

Swedbank Pension Fund Conservative rules

Effective as of 02.05.2023

TRANSLATION FROM ESTONIAN

In case of any discrepancies, between this translation and original Estonian version, the text of Estonian version shall prevail.

1. The Fund

1.1 Swedbank Pension Fund Conservative (hereinafter the **Fund**) is a public common investment fund established on the 26th of April 2002 by Swedbank Investeerimisfondid AS for providing mandatory funded pension. The Fund is a mandatory pension fund complying with the terms and conditions provided by the current legislation of the Republic of Estonia (hereinafter the **Legislation**).

1.2 The registered office of the Fund is at Liivalaia 8, Tallinn 15040, Republic of Estonia.

1.3 The Fund is a pool of money collected through the public issue of the Fund units (hereinafter the **Units**) and assets acquired through the investment of such money, which jointly belongs to the Fund's unit-holders (hereinafter the **Investors**) and is managed by the Management Company. The Fund is not a legal entity.

1.4 The financial year of the Fund is from January 1st until December 31st.

1.5 The Fund is managed by Swedbank Investeerimisfondid AS (hereinafter the **Management Company**), registry code 10194399, located at Liivalaia 8, Tallinn 15040, Republic of Estonia.

1.6 The main objective of the activities of the Fund is to provide the Investors with supplementary income after they reach the retirement age in addition to the state pension. The investment objective of the Fund is stable long-term growth of the value of the assets of the Fund through diversification of risk.

1.7 The Management Company does not guarantee the Investors either any rate of return on investments into the Fund or the preservation of the initial investment made by the Investor in the Fund. The past performance or the previous history of the activities of the Fund neither guarantees nor indicates the future performance of the Fund or meeting the goals of the Fund. The Investor shall accept by investing into the Fund that investments into the Fund always involve risk and the investments made by the Fund may result in both profit and loss for the Investor.

2. Investment Policy of the Fund

2.1 While investing the assets of the Fund the Management Company follows the objective of the investments and activities of the Fund and the restrictions stipulated in the Legislation, the rules at hand (hereinafter the **Rules**) and the Fund's prospectus (hereinafter the **Prospectus**).

2.2 For the achievement of the objective of the investments and activities of the Fund, the Management Company may invest the assets of the Fund in bonds, equity, money market instruments, shares and units of investment funds, deposits of credit institutions, derivative instruments, immovables and infrastructure objects, precious metals, securities which underlying assets are precious metals or raw materials or which price is dependent on precious metals or raw materials and other assets, as well as issue loans on the account of the Fund, taking into account the investment restrictions applicable to the Fund.

2.3 At least 80% of the assets of the Fund shall be invested in deposits at credit institutions meeting the

requirements provided in the Legislation, bonds, money market instruments, units or shares of investment funds and derivative instruments.

2.4 When investing the assets of the Fund, the Management Company does not specialise by sectors of economy, countries or regions. Detailed proportions of the type of asset, the type of issuer, the region, the country or the branch of economy shall be designated by the Management Company in the course of the everyday management of the Fund. The Fund's investments may be quoted in different currencies and the Fund may invest into different currencies.

3. Units of the Fund

3.1 A Unit is a registered immaterial security, which represents the Investor's holding in the assets of the Fund. A Unit may not belong to several persons at the same time. Units shall not be the joint property of spouses. Units shall be acquired and held only by natural person, the Management Company and any person who has operated as a Management Company or other persons specified in the Legislation under the procedure provided in the Legislation and the Rules. Transfer or encumbering of the Unit is prohibited.

3.2 There is one class of Units. The Unit name is Swedbank Pension Fund Conservative.

3.3 The Units are divisible. Shares resulting from division of the Units (fractional units) are rounded to the accuracy of three digits after the decimal point. The rules of rounding are as follows: figures NNN.NNN0 to NNN.NNN4 are rounded down to NNN.NNN and figures NNN.NNN5 to NNN.NNN9 are rounded up to NNN.NN(N+1).

3.4 The share of the Investor in the assets of the Fund is determined by the ratio of the number of the Units held by him or her to the total number of the Units held by all the Investors. In case of change of the above ratio, the size of the Investor's share changes accordingly.

3.5 The Units provide the Investors with equal rights on equal grounds.

3.6 Units give the Investor neither the decision-making power nor voting right in conducting transactions with the assets of the Fund. The Fund has no general meetings of the Investors. The Investor has no right to demand termination of the Investors' community or separation of its share from the assets of the Fund.

3.7 The Investor is entitled to the following pursuant to the Rules and the Legislation:

3.7.1 to demand that the Management Company redeem the Units held by the Investor under the cases and procedure set forth in the Rules;

3.7.2 to bequeath the Units held by the Investor;

3.7.3 to receive payments from the Fund under the procedure provided in the Legislation, the Rules and the Prospectus;

3.7.4 to switch the Units held by the Investor to the units of another mandatory pension fund and to transfer the amount received upon redemption of the Units owned by the Investor to their pension investment account;

3.7.5 to own a proportional share of the assets and earnings of the Fund arising from the number of Units held by the Investor and receive a proportional share of the assets remaining upon liquidation of the Fund arising from the number of Units held by the Investor;

3.7.6 to receive information about the activities of the Fund as stipulated in the Prospectus;

3.7.7 to demand that the Management Company compensate for the damage caused by breach of its obligations;

3.7.8 to examine (including through an authorized representative) the data concerning the Investor entered into the Unit register and to receive extracts thereof;

3.7.9 to act in any other manner provided by the Legislation or the Rules.

3.8 The Units are registered with the Unit register and no material document certifying the right of

ownership is issued for the Unit. The rights and obligations arising from the Unit shall be created upon the issue of the Unit to the Investor. The Unit shall be deemed issued as of making an entry concerning the respective Unit in the Unit register. The right of ownership of the Units and the rights and obligations of the Investor and Management Company arising from the Units are deemed created as of making a respective entry in the Unit register. The ownership of a Unit is certified by an entry in the Unit register.

3.9 The rights and obligations arising from the Unit shall be terminated upon the redemption of the Unit. The Unit is considered redeemed upon the deletion of the respective Unit from the Unit register. The right of ownership of the Units and the rights and obligations of the Investor and Management Company arising from the Units are deemed terminated upon the deletion of the Unit from the Unit register.

3.10 The Investor is required to exercise the rights arising from the units in good faith and in compliance with the Legislation and the Rules. The purpose of exercising the rights of the Investors cannot be to inflict damage to other Investors, the Management Company, the Fund's depository, the registrar of the Unit register or third parties.

3.11 In determining and publishing the net asset value of the Fund and the net asset value of the Unit, the Management Company proceeds from the principles provided in its internal rules, the Prospectus and the Legislation. The above mentioned internal rules are published as described in the Prospectus. The net asset value of the Unit equals the net asset value of the Fund divided by the number of the Units issued and not redeemed as at the point of valuation, which has been first adjusted with the Units specified in the purchase and sales orders and switch applications received, but not yet settled by the Management Company.

3.12 The Unit is issued at the subscription price, which is the last calculated net asset value of the Unit which is known to the registrar of the Unit register at the time of the issue. No subscription fee is charged

upon issuing the Unit, which means that the Unit is issued at the net asset value of the Unit.

3.13 The Unit is redeemed for the Unit's redemption price, which is the last calculated net asset value of the Unit known to the registrar of the Unit register at the time of redemption, from which the redemption fee may be deducted. Upon redemption of the Units (including upon switching of the Units by the Investor), the Management Company has the right to charge the Investors the redemption fee in the amount specified in the Prospectus, except for in cases stipulated in the Prospectus or the Legislation. The redemption fee of the Unit is charged from the Investor's account. The Management Company has the right to reduce or waive charging the redemption fees at its own discretion.

3.14 The Management Company shall proceed from principles stipulated in the Prospectus and the Legislation when publishing the issue price and redemption price of the Units.

3.15 The income received from the investment of the assets of the Fund is not distributed to the Investors, but is reinvested. The growth or decline of the value of the assets of the Fund achieved in the investment of the assets of the Fund is reflected in the change (growth or decline) of the net asset value of the Fund and the net asset value of the Unit. The Investor's income arises from the growth of the net asset value of the Unit. The Investor becomes liable for taxes on the bases and pursuant to the procedure provided by the Legislation. Taxation of the income earned from the Fund is described in the Prospectus.

4. Transactions with the Units of the Fund

4.1 The issue of the Units is public, without limitations as to time and volume. To acquire the Units, an obligated person submits a choice application compliant with the Legislation where the Fund is marked as the chosen mandatory pension fund by the Investor. The submitted choice application cannot be withdrawn and by its submission the obligated person undertakes to make mandatory funded pension contributions to the Fund pursuant to the conditions and procedure provided by the Legislation, and the person confirms that he or

she has examined and consents to the Rules and the Prospectus and undertakes to adhere to these. When making a contribution to the Fund, the Investor acquires the number of the Units corresponding to the amount of the contribution. More detailed terms and conditions of issuing and acquiring the Units are described in the Prospectus.

4.2 Pursuant to the procedure stipulated in the Legislation, an obligated person has the right to submit an application for exemption from payment of the mandatory funded pension contribution and an application for payment of the mandatory funded pension payment. More detailed conditions regarding the procedure for submitting these applications are described in the Prospectus.

4.3 The Investor may change all or part of the Units held by him or her to the units of another mandatory pension fund, as well as transfer the amount received upon redemption of his or her Units to his or her pension investment account, if the change transactions are not prohibited pursuant to the Legislation. More detailed conditions of the Units change transactions are described in the Prospectus.

4.4 The Investor has the right to payments of mandatory funded pension when the Investor has reached the age provided in the Legislation or if he/she meets other conditions set out in the Legislation. To receive the funded pension, the Investor has the right, pursuant to the conditions and procedure provided by the Legislation, to enter into a pension contract, agree the fund pension, apply for a single payment from the Fund or agree upon another payment method provided for by the Legislation. A pension contract is an insurance contract for a mandatory funded pension signed between the person entitled to payments from the mandatory pension fund and the insurer on the basis of which the insurer undertakes to make pension payments to the contractor under the terms and conditions and the procedure agreed upon in the contract until his or her death or until the term agreed upon and the insured undertakes to make insurance premiums to the insurer. On the basis of the fund pension periodic funded pension payments are made to the Investor from the Fund until the termination of the fund

pension. More detailed terms and conditions of the payments are described in the Prospectus.

4.5 An Investor who is not yet entitled to the mandatory funded pension has the right to demand the redemption of all his/her Units and the payment of the corresponding amount in accordance with the conditions provided in the Legislation. More detailed conditions and principles regarding the payments are described in the Prospectus.

4.6 Units are inheritable. To inherit Units, an application and documents in the format provided by the Legislation have to be submitted by the successor. By submitting the application the successor is deemed to consent to the Rules and the Prospectus. The successor has the right to transfer the inherited Units to his or her pension account or have the Management Company redeem the Units pursuant to the Legislation. More detailed principles regarding inheriting are described in the Prospectus.

4.7 The Management Company has the right to suspend the Unit transaction under terms and conditions stipulated in the Legislation and in the Prospectus.

5. Rights and Obligations of the Management Company

5.1 The activities of the Management Company in management of the Fund are established and shall comply with the Rules and the Legislation.

5.2 By the declaration of intention made for the acquisition of the Units, the Investor consents to the processing of the Investor's data (including personal data) pursuant to the Swedbank's regulation "Principles of processing Client Data", which is available at the website www.swedbank.ee, in the branches of the Estonian companies of Swedbank and in the registered office of the Management Company. The persons authorised by the Management Company to process personal data (authorised processors) and their contact details are also available at the above website. The Management Company has the right to send notices and reports about the Fund at any known postal or e-mail address of the Investor.

5.3 The Management Company has the right to dispose of and possess the assets of the Fund and other rights arising therefrom. In managing the Fund, the Management Company shall conclude transactions in its own name and on behalf of the Investors collectively, i.e. on behalf of the Fund.

5.4 The Management Company invests the assets of the Fund and performs other duties specified in the Legislation, unless the respective duties have been assigned to third parties through contracts. The Management Company may transfer any and all activities related to the management of the Fund to any third person to the extent and in compliance with the procedure prescribed by the Legislation. The transfer of duties to third persons shall not relieve the Management Company from the liability in connection with management of the Fund.

6. Fees and Costs Payable out of the Fund

6.1 The following fees and costs shall be paid out of the Fund: the management fee payable to the Management Company (hereinafter the **Management Fee**), the transfer costs and services fees directly relating to the transactions made on account of the Fund and research costs related to transaction counterparty, costs relating to taking loans on account of the Fund (including costs relating to repurchase agreements and reverse repurchase agreements and other securities-borrowing transactions), legal fees related to the Fund (including court expenses), liquidation costs, taxes, levies and interest charges (including negative interest charges relating to deposits and other fixed income investments) related to the Fund's investments, costs of auditing the Fund's reports, costs relating to exercising the rights related to the assets of the Fund.

6.2 The Management Fee is deducted from the market value of the assets of the Fund on a daily basis and paid no later than on the last day of the month following the accounting month. The 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). More detailed principles regarding calculation of the fees and costs are described in the Prospectus.

6.3 The fees and costs paid out of the Fund shall not exceed 3% of the annual average market value of the assets of the Fund unless a lower rate is provided by the Legislation.

7. Limitation of Liability

7.1 The Management Company is not liable for the proprietary obligations of the Fund. The Management Company is not liable for damages to the Fund or the Investor unless it has breached an obligation stipulated in the Management Company's articles of association, the Rules, the Prospectus or documents enacted thereunder. The Management Company is not liable for losses resulting, amongst others, from acts of war, Estonian or foreign legal or political actions, natural disasters, acts of diversion or other force majeure situations that could not have been foreseen or that result in losses that could not have been avoided by acting with ordinary prudence.

7.2 The depositary of the Fund is not liable for damage arising from the loss of securities, the safekeeping of which has been outsourced to a third person, if such loss occurred as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary or when it can prove that all requirements applicable to the outsourcing of safekeeping of assets were fulfilled; when a written agreement between the Fund's depositary and such third person explicitly states that the obligations of safekeeping of the securities are outsourced to such a third person and in case of loss of the securities, the Management Company, the Fund or the Fund's depositary on behalf of the Management Company or the Fund have the right to raise a claim against such a third person; the depositary agreement explicitly allows for the indemnification of the Fund's depositary and an objective reason for such indemnification is presented.