Swedbank

Swedbank Pension Fund Generation 2000-09

Prospectus

Effective as of 16.02.2024
TRANSLATION FROM ESTONIAN
In case of any discrepancies, between this translation and original Estonian version, the text of Estonian version shall prevail.

Important information

This document is the public offer prospectus (hereinafter the Prospectus) of Swedbank Pension Fund Generation 2000-09 (hereinafter Fund) for the purposes of the effective Republic of Estonia Investment Funds Act. The Prospectus is a document prepared for the public offering of the Fund, providing information related to the Fund.

An integral part of the Prospectus, the rules of the Fund (hereinafter the Rules) are documents approved in accordance with the procedure laid down by law, setting out the bases for the operations of the Fund and the relationships of the Funds' unit holders (investors) with the Management Company. The Rules are disclosed in the manner and places set out in the "Information about Fund" section of the Prospectus The information provided in the Prospectus shall not be considered investment advising or other investment service or ancillary service, or an invitation to acquire or transfer the units of the Fund. Please carefully study the Prospectus and the Rules before investing and pay special attention to investment risks and assess your risk tolerance. In this respect, we recommend asking for more detailed explanation of various aspects associated with investments from professional tax and investment advisers.

The offer of the units of the Fund shall always comply with the Prospectus, the Rules of the Fund and the legislation. Misleading advertisements or commercials or other promises that are in conflict with the Prospectus, the Rules and the legislation shall not be treated as approved by the Management Company. The Management Company does not guarantee that the information provided in the Prospectus is correct at any given time after acquisition of the units. The information is provided in the Prospectus as at the date specified on the title page.

The Fund is offered exclusively to Estonian residents. The Fund is not registered for offer in foreign countries.

The Management Company does not offer or sell units of the Fund to United States (US) persons and does not provide any other investment services to such persons, unless specified otherwise. By submitting a purchase order to the Management Company, the investor certifies that they are not a US person. If an investor is a US person or becomes a US person while in a legal relationship with the Management Company, the Management Company shall be entitled to terminate the legal relationship according to law. The investor must immediately notify the Management Company of any circumstances which may cause the investor to become a US person. The Management Company may use any public information to ascertain whether the investor is a US person. A natural person is considered to be a US person, among other things, when it has US citizenship, its country of residency is US, its contact address is in the US or its address in the country of residency is in the US. A person may also be a US person on other grounds pursuant to US legislation. The Management Company shall not be liable for any damages the investor may incur in association with being or becoming a US person, including damages associated with the Management Company's refusal to offer units of the Fund or investment services, redemption of units, and/or termination of applicable legal relationships, or other reasons associated with the above.

Information about the environmental and social characteristics promoted by the Fund is available in Annex 2 of the Prospectus.

The information related to the investors of the Fund is confidential and it shall be disclosed only in the events prescribed by the legislation. Personal data is processed according to Swedbank's regulation "Principles of Processing Client Data". By the declaration of intention made for the acquisition of the Units, the investor confirms that they have read the Swedbank regulation. The regulation is available on the website www.swedbank.ee under section "Bank conditions", in the service halls of Swedbank Estonia and in the registered office of the Management Company.

More detailed information concerning the Fund, any relevant documents and other significant information can be found on the website of the Management Company www.swedbank.ee/fondid (hereinafter the Website).

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General data

Data of the Fund	Mandatory pension fund registered in the Republic of Estonia: **Swedbank Pension Fund Generation 2000-09, established on 31 October 2022.** The registered office of the Fund is the registered office of the Management Company. The financial year of the Fund begins on 1 January and ends on 31 December.
Units of the Fund	The Fund has units of one type without nominal value (hereinafter the Units). Unit is a registered security certifying the unit-holder's right to the pro rata share of the Fund's assets. Units are neither traded nor intended for trading on a regulated securities market. See additional information in "Fund units" part of the Prospectus.
Price information	The net asset value, issue and redemption price of the Units are published on the Website on every banking day not later than at 12:00 noon.[1]
Financial statements	The annual report of the Fund are prepared and disclosed at the registered office of the Management Company and on the Website no later than four months after the end of the financial year of the Fund.
Taxation	The income of the Fund is not subject to taxation in the Republic of Estonia. The income earned by the Fund is reinvested. The profit or loss of the Fund is reflected in changes of the net asset value of the Units of this Fund. The taxation of the income earned by the investor depends on the circumstances related to the particular investor.
Management Company	Swedbank Investeerimisfondid AS (hereinafter also the Management Company), registered office at Liivalaia 8, 15040 Tallinn, Republic of Estonia. See additional information in "Management Company" part of the Prospectus.
Depository	Swedbank AS (hereinafter the Depository), registered office: Liivalaia 8, 15040 Tallinn, Republic of Estonia. The Depository keeps the assets of the Fund. See additional information in "Depository and register of Units" part of the Prospectus.
Registrar	AS Pensionikeskus (hereinafter the Registrar), registered office: Maakri 19, 10145 Tallinn, Republic of Estonia, registry code 14282597. The Registrar registers the Units and information related to the above in the register of Units. See additional information in "Depository and register of Units" part of the Prospectus.
Supervisory authority	Supervision over the activities of the Fund, the Management Company and the Depository is performed by the Financial Supervision Authority, registered office: Sakala 4, 15030 Tallinn, Republic of Estonia.

[1]The times are given here and hereafter based on Estonian time.

Auditor

The auditor of the Fund is AS PricewaterhouseCoopers, registry code 10142876, registered office: Tatari 1, 10116 Tallinn, Republic of Estonia.

Overview of the Life-Cycle Strategy

The Fund is a so-called life-cycle fund, meaning that the ratio of investments carrying equity risk in the Fund's assets decreases in time as described in the Fund's documentation and the Fund exists for a fixed period (the II pillar accumulation period for the respective generation). Swedbank Pension Fund Generation 2000-09 is intended primarily for investors born in the years 2000-2009.

The Estonian II pillar accumulation phase usually lasts approximately from the age of 20 (start of working life) to about the age of 65 (pension age). Over the years, the retirement age has been rising and will continue to rise presumably also going forward. According to the Estonian II pillar market practice it is usually recommended to collect money in a fund with a higher equity risk in younger age and lower equity risk in older age, immediately before reaching pension age the conservative fund (0% equity risk) is recommended to minimize the risk of reduction of assets collected due to unexpected changes in the financial markets. Therefore, an average investor should change his or her II pillar pension fund often multiple times during the accumulation period.

In case of so-called life-cycle funds, changing the fund due to increasing age of the investor and the accompanying change of risk profile is not necessary, as the ratio of investments carrying equity risk is reduced over time in a predetermined manner and the fund is established with a fixed term, more specifically for the II pillar accumulation period of a certain generation. The name of the life-cycle fund (or target date fund) is thus derived from the fact that such a fund is established with a certain age group´s accumulation targets in mind.

An investor of a life-cycle fund does not need to change the fund during his or her entire II pillar accumulation phase as the optimal risk level of the pension investments reduces according to the fund manager´s best evaluation of the duration of the accumulation period of the respective generation.[2] Thus equity risk at the time of establishment of the life-cycle fund and the joining of an investor is close to the maximum limit allowed by legislation (100%) and will then start reducing based on the duration of the accumulation phase of the II pillar (investment period of the target investor for the particular Fund). The following graph shows the reduction of investments carrying equity risk in the Fund starting from the year 2023.

[2] In case significant changes concerning the expected accumulation period and/or average life expectancy of the clients occur, the optimal risk level may be re-evaluated.

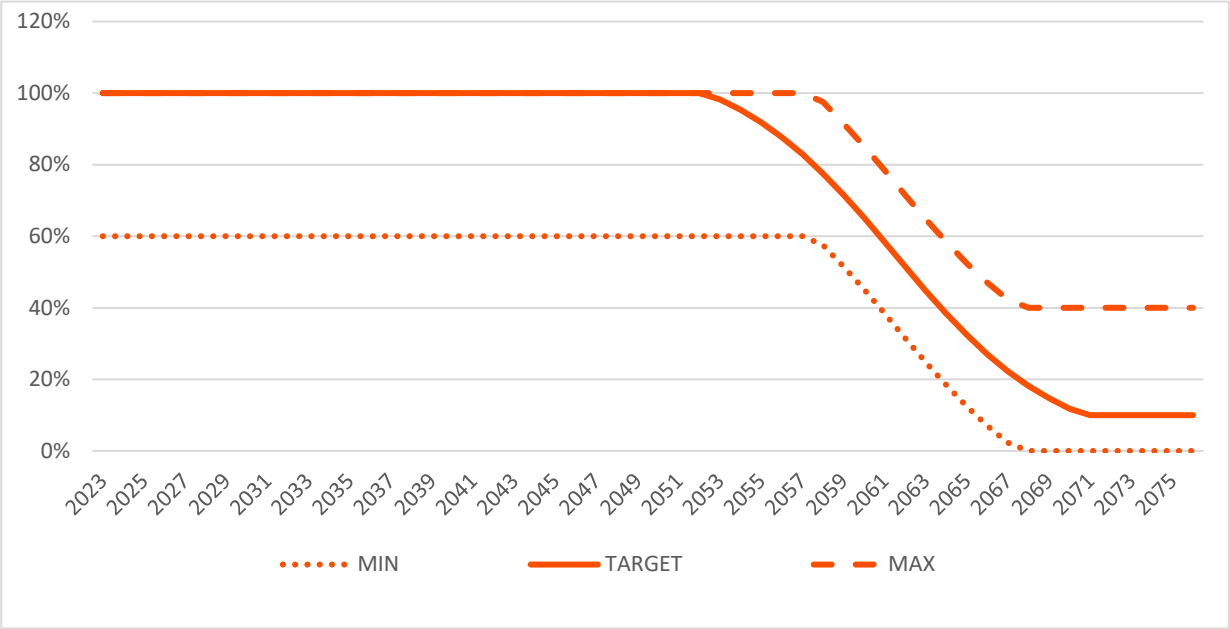


Table 1 below shows the approximate level of investments carrying equity risk presently and in the future.

Table 1.

Year	Swedbank Pension Fund Generation 2000-09		
	Minimal equity risk	Target equity risk	Maximum equity risk
2023	60%	100%	100%
2024	60%	100%	100%
2025	60%	100%	100%
2026	60%	100%	100%
2027	60%	100%	100%
2028	60%	100%	100%
2029	60%	100%	100%
2030	60%	100%	100%
2031	60%	100%	100%
2032	60%	100%	100%
2033	60%	100%	100%
2034	60%	100%	100%
2035	60%	100%	100%
2036	60%	100%	100%
2037	60%	100%	100%
2038	60%	100%	100%
2039	60%	100%	100%
2040	60%	100%	100%
2041	60%	100%	100%
2042	60%	100%	100%
2043	60%	100%	100%
2044	60%	100%	100%
2045	60%	100%	100%
2046	60%	100%	100%
2047	60%	100%	100%
2048	60%	100%	100%
2049	60%	100%	100%

2050	60%	100%	100%
2051	60%	100%	100%
2052	60%	98%	100%
2053	60%	95%	100%
2054	60%	92%	100%
2055	60%	88%	100%
2056	60%	83%	100%
2057	58%	78%	98%
2058	52%	72%	92%
2059	45%	65%	85%
2060	38%	58%	78%
2061	32%	52%	72%
2062	25%	45%	65%
2063	18%	38%	58%
2064	12%	32%	52%
2065	7%	27%	47%
2066	2%	22%	42%
2067	0%	18%	40%
2068	0%	15%	40%
2069	0%	12%	40%
2070	0%	10%	40%
2071	0%	10%	40%
2072	0%	10%	40%
2073	0%	10%	40%
2074	0%	10%	40%
2075	0%	10%	40%

The Fund has a fixed term, meaning that upon reaching its term (pension age of the target investors) the Fund is terminated. The Fund will be terminated by a merger.

The Management Company shall merge the Fund with the conservative pension fund (Swedbank Pension Fund Conservative) under its management in 2076. In case by the beginning of 2070 the assets of the Fund have fallen or fall below two million euros between 2070 and 2075, the Management Company may terminate (merge) the Fund between 2070 and 2075.

Investment of Assets of Fund

Investment objectives

The Fund is a mandatory pension fund, whose main purpose in operating is to provide the Funds' unit holders with additional income after reaching the pension age, in addition to the state pension. The investment objective of the Fund is to achieve the stable long-term growth of the value of the assets of the Fund through the hedging of risks.

Fund investments always involve risks. The risks related to investments in the Fund is described in more detail in "Investment risks" part of the Prospectus. To assess the suitability of the Fund, the investor should examine "Description of typical investor and risk levels of Fund part of the Prospectus. The investor should keep in mind that neither the performance of the Fund nor the preservation of the investment made in the Fund is guaranteed.

Investment policy

The main investment policy principles are provided in the Rules of the Fund. The Fund differs from other life-cycle funds managed by the Management Company primarily in terms of the permitted ratio of instruments carrying equity and bond market risks. Equities have historically offered a better rate of return compared to bonds, although their value may fluctuate significantly in a short period. Historically, bonds have a lower rate of return in long-term perspective, but these are more stable.

The ratio of assets carrying equity risk (equity, equity funds, other equity-like instruments) in the Fund is reduced over time as shown in Table 1. The remaining portion of the Fund's assets invested in bonds, money market instruments, deposits, immovables and other assets permitted by legislation. The objective of the Management Company is to maintain the ratio of assets carrying equity risk in the Fund's assets based on the target ratio shown in Table 1 but depending on the market situation and other circumstances the Management Company may increase or decrease the ratio of assets carrying equity risk in the Fund. The Management Company shall perform the merger with Swedbank Pension Fund Conservative in 2076, including if necessary, bringing the assets of the Fund into conformity with the restrictions provided for in the legislation on the composition of the assets of the conservative pension fund. The Management Company may terminate the Fund at any time during 2070-2075 by merging the Fund with the conservative pension fund under its management (Swedbank Pension Fund Conservative) in case the market value of the assets of the Fund drops below 2 million euros by the beginning of 2070 or during 2070-2075.

Upon investment of the assets, the Fund is not specialised by sectors of economy or regions or countries. The reciprocal proportions of the specific type of assets, the type of the issuer, the region or the sector of economy shall be determined by the Management Company in the course of everyday management. Depending on the market situation, the distribution of the Fund's assets among various asset classes and instruments may change significantly. The Management Company makes investment decisions according to the objectives under the Fund's strategy. The investments of the Fund may be denominated in various currencies and the Fund may invest in various currencies.

The Fund's assets are invested through other investment funds, among other things. Investments made in equity funds are considered to include investments in investment funds whose assets to a significant extent are allocated either

directly or through other funds to equities or other such instruments, and it is part of the normal investment policy of such a fund. Investments made in instruments similar to equities are considered to include investments in securities, deposits or other instruments whose price or return provided partly or fully depends on the price of an equity or other similar instrument or on changes therein, except for investment deposits or securities whose principal amount is guaranteed, and which meet the conditions laid down in legislation. The equities of an investment fund which is not an equity fund are not treated as equities. Equities, equity funds and equity-like instruments are not considered to include equities or equity-like securities of a company engaged mainly in developing, administering or operating infrastructure essential for the public (e.g. electricity and road networks, water supply, waste management); the units or equities of an equity fund investing mainly in infrastructure companies; the equities of a company or the units or equities of a fund whose assets are mainly allocated to immovables.

Investment restrictions and rules for hedging risks

In investing the assets of the Fund, the Management Company is guided by the rules on spreading risk set out in the legislation (primarily in the Estonian Investment Funds Act and in the legislation issued thereunder, such as regulations of the Minister responsible for the sector). The above restrictions and rules are not reiterated in full in the Prospectus and may change when the relevant legislation changes.

The assets of the Fund may be invested based on the restrictions and conditions laid down in legislation, the Rules and the Prospectus: securities (e.g. equities or other similar rights, bonds or other similar debt obligations and subscription rights and other rights which provide an entitlement to acquire the above securities, covered bonds, convertible securities; hereinafter in this section. the Securities), money market instruments, deposits at credit institutions, units or equities of other funds, derivative instruments, precious metals and securities, whose underlying asset is a precious metal or raw material or whose price depends on a precious metal or raw material, immovables and other assets permitted by the legislation, as well as issue loans on account of the Funds under conditions provided in the legislation.

The Fund may invest up to 100% of the Fund's assets in securities or money market instruments traded on a stock exchange or other regulated market in a country party to the European Economic Area (EEA), a Member State of the Organization for Economic Cooperation and Development (OECD), Russia, Albania, Bosnia and Herzegovina, Croatia, Serbia, Montenegro, Ukraine, Belarus, Moldova, Macedonia, Kazakhstan, Uzbekistan, Kyrgyzstan, Turkmenistan, Tajikistan, Georgia, Azerbaijan, Armenia, Argentina, Brazil, Colombia, China, India, Hong Kong, Singapore, Egypt, South Africa, the Bahamas, Bermuda, Cayman Islands, the Channel Islands, Isle of Man or another regulated market or admitted to trading on a market above within 12 months from the issue of Securities according to the terms of issue. The Fund may invest up to 100% of the value of the Fund's assets also in money market instruments not traded on a regulated market in accordance with the conditions laid down in legislation. The Fund may issue loans on account of the Fund up to 10% of the asset value of the Fund to persons, if the Fund is allowed to invest in bonds issued by such persons. The assets of the Fund may be invested in the Securities not traded on the markets listed above, invested in money market instruments not listed above or used to issue abovementioned loans on account of the Fund in the total amount of up to 50% of the value of the assets of the Fund.

The Fund may invest up to 15% of the value of the Fund's assets in Securities or money market instruments issued by a single person, except in covered bonds issued by a single person, in which up to 25% of the value of the Fund's assets may be invested. The Fund may be invest up to 35% of the value of the Fund's assets in the issued or guaranteed

securities or money market instruments of a country, a local government entity of a country party to the EEA, or an international organisation including at least one country party to the EEA.

The Fund may invest up to 100% of the value of the assets of the Fund at a credit institution if the credit institution is registered in a country party to the EEA or in a third country. The prudential requirements applicable to a credit institution registered in a third country should, in the assessment of the Financial Supervision Authority, meet the same stringent requirements as those laid down in EU legislation. A total of up to 20% of the value of the Fund's assets may be allocated to deposits at a single credit institution or at credit institutions in the same consolidation group.

The assets of the Fund may be invested in units or equities of other investment funds based on the restrictions and conditions laid down in legislation, the Rules and the Prospectus. The Fund may invest up to 100% of the value of the Fund's assets in UCITS units or equities or in the units or equities of some other fund permitted by legislation (so-called fund equated to UCITS). The Fund may invest up to 50% of the value of the Fund's assets in fund units or equities not referred to above that have not been admitted for trading at a regulated market listed in legislation. The value of the units or equities of a single fund may constitute up to 20% of the value of the Fund's assets or 30% of the value of the Fund's assets if it is an index-tracking euro fund in accordance with the conditions set out in the legislation. The Fund's assets may be invested by the Management Company or by a company with which the Management Company is linked by common management or control or through a substantial holding, in other units or equities managed by another fund, according to the terms set out in the legislation.

The Management Company may conclude transactions with derivative instruments on account of the Fund for the purpose of achieving the investment objectives of the Fund and hedging the risk arising from fluctuation of prices of securities in the assets of the Fund. The assets of the Fund may be invested in derivative instruments traded on a regulated market or derivative instruments acquired outside a regulated market if their underlying assets include the following assets or if their price depends directly or indirectly on the following drivers: securities, fund units and equities, money market instruments and other assets in which the Fund may invest, including financial assets, which share similar features with the above assets, interest rates, currency or exchange rates, any securities or financial indices.

The Fund may invest a total of up to 25% of the value of the Fund's assets in precious metals or in securities whose underlying assets are precious metals or raw material or whose price depends on a precious metal or raw material. The acquisition value of a single immovable may not exceed 10% of the value of the Fund's assets at the time of its acquisition. The value of immovables, of units or equities or other securities of another fund or another company investing in immovables should not account for more than 40% of the value of the Fund's assets.

A loan may be taken out on account of the Fund in the amount of up to 10% of the Fund's assets. The Management Company has the right to underwrite securities issues, enter into repurchase and reverse repurchase agreements and other securities borrowing transactions, to the extent of up to 10% of the value of the Fund's assets or in the short term.

Brief overview of investment and risk management techniques

In case of the Fund investing in several asset classes, the Management Company generally uses in investing the assets of the Fund a strategic division among various asset classes taking into account the investment policy and restrictions

of the corresponding Fund, the nature of the asset classes and investment perspective. Thereafter, tactical overweight or underweight of various asset classes is used pursuant to the changing conditions on the financial markets. In choosing the securities included in one asset class, the global and regional macroeconomic analysis, growth potential and general trends of the financial markets and, if necessary, trends in the corresponding region are generally followed.

In addition, when selecting investments, the Management Company follows the principles of sustainable and responsible investments that are published on the website of the Management Company. The manner in which sustainability risks are integrated into the Management Company's investment decisions is described in respective internal rules that are published on the website of the Management Company.

The Management Company has established the internal risk management rules of procedure and rules of reporting for the establishment, management, measuring and hedging of risks. The Management Company performs regular conformity check for monitoring the investment restrictions and risk hedging requirements. In case of any developments, as a consequence of which the Fund's portfolio contradicts to the investment restrictions, the Management Company immediately takes measures for the elimination of such contradiction.

Investment Risks

When investing in the Fund, the investor must consider the risks arising from investment, which may affect the rate of return of the Fund. The Fund may earn a profit or suffer a loss, i.e. the preservation and growth of the investment is not guaranteed, and the risks associated with the investments are borne by the investor (unit holder). The net asset value of the Fund may significantly fluctuate over time, and the previous rate of return of the Fund does not provide any indication of the future rate of return of the Fund. Therefore, the investors shall always make sure whether the risk profile of the Fund is acceptable for them. Before investing in the Fund, the investor is recommended to examine the Prospectus and the Rules, likewise the annual reports of the Fund and other documents and information regarding the Fund published in the registered office and on the Website site of the Management Company. The investment risk of mandatory funded pension is borne by the investor. The government does not provide any guarantees regarding the preservation of the value of the units of a pension fund.

The investor is recommended to assess the timeliness and relevance of investing in the Fund, and take into account the legal, tax, financial and other aspects associated with investments. The investor should assess whether the risk profile of the Fund and typical investors at whom the Fund is targeted are suitable to his or her investment objectives (see below).Prior to making the investment the investor must consult a professional tax and/or investment adviser, if necessary.

Description of primary investment risks

Any investments always involve risks. A risk can be characterized as a possibility that the intended investment result may not be achieved. The risks associated with the investments in an investment fund may arise from the investment activity, changes in the legal environment, keeping or valuation of the assets of an investment fund, operational risks, conflicts of interests and illiquidity of the fund. Below follow the descriptions of some of the main risks associated with the investments. This list is not exhaustive, and risks may be accumulated and concentrated.

Market risk (including equity risk and interest risk) is the danger that the value of an investment may change due to unfavourable changes (e.g. macroeconomic events, instability in political or social system, investors' behaviour, etc.) taking place on the securities market. In case of an equity investment, it may be reflected in the change in equity prices, change in volatility of equity rates, change in price ratios of different equities or equity indices or change in dividend payments. In case of a debt instrument investment, it may be reflected in the change in interest rates, change in income curve, change in volatility of interest rates, change in the difference of interest rates of the instruments having different risk levels.

Currency risk arises from undesirable changes in the foreign currency exchange rate with regard to the base currency of the Fund, which result in an unfavourable change of the value of the assets quoted in the currency.

Liquidity risk may arise from any adverse situation associated with the realisation of the investment – the number of the buyers of the investment is insufficient on the market at the desired time or at the desired price, or there is no market (buyer) at all. Liquidity risk may be greater in case of investments in securities traded outside the regulated market. Fund's liquidity risk arises from unfavourable changes in the behaviour of the unit-holders of the fund, which may lead to inability to perform the obligations assumed on the account of the Fund (including the redemption of the

units). Fund's liquidity risk may for instance arise in such a situation where the volume of the unit redemption and switch orders received by the funds within a short term is very extensive, as a result of which the payment of redemption amounts has to be suspended for a certain period.

Inflation risk arises from the fact that due to inflation the real value of investments may turn out to be lower as a result of increasing prices.

Market concentration risk arises from the fact that the majority of the fund's investments may be allocated to a certain country or region, which may result in an additional price fluctuation risk.

Issuer risk arises from the failure of the issuer of a bond to perform its debt obligations in due time (including early redemption risk) or completely. In case of occurrence of such risk, the value of the issuer's debt security may significantly decline or become worthless, affect the value of the assets of the Fund. Issuer risk in case of investing in equities arises from the fact that the value of the company in which equity the fund has invested may change over time due to the company's activity (e.g. economic results, financial activity). The risks of investing in various equities may include the currency risk, political, economic and regulatory risks. The taxation and reporting standards imposed on issuers also vary. The political, economic and regulatory risks of issuers in the emerging markets may significantly differ from the risks presented by investments in the developed markets. These may include greater price volatility, less liquidity and controls on the issuer and limitations on repatriation of invested capital. Investment-related costs may also be higher in the developing markets.

Counterparty risk arises from the failure of the counterparty of a transaction concluded with the assets of the Fund to perform the obligations assumed by the transaction.

Settlement risk arises from the failure of the counterparty of a transaction to transfer the required amount of money or securities, although the contractual obligation to the counterparty has already been performed. Settlement system risk is the risk that settlement in the settlement system for securities or other assets does not take place at the required time or in the required amount because the transaction counterparty fails to fulfil its obligations on time or in full.

Risk arising from holding the assets (depository risk) is the loss or destruction of the assets held by the depository or any other administrator of the assets in the event of bankruptcy, insolvency, negligence or intentional unlawful act of the depository.

Legal system risk arises from the fact that the legislation regulating the activities and operations of the Fund and investment in the Fund may be amended (e.g. the government may change the rules under which the investors' income from the fund is subject to taxation).

Political or country risk is related to the fact that significant political changes or other events take place in the country or region where the assets of the Fund have been invested, and as a result thereof the value of the investments declines (see also issuer risk above).

Risk associated with valuation of the assets arises from the fact that it may be complicated to determine a fair price in case of an investment traded outside a regulated market, or the assets of a fund may lack a (recognized) quotation.

Risks associated with derivative instruments. Depending on the type of a derivative instrument, the derivative transaction may be accompanied by large gearing, due to which also small price change of underlying assets may cause a significant change in the value of the derivative instrument or greater loss than the value of the security provided in concluding a derivative transaction.

Risk related to conflict of interests arises from the fact that the investor may suffer potential direct or indirect damage, primarily due to the following circumstances: the Management Company may conduct transactions on behalf of the Fund with any persons connected to it or with the other funds managed by the Management Company; conflicts of interest occur between the Management Company and any persons connected with it; the Management Company may invest the assets of the Fund in other investment funds managed by it or companies in the same group; the employees of the Management Company are the fund managers of several different funds at the same time; the depository or the person to whom the Management Company has transferred its duties belongs to the same consolidation group with the Management Company. In order to determine and hedge any potential conflicts of interest, the Management Company has established internal rules and restrictions (including rules for refunding the management fee when investing in other investment funds managed by the Management Company, a company in the same group with it or a company not associated with the Management Company), and the conformity check of the Management Company regularly monitors the transactions and investments of the Fund (including whether these have been made with connected persons or into connected persons and what are the conditions of the transaction in such case). In addition to the above, the conformity check of the Management Company regularly monitors the providers of services to the Management Company and the conditions of providing the services.

Risk of investing in funds arises from the fact that in case the assets of the Fund are reinvested in investment funds, which in their turn reinvest it either directly or indirectly in other funds, the corresponding management fees and other charges may exceed the expenses connected with the so-called direct investment. In addition, the Management Company is not always able to completely monitor the activity of investment funds where the Fund has invested, since such investment fund may use the investment strategies, which are not completely disclosed to the Management Company, or contain risks in certain market situations, which are not envisioned by the Management Company. Furthermore, administrators of some investment funds may have a limited operating history or there is no assurance that regulative supervision is exercised over these or these may not have an independent depository.

The risk related to auditing, accounting and financial reporting arises from the fact that emerging market issuers are subject to reporting standards, practices and disclosure requirements that may not provide the same level of information and protection for investors as those of more developed markets.

Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment within a fund's assets. Sustainability risks could affect the return of the Fund if they materialise. Weak governance and control structures in a company being the Fund's investment object may lead to irregularities that could have an adverse impact on the price of securities issued by the company. Material exposures to both transition and physical risks of climate change may pose a vulnerability should the risks materialise and lower the market value of the Fund's investments. The integration of sustainability risks into investment-decision processes is critical to achieving high and sustainable long-term returns.

Risks more relevant to the operation of the Fund

The risks that are more relevant to the operation of the Fund have been identified, taking into account the current time, and the risks will change in the future in accordance with the changes in the equity risk as shown in Table 1.

An essential part of the assets of the Fund may be invested in a currency other than the base currency of the fund. Rapid changes in exchange rates may also lead to significant changes in the net asset value of the Units of the Fund, therefore the **currency risk** has to be regarded as significant

The Fund invests up to the extent specified in the Fund's rules in equities, equity funds and other equity-like instruments, and therefore the Management Company estimates that the **equity risk**, as well as **market concentration risk** and **market liquidity risk** is higher than usual in case of this Fund.

The **legal system risk** may be regarded as significant in case of the Fund and this arises from the fact that the legislation governing the activities of the Fund and investments in the Fund may be amended in a manner that is unfavourable for the investor.

The Management Company estimates that the potential effect of using derivative instruments on the risk level of the Fund is not large.

Description of typical investor and risk level of Fund

The Fund is targeted at investors, who are natural persons residing in Estonia. The Fund does not require any prior investment experience. The Fund is established based on the logic of life cycle, i.e the Fund is intended for a specific group of target investors (generation). The Fund is suitable for investors who were born in 2000-2009. The ratio of equity investments in the Fund reduces in time as the pension age of an investor approaches (refer to section "Overview of the life-cycle strategy" in the Prospectus), therefore a medium-term investment period (accumulation period) should be considered. **The risk level of the Fund is high.** When choosing a suitable pension fund, the investors have to take into account the logic of the life cycle and their own **expectations** and **personal risk tolerance**. Therefore, the Management Company recommends before making an investment decision to consult a professional investment adviser in order to assess and understand the risks associated with investments and connection between the risks and potential loss or reward.

Taxation of Fund's Income

The following provides a general overview of the taxation principles. Before making an investment decision, it is recommended to consult a professional tax adviser to better understand and assess the aspects related to the taxation of the potential earned income.

The legislation concerning the taxation and, accordingly, the taxation of a particular investor may change over time.

Fund's income

The Fund's investment income may arise from interest income, dividend income and changes in securities prices.

The income of the Fund shall not be distributed to the investors; it shall be reinvested. The net asset value of the Fund's assets depends on the profit or loss, which the Fund earns through investments and it is reflected in the growth or decline of the net asset value of the Fund's assets and thereby in the change of the net asset value of the Unit.

Income tax

Taxation of Fund's income

The Fund is not a taxable person and the income earned by the Fund is not subject to taxation in the Republic of Estonia. The income earned or transactions effected by the Fund in a foreign country may be subject to taxation pursuant to the regulation applicable in the respective country.

Taxation of investors

Contributions to the mandatory funded pension are deducted from taxable income and payments from the second pillar are taxed with the current tax rate.

Payments made from the Fund to investors, their successors or other persons specified in the law are taxed pursuant to the Income Tax Act. Pursuant to the Income Tax Act, the taxation of payments made from the Fund may depend on both the method of payment and the identity of the investor (e.g whether the payment is made to an investor who is entitled to the mandatory funded pension or to an investor not yet entitled to the mandatory funded pension). Payments made to the successor upon the redemption of the Units are subject to taxation at the current tax rate. Transfer of the Units to the successor's pension account is not subject to taxation. The switch of the Units of the Fund to units of another mandatory pension fund or redemption of the Units to transfer the money to the pension investment account are not subject to taxation.

Value Added Tax

Value added tax is levied, inter alia, on the service of safekeeping and administration of securities and the service of keeping the assets. This means that for example the depository service provided by the Depository and the expenses related to keeping the assets of the Fund are added value added tax.

Units of Fund

The Units are registered immaterial securities expressing the share of the common ownership of the Investor in the assets of the Fund. The Fund has units of one type without nominal value. The Units are divisible. The offer of the Units is public. No material document certifying ownership is issued for the Unit. The Units grant the investors equal rights on equal grounds. The Units do not give the investor any decision-making power in concluding transactions with the assets of the respective Fund. The Units provide no voting right, and the Fund has no general meeting.

Establishment of net asset value of Fund and Units

The Management Company determines the net value of the assets of the Fund and of the Units proceeding from its internal rules and legislation. The above internal rules have been disclosed on the Website.

The net asset value of the Fund's assets is the value of the securities in the Fund's assets and of other things and rights, less any claims against the Fund. The net asset value of the Fund's assets is determined primarily on the basis of the market value of the assets of the Fund. The market value of the Fund's assets is determined on every banking day, which is every calendar day except Saturday, Sunday, and the national and public holidays of the Republic of Estonia (hereinafter: Banking Day). To determine the net asset value of the Fund's assets, the accrued but unpaid management fee owed to the Management Company, payables of the Fund (including unsettled transactions) and other costs related to management of the Fund are deducted from the market value of the assets of the Fund. The net asset value of the Fund is calculated in euros. The net asset value of the Fund's assets is disclosed on the Website at least once a month.

The net asset value of the Unit is calculated by division of the net asset value of the Fund's assets by the number of the Units, which have been issued and not redeemed by the moment of calculation, whereby the number of the Units has been first adjusted with the liabilities which arise from the subscription and redemption orders received, but not yet settled by the Management Company. The net asset value of the Units is calculated in euros. The net asset value of the Units is calculated at least once on each Banking Day and published on the Website on each day of calculating the net asset value no later than at 12:00 noon. The net asset value of the Unit is determined with the accuracy of five digits after the decimal point.

If an event or circumstance, which according to the best estimate of the Management Company affects the net asset value of the Fund or Unit, occurs after the determination of the net asset value of the Fund or Unit, the Management Company has the right to re-estimate the market value, the net asset value and the net asset value of the Unit, provided that the failure to perform such a re-evaluation would harm the interests of the investors.

Determination of the issue and redemption prices of units

The issue and redemption prices of the unit are calculated pursuant to the procedure set out in the Rules once on every Banking Day and published on the Website not later than at 12:00 noon. The issue and redemption price of a unit are calculated with the accuracy of five digits after the decimal point.

Transactions with Units

Joining the second pillar

In order to acquire the units of the second pillar, eg the mandatory pension fund, or to make payments to the pension investment account, a person (investor) who meets the conditions provided by legislation shall submit to the Registrar or the account manager[3] either in person or through a representative authorised for this purpose in writing ***a choice application***. Upon the submission of a choice application, ***a pension account*** is opened for the investor, which is a special type of securities account used for registration of mandatory pension fund units and details related to the units. In order to open a pension investment account, the investor enters into a corresponding agreement with a credit institution that meets the conditions provided by legislation. This Prospectus only describes transactions with the units of the Fund and does not describe transactions related to the pension investment account, including II pillar contributions to it.

By submitting a choice application, the investor undertakes to make mandatory funded pension contributions to a mandatory funded pension of their choice or to a pension investment account, under the conditions and pursuant to the procedure provided by law. In the absence of a choice application the contributions shall be made to the pension fund determined by lot by the Registrar or under the conditions provided by legislation to the pension investment account. The obligation to make the contribution ends at the time and on the bases provided by legislation.

An investor may start making contributions to a new mandatory pension fund or pension investment account by submitting a new application to the account manager or the Registrar. The Registrar shall replace the mandatory pension fund or pension investment account to which the investor makes contributions with the mandatory pension fund or pension investment account specified in the new choice application no later than on the third working day as of the acceptance of the choice application by the Registrar.

By submitting a choice application or a transaction order, the investor confirms that he/she has sufficiently examined the Rules and the Prospectus of the respective Fund(s), consents to these and undertakes to adhere to these.

If a person obligated to join the II pillar does not want to make contributions to the II pillar then provided by legislation he or she shall not be obliged to make the payment if he or she submits an application for exemption from making a payment to the account manager or Registrar by the due date for submission.

Contributions to the second pillar conditionally consist of two parts: contribution to a mandatory funded pension, which constitutes by default 2% of the employee's gross salary and which is withheld by the employer, and tax (4% of the gross salary), which is added by the Tax and Customs Board on account of social tax. For persons meeting certain conditions (e.g. a parent raising young child), additional contributions may be allowed under legislation. The contribution of a sole proprietor to the mandatory funded pension is by default 2% of the person's business income; and the Tax and Customs Board calculates and pays additionally 4% of the social tax paid by the sole proprietor as a contribution to the sole proprietor's funded pension. The investor can change the contribution rate to the second pillar

[3] See the list of account managers on the website of the Pension Centre.

and choose instead of the default 2% rate a 4% or 6% rate. The contribution rate can be changed as described in the legislation.

The Fund does not issue any transaction confirmations about unit transactions. Investors receive information regarding transactions concluded with their Units and the balance of their pension account from the registrar and/or their account manager.

Issue of units

To make a contribution, the employer or another person provided by legislation shall withhold from the remuneration payable to the investor and prescribed by the legislation the *contribution to mandatory funded pension* and transfer it to the current account of the Tax and Customs Board. The Tax and Customs Board checks the accuracy of withheld contributions and based on the information on subscribers to the second pillar received from the Registrar sends correct payments and the amounts of any additional contribution prescribed by the legislation and the data thereof to the Registrar.

Based on the amounts received from the Tax and Customs Board and the net asset value of the Unit of the respective Fund, the Registrar transfers the corresponding number of the Units to the investor's pension account (calculates the number of the acquired Units by dividing the received amount by the net asset value of the Unit and transfers the acquired Units to the investor's pension account). At the same time, a contribution amount corresponding to that number of Units is transferred into the bank account of the Fund. If a whole number of Units cannot be acquired for the contribution, a relevant fractional unit is transferred into the investor's pension account. Fractional units registered in the investor's pension account are added up.

The Unit is deemed issued and all the rights arising therefrom are deemed created upon the registration of the Unit in the investor's pension account.

An investor has the right not to make a mandatory funded pension payment if he or she submits an application for exemption from making a payment provided in the legislation to the account manager or the Registrar. The investor shall be released from making the payment from 1 January, 1 May or 1 September if the application is submitted to the Registrar no later than 31 July, 30 November or 31 March, respectively. Until the due dates for the submission of such an application, the investor may amend his application by submitting a new application.

An investor who has submitted an application for exemption from payment of a mandatory pension fund contribution or exercised the statutory right to withdraw money before becoming entitled to mandatory funded pension shall become entitled to make a payment again ten years after the making of the payment ceases, unless specified otherwise in the legislation, if he or she submits to the account manager or Registrar an application for making the payment stipulated in the legislation.

Acquisition of Units by sole proprietors

In the case of sole proprietors, the contribution period is one calendar year. The Tax and Customs Board calculates the sole proprietor's funded pension contribution and sends the sole proprietor a tax notice by 1 September of the year following the taxable period for social tax. The sole proprietor pays the funded pension contribution to the bank

account of the Tax and Customs Board once annually, i.e. by 1 October of the year following the taxable period for social tax.

The Fund Units calculated according to the business income are transferred to the sole proprietor's pension account once annually.

Change of units

The investor can change the Units or any part thereof to units of another mandatory pension fund upon request, if change is not prohibited under legislation. The investor pursuant to the legislation has also a right to redeem all Units or some of them and to transfer the amount received upon redemption of Units to his or her pension investment account.

The investor has the right to make change transactions stipulated in the legislation three times a year. To make the change transaction, the investor shall submit an *application for change* to the account manager or the Registrar. The change transactions are performed on the first working day following 1 January and 1 May and on 1 September or a working day following it if 1 September is not a working day. For effecting the change transactions, the application for the change on the designated days shall be received by the Registrar on 30 November, 31 March and 31 July respectively, at the latest. Until the above due dates, the Investor may change the application by submitting for this purpose a new application for the change.

In case of changing the Units, the Units of one Fund are redeemed and units of another pension fund are issued for the redemption price calculated on the day of changing the Units paying for the latter in the amount of the net asset value of the same day. Upon the change of the Units no payments are made to the investor. When units are changed, the investor pays the Management Company a unit redemption fee according to the procedure and rate set out in the Rules and the Prospectus.

Redemption of units

Payments to an investor, who is entitled to mandatory funded pension

An investor is entitled to receive payments from the Fund (mandatory funded pension disbursements) when he or she has reached the age stipulated in the legislation or fulfils other conditions stipulated in legislation.

Payments are made on the basis of a pension contract, but also directly from the Fund – as a funded pension or as a lump-sum payment.

Redemption of units upon entry into pension contract

The pension contract is a mandatory funded pension insurance contract entered into by and between the investor, who pursuant to the legislation is entitled to mandatory funded pension, and the insurer based on which the insurer undertakes to make pension payments to the investor until his or her death or until the term agreed upon in the contract and the investor undertakes to pay an insurance premium to the insurer.

For entry into a pension contract, the investor shall submit an application to the insurer offering the corresponding product.. The pension contract is entered into pursuant to the conditions and procedures stipulated in the Funded Pensions Act. When a pension contract is entered into, all the Units held by the investor are redeemed and a lump-sum insurance premium is paid to them in the relevant amount, unless otherwise determined by the investor. The amount corresponding to the units shall be calculated by multiplying the number of units redeemed with their net value. The Registrar shall organize the redemption of Units and the transfer of the amount corresponding to the Units from the Fund to the insurer.

If the investor has Units in the pension account after entering into the pension contract, the investor has the right to enter into another pension contract, make an agreement for a fund pension, apply for a lump-sum payment from the Fund or submit an application to the insurer for making an additional insurance contribution to the extent of the remaining Units.

Fund pension

Under the fund pension periodic payments are made to the investor until the expiry of the funded pension. The funded pension covers all the mandatory pension funds whose units the investor holds and whose redemption is not prohibited under legislation.

To agree on a fund pension, the investor presents her or his account manager or Registrar with a funded pension application in the required format. When the funded pension is agreed then the term of the funded pension is calculated on the basis laid down in the legislation, but the investor may set a shorter or longer term than calculated. Upon agreeing on a funded pension, the investor shall determine the frequency of payments, according to which payments shall be made either once a month, once a quarter or once in a pension year. After a pension fund has been agreed on, the investor has the right, by submitting an application in the required format to her or his account manager or Registrar to terminate the funded pension in accordance with the procedure laid down in legislation.

When a fund pension disbursement is provided for the investor, the prescribed number of mandatory pension fund units are redeemed, and a disbursement is provided in the amount corresponding to them. The said amount is obtained by multiplying the number of mandatory pension fund units redeemed with their net value. Unit redemption and disbursement to the investor are organised by the Registrar. The number of units underlying funded pension disbursements is identified each time before a disbursement is made in accordance with the conditions laid down in legislation.

If the investor acquires units in a mandatory pension fund after agreeing on a funded pension, the additionally acquired units shall be taken into account when the number of units underlying disbursements is identified for the next disbursement.

Lump-sum payment

If the investor has reached the age stipulated in the legislation or if he or she fulfils other conditions stipulated in the legislation then the investor has the right to require the redemption of all Units or some of them and the lump-sum payment of the amount corresponding to them.

To receive a lump-sum payment from the Fund, the investor presents the account manager or the Registrar with an application for a lump-sum payment, indicating the information stipulated by legislation. The Registrar shall make the lump-sum payment and organize the redemption of mandatory pension fund units pursuant to the procedure provided

for in the legislation. When a lump-sum payment is made, it based on the net asset value of the Units on the day of their redemption.

If all of the Units owned by the investor were redeemed upon making a lump-sum payment and then money is received to his or her pension account, then the Registrar shall arrange a new payment to be made to the investor within one month. In order to redeem the units remaining in the investor's pension account or to withdraw the money received there after the lump-sum payment, the investor has a right to submit an application for a new lump-sum payment, agree on a funded pension or enter into a pension contract in accordance with the conditions provided in legislation.

Payment to an investor, who is not yet entitled to mandatory funded pension

Investor, who pursuant to the legislation is not yet entitled to mandatory funded pension, has a right to demand redemption of all Units and payment of the corresponding amount and the money in all pension investment accounts pursuant to the conditions provided in the legislation. The investor may exercise this right up to twice.[4] By withdrawing the money, a person shall terminate the making of payments.

In order to redeem all units of the mandatory pension funds and to receive payment to the corresponding amount and money in all pension investment accounts, the investor shall submit an application to the account manager or Registrar with the information and by the term provided by legislation. Payment shall be made by the Registrar. Upon payment all units of the pension fund owned by the investor shall be redeemed and the corresponding amount and the money in the pension investment accounts shall be paid out. The amount corresponding to the Units is obtained by multiplying the number of units to be redeemed and their net asset value. The Units shall be redeemed, and the corresponding amount shall be paid out no later than January 20, May 20 or September 20, if the application is submitted to the Registrar no later than July 31, November 30 or March 31, respectively.

Succession of units

The Units may be inherited. The successor who meets the conditions provided for in the Funded Pensions Act (eg he or she is obliged to pay II pillar contributions) has the right to transfer the inherited Units to his or her pension account or redeem them. A successor who does not meet the conditions provided for in the Funded Pensions Act has the right to demand the redemption of the Units. In order to transfer Units to his or her pension account or to redeem them, an application must be submitted to the account manager in the format prescribed by the legislation. The Registrar shall organize the redemption of the Units and the making of payment to the successor or the transfer of Units to the successor's pension account.

Suspension of issue or redemption of Units

The Management Company shall suspend the issuance or redemption of Units if the issuance or disbursement of funds would seriously undermine the interests of the unit holders or the regular management of the Fund or the orderly

[4] Pursuant to the Funded Pensions Act the investor has the second time the right to demand redemption of all of his or her pension fund units and payment of the corresponding amount and the money in pension investment accounts if after the previous withdrawal of money at least ten years have passed since the obligation to make a payment has arisen.

governance. Upon the suspension of the issue of the Units, the Registrar preserves the funds received for the acquisition in accordance with the procedure laid down in legislation.

With the permission of the Financial Supervision Authority (except in cases provided for in legislation), the Management Company may suspend the redemption of the Units if at least one of the following circumstances arises:

- the money in the accounts of the Fund is insufficient for payment of the redemption price of the Units;

- the securities or other assets of the Fund cannot be promptly sold;

- the calculation of the net asset value of the Fund's assets is hindered.

In case of the suspension of the redemption of the Units, the Units may be issued only in instances laid down in legislation.

The Management Company notifies the suspension of the issue or redemption of the Units on the Website.

Fees and Expenses Related to Fund

The Units may be acquired at the subscription price, which is the net asset value of the Unit. The Units are redeemed at the redemption price, which is the net asset value of the Units.

Fees and charges withheld from the amount invested by the investor	
Unit subscription fee	None
Unit redemption fee	None
Fees and charges deducted from the assets of the Fund prior to calculation of the net value of the Fund:	
Base management fee (calculated based on the market value of the assets of the Fund)*	1.2% p.a.
Success fee	None
Transfer costs and service fees directly related to effecting transactions on account of the Fund (e.g. service, transaction and brokerage fees, cash and securities transfer fees, subscription, stock exchange and registration fees, state fees, account maintenance fees) and analysis costs related to transaction counterparties	pursuant to the price list of the service provider
Costs related to taking loans on account of the Fund (including costs related to repurchase agreements and reverse repurchase agreements and other securities-borrowing transactions)	pursuant to the price list of the service provider
Other fees and costs related to the management of the Fund (legal costs (e.g. court costs) related to the Fund's investments, liquidation costs, taxes to the Fund's investments (such as costs related to seeking more favourable taxation), fees and interest costs (including costs related to negative interest on deposits and other fixed-income investments), costs of auditing the Fund's reporting, costs related to the realisation of rights related to the Fund's assets)	Pursuant to the price list of the service provider or based on the costs actually incurred

* The base management fee is deducted from the market value of the assets of the Fund on a daily basis and is paid no later than on the last date of the month following the accounting month. The base management fee is calculated on the basis of the following: the actual number of days in the period divided by the actual number of days in the year *(actual/actual)*. The rate of the base management fee shall be reduced in compliance with the provisions of the legislation.

The fees, charges and costs paid on account of each Fund may not exceed annually 3% of the average annual market value of the Fund's assets.

All other fees and costs relating to the management of the Fund, e.g. the depository's charge, registrar's charge, Guarantee Fund pension protection sectoral fund payments made under legislation and the supervision fee of the Financial Supervision Authority are borne by the Management Company. The rate of the depository fee payable by the Management Company is 0.05% per annum, but a minimum of 180 euros per month[5] (calculated based on the market value of the Fund's assets). Value added tax will be added to the depositary fee pursuant to the conditions in the legislation.

Management fee limit of acquired funds

The effective limit of the management fee of investment funds acquired in the assets of the Fund may not exceed 3% of the market value of the assets of the acquired Fund per annum. In case investments are made in such fund, which accounts the management fee on the value of investment obligation assumed by the investors, the limit of the management fee of such fund shall not exceed 3% of the amount of the investment obligation. In case an acquired fund charges in addition to the management fee the performance fee depending on the fund's results, these fees together shall not exceed 6% of the market value of the fund's assets per annum. If the Fund is refunded a part of the management fee or performance fee, the management fee of the acquired fund is accounted smaller to the respective extent.

[5] The minimum fee is not applicable on the first year of operation of the Fund.

Information about Fund

The following information and documents may be examined at the registered office of the Management Company and on the Website:

1) the Rules;

2) last annual report of the Fund;

3) the Prospectus and Key Investor Information;

4) contact details of the Management Company;

5) names of persons engaged in investing the Fund's assets;

6) the name and contact details of the Depository;

7) information on the size of holding of the Management Company in the Fund;

8) the internal rules of the Management Company for the establishment of the net asset value of the Fund's assets and the Units.

The above documents and information may be examined at the registered office of the Management Company on each Banking Day at 10:00-16:00. The Management Company provides copies of the documents specified in clauses 1-3 to the acquirer or holder of the Units at their request free of charge. The annual report of the Fund is prepared and disclosed within four months from the end of the financial year of the Fund.

The net asset value of the Units and the issue and redemption prices are published on the Website of the Management Company on each Banking Day after the calculation of the net asset value no later than at 12:00 noon. The Management Company may publish the above information also on other websites or media publications.

The Management Company has the right to send notices and reports about the Fund at any postal or e-mail address of the investor known to the Company.

Amendment of Rules and Prospectus of the Fund

The board of the Management Company decides the amendment of the Rules at its discretion; amendments may include also essential terms concerning, for example, rights resulting from a Unit. Following the approval of the amendments by or the submission of the amended Rules to the Financial Supervision Authority, the Management Company publishes the amended Rules on the Website required by legislation. Amendments that have to be approved by the Financial Supervision Authority take effect on the business day following 1 January or 1 May or on 1 September or on the following business day (if 1 September is not a business day) but not before 100 calendar days have passed since the publication of the relevant notice. Other changes of the Rules generally take effect one month after the publication of the relevant notice.

The board of the Management Company decides the amendment of the Prospectus; amendments may include essential terms concerning, for example, the investment policy of the Fund. The Amended Prospectus is published by the Management Company on its website and will generally take effect immediately upon its publication or, in the case of

major changes, after the lapse of the same period that applies to the amendments to the Rules subject to approval by the Financial Supervisory Authority.

Termination of the Fund

The Fund has a fixed term, meaning that upon reaching its term (pension age of the target investors) the Fund is terminated. The Fund will be terminated by merger.

The Management Company shall merge the Fund with the conservative pension fund (Swedbank Pension Fund Conservative) under its management in 2076. In case by the beginning of 2030 the assets of the Fund have fallen or fall below two million euros between 2070 and 2075, the Management Company may terminate (merge) the Fund between 2070 and 2075. In order to carry out the merger, the Management Company has to obtain authorisation for the merger from the Financial Supervision Authority. Upon gaining authorisation, the number of the units of Swedbank Pension Fund Conservative issued to a unit-holder of the Fund shall be such that the net asset value of the units corresponds to the net asset value of the Units of the Fund which were owned by the unit-holder. No cash payments shall be made to the Investors upon merger, the Units of the Fund shall be cancelled and the Fund deemed liquidated.

With the permission of the Financial Supervision Authority, the Management Company may transfer the management of the Fund to another management company by agreement. If the right of the Management Company to manage the Fund terminates (for example, when the Management Company's license is revoked) and the management of the Fund is not transferred to another management company, the management of the Fund shall pass to the depository. Liquidation of the Fund may be decided only if it has been impossible to transfer the management of the Fund to another management company in accordance with the procedure laid down in legislation.

The Fund is terminated in liquidation proceedings, and to this end the Management Company or any other party specified in the legislation has to apply to the Financial Supervision Authority for a liquidation permit. After learning about the decision to grant a permit, the Management Company will publish a liquidation notice. Liquidation proceedings begin on the day following the publication of the liquidation notice and end with the submission of a liquidation report in accordance with the provisions in legislation. The Fund is considered liquidated upon submission of a liquidation report.

Upon liquidation of the Fund, the liquidator shall transfer the assets of the Fund, collect the arrears of the Fund and satisfy the claims of the creditors of the Fund. During the liquidation of the Fund, the Management Company may effect only those transactions on account of the Fund that are necessary for the liquidation of the Fund.

When funds left over upon liquidation are allocated, the Investor shall acquire pursuant to the conditions laid down by the legislation the number of units in the new mandatory pension fund that corresponds to her or his share or the investor's share is transferred to his or her pension investment account under the conditions provided by law. The Fund may only cover the actual costs of the liquidation of the Fund, which may not exceed 2% of the net asset value of the Fund's assets as at the date of the decision made to liquidate the Fund, except in cases where the decision to liquidate sets out the amount and the rationale for any additional liquidation costs.

Management Company

General data

Swedbank Investeerimisfondid AS (share capital 3 004 800 euros, registry code 10194399), registered office at Liivalaia 8, 15040 Tallinn, Republic of Estonia, which was established on the basis of the legislation of the Republic of Estonia on 21.10.1994 as a company that manages investment funds. Swedbank Investeerimisfondid AS holds activity license of the Management Company No. F-4/0009 issued by the Financial Supervision Authority on 5 April 2002 for unspecified term, which grants the right for the management of investment funds (including mandatory and voluntary pension funds) and securities portfolios. 100% of the shares of Swedbank Investeerimisfondid AS are held by Swedbank Robur AB.

The activities of the Management Company must comply with the legislation, the articles of association of the Management Company and the Rules and be based on the best interests of the unit holders of the Funds.

The Management Company has the right to dispose of and possess the assets of the Fund and other rights arising therefrom. The Management Company concludes transactions in its name and on account of the Fund upon managing the Fund. The Management Company manages the assets of the Fund separately from its own assets and the assets and pools of assets of other investment funds managed by the Management Company. The Management Company is obliged to submit any claims of the Fund or the Fund's investors against the Depository or a third party if failure to submit the claims may result in loss or damage being incurred by the Fund or, as a result, by the Fund's investors. The Management Company is not obliged to submit such claims if the Fund or the Fund's investors have already submitted the claims or if the loss or damage is limited in its extent (up to 0.5% of the value of the Fund's assets) or if the submission of a claim results in disproportionate costs.

Supervisory Board

Pia Sodemann – Swedbank Robur Fonder AB, Head of Legal Department.

Andrus Alber – CEO of OÜ Finora Capital and member of the Estonian Fiscal Council.

Andres Trink – Supervisory board member of AS Merko Ehitus.

Marianne Nilsson – Swedbank Robur Fonder AB, Senior Director Corporate Governance.

Olavi Lepp – CEO of Swedbank AS.

Management Board

Age Petter – Member of the Management Board as of 2021.

Meelis Hint – Member of the Management Board as of 2010.

Other funds managed by the Management Company

Swedbank Pension Fund Conservative

Swedbank Pension Fund Generation 1960-69

Swedbank Pension Fund Generation 1970-79

Swedbank Pension Fund Generation 1980-80

Swedbank Pension Fund Index Generation 1990-99

Swedbank Pension Fund Index

Swedbank Pension Fund V30

Swedbank Pension Fund V60

Swedbank Pension Fund V100

Swedbank Pension Fund V30 index (limited redemption)

Swedbank Pension Fund V60 index (limited redemption)

Swedbank Pension Fund V100 index (limited redemption)

Swedbank III Pillar Pension Fund Index

Swedbank Russian Equity Fund

Transfer of duties of the Management Company

To the extent and pursuant to the procedure established by the Legislation, the Management Company may transfer to third parties all the activities related to management of the Fund, including Investment of the assets of the Fund and management of risks related to the investment of the assets of the Fund, administration of the Fund and the offering of the Fund. The transfer of duties to third persons does not release the Management Company from liability relating to the management of the Fund.

The Management Company has transferred the following duties to third persons:

Investment of the assets of the Fund (partially and as regards making investment decisions upon investment of the assets of the Fund)	Swedbank Robur Fonder AB, reg. No. 556198-0128, SE-105 34 Stockholm, Sweden (management company registered in the foreign country, subject to supervision of the Swedish Financial Supervision Authority)
Offer of the Fund	Swedbank AS
Keeping account of the assets of the Fund and organisation of accounting of the Fund	Swedbank Robur Fonder AB and Swedbank Robur AB, reg.nr. 556110-3895, SE-105 34 Stockholm, Sweden

Provision of information needed by investors and other customer service, including resolution of investor complaints	Swedbank AS AS Pensionikeskus
Valuation of the Fund's assets and the determination of their net value, including provision of information and reports on the Fund's assets	Swedbank Robur Fonder AB and Swedbank Robur AB
Monitoring the compliance of the activities of the Fund, including the implementation of a relevant internal audit system in relation to the Fund	In part transferred to Swedbank AS and to Swedbank Robur Fonder AB
Organisation of maintaining the register of units of the Units	AS Pensionikeskus
Accounting of proceeds of the Fund	Swedbank Robur Fonder AB and Swedbank Robur AB
Issue or redemption of Units	AS Pensionikeskus (in cooperation with the Depository and insurer, if necessary)
Organisation of settlements related to the issue and redemption of units and to the management of assets, including the issue of necessary certificates.	Swedbank AS AS Pensionikeskus
Preservation of documents related to the Fund	Swedbank Robur Fonder AB and Swedbank Robur AB

Remuneration policy of the Management Company

The principles of the policy for remunerating the Management Company's employees are set out in Swedbank Group's remuneration policy and in the Management Company's remuneration rules and these set out the rules applicable to the provision of basic pay (fixed monthly pay) as well as variable pay. The principles of the remuneration policy are approved by the Supervisory Board. The Management Company has not set up a remuneration committee. The total remuneration of the Management Company's employees consists of basic remuneration and variable remuneration paid in the form of shares in the parent company of Swedbank Group, Swedbank AB. Total remuneration is based on the labour market conditions and is designed to achieve a reasonable balance between variable and fixed remuneration components. A full description of the principles for the remuneration of the Management Company is provided on the Website (www.swedbank.ee/fondid), in the document "Important information". On application by the investor, the remuneration policy of the Management Company is made available at the location of the Management Company free of charge.

Depository and Register of Units

Depository

The Fund's depository is Swedbank AS, established on 07.01.1992 registry code 10060701, registered office at Liivalaia 8, 15040 Tallinn, Republic of Estonia. Swedbank AS holds credit institution activity license EP-13PO issued for an unspecified term on 26.01.1993 by the board of the Bank of Estonia and provides various banking and investment services thereunder. The Depository holds the assets of the Fund and monitors that the transactions entered into by the Management Company on account of the Fund are in compliance with the current legislation and the Rules of the Fund. In performing its duties, the depository shall use reasonable diligence and shall make all reasonable efforts to ensure the protection of the interests of the investors.

Pursuant to the depository contract, the Depository has the right to enter into contracts with any third persons for depositing the assets of the Fund, making settlements with the assets of the Fund and for transferring other duties. Upon selection of such persons and in the future, the Depository shall use reasonable diligence in order to ensure the reliability of the respective third persons and verify that the level of organisational and technical arrangement and the financial condition of the respective third person are sufficient for performance of its duties.

List of parties to whom the Depository has outsourced the functions of holding assets (as at 16.02.2024):

Global	State Street Bank International GmbH
Lithuania	„Swedbank“ AB
Latvia	„Swedbank“ AS
Norway	Citibank Europe plc
Poland	Bank Handlowy w Warszawie S.A.
Sweden	Swedbank AB
Finland	Citibank Europe plc
Denmark	Citibank Europe plc
Foreign funds	Allfunds Bank International, Swedbank Robur Fonder AB

The Depository shall be liable for any loss or damage incurred by the Fund or the investor as a result of the loss of assets held by the Depository or a third party to whom the Depository has delegated its functions, or the fact that the Depository has not exercised due diligence in performing its obligations as laid down in the applicable legislation. The liability of the Depository is excluded to the extent set out in the Rules.

The activities of the depository in holding the Fund's assets or performing other obligations related to the Fund's assets may result in various conflicts of interest. The Management Company and the Depository belong in the same consolidation group and, consequently, conflicts of interest may arise between the Depository and the Fund. Swedbank may, due to its business profile, in some cases provide the Fund and/or the Management Company, with other services

in addition to custody services, and as a result there may arise conflict of interest situations among the sub-units of Swedbank AS providing the various services. The Depository may provide depository and asset holding services also for other clients and, consequently, there may arise conflicts of interest between the Fund and the other clients of the Depository. In addition, conflicts of interest may result from the outsourcing of certain functions of the Depository, for example, when the functions have been outsourced to a company in the same consolidation group as the Depository. To identify and hedge potential conflicts of interest, the Depository has established internal rules and restrictions under the applicable legislation; in addition, the management structure of the Management Company and the Depository are organised in such a way as to allow the Management Company and the Depository in the performance of their functions to operate independently and in the Unit Holder's best interests.

At the request of the Fund's unit holder, she or he shall be provided with updated information about conflicts of interest that may arise when the Depository's services are provided or about third parties to whom the Depository has passed on its functions of holding assets.

Register of Units

Under the provisions in legislation, Units are registered electronically in the pensions register kept by the Registrar. Ownership of a unit is proven an entry in the register. Legislation regulating the maintaining of a register of the Units by the Fund Register data are processed by means of electronic data processing.

Annex 1: Historical Rates of Return of the Fund

The Fund does not have sufficient history to disclose data regarding the historical rates of return.

ANNEX 2: Environmental and/or social characteristics

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 laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Swedbank Pension Fund Generation 2000-09 **Legal entity identifier: ISIN:** EE3600001848

Does this financial product have a sustainable investment objective?

●● ☐ Yes	●○ ☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not 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 will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Fund promotes among other factors environmental and social characteristics when making investments, for example by including investments based on the sustainability factors described below and by excluding investments in the activities described below.

Environmental characteristics such as environmental and climate sustainability are integrated into the Fund's investments selection process mainly through gradual reduction of CO_2 emissions, by making environmentally thematic investments, increasing the share of green bonds in the portfolio (if applicable) and through the identification and management of sustainability risks. Social characteristics such as compliance with international principles and guidelines on social and employee matters and decreasing exposure to controversial weapons are also promoted by this Fund, by avoiding/limiting exposure to companies which breach international principles and guidelines or that have involvement in controversial weapons.

The Fund does not have a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The Fund mainly uses two types of sustainability indicators to measure the attainment of the environmental and social characteristics promoted by the Fund:

1. Environmental, social and governance (ESG) ratings provided by third-party data providers that measure management of financially relevant ESG risks and opportunities by an investee.

2. Principle adverse impact indicators. With certain principal adverse impact indicators the Fund is monitoring their absence or reduction over time, and certain principal adverse impact indicators are being measured in conjunction with the corresponding indicators of other funds managed by the Management Company. The Fund measures the following principal adverse impact indicators:

Climate and other environment-related indicators:

1. Greenhouse gas emissions
2. Carbon footprint
3. GHG intensity of investee companies

Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters:

1. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
2. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

The Fund promotes environmental and social characteristics, however the Fund does not make a commitment to make solely or to a pre-determined extent investments that take into account EU criteria for sustainable investments or EU taxonomy aligned investments, incl. the Fund will not select investments based on economic activities that contribute to an environmental objective under relevant EU criteria.

Does this financial product consider principal adverse impacts on sustainability factors?

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, anti-corruption and anti-bribery matters.

✖ Yes, the Fund considers principal adverse impacts on sustainability factors. The analysis of principal adverse impacts of companies, issuers and external fund providers is performed both at an aggregated level for all funds managed by the Management Company and at portfolio level, depending on the type of portfolio. This is done by various ways, for example by using third-party providers for obtaining data on abovementioned indicators, supported by internal analysis and dialogue with companies. External fund providers are checked either based on data from third-party providers or relevant internal scoring rules which may mean applying minimum sustainability related ratings/aspects or integrating sustainability-related scorings in the investment selection process. Considering principal

adverse impacts may also lead to excluding certain investments based on the responsible investment policy published on the Management Company's website. Further information on principal adverse impacts on sustainability factors will be made available in the annual report of the Fund on website: www.swedbank.ee/funds.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The Fund may invest its assets in various asset classes specified in the Prospectus, taking into account the investment restrictions applicable to the Fund. The Fund is established as a life-cycle fund, meaning that the ratio of assets of the Fund carrying equity risk are reduced according to Prospectus. The Fund is not specialized to certain regions, countries or sectors of economy.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Management Company selects the investments based on the responsible investment policy published on the Management Company's website. The Funds' portfolio as a whole aims to promote environmental and social characteristics. In order to achieve this, the Fund applies three main methods when selecting investments.

1. Inclusion

The Fund includes sustainability into its investment decision process with various methods based on the circumstances of each investment. The methods may include dialogue with the investee, sustainability analysis and increasing thematic investments. When investing through other investment funds, the investments are directed more towards funds with a sustainable focus.

2. Exclusion

The Fund excludes investments when there are confirmed sustainability risks and holdings whose activities are deemed to be harmful to the society or the environment in the opinion of the Management Company and based on the principles of sustainable and responsible investments that are published on the website of the Management Company. The Fund may also exclude an investment in case there is a material increase of the principal adverse impacts considered under this product.

3. Engagement

In case of direct investments, the Management Company applies the principles for shareholder engagement published on its website, especially when investing to Baltic companies (listed or non-listed). The aim of engagement with holdings is to address significant sustainability risks or opportunities of positive impact. This is done by voting in general meetings and through dialogue with both current as well as potential portfolio holdings. In case of indirect investments through ETFs/funds the possibility to engage with investee companies is limited. The Management Company may enter into dialogues with investment funds' manufacturers, monitor the ESG rating provided by third-party data provider which, among other factors, considers good governance of the companies.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund promotes environmental and social characteristics thorughout the Funds' portfolio, therefore the commitment to reduce the scope of investments by a minimum rate is not applicable.

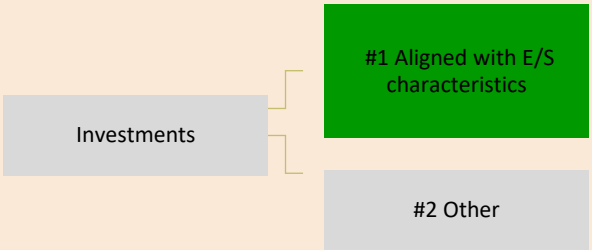
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

In case of direct investments to listed or non-listed companies, the Management Company engages with these holdings according to the principles for shareholder engagement published on its website, with the aim to address significant sustainability risks or opportunities of positive impact. This is done by voting in general meetings and through dialogue with both current as well as potential portfolio holdings. The criteria for good governance for Baltic listed companies is also described in more detail in the principles for shareholder engagement published on Management Company's website. In case of indirect investments through underlying funds the possibility to assess and influence good governance practices of investee companies is limited. The Fund may monitor such investments' ESG ratings provided by third-party data providers which, among other factors, consider good governance of the companies. The Fund may also monitor compliance of underlying funds with exclusion lists applicable in Management Company according to its responsible investment policy, with the aim of limiting/avoiding investing in underlying funds having different exclusion criteria.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The Fund may invest its assets in various asset classes as specified in the Prospectus, taking into account the investment restrictions applicable to the Fund. The Fund aims to promote environmental and social characteristics throughout the Funds' portfolio, as the investment strategy and its binding elements described above apply to all investments of the Fund. The Fund may also invest in the category 'other' investments. For example, the Fund may use cash and derivative instruments for liquidity and hedging purposes that may not have minimum environmental or social safeguards.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Fund uses derivatives mainly for certain risk hedging purposes, i.e. it does not use derivatives to attain the environmental or social characteristics. As explained below, derivatives may fall into category "#2 Other".

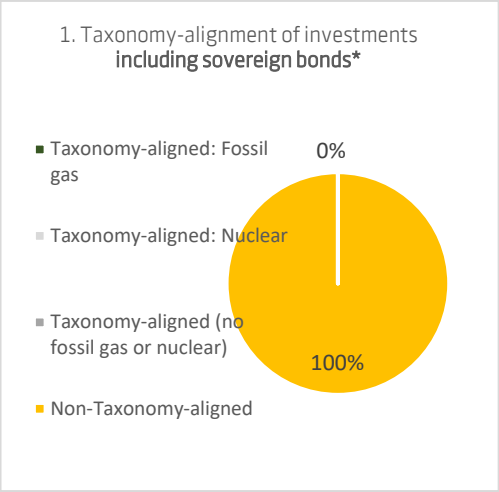
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

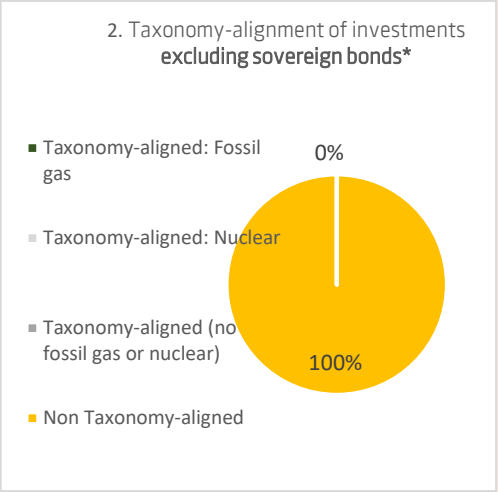
The Fund has no commitment to make a certain proportion of investments in accordance with the EU Taxonomy. However, it cannot be ruled out that individual holdings in the Fund will be classified in whole or in part as compatible with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU taxonomy[6]?

- Yes
  - In fossil gas
  - In nuclear energy
- ✖ No

The two graphs below show in green the minimum percentage of investments that are 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***

[6] 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. Management Company has relied on data provided by external data providers and it should be noted that there exists a possible margin of error and interpretation, as described more in this annex and available data may not be sufficient in order to calcluate the percentage of investments related to activities in fossil gas and/or nuclear energy that comply with the EU taxonomy. Management Company has relied on data provided by external data providers and it should be noted that there exists a possible margin of error and interpretation, as described more in this annex and available data may not be sufficient in order to calcluate the percentage of investments related to activities in fossil gas and/or nuclear energy that comply with the EU taxonomy.

What is the share of investments made in transitional and enabling activities?

The Fund has no commitment to make a certain proportion of investments in transitional and enabling activities.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Category "#2 Other" includes investments that due to the asset class type do not promote environmental or social characteristics or investments which do not have sufficient data to confirm whether these promote environmental or social characteristics or not. For example, the Fund may use cash and derivative instruments for liquidity and hedging purposes that may not have minimum environmental or social safeguards.

Where can I find more product specific information online?

More product specific information can be found on the website: www.swedbank.ee/funds under the sustainability tab of the Fund information.