



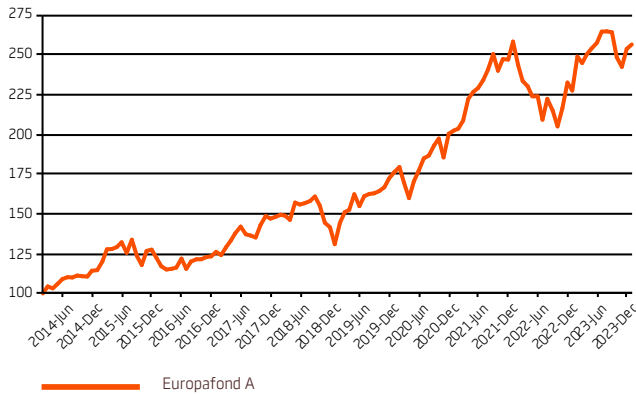
Annual Report 2023

Swedbank Robur Europafond

Fund Manager: Petra Klaffert
 Management Company: Swedbank Robur Fonder AB
 Fund type: Equity funds
 Start date: 1994-04-18

Share classes open for trading: A, I
 Benchmark: MSCI Europe Net
 Base currency: SEK

Performance



Investment Policy

Europafond is an actively managed equity fund that primarily invests in companies in various industries in Europe. The fund has an investment strategy that focuses on company selection, with sector, region and theme analysis being key elements of the strategy. The fund has a long-term investment horizon and the management selects companies that are considered attractively valued in relation to the assessment of the company's future earnings potential. The fund complies with the Management Company's Policy for Responsible Investments, read more in the fund's Information Brochure.

Fund Performance

In 2023, the fund's share class A rose by 12.7%. The fund's share class I rose by 13.6%. The benchmark index rose by 16.0% during the same period.

The fund underperformed its benchmark index during the year. This was partly due to an overweight in the health sector and to individual holdings in the Finance and IT sectors.

The healthcare sector developed weaker than the broader market. The fund's holdings in the German group Merck contributed negatively to the return in both absolute terms and in relation to the benchmark index. The stock was weak as the group's electronics division performed poorly, while inventory adjustments in research tools had a negative impact on sales. In addition, it was announced that one of the drug's phase 3 studies did not reach the set targets, which has a negative impact on future sales. The holdings in the Swiss chemical and pharmaceutical company Lonza also contributed negatively, as this company's sales were also negatively affected by inventory adjustments in research tools. However, we estimate that the sales downturns are cyclical and that the trend is likely to reverse in 2024. The fund is therefore still invested in these companies.

The financial sector contributed negatively to the fund's return relative to the benchmark as the fund's holding in the French multinational payment provider Worldline halved in value. Worldline had made a number of acquisitions in recent years, but the expected positive synergies had been delayed while the company had to terminate several customers in Germany for regulatory reasons. We considered that it may take time for management to correct the problems and therefore sold out the entire holding.

The fund was overweight in the IT sector, which was positive for the fund's performance relative to the benchmark, although Keyword Studios in outsourced game development services was the fund's worst performing investment in 2023. Keyword Studios' stock fell on market concerns that its customers may use proprietary AI (artificial intelligence) tools to develop their games. The fund's position in the company was reduced during the year. In return, the semiconductor company ASM International performed well, and one of the fund's largest holdings, SAP, made a positive contribution to the return.

The fund's positioning in Consumer Goods also contributed positively. The RedCare Pharmacy holding has performed strongly as the German government continues to encourage the use of electronic prescriptions, while the company shows a positive cash flow and continued strong customer growth. The fund's positioning in consumer durables made a positive contribution thanks to the strong performance of the investment in Spanish Inditex, which owns the clothing chain Zara, during the year.

A new investment during the year was the Swiss food company Nestle on the assessment that the sector and the stock were too depressed by the fact that the Consumer Staples sector was one of the weakest of the year. Market concerns that people's calorie intake will be reduced by the launch of anti-obesity drugs may affect longer-term growth prospects, but Nestlé has more exposure to coffee, pet food and health drinks than to packaged food.

Information on the environmental and/or social characteristics of the fund and the disclosure of such investments can be found in the annex to this annual report.

Market Performance

The 2023 stock market year in Europe started with price gains. In the second and third quarters, stock market indices did not move much and then reached annual lows in October in parallel with global interest rates peaking. When central banks signalled at the end of the year that the period of policy rate hikes was over and that the multiple policy rate cuts could be possible in 2024, long market interest rates fell and stock markets rose sharply.

The strongest sectors this year were Technology and Consumer Durables. The share prices of both semiconductor and software companies were driven by the development of and interest in AI (artificial intelligence). Retailers benefitted from the fact that the real economy proved to be more resilient than expected to the negative effects of higher interest rates.

The weakest sectors of the year were Consumer staples and Commodities. Thanks to its interest rate-sensitive financial sector, Southern Europe had a stronger share performance than Central and Northern Europe.

The Swedish krona depreciated for several quarters but then strengthened, ending the year slightly stronger against both the euro and the US dollar than at the start of the year.

Level of Activity

Looking at the last 24-month period, which is reported in the last year in the Basic Facts table, the activity rate was in line with the average of previous years.

This was due to an unchanged investment process and similar market movements as in the previous measurement period. The fund's position structure was unchanged from the previous year both in terms of sector deviation and active position size. In general, the fund's level of activity has varied over the last 10-year period depending on the responsible manager's market view and investment strategy and general market changes.

Other

The fund may use derivative instruments, including OTC derivatives, as part of its investment policy. During the period, the fund did not use any derivatives. The fund may use techniques and instruments pursuant to Chapter 24, Section 13 of FFFS 2013:9 but did not take advantage of the opportunity during the period. According to Swedbank Robur's internal rules, securities lending is not allowed. No conflicts of interest have arisen in connection with the fund's investments.

Risk Class



The fund's risk class is based on share class A. Other open share classes may have a different risk class. Each risk class is reported in the KID.

Share classes

The fund currently has classes A and I open for trading. Share class A is a non-dividend share class traded in SEK and share class I is a non-dividend share class traded in SEK with a threshold for subscription charges. Other share classes are not currently open for trade. The various share classes differ with regards to charges, dividend, threshold for subscription charges, currency for subscription and redemption plus specific terms and conditions for distribution. Shares in a share class imply equal rights to the assets included in the fund. More information on the fund's share classes can be found in the Information Brochure.

Basic facts	231231	221231	211231	201231	191231	181231	171231	161231	151231	141231
Fund net asset value, SEK	9,776,583	9,110,273	13,787,743	9,690,336	8,915,963	8,413,831	9,141,189	7,996,002	7,723,268	7,173,912
Net asset value, share class A, SEK	49.35	43.77	49.69	38.96	33.93	25.23	28.49	24.30	23.55	22.09
Net asset value, share class I, SEK	20.47	18.02	20.31	15.81	-	-	-	-	-	-
Number of outstanding units, share class A, thousands	178,153	189,288	249,216	230,616	262,798	333,440	320,877	329,041	327,983	324,767
Number of outstanding units, share class I, thousands	48,105	45,774	69,179	44,608	-	-	-	-	-	-
Fund return closing price (incl. div.) share class A, %	12.7	-11.9	27.5	14.8	34.5	-11.4	17.2	3.2	6.6	12.0
Fund return closing price (incl. div.) share class I, %	13.6	-11.3	28.5	9.5	-	-	-	-	-	-
Benchmark (incl. div.) share class A, %	16.0	-2.2	28.2	-7.5	30.7	-7.8	13.1	7.3	4.6	13.7
Benchmark (incl. div.) share class I, %	16.0	-2.2	28.2	-10.6	-	-	-	-	-	-
Tracking error (active risk), %	4.6	4.5	7.6	7.2	3.6	2.8	2.8	3.2	2.5	1.6

Holdings and positions in financial instruments as of 2023-12-31

Transferable securities on a regulated or equivalent market outside the EES

	Unit / Nom	Market value, SEK	% of fund
Financial			
Adyen (NL)	4,000	51,949	0.5
AXA (FR)	1,370,000	449,767	4.6
BNP Paribas (FR)	241,000	167,925	1.7
Euronext (NL)	310,000	271,427	2.8
ING Groep (NL)	1,310,000	197,257	2.0
London Stock Exchange (GB)	200,000	238,291	2.4
NN Group (NL)	220,000	87,557	0.9
Nordea Bank (FI)	880,000	109,977	1.1
		1,574,150	16.1
Healthcare			
Alcon (CH)	345,000	271,159	2.8
AstraZeneca (GB)	261,000	355,432	3.6
Lonza (CH)	40,000	169,407	1.7
Merck (DE)	154,000	247,046	2.5
Novo Nordisk (DK)	364,000	379,480	3.9
Qiagen (NL)	350,000	153,517	1.6
Roche (CH)	101,000	295,690	3.0
Sanofi (FR)	174,000	173,870	1.8
Siemens Healthineers (DE)	225,000	131,753	1.3
		2,177,354	22.3
Industry			
Ashtead Group (GB)	210,000	147,360	1.5
Daimler Truck (DE)	392,000	148,461	1.5
Experian (IE)	470,000	193,343	2.0
IMCD (NL)	72,000	126,283	1.3
Intertek Group (GB)	290,000	158,193	1.6
Metso (FI)	1,430,000	145,982	1.5
Relx (GB)	650,000	259,707	2.7
RS Group (GB)	883,000	92,976	1.0
Schneider Electric (FR)	116,000	234,745	2.4
Siemens (DE)	135,000	255,371	2.6
Valmet (FI)	265,000	77,027	0.8
Vestas Wind Systems (DK)	530,000	169,617	1.7
		2,009,066	20.5
Information technology			
Aixtron (DE)	30,000	12,911	0.1
ASM International (NL)	24,000	125,561	1.3
ASML (NL)	45,000	341,506	3.5
Capgemini (FR)	103,000	216,430	2.2
Hexagon (SE)	300,000	36,285	0.4
Infineon Technologies (DE)	365,000	153,595	1.6

Fund's top 5 holdings

	Market value, tSEK	% of fund
AXA	449,767	4.6
Nestle	403,982	4.1
Novo Nordisk	379,480	3.9
SAP	355,582	3.6
AstraZeneca	355,432	3.6

	Unit / Nom	Market value, SEK	% of fund
Keywords Studios (IE)	325,000	69,394	0.7
SAP (DE)	229,000	355,582	3.6
Soitec (FR)	70,000	126,087	1.3
		1,437,352	14.7
Communications			
Adevinta (NO)	320,000	35,692	0.4
Publicis Groupe (FR)	65,000	60,783	0.6
Universal Music Group (NL)	470,000	135,045	1.4
		231,521	2.4
Consumption, Groceries			
Essity (SE)	320,000	80,000	0.8
Koninklijke Ahold Delhaize (NL)	195,000	56,474	0.6
Nestle (CH)	346,000	403,982	4.1
Redcare Pharmacy (NL)	66,000	96,692	1.0
Unilever (GB)	450,000	219,688	2.2
		856,836	8.8
Consumption, rare goods			
Autoliv (SE)	65,000	71,760	0.7
Industria de Diseno Textil (ES)	355,000	155,829	1.6
LVMH Moet Hennessy Louis Vuitton (FR)	32,000	261,338	2.7
		488,927	5.0
Materials			
Air Liquide (FR)	127,000	249,003	2.5
DSM-Firmenich (CH)	80,000	81,935	0.8
UPM-Kymmene (FI)	335,000	127,023	1.3
		457,961	4.7
Public utilities & services			
Iberdrola (ES)	1,488,162	196,650	2.0
Orsted (DK)	70,000	39,128	0.4
		235,778	2.4
Total financial instruments with positive market value		9,468,945	96.9
Total financial instruments with negative market value		0	0.0
Total financial instruments		9,468,945	96.9
Net other assets and liabilities		307,638	3.1
Fund capital		9,776,583	100.0

Fund facts

Risk and return measures	231231
Standard deviation fund, %	15.0
Standard deviation benchmark, %	13.0
Tracking error (active risk), %	4.6

Fund facts

Risk and return measures	231231
Average annual return 2 yrs, %	
- Share class A	-0.3
- Share class I	0.4
Average annual return 5 yrs, %	
- Share class A	14.4
Costs	231231
Management fee as % of average fund assets*	
- Share class A	1.25
- Share class I	0.52
Transaction costs (turnover costs), SEK*	5,679
Transaction costs in % of securities traded*	0.10
Management fees and other administrative or operating costs**, %	
- Share class A	1.25
- Share class I	0.52
Entry fee, %	
- Share class I	2.00
Management fee in SEK, saving amount 10,000 SEK*	
- Share class A	138
- Share class I	58
Management fee in SEK, saving amount 100 SEK/month*	
- Share class A	8.36
- Share class I	3.48
Turnover	231231
Turnover rate, times/year	0.3
Derivative instruments	231231
Highest gross derivative exposure, %	0.0
Lowest gross derivative exposure, %	0.0
Average gross derivative exposure, %	0.0
Trading of financial instruments	231231
Turnover through funds managed by Swedbank Robur Fonder AB, %	0.6

For share class I, an entry charge of 2% is charged for purchases of less than SEK 1 million.
Rounding differences may occur.
See explanations in the glossary on [swedbank.se/ordlista/fonder](https://www.swedbank.se/ordlista/fonder)
* Based on the previous 12 months.
** Management fee and other costs as interest costs are included. However commissions/transaction fees are not included. Based on the previous 12 months.

Balance sheet

	231231	221231
Assets, SEKk		
Transferable securities	9,468,945	8,472,025
Total financial instruments with positive market value	9,468,945	8,472,025
Cash assets and other liquid assets	255,677	584,841
Prepaid costs and accrued income	867	938
Other assets	52,988	54,265
Total assets	9,778,478	9,110,069
Liabilities, SEKk	231231	221231
Accrued costs and prepaid income	1,895	1,796
Total liabilities	1,895	1,796
Fund capital	9,776,583	9,110,273

Income statement

	231231	221231
Income and changes in value, SEKk		
Value changes on negotiable securities	1,041,076	-1,726,691
Value changes on other derivative instruments	0	-15,339
Interest income	16,540	2,683
Dividends	226,559	194,813
Currency exchange gains and losses net	6,442	22,964
Other income	20	19
Total income and change in value	1,290,637	-1,521,551
Costs, SEKk	231231	221231
Administrative costs	120,963	116,793
Interest costs	17	881
Other financial costs	8	5
Other costs	5,720	4,865
Total costs	126,708	122,544
Profit for the year	1,163,928	-1,644,095
Change of fund assets, SEKk		231231
Fund assets at the beginning of the year		9,110,273
Unit issuance		1,894,290
Unit redemption		-2,391,909
Profit for the year according to the income statement		1,163,928
Fund assets at end year		9,776,583

The fund's sustainability work

Information about the fund's environmental and/or social characteristics can be found in the appendix to this document.

Level of activity

The activity in the fund can be measured in various ways. A common measure is active risk, or tracking error, showing how much the fund's historical returns have varied in value in relation to its benchmark.

The level of tracking error differs between different fund categories (equities, interest rates) as the volatility of the underlying markets differs. Tracking error is calculated according to industry standards and is based on monthly data and covers the last 24-month period.

Description of activity rate

The fund is actively managed. The fund manager conducts an ongoing analysis and makes active decisions regarding the fund's composition and holdings. The fund manager monitors and modifies the portfolio in order to meet the fund's objectives.

Description of Benchmark Index

The fund's benchmark index is the MSCI Europe Index, which follows the development of large and medium-sized companies on the stock markets in countries throughout Europe. The index does not include emerging market countries. The Management Company assesses that the index is in line with the fund's investment policy with regard to the choice of asset class, market and with regard to return and risk profile.

Risk assessment method

The Management Company measures the total exposure of the fund using the commitment approach on a daily basis. The commitment approach calculates the fund's global exposure from using derivatives. This calculation involves converting derivative positions into a comparable position in the underlying assets of the derivative. A delta calculation is also done for options and similar. When calculating total exposure, the Management Company considers netting and hedging.

Fund Risks

Normally, equity funds have the highest potential for long-term value growth. However, any investment in an equity fund also implies a high level of risk, as share prices may fluctuate significantly in equity markets.

Material risks in the fund that are not fully reflected in the risk indicator are:

- Currency risk. The fund invests in securities denominated in currencies other than the fund's base currency (SEK) and is therefore affected by exchange rate fluctuations.
- As the fund uses derivatives to a small extent, the fund's risk profile is affected to some degree.

Remuneration Policy

The Management Company's Board has adopted a remuneration policy which is consistent with and promotes sound and effective risk management. The Management Company's remuneration policy is also structured to counter risk-taking that is incompatible with the risk profiles of the funds managed by the Management Company. The remuneration policy shall counteract excessive risk-taking and encourage employees to deliver sustainable performance at any given time.

The remuneration system consists of two variable remuneration policies, in addition to fixed remuneration in the form of monthly payments in cash. The variable remuneration programme, "Eken", is group-wide and the individual performance and remuneration programme, "IPAM", which is based on fund shares, was introduced in 2017 specifically for Robur as the regulatory framework for fund companies differs from the regulatory framework that is applied within the Group in general. Variable remuneration can be paid with a maximum of 12 fixed monthly salaries.

Eken is a general equity-related remuneration programme and in principle includes all employees within the Swedbank Group, though not all employees within the Management Company, and normally consists of deferred remuneration in the form of equities in Swedbank AB (publ). Those that are entitled to IPAM are not entitled to Eken. IPAM covers 67 employees in the Management Company. IPAM consists of both cash and fund shares. 60% of variable remuneration is paid directly after the year of performance; 50% is paid in fund units and 50% in cash. 40% of the remuneration is deferred as below, of which 50% is paid in fund shares and 50% in cash. Fund units (including deferred fund units) are locked as performance rights for one year after allocation before they can be sold.

The deferment period should reflect the recommended holding period that is stated in the fund factsheet; no less than 3 years, however.

For funds with a 3-year recommended holding period, the deferred element should be paid after 3 years, without being prorated.

For funds with a 5-year recommended holding period and for alternative investment funds, the deferred element should be paid over a period of 5 years via a prorated distribution (evenly distributed over the period the compensation is deferred) where the first payment of cash and the transfer of fund units may only be made one year after the date the variable remuneration was decided.

This rule shall only apply for alternative investment funds provided that the 5-year deferral period does not conflict with the estimated average holding period of the holding in the relevant fund according to the fund documentation, e.g., the Information brochure and Investment contract).

Variable remuneration should only be paid or transferred to the employee for that portion that is justifiable with regard to Robur's financial situation and be motivated with regard to the results of the fund, the business unit and the employee. The deferred portion of the remuneration can disappear completely for the same reason.

The remuneration programme is designed to ensure that, to the greatest possible extent, conflicts of interest are avoided. Every portfolio manager is monitored and assessed based on all management assignments. The variable remuneration system is continuously followed up and monitored. Variable remuneration is designed to stimulate sound behaviour and desired results, and to create a healthy balance between fund rewards and fund risk exposure.

In setting employee targets, consideration is given to the risk profile in the funds the employee administers, the benchmark index and the investment horizon. These targets are measurable, clear and transparent. These objectives also include how the employee experiences the company's values (open, modest and considerate).

Variable remuneration is based on the performance of the individual, which is evaluated against performance criteria that are set at the start of each calendar year. The assessment is based on a combination of quantitative and qualitative results. Variable remuneration is only paid if quantitative targets with regard to returns or qualitative targets with regards to a long-term sustainable strategic transfer is fulfilled over time. According to Robur, a sustainable strategic transfer is a prerequisite for reaching long-term financially sustainable returns. This means that maximum returns cannot be generated unless both the target rates of return and sustainability targets have been taken into consideration.

During the year, implementation of the remuneration policy has been the subject of an independent review by internal audit without any essential deviations. Information on remuneration in line with Swedish Financial Supervisory Authority regulations on securities funds and regulations on managers of alternative investment funds can be found on the Management Company's website.

Remuneration Amount

The Management Company's combined remuneration amount paid 2023: SEK 256,537,360 of which SEK 27,136,290 relates to variable remuneration in Sweden. SEK 26,558,016 of which SEK 727,790 relates to variable remuneration in Lithuania. Remuneration covers all 279 employees (208 in Sweden and 71 in Lithuania). The total amount of remuneration paid out during the year to the company's senior management, employees who have a significant influence on the risk profiles of the fund company/funds and employees with responsibility for control functions (SRS), 80 people, amounted to SEK 145,724,614 excluding retirement pension costs, of which risk takers were paid: SEK 119,490,657, leading strategic positions: SEK 23,412,467 and control functions: SEK 2,821,490.

Accounting Principles

This annual report has been prepared as regulated by the Swedish Investment Funds Act (2004:46), The Swedish Financial Supervisory Authority's regulations FFFS 2013:9, ESMA's guidelines, and takes into account the guidelines for accounting for key performance indicators regarding mutual funds and special funds issued by the Swedish Investment Fund Association.

Valuation Principles

The fund's financial instruments including liabilities and derivatives are valued at market value corresponding to the closing price on the balance sheet date (31/12/2023). If the closing day is not a trading day, the valuation from the last trading day prior to the closing day is used. If the valuation cannot be obtained or is misleading as so deemed by the Management Company, valuation may be made according to generally accepted valuation principles.

Annex 1

Product name:
Swedbank Robur Europafond

Legal entity identifier:
549300WCG83IWIOYGB73

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?



Yes



No



It made **sustainable investments with an environmental objective**: _%



in economic activities that do qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It made **sustainable investments with a social objective**: _%



It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 33% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the year, the fund has promoted environmental and/or social characteristics by:

- Taking into account the carbon intensity of fund holdings with the ambition to reduce the carbon footprint over time and/or to have a low footprint versus the fund's benchmark index (**indicator Carbon emissions**).
- Investing in companies that have set verified Net Zero targets for their efforts to reduce their climate footprint (**indicator Net zero target**).
- Investing in companies whose operations contribute to the achievement of the UN's Sustainable Development Goals (SDGs) (**indicator SDG aligned revenues**).
- Dialogues with companies to increase their environmental and/or social responsibility. If the dialogue concerned both environmental and social issues, the dialogue is recorded under both categories (**indicator Environmental Engagement and/or Social Engagement**).

The sustainability indicators have been calculated on all instruments of the fund that are used to meet the environmental and social characteristics where data has been available. For the indicators that are calculated as a weighted average, the measurable parts have been normalised.

During the year some of the fund's investments also contributed to the environmental objectives Climate change mitigation or Climate change adaptation in the EU taxonomy, as well as to one or more of the UN Sustainable Development Goals (SDGs) focusing on social aspects.

Sustainability indicators measure how the sustainable objective of this financial product are attained.

- **How did the sustainability indicators perform?**

Indicator	Result	Coverage fund	Coverage measurable part of the fund
Carbon emissions (tCO ₂ e/mUSD)	61	96%	100%
Net zero target (%)	68	96%	100%
SDG aligned revenues (%)	19	96%	100%
Environmental Engagement (#)	98	N/A	N/A
Social Engagement (#)	68	N/A	N/A

- **... and compared to previous periods?**

Indicator	Result				
	2022	2021	2020	2019	2018
Carbon emissions (tCO ₂ e/mUSD)	58				
Net zero target (%)	57				
SDG aligned revenues (%)	19				
Environmental Engagement (#)	76				
Social Engagement (#)	74				

The sustainability indicators in the table are not subject to auditor approval or third-party review.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The fund has made some investments that are considered environmentally and socially sustainable according to the EU's Sustainable Finance Disclosure Regulation (SFDR). These investments have been made in companies whose products and services have contributed to the fulfilment of the environmental and social objectives included in the UN's Sustainable Development Goals (SDGs). The companies have had a turnover in line with one or more SDGs of at least 20 %, with the exception of companies where the Management Company considered that exemption from the limit value is justified within Swedbank Robur's definition for sustainable investments according to SFDR. Swedbank Robur's definition of sustainable investments according to SFDR is described on the Management Company's website.

The fund has also invested in economic activities that are considered environmentally sustainable under the EU taxonomy. However, the taxonomy regulatory framework is evolving and there is limited access to reported data on the taxonomy alignment of companies active in the capital market, non corporations active in the capital market and the alignment of bond issues. As a first step, the fund has invested in companies that have been consistent with the taxonomy objectives Climate change mitigation and Climate change adaptation. The share of an investment that is aligned with the EU taxonomy is also assessed as a sustainable investment according to SFDR.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

During the year, the Management Company has analysed how the sustainable investments have affected emissions, water and biodiversity, among other things. It has been ensured that the holdings have not seriously and systematically violated international norms or conventions of the United Nations, the ILO and the OECD or been otherwise involved in unacceptable activities with regard to sustainability or corporate governance. Thus, the Management Company has assessed that the sustainable investments did not cause significant harm to any environmental or social objective.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The indicators for adverse impacts on sustainability factors (PAI) have been analysed based on the Management Company's set limit values to assess whether the fund's individual holdings caused significant damage to any environmental or social objective. In cases where the PAI indicators exceeded any of these thresholds, the security was not considered to be a sustainable investment.

In special cases where Swedbank Robur has made the assessment that an investment despite exceeding the limit value has not caused significant harm, for example due to company or sector-specific factors, the holding has been considered a sustainable investment if the other criteria have been met.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

The sustainable investments were adapted to OECD guidelines for multi-national enterprises and the UN's guiding principles on business and human rights. This has been ensured by analysis from external suppliers. If Swedbank Robur has been informed that a company is associated with a violation of international norms or conventions, checks of the standard analysis suppliers' assessment have been carried out. If Swedbank Robur's own assessment has confirmed that there has been a serious and systematic breach, the security has not been deemed to constitute a sustainable investment.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund has taken into account the principle adverse impacts on sustainability factors (PAI) by following Swedbank Robur's "Strategies to identify and prioritize principal adverse sustainability impacts" (in Swedish). In the fund's management, investments linked to PAI have been identified, prioritised and mitigated or accepted.

The inspection found that many main negative impacts were already mitigated and no additional measures have been taken. This applies, for example, to exposure to fossil fuels, controversial weapons and violations of international norms where the Management Company has limits or processes in place to avoid and reduce these negative consequences.

For example, the following indicators have been prioritised and mitigated:

- Greenhouse gas emissions. Among other things, this has been accomplished through dialogue with Merck KGaA regarding their goal and implementation to reduce their emissions with a focus on scope 3 emissions.
- Water. Among other things, this has been accomplished through dialogue with ASM International regarding their project for reducing water consumption.



The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 2023 (annual average)

What were the top investments of this financial product?

Large investments	Sector	% Assets	Country
AXA	Financial and insurance activities	4.5%	France
AstraZeneca	Manufacturing	4.3%	United Kingdom
SAP	Information and communication	3.9%	Germany
ASML	Manufacturing	3.7%	Netherlands
Novo Nordisk	Manufacturing	3.5%	Denmark
LVMH Moet Hennessy Louis Vuitton	Manufacturing	3.3%	France
Roche	Manufacturing	3.2%	Switzerland
Siemens	Manufacturing	3.1%	Germany
Schneider Electric	Manufacturing	2.7%	France
Merck	Professional, scientific and technical activities	2.7%	Germany
Air Liquide	Manufacturing	2.6%	France
Euronext	Financial and insurance activities	2.6%	Netherlands
Sanofi	Manufacturing	2.5%	France
Alcon	Manufacturing	2.4%	Switzerland
Unilever	Manufacturing	2.2%	United Kingdom

In these calculations, the cash account has been excluded.



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

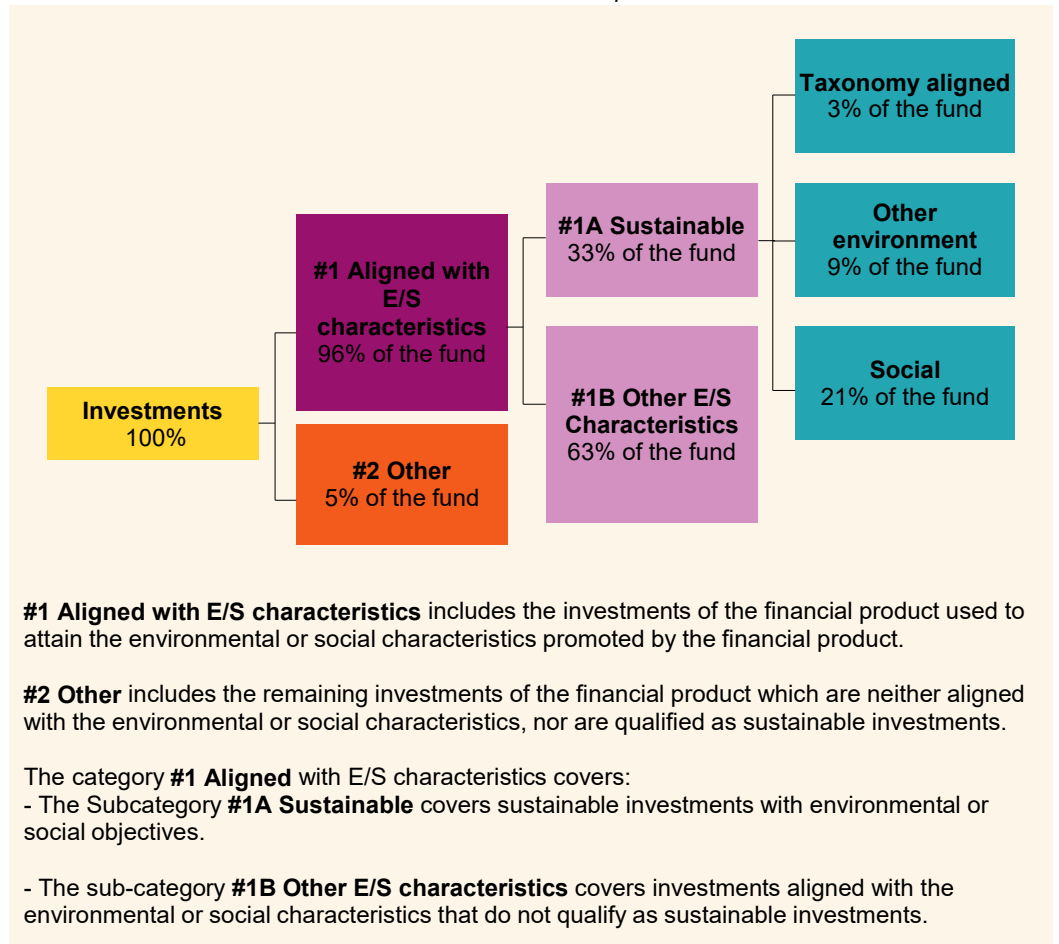
• What was the asset allocation?

The image below shows the average share of the fund's investments that during the year, as a result of Swedbank Robur's policy for responsible investments, were adapted to the environmental or social characteristics. The image also shows the average share of the fund's assets that constituted sustainable investments during the year.

Exceptions to the policy have been made for, for example, cash accounts and derivatives. Exceptions have also been made where sustainability screened alternatives were not available on the market, where the required liquidity was lacking or where there was a lack of transparency for the product. For example, investments in the "other" category have been used for liquidity management, diversification or to protect and/or expose the portfolio to certain market risk.

The "Taxonomy- alignment" box shows the proportion of taxonomy-aligned investments that also meet Swedbank Robur's criteria for sustainable investments according to SFDR in terms of good governance and the principle of not causing significant harm. This share may therefore be lower than the taxonomy share specified in the other parts of this Appendix.

The number in each box is rounded to the nearest whole percent.



• **In which economic sectors were the investments made?**

The figures shown in the table below are yearly averages and rounded.

Sector	% Assets
Manufacturing	53.2%
Financial and insurance activities	15.7%
Information and communication	13.2%
Wholesale and retail trade	6.8%
Professional, scientific and technical activities	5.2%
Electricity, gas, steam and air conditioning supply	2.7%
Human health and social work activities	1.9%
Administrative and support service activities	1.2%

In these calculations, the cash account has been excluded.

Taxonomy-aligned activities are expressed as a share of:

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **turnover** reflecting the share of revenue from green activities of investee companies

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The bar graphs below show the alignment of investments with the environmental objectives Climate change mitigation and Climate change adaptation in the EU taxonomy. Several environmental objectives in the EU taxonomy still lack data on the market. This means that it is not yet possible to assess what the fund's investments contribute for some of the objectives.

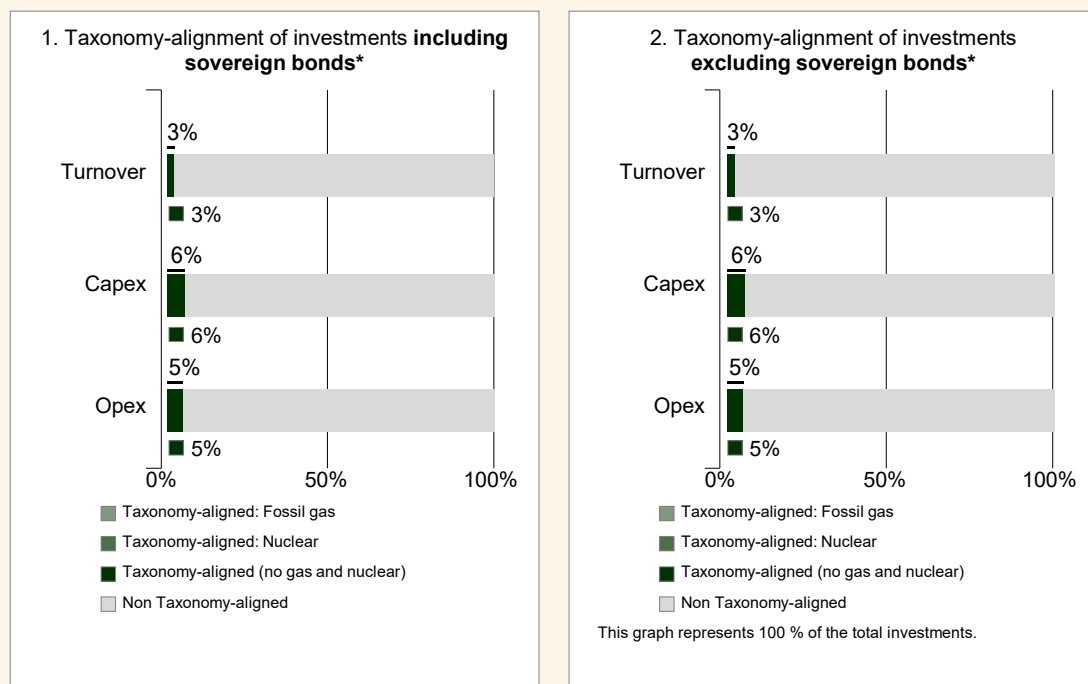
The taxonomy-aligned investments are not subject to auditor approval or a review by a third party. In order to calculate the proportion of taxonomy-aligned investments, reported and estimated data from third party suppliers have been used. There is as yet limited access to reported data on the taxonomy alignment of companies active in the capital market, non corporations active in the capital market and the alignment of bond issues. The majority of the data used to calculate the distribution below is therefore estimated. The input data will be improved when future EU rules enter into force on companies' obligations to report on their business's taxonomy alignment and when more environmental targets are reported.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

- Yes
- In fossil gas In nuclear energy
- No

Figures below 0.5% of fossil gas or nuclear energy are rounded to 0% and are therefore not presented in this report.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have green-house gas emission levels corresponding to the best performance.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

• **What was the share of investments made in transitional and enabling activities?**

During the year, the share of investments that, according to the taxonomy, consisted of transitional activities and enabling activities averaged 0 % and 3 % respectively. There is as yet limited availability of reported and estimated data on the taxonomy alignment of companies active in the capital market, non corporations active in the capital market and the alignment of bond issues with respect to these activities. This means that the data is not complete.

• **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

	Taxonomy-alignment of investments including sovereign bonds					Taxonomy-alignment of investments excluding sovereign bonds				
	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
Turnover	1%					1%				
Capex	2%					2%				
Opex	0%					0%				



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

During the year, an average of 9 % of the fund's holdings were sustainable investments with environmental objectives that were not aligned with EU taxonomy. The Management Company has set criteria and thresholds to assess whether companies active in the capital market, non corporations active in the capital market and bond issues constitute sustainable investments according to SFDR. These investments are not always in line with EU taxonomy, partly because of a lack of reported data and because the EU taxonomy for 2023 included only two out of six environmental objectives. However, the share of sustainable investments constituting taxonomy-aligned investments is expected to increase as more reported data on the taxonomy alignment of companies becomes available.



What was the share of socially sustainable investments?

During the year, an average of 21 % of the fund's holdings were sustainable investments with social objectives.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Some of the fund's holdings were placed in accounts that did not promote environmental or social characteristics. The purpose of the cash account was, among other things, to manage outflows of capital.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the year, a number of measures have been taken in order to meet the environmental or social characteristics promoted by the fund.

- The fund has made some sustainable investments.
- The fund has excluded securities in accordance with the Management Company's policy for responsible investments.
- Securities have been selected and the environmental and social characteristics have been taken into account.
- Dialogues have been conducted with a focus on environmental work and/or social characteristics.
- Relevant indicators of principal adverse impacts on sustainability factors (PAI) have been taken into account. Some PAI indicators are relevant to the sustainability indicators: Carbon emissions and Net zero target.

Finally, the Management Company's corporate governance specialists have worked to ensure that companies we have invested in are managed in an efficient and long-term sustainable manner. This has been done by Swedbank Robur's corporate governance specialists having actively participated in general meetings and/or in nomination committees for companies in which the fund has invested. One purpose of this is for the fund to fulfil its environmental and social characteristics.

Audit Report

To shareholders in Swedbank Robur Europafond.

Annual Report Statements

As auditors of Swedbank Robur Fonder AB, corporate identity number 556198-0128, we have carried out an audit of the Annual Report Swedbank Robur Europafond for 2023, with the exception of the sustainability information under the headings: The fund's sustainability work and Annex 1 ("The Sustainability Information").

In our view, the annual report has been produced in accordance with the Securities Act and the Swedish Financial Supervisory Authority regulations on securities funds and provides, in all material respects, a true picture of the financial position of Swedbank Robur Europafond as of 31 December 2023 and of its financial performance for the year, in accordance with the Securities Funds Act and the Swedish Financial Supervisory Authority regulations on securities funds. Our statement does not cover the sustainability information under the headings The fund's sustainability work and Annex 1 ("The Sustainability Information").

Basis for Statement

We performed the audit in accordance with the International Standards on Auditing (ISA) and generally accepted accounting practice in Sweden. Our responsibility, according to these standards, has been described in more detail in the section *Auditor's responsibilities*. We are independent in relation to the Management Company in accordance with professional ethics for accountants in Sweden and have fulfilled our ethical responsibility according to these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information than the Annual Report

The other information consists of the sustainability information under the headings The fund's sustainability work and Annex 1 ("The Sustainability Information"). The Management Company is responsible for this other information.

Our statement regarding the Annual Report does not include this information and we make no certified statement regarding this other information.

In connection with our audit of the Annual Report, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the Annual Report. During this review, we also take into account the knowledge we have otherwise acquired during the audit and assess whether the information otherwise appears to contain material inaccuracies.

If, based on the work done regarding this information, we conclude that this other information contains a material misstatement, we are required to report this. We have nothing to report in that regard.

Management Company's liability

The Management Company is responsible for producing the Annual Report and that it presents a true picture in accordance with the Investment Funds Act and the Swedish Financial Supervisory regulations on securities funds. The Management Company is also responsible for internal checks that it assesses as necessary to produce an Annual Report that does not contain any material misstatements, either due to irregularities or errors.

Auditor's responsibilities

Our goal is to reach a reasonable amount of security as to whether the Annual Report as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high degree of certainty, but there is no guarantee that an audit performed in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement, if such exists. Inaccuracies can arise due to irregularities or errors and are considered to be important if they individually or together can reasonably be expected to affect the financial decisions that users make on the basis of the Annual Report.

As part of an audit as per ISA, we use professional judgement and adopt a professionally sceptical attitude throughout the audit. In addition:

- We identify and assess the risks of material misstatement in the Annual Report, whether due to irregularities or error; we design and carry out audit procedures, based on these risks etc., and obtain audit evidence that is sufficient and appropriate to provide a basis for our statements. The risk of not discovering a material misstatement due to irregularities is greater than for a material misstatement due to errors, as irregularities can include actions in collusion, falsification, deliberate omissions, the provision of incorrect information or a breach of internal controls.
- We acquire an understanding of the part of the Management Company's internal controls that is of importance for our audit in order to design audit procedures that are appropriate in respect of the circumstances, but not to express an opinion on the effectiveness of internal controls.
- We evaluate the appropriateness of the accounting principles used and the reasonableness of the Management Company's estimates in the accounts and associated information.
- We evaluate the general presentation, structure and content of the Annual Report, including the information, and whether the Annual Report reflects the underlying transactions and events in a way that gives a true picture.

We are required to notify the Management Company of the scope of the planned audit and orientation and the time for this. We are also required to provide notification of significant observations during the audit, including any material failings in the internal controls we have identified.

The auditor's statement regarding the statutory sustainability information

The Management Company is responsible for the sustainability information under the headings The fund's sustainability work and Annex 1 ("The Sustainability Information") and for ensuring that it is in accordance with the Swedish Investment Funds Act.

Our review of the fund's sustainability information has taken place in accordance with FAR recommendation RevR 12 Auditor's statement on the statutory sustainability report. This means that our review of the sustainability information has a different focus and is substantially limited in scope compared to the focus and scope of an audit conducted in accordance with the International Standards on Auditing and generally accepted auditing practice in Sweden. We believe that this review gives us reasonable grounds for our statement.

Sustainability information has been provided in the Annual Report.

Stockholm, 07 March 2024

PricewaterhouseCoopers AB

Peter Nilsson

Certified public accountant

Auditor in charge

The Board of Directors and the Chief Executive Officer of Swedbank Robur AB hereby issue annual report 2023 for Swedbank Robur Europafond.

Stockholm, 07 March 2024

Liza Jonson,
CEO

Joachim Spetz,
Chairman

Gunilla Nyström

Lars Afrell

Monica Åsmyr

Lenart Jacobsen

Our audit report on this annual report was issued on 07 March 2024.

PricewaterhouseCoopers AB

Peter Nilsson,
Certified public accountant
Auditor in charge