

Information about investment plan

Fund manager:	Luminor Asset Management IPAS
Plan asset manager:	Ivo Aillis, CFA
Custodian bank:	Luminor Bank AS
Date of inception:	03.03.2009

Investment policy

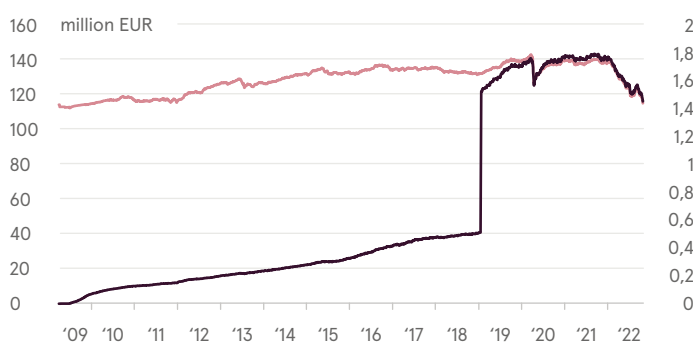
The main objective of the plan is to ensure long-term growth of its assets. To achieve this goal, the plan funds may be invested in financial instruments with fixed income such as bonds and deposits. It is expected that the long-term capital gains will be achieved in accordance with a well-organized and disciplined investment process.

Performance indicators

Investment plan units and value of plan assets

Period	30.06.2022	30.09.2022
Unit value, EUR	1,4832953	1,4352021
Asset value, EUR	119 703 526	115 911 083

Investment plan units and value of plan assets



● Assets (left) ● Unit price (right)

Return on investment plan**

	Return	Industry average
3 months	-3,24%	-3,33%
6 months	-11,06%	-
12 months	-17,08%	-16,30%
5 years*	-3,07%	-2,48%
10 years*	-0,79%	-0,37%
Since Inception*	0,06%	-

* 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 profitability of the plan in the 3rd quarter of 2022 was -3.24%. When evaluating the profitability indicators of investment plans, it should be remembered that they fluctuate, so they can be objectively compared only over a longer period of time.

The plan's quarterly result was negatively affected by rising government bond yields, which priced in the expected increase in interest rates as a result of inflation. European government bond yields rose from an average of 1.77% to 2.66% in the quarter. Uncertainty related to the war in Ukraine, the consequences of the imposed sanctions and the risks of access to energy resources in Europe, as well as the first indications that high inflation and the increase in interest rates are slowing down the economic growth, also contributed to the increase in bond credit risk premiums. As a result, investment grade bonds performed at an average of -4.6% return, high yield bonds -0.4% and emerging market bonds -4.7% in the quarter.

After falling in value since the beginning of the year, the expected yields on government bonds have risen significantly. Under the scenario that a slowdown in economic growth will bring inflation back to lower levels, they have the potential to recover and provide higher yields in the future. On the other hand, bonds with an additional credit risk component will be more dependent on the negative consequences of the slowing economic growth. Therefore, the share of these bonds has been reduced in the Plan.

TOP 10 investments

iShares J.P.Morgan EM Bond UCITS ETF	6,36%
Neuberger Berman Emerging Market Debt Fund I3 Acc Class Hedged	6,16%
Xtrackers II Eurozone Government Bond 3 5 UCITS	5,79%
iShares Core Euro Government Bond UCITS ETF	4,85%
Robeco Euro Credit Bond Fund	4,65%
Nordea Emerging Market Bond Fund	4,57%
iShares Euro Corporate Bond Interest Rate Hedged	4,50%
Ignitis 2% 07/14/27	4,18%
Nordea European High Yield Bond Fund	3,63%
iShares J.P.Morgan EM Bond Hedged UCITS ETF	3,53%

Geographical allocation

European Union (ex. Baltics)	43,19%
Baltic states (ex. Latvia)	17,04%
Latvia	13,78%
North America	2,29%
Emerging Countries	23,71%

Asset type allocation

Bond funds	69,07%
Corporate bonds	13,87%
Government bonds	11,74%
Cash	5,32%

Fees

Annual asset management fee

Fixed fees	0,49%
incl. Fund manager	0,42%
incl. Custodian bank	0,07%
Variable fee	does not apply

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 31.12.2021. **0,004%**

Annual indirect costs

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. **0,32%**