.1%
Legrand	1.4%	1.5°C by 2030	By 2050	3.9%
Konecranes	1.2%	1.5°C by 2030	Committed	3.9%
Holcim	0.6%	1.5°C by 2030	By 2050	3.6%
Heijmans	0.1%	1.5°C by 2030	Committed by 2040	3.6%
SSAB	0.8%	1.5°C by 2033	Committed by 2045	3.4%
DSV	0.0%	1.5°C by 2030	By 2050	3.2%
Atlas Copco	0.2%	1.5°C by 2030	Not committed	3.1%
Addtech	0.1%	1.5°C by 2030	By 2050	2.8%
Belimo	0.0%	1.5°C by 2030	By 2050	1.8%
Loreal	0.0%	1.5°C by 2030	By 2050	1.6%
Galenica	0.0%	Not committed	Not committed	1.1%
<b>Total portfolio alignment</b>	<b>22.8%</b>	<b>84.8%</b>	<b>73.3%</b>	<b>100.0%</b>

## EU Taxonomy

- The EU's classification system for environmentally sustainable economic activities, aligned with the Paris Agreement.
- Measures the share of revenue, CapEx and OpEx that contributes to the EU's six environmental objectives.
- The fund's alignment is 23%** – primarily through Siemens Energy, NKT and Schneider Electric.

## Science Based Targets initiative

- A global initiative that validates companies' climate targets against the 1.5°C scenario.
- Covers both near-term targets and net-zero commitments, externally reviewed.
- 85%** of the portfolio has – or has applied for – a near-term target, while **73%** have a net-zero commitment.



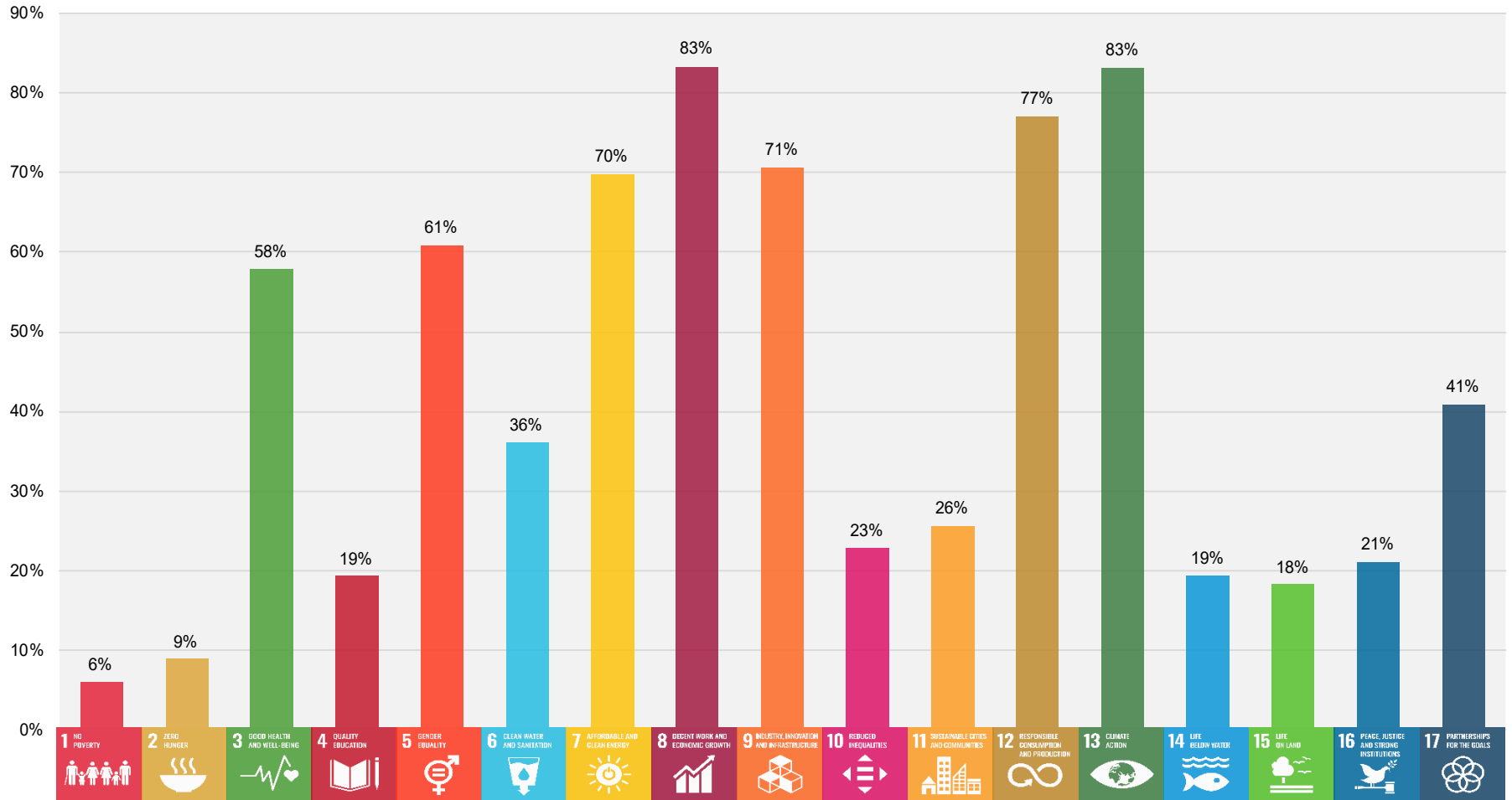
22 portfolio companies have a [Science Based Target](#) or have demonstrated an intention to set one within 24 months

# Portfolio contribution per UN SDG

CB European Quality Fund

## Distribution of portfolio weights per UN 17 Social Development Goals

- Calculated as the weighted portfolio contribution actively working towards respective goal



Sources: Company reports, UN, CB Fonder

# Disclaimer

## CB European Quality Fund

Issued by CB Asset Management AB. It is intended solely to provide certain information (the “Information”) about CB European Quality Fund (the “Fund”) for marketing purposes. CB Asset Management AB has taken all reasonable care to ensure correctness and accuracy of the Information published in that Article, at the time of its publication.

Historical returns are no guarantee of future returns. The money invested in the fund can both increase and decrease in value and it is not certain that you get back all the invested capital. The information provided in this report is what we to our knowledge believe are correct based on the information made available to us for the purpose of this document. No representation or warranty of any nature, express or implied, is made about its completeness, accuracy, reliability or suitability. Nothing contained in this document shall be deemed to constitute a financial, legal, tax or other advice of any kind and no information in this document shall constitute or deem to constitute a solicitation or an offer to purchase, or invest in, any financial products which are referred to on it.

The offering of the shares of the Fund is restricted in many jurisdictions and must not be marketed or offered in or to residents of any such jurisdictions unless such marketing or offering is made in compliance with applicable exemptions for the private placement of collective investment schemes and other applicable jurisdictional rules and regulations. It is the responsibility of every recipient to inform themselves and observe applicable regulations and restrictions in their jurisdiction.

Potential investors in the Fund should inform themselves of the applicable laws and regulations of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding, conversion and redemption of shares in the Fund.

Luxcellence may terminate arrangements for marketing under the denotification process in new Cross-border Distribution Directive (Directive (EU) 2019/1160 (the “Directive”) amends the AIFMD and the UCITS Directive with regard to crossborder distribution of collective investment undertakings.

According to the Sustainable Finance Disclosure Regulation (SFDR) this fund is classified as an article 9, meaning that it has sustainable investment as its objective.

Should you wish to obtain further information on the Fund, please see <https://www.luxcellence.com/funds/>, where the Prospectus, the latest available annual and semi-annual reports, and the Key Information Document (KID) of the Fund are provided. in English. The Key Information Document (KID) is provided also in Swedish. Ongoing costs can be found in the latest KID and amounts to 2.6% for the [A/D](#) classes and 1.5% for the [I](#) class. For complaints, please see <https://cbfonder.se/en/contact/>. Read more about you rights as an investor [here](#).

# CB FONDER

Active | Ethical | Long-term