LUMINOR BALANCED PENSION PLAN
2023 Q4 REPORT

Luminor

Information about investment plan

Fund manager:	Luminor Asset Management IPAS
Plan asset manager:	Arturs Andronovs, CFA
Custodian bank:	Luminor Bank AS
Date of inception:	21.10.2011

Investment policy

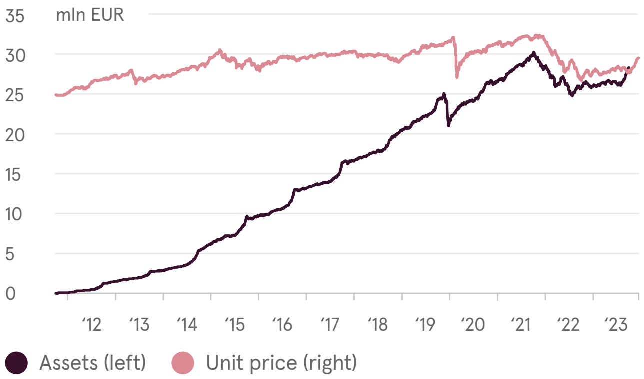
The objective of the Plan is to provide a long-term increase in the value of the investment plan through a balanced investment strategy by investing up to 25% of the investment plan's assets in equity securities and other financial instruments comparable to them in terms of risk.

Performance indicators

Investment plan units and value of plan assets

Period	29.09.2023	31.12.2023
Unit value, EUR	1,5967	1,6886
Asset value, EUR	26 305 096	28 391 184

Investment plan units and value of plan assets



Return on ivestment plan**

3 months	5,76%
6 months	4,91%
12 months	8,38%
5 years*	0,32%
10 years*	0,86%
Since Inception*	1,41%

* Calculated in annual terms using the ACT/365 convention.
** Past performance does not guarantee similar results in the future.

TOP 10 investments

iShares Euro Investment Grade Corporate Bond Index Fund	7,86%
Xtrackers II Germany Government Bond UCITS ETF	7,17%
iShares Dev. World ESG Screened Index Fund (IE) Inst Acc EUR	6,51%
iShares ESG Screened Euro Corporate Bond Index Fund (IE)	6,36%
SPDR Bloomberg Barclays Euro High Yield Bond Ucits ETF	6,11%
iShares Developed World Index Fund (IE) Inst Acc EUR	6,00%
Neuberger Berman Em. Market Debt Hard Cur. Fund EUR I2 Acc	5,38%
iShares Core MSCI World UCITS ETF	5,17%
Robeco Euro Credit Bond Fund	5,05%
iShares Emerging Markets Government Bond Index Fund (IE)	4,56%

Geographical allocation

Global	10,09%
European Union (ex. Baltics)	42,09%
Baltic states (ex. Latvia)	12,97%
Latvia	7,60%
North America	8,53%
Emerging Countries	18,69%

Asset type allocation

Bond funds	51,37%
Equity funds	21,92%
Corporate bonds	8,99%
Government bonds	15,19%
Real estate funds	1,43%
Cash	1,10%
SFDR funds*	30,81%

* In accordance with Articles 6, 8 and 9 of the **EU Regulation 2019/2088** of 27 November 2019 on sustainability-related disclosures in the financial services sector.

Fees

Annual asset management fee	
Fixed fees	0,95%
incl. Pension fund	0,45%
incl. Fund manager	0,43%
incl. Custodian bank	0,07%
Transaction execution costs and other commissions covered from the investment plan funds	0,06%

Transaction costs associated with buying, selling and settling financial instruments. 12-month costs as at 31.12.2022.

Annual indirect costs	0,29%

Incirect costs are costs included in the daily prices of investment and alternative funds, which are no seperately covered from the invesment plan's assets and which are weighted by the share of the respective fund in the investment plan at the end of the period.

Investment plan manager's comment

In Q4 2023, Plan value increased by 5.76%. When assessing the performance of investment plans, it is important to bear in mind that returns are volatile and therefore only objectively comparable over a longer period of time.

Last year ended on a high note, with growth not only in equities but also in bonds. In the context of surprisingly positive inflation data, as well as expectations of easier monetary policy and a soft landing for the economy, market participants showed a markedly positive mood. US 10-year Treasury bond yields fell below 4% (last observed in July), while German 10-year bond yields fell to 2%, the lowest since late 2022. Accordingly, the main bond indices rose by more than 2% for the second consecutive month.

News from the US Federal Reserve (Fed) was the highlight of December. Not only did the central bank not raise interest rates for the third month in a row, but it also hinted at cutting rates next year — three times by 25 basis points.

Fed governor Jerome Powell said that the tools to cool inflation are working, but the job is not done until price growth falls to 2% a year. Moreover, the central bank indicated that slower economic growth is expected towards the end of the year, after an impressive 5.2% annual growth in Q3. However, the labor market remains surprisingly strong and price increases are likely to be contained without triggering a recession.

Over the quarter, investment grade bonds rose by 6.6% on average, emerging market bonds rose by 8.2% and high yield bonds increased by 5.5%. The developed markets' index MSCI World rose by 6.8% in euro, while the MSCI Emerging Markets index rose by 3.4% in euro.

Although most macroeconomic indicators support the assumption that the US economy will remain resilient, over-optimistic investor expectations pose risks to the price dynamics of financial markets. Market participants now expect the central bank to cut interest rates twice as much as the central bank itself indicates. As this scenario is already embedded in both equity and bond prices, we can expect more volatility on the markets if any unfavorable inflation or consumption data emerge.

Developments in global equity markets are expected to have a moderate impact on the Plan's performance in the coming quarters, given the weighting of equities in equity markets and the volatility of equity markets.