

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 ensure the growth in value of the investment plan in the long run, by investing up to 75% of the Plan assets in capital securities (equities), alternative investment funds and investment funds, which are allowed to invest in capital securities or financial instruments of comparable risk. The investment plan follows a long-term strategy, which allows for significant short-term fluctuations in the value of the investment plan.

Performance indicators

Investment plan units and value of plan assets

Period	28.03.2024	28.06.2024
Unit value, EUR	1,7383	1,7889
Asset value, EUR	28 807 816	29 908 554

Investment plan units and value of plan assets



Return on investment plan**

3 months	2,91%
6 months	10,64%
12 months	16,54%
5 years*	5,18%
10 years*	4,45%
Since Inception*	4,69%

* Calculated in annual terms using the ACT/365 convention.

** Past performance does not guarantee similar results in the future.

Investment plan manager's comment

The value of the Plan has increased by 2.91% in Q2 2024. When assessing the performance of investment plans, it should be borne in mind that performance is volatile and therefore only objectively comparable over a longer period of time.

In the second quarter of 2024, the trend of the previous quarter continued, with negative performance for safer European and US bonds, but positive performance for higher-risk and emerging market debt securities. Market participants' expectations of central bank monetary easing were partly fulfilled when the European Central Bank (ECB) cut its rate by 0.25%. The ECB is expected to continue on its path towards a slightly more accommodative monetary policy and now the Federal Reserve is expected to do the same, as inflation and, to some extent, consumption figures in the US fall. Currently, both central banks are expected to cut interest rates 2 more times before January next year. Falling inflation is an important factor in central banks' decisions, with their more accommodative policies historically serving as a strong positive catalyst for both equity and bond markets.

The Eurozone government and investment rating corporate bond index Bloomberg Pan-European Aggregate has decreased by 1.3% during the quarter, the emerging markets bond index Bloomberg Emerging Markets Sovereign + Quasi-Sovereign has increased by 0.1%, whereas the European high yield bond index Bloomberg Pan-European High Yield has increased by 1.2%.

TOP 10 investments

iShares Developed World Index Fund (IE)Inst Acc	17,15%
iShares Core MSCI World UCITS ETF	16,82%
iShares Developed World ESGScreened Index Fund (IE)Inst Acc	15,93%
iShares North America Index Fund	11,44%
iShares Emerging Markets Index Fund (IE)	3,67%
iShares Euro Investment Grade Corporate Bond Index Fund	3,58%
iShares Core MSCI EM UCITS ETF	3,55%
Robeco Euro Credit Bond Fund	2,56%
iShares Europe Equity Index Fund (LU)	2,49%
Neuberger Berman Emerging Market Debt FundI2Acc	2,29%

Geographical allocation

Global	27,43%
European Union (ex. Baltics)	17,04%
Baltic states (ex. Latvia)	5,99%
Latvia	1,96%
North America	33,95%
Asia	1,00%
Emerging Countries	12,64%

Asset type allocation

Bond funds	19,23%
Equity funds	72,04%
Corporate bonds	2,81%
Government bonds	5,08%
Venture capital	0,01%
Real estate funds	0,65%
Cash	0,18%
Sustainability related investments*	28,07%

* Investments that promote environmental or social characteristics and sustainable investments (according to Article 8 And 9 of [EU Regulation 2019/2088](#)).

Fees

Annual asset management fee

Fixed fees	0,95%
<i>incl. Pension fund</i>	0,45%
<i>incl. Fund manager</i>	0,43%
<i>incl. Custodian bank</i>	0,07%

Transaction execution costs and other commissions covered from the investment plan funds

Transaction costs associated with buying, selling and settling financial instruments. 12-month costs as at 31.12.2023.	0,02%
Annual indirect costs	0,20%

Indirect costs are costs included in the daily prices of investment and alternative funds, which are not separately covered from the investment plan's assets and which are weighted by the share of the respective fund in the investment plan at the end of the period.

During the quarter, equity markets driven by strong economy also increased the return of pension funds. Equity markets have benefited from both solid overall economic growth and the continued rise in equity prices of major US technology sector companies. In Q2 of this year, the developed markets equity index MSCI World, calculated in euro, has grown by approximately 3.5%, whereas the emerging markets equity index MSCI Emerging Markets, calculated in euro, has increased by 6.1%.

Developments in global equity markets are expected to continue to have a significant impact on the Plan's performance in the coming quarters, given the proportion of the Plan's investments in equity markets and the volatility of equity markets.