

LEON 2 Umbrella Pension Fund Management Rules

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BASIC INFORMATION ON THE LEON 2 UMBRELLA PENSION FUND

1. LEON 2 Umbrella Pension Fund (hereinafter referred to as the: Umbrella Pension Fund LEON 2) is formed on the basis of the legislation of the Republic of Slovenia that regulates the field of supplementary pension insurance.
2. Umbrella Pension Fund LEON 2 is the provider of the LEON 2K PP, Pension Plan for the Collective Supplementary Pension Insurance and PN LEON 2I, Pension Plan for Individual Supplementary Pension Insurance.
3. The Umbrella Pension Fund LEON 2 consists of three Sub-Funds, set out in the Appendix, and designed as separate assets, and the provider manages them in accordance with prudential rules, exclusively to the benefit of the insured members with the intention of gaining the rights from the supplementary pension insurance.
4. These management rules govern the substantive aspect of legal relationships between the Manager managing Umbrella Pension Fund LEON 2 and the Member of each Sub-Fund.
5. The common part of the Umbrella Pension Fund LEON 2 management rules contains provisions that apply to all Sub-Funds and the Appendix to these management rules contains specific provisions that apply only to individual Sub-Funds.
6. The information about the manager of the Umbrella Pension Fund LEON 2, the Trustee of the Umbrella Pension Fund LEON 2 fund, information about the company that performed the last audit of the operations of Umbrella Pension Fund LEON 2, and information about other parties who are performing individual management services of the Umbrella Pension Fund LEON 2 by the authorisation of the Manager is available in the Annex to the Management Rules.
7. The Securities Market Agency, Poljanski nasip 6, Ljubljana, Republic of Slovenia (www.a-tvp.si) is responsible for the supervision of the management and operations of the Umbrella Pension Fund LEON 2.

EXPLANATIONS OF THE MEANING OF BASIC TERMS AND ABBREVIATIONS USED IN THE TEXT OF THE MANAGEMENT RULES OF THE Umbrella Pension Fund LEON 2

AATVP – Securities Market Agency.

Alternative Investment Fund (AIF) – Every investment fund other than a UCITS, irrespective whether it collects assets publicly or non-publicly.

Target fund – A UCITS or an open-ended AIF representing the permitted investments of the Sub-Fund.

Net Asset Value (NAV) – The value of all the Sub-Fund's assets less the value of all the Sub-Fund's liabilities.

Member – A natural person who joins a pension plan and has paid or has had an initial contribution made on their behalf and has a balance of asset units in a personal account.

Employer – A natural person or legal entity under the employment regulations that accedes to a pension plan and, by signing a pension plan financing contract, undertakes to pay for collective insurance for its employees. Under these rules, the employer is required to fulfil the condition of having at least one member with an asset balance.

Investment Funds Directive (UCITS Directive) – Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 governing certain aspects of the operations of UCITS investment funds and their managers.

Alternative Investment Fund Managers Directive (Directive AIFMD) – Directive 2011/61/EC of the European Parliament and of the Council of 8 June 2011, which lays down rules on the authorisation, continued operation and transparency of AIF managers and/or marketing AIFs in the EU.

Sub-Fund performance – A measure of a Sub-Fund's performance expressed as the change in the Sub-Fund's asset unit value (AUV) over a valuation period.

Supplementary pension insurance – The cash collection with a view to obtaining a supplementary pension.

Member State – A country which is a member of the European Union (EU) or is a signatory to the Agreement on the European Economic Area (EEA).

EUR – euro.

Derivative financial instrument – A financial instrument whose price depends on the fluctuation of the price of another financial instrument (e.g. share) or any other base (interest rates, exchange rates, commodity prices, etc.). The Sub-Funds are buying derivative financial instruments for the protection against excessive losses (hedging).

Undertaking for Collective Investment in Transferable Securities (UCITS) – Open-ended investment fund which operates in line with the Investment Funds and Management Companies Act (ZISDU-3) or the UCITS Directive. As a rule, it is subject to stricter investment and spreading rules. In the Republic of Slovenia, a UCITS may be formed as a mutual fund or an umbrella fund.

Umbrella Pension Fund LEON 2 – The LEON 2 umbrella pension fund is a mutual pension fund composed of three Sub-Funds designed as separate assets with each individual Sub-Fund defined with specific investment goals and policies, and intended for a specific target member age group.

Valuation day – The valuation day is the last working day of the month and is the same as the conversion date.

Redemption value – The value of the redeemed units less exit charges.

Fund Board of Members – An expert body consisting of five members, three representatives of insured parties', and two representatives of the employers who are financing the pension plan.

Open-ended investment fund – a UCITS or AIF, the units or shares of which may be redeemed and paid out from the assets of the fund, directly or indirectly, at the request of any holder, prior to the commencement of its liquidation or cessation of its operations, in accordance with the procedures and frequency set out in its management rules or Articles of Association, prospectus or offering documents.

OECD – Organisation for Economic Co-operation and Development.

LEON 2K PP Pension Plan – Collective Supplementary Pension Insurance, approved by the Minister of Labour, Family, Social Affairs and Equal Opportunities by Decision No 1032-11/2014-9 of 16/01/2015.

LEON 2I PP Pension Plan – Individual Supplementary Pension Insurance, approved by the Minister of Labour, Family, Social Affairs and Equal Opportunities by Decision No 1032-11/2014-10 of 16/01/2015.

Sub-Fund – An asset, separate from the assets of the Manager that is financed by the funds collected through the supplementary insurance contributions and generated by the management of those funds. The Sub-Funds of an umbrella fund differ in their investment objective and investment policy, or the target group of investors for whom they are primarily intended.

Custodian – The bank that provides trust services for the Umbrella Pension Fund LEON 2 under the Act.

Manager – GENERALI zavarovalnica d.d.

Sub-Fund Asset Manager – The party listed in item D of the Annex to the Management Rules to whom the Manager has delegated the service of asset management of the sub-funds of the Umbrella Fund by authorisation.

AUV – The asset unit value of a Sub-Fund that is equal to the net asset value of the Sub-Fund divided by the number of asset units of the Sub-Fund in circulation.

Value of assets in the Member's account – The product of the AUV and the number of asset units in the Member's account in each Sub-Fund.

Guaranteed Rate of Return – The guaranteed Rate of Return that is guaranteed by the Manager and is publicly disclosed.

Guaranteed value of the Member's assets – The guaranteed value of the assets is equivalent to the sum of the net contributions that were paid in plus the guaranteed Rate of Return.

Act – Pension and Disability Insurance Act (Official Gazette of the Republic of Slovenia, No 96/2012 et seq.).

ZISDU-3 – Investment Funds and Management Companies Act (Official Gazette of the Republic of Slovenia, No. 31/2015 et seq.).

ZUAIS – Alternative Investment Fund Managers Act that governs the conditions and manner of managing alternative investment funds in the Republic of Slovenia (Official Gazette of the Republic of Slovenia, No. 32/2015, including any amendments).

Terms used in these Rules that are written in the masculine grammatical form shall be used as gender-neutral.

CHAPTER 1: COMMON INVESTMENT RULES

The common investment rules apply to all Umbrella Pension Fund LEON 2 Sub-Funds, while the specifics of the investment rules for individual Sub-Funds are set out in the Appendix "Detailed Sub-Fund Management Rules".

1.1. MEMBER'S LIFECYCLE INVESTMENT POLICY

The Manager of the Umbrella Pension Fund LEON 2 implements a member's lifecycle investment policy within the Umbrella Pension Fund LEON 2 Sub-Funds.

The member's lifecycle investment policy will be implemented by allocating the contributions credited to the Member's Umbrella Pension Fund LEON 2 dedicated cash account to the Sub-Fund's cash account dedicated to the age group to which the member belongs. This achieves an optimal allocation of the member's assets according to the expected return and risk of the investments, taking into account the age of the member and the expected duration of savings in the Umbrella Pension Fund LEON 2.

The individual Sub-Funds are intended for different target age groups of members and differ in terms of investment objective and investment policy. The LEON DINAMIČNI (LEON DYNAMIC) Sub-Fund is intended for the youngest members and pursues a riskier investment policy. The LEON PREUDARNI (LEON PRUDENT) Sub-Fund is intended for middle-aged members and pursues a less risky investment policy. The LEON ZAJAMČENI (LEON GUARANTEED) Sub-Fund is, however, intended for pre-retirement members and follows a guaranteed return investment policy.

In this Chapter only those investment rules are listed which are common to all Sub-Funds, while the investment objectives and policies of individual Sub-Funds and target age group, intended for the Sub-Funds, are defined in the Appendix "Detailed Sub-Fund Management Rules".

1.2. RULES ON EXPOSURE TO A SINGLE PARTY OR SPECIFIC PARTIES

The limits on the exposure of the umbrella pension fund and its Sub-Funds to a single and specific parties are set out in regulations. This sub-section only lists those exposure limits that are common to all Sub-Funds and are therefore not set out in the Sub-Fund-specific appendices.

Each of the Sub-Funds may have a maximum of 10% of the value of its assets invested in transferable securities and money market instruments issued by a single party, provided that the aggregate value of such investments, where the exposure to a single party may be more than 5%, may not exceed 40% of the value of the assets of the Sub-Fund.

The total exposure to a single party (including deposits with that party) or to the different issuers included in the group shall not exceed 20% of the value of the assets of the Sub-Fund.

The exposure of Sub-Funds to investments in transferable securities and money market instruments issued separately or jointly by, or guaranteed by, specific categories of parties may exceed 35% of the value of the assets, provided that the assets of the Sub-Fund are invested in at least six different issues made by such a party and that the investments in none of these issues exceed 30% of the value of the assets of the Sub-Fund. These special categories of parties are the European Union, the national administrations

of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, the central authority or central bank of an OECD country belonging to the G10 group, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other international financial institution or organisation to which one or more Member States are members.

It is prohibited to enter into transactions with the Manager and its related parties in financial instruments in which the investments of the Sub-Funds are the subject. Regardless of the fact that there is no absolute ban on Sub-Fund investments in securities and money market instruments that have been or will be issued by the Manager or their associated party, the Sub-Funds will not have investments in such financial instruments.

1.3. ADDITIONAL LIQUID ASSETS

Sub-Funds may also have additional liquid assets that are the Sub-Fund's cash assets that are not intended to meet investment objectives but to cover the Sub-Fund's current and extraordinary payouts. They may also be established during the time needed to reinvest withdrawn investments and in cases where, due to extremely unfavourable market conditions for financial instruments, the placement of Sub-Funds' assets in these markets is temporarily suspended.

1.4. BORROWING

An individual Sub-Fund may borrow up to a maximum of 10% of the value of its assets for liquidity management purposes, but only if the borrowing is temporary or short-term, with a maturity of up to six months, and borrowing is done at market conditions. The Sub-Fund's assets may be pledged as collateral for the repayment of the loan, but only up to the amount of the indebtedness.

1.5. ASSET MANAGEMENT TECHNIQUES

Derivative financial instruments may be used on behalf of the Sub-Funds as a special asset management technique for the purpose of hedging against risks. Its use prevents returns from falling too much during a period of falling values (exchange rates) of financial instruments in the Sub-Funds' portfolios, but on the other hand, it slightly reduces their positive returns due to the direct and indirect costs that the Sub-Funds will bear in doing so. The cost of the technique is the price paid by the Sub-Funds to protect against excessive losses in asset value. The technique will not result in Sub-Funds exceeding their tolerable exposures, deviating from their investment objectives or becoming increasingly exposed to additional risks.

The assets of the Sub-Funds may be invested in the following types of derivatives:

- standardised put and call option contracts (put and call options) that are traded on organised markets and which have underlying equity indices, equity financial instruments or units or shares of open-ended investment funds and individual bonds. They are used to hedge against market risk (particularly against market price risk, credit and interest rate risk);
- standardised futures contracts that may have underlying equity and bond indices, equity financial instruments or units or units of open-end investment funds and individual bonds. They are used to hedge against market risk (particularly against market price risk, credit and interest rate risk).

The regulated markets or the markets of institutional investors in which these derivatives are traded are defined in the regulation defining the investments of the pension fund.

Derivative transactions may also be entered into in the institutional investor market, where the counterparties are financial institutions whose latest available long-term issuer

credit rating is at least BBB with Standard & Poor's or Fitch, or Baa2 with Moody's. With regard to the terms and conditions for the realisation or closure of a position, the rules laid down by the law governing investment funds and the general act governing the investment activity of the investment fund shall also be complied with. Prior to entering into transactions in the institutional investor market, the Manager and the Trustee shall make all necessary arrangements and procedures with each other as required by the applicable rules.

CHAPTER 2: COSTS

The specifics regarding the costs of individual Sub-Funds or the costs of Members of individual Sub-Funds are set out in the Appendix "Detailed Sub-Fund Management Rules".

2.1. DIRECT COSTS OF MEMBERS

The direct costs of members of each Sub-Fund are payable when they make a contribution to the Sub-Fund and/or when the redemption value of the assets is paid.

The Manager will charge members entry, exit and transfer charges as direct costs. Their amounts per Sub-Fund are set out in the Appendix "Detailed Sub-Fund Management Rules".

In the case of a transfer of assets between Umbrella Pension Fund LEON 2 Sub-Funds, the Manager is not entitled to reimbursement of the administrative costs of the transfer and the entry and exit charges. When transferring funds from the Umbrella Pension Fund LEON 2 to the pension fund of other managers, the Manager is entitled to reimbursement of the administrative costs of the transfer totalling EUR 15 that are adjusted in accordance with the Act Regulating Adjustments of Transfers to Individuals and Households in the Republic of Slovenia. These costs may not be levied from the assets being transferred but must be paid by the Member at the time of the transfer request.

In the case of a transfer of a Member's assets from another Manager to the Umbrella Pension Fund LEON 2, the transfer costs may be covered by the Manager.

2.2. MANAGEMENT AND OPERATING COSTS OF THE UMBRELLA PENSION FUND

The management and operating costs of the Umbrella Pension Fund LEON 2 are the costs incurred in connection with the provision of Umbrella Pension Fund management services, the payment of which the Manager is entitled to make from the assets of the Sub-Funds. The Manager is only entitled to reimbursement of the costs specified in these rules.

A. Management Fee per Sub-Fund

The Sub-Fund management fee is a percentage of the average annual net asset value of each Sub-Fund. The Manager will charge an annual management fee on each valuation day of the calendar year as a monthly advance of one-twelfth of a specified percentage of the average annual net asset value of the Sub-Fund. The final settlement of the annual management fee is made upon conversion at the end of the financial year.

The Management Fee is calculated monthly by the Manager on the valuation day and is payable after the fifteenth (15th) day of the month for the preceding month.

The amount of the management fee for each Sub-Fund is set out in the Appendix "Detailed Sub-Fund Management Rules".

B. Fee for the provision of trust services

The fee for the provision of trust services is calculated as a percentage of the average annual net asset value of each Umbrella Pension Fund LEON 2 Sub-Fund and is paid to the Trustee out of the Sub-Fund's assets for the services provided.

It is calculated monthly, on the date of conversion, and charged once a month, with payment due after the fifteenth (15th) day of the month following the date of conversion. It is normally paid by the end of the month in which the statement is received by the Manager.

The amounts of the fees for the provision of trust services and the conditions for their reduction for each Sub-Fund are set out in the Appendix – Detailed Sub-Fund Management Rules.

C. Types of other costs that may be charged to the Sub-Fund's assets on the basis of the provision of management services of the Umbrella Pension Fund LEON 2

The Manager may also make payments from the assets of a Sub-Fund for the following types of costs incurred by the Manager in connection with the provision of sub-fund management services:

- costs associated with the acquisition and disposal of the assets of the Sub-Fund, such as fees and expenses of brokers, managers of regulated markets and multilateral trading facilities, managers of settlement systems or securities clearing corporations and the costs of entry to regulated markets, and a pro-rata share of the fees and other expenses of advisory companies associated with the Manager joint participation with other sellers in the sale of the assets of the Sub-Fund with a view to obtaining a transaction for the account of the Sub-Fund at a more favourable price than would have been possible without the joint participation;
- the registration of ownership and other rights, the costs of exercising those rights, and the costs associated with the use of the real estate;
- the cost of exercising rights under financial instruments held by the Sub-Fund for the account of the Sub-Fund;
- expenses in connection with legal proceedings and proceedings before other public authorities for damages against the Trustee on behalf of the assets of the Sub-Fund and in connection with legal proceedings and proceedings before other public authorities concerning the rights, obligations or assets of a Sub-Fund;
- taxes and other compulsory levies in respect of the assets of the Sub-Fund or the turnover of those assets;
- interest and other borrowing costs on loans taken out for the account of the Sub-Fund in accordance with the law;
- the cost of auditing the annual report of the Umbrella Pension Fund LEON 2 and the cost of external experts associated with the drafting and audit of the annual report;
- costs of informing employers and members in accordance with the law and other regulations that require informing employers and members.

The costs referred to in the last two indents of the preceding paragraph shall be borne by Umbrella Pension Fund LEON 2 as a whole (all Sub-Funds) and will be shared in proportion to the average annual net asset value of the Sub-Funds. The other costs referred to in the preceding paragraph are charged directly to the individual Sub-Funds and will also be paid directly by the Manager from the assets of each Sub-Fund.

D. Types of Other Costs that May Be Charged to the Assets of each Sub-Fund in Connection with the Provision of Trust Services

The following costs may be paid out of the assets of the Sub-Fund in respect of the provision of trust services:

- the costs of safekeeping or maintaining the accounts of the financial instruments of each Sub-Fund, including the costs of the securities clearing corporations and the costs of the foreign qualified depositaries to which the safekeeping services are delegated;
- the costs of entering and executing orders relating to the disposal of financial instruments and other costs payable to the securities clearing corporation and to foreign qualified depositaries under the contracts, such as costs relating to the transfer of the assets of each Sub-Fund to the new Trustee or qualified depository and costs relating to corporate actions, dividend

payments, interest payments and other costs directly related to the holding of financial instruments with the qualified depository.

CHAPTER 3: NOTIFICATION

3.1 REGULAR REPORTING OF THE BALANCE ON THE MEMBER 'S PERSONAL ACCOUNT

A supplementary pension insurance rights certificate will be issued to the Member no later than 31 January of the current year, as at 31 December of the previous year, containing all the data and information as defined by law.

The Manager will implement the obligation of regular reporting in writing by ordinary mail.

In the rights certificate, the Manager will also explain the main changes compared to the previous year.

If the Member has provided an e-mail address for the purpose of communication and exchange of documentation, the Manager will inform the member and provide documentation by e-mail, or, by agreement, by access to an e-mail inbox or a personal portal.

At the request of the Member and the Member who will reach the age of 58 in the current year, the Manager will also provide information on future rights arising from supplementary pension insurance and the possibility of payment upon regular termination.

3.2 REGULAR REPORTING OF Umbrella Pension Fund LEON 2 OPERATIONS

3.2.1 ANNUAL REPORT AND SUMMARY OF THE ANNUAL REPORT

The Manager will provide the Member access to the summary of the audited annual report of the Umbrella Pension Fund LEON 2 for the previous year by 30 June of the current year at the latest. The Member shall be informed of the possibility of accessing the summary of the audited annual report at the same time as the certificate of rights (item 3.1).

Employers will be provided access to the audited annual report of the previous year by 30 June of the current year at the latest.

The Manager will fulfil this and all other commitments of informing the employer in writing by regular mail, if the employer so wishes or will provide the employer with access to an electronic notification system in the form of an e-mail mailbox or personal portal.

3.2.2 MODIFICATION OF THE MANAGEMENT RULES AND THE PENSION PLAN

The Manager will inform the members, at the same time, by issuing the notifications referred to in item 3.1 and the employers by issuing the notification referred to item 3.2.1, of any modifications to the rules of management of the Umbrella Pension Fund LEON 2 during the last year, of any modifications to the pension plan and the reasons for those modifications, of the consequences of the main modifications for the members and will also indicate the place where the modifications to the Umbrella Pension Fund LEON 2 rules and the pension plan have been/will be made publicly available.

3.3. NOTIFICATION OF MEMBERS UPON REQUEST

The Manager of the Umbrella Pension Fund LEON 2 will provide the Member, at their request, with free of charge information on the rights within a maximum of fifteen (15) days:

1. in the case of termination of employment with the employer financing the pension plan, and the possibilities to transfer the assets to another pension plan;
2. arising from the title of insurance and the possibilities of a payout in the event of a regular termination of the insurance;
3. with regard to transfer between pension funds or Sub-Funds of the same or different managers.

The Manager of the Umbrella Pension Fund LEON 2 will provide the Member, at their request, with a free of charge copy of the following documents relating to the Umbrella Pension Fund LEON 2:

1. the pension plan in which the Member is included and the pension plan for the payment of the pension annuity;
2. rules of management;
3. a notification of any modifications to the rules of management and pension plan during the last year;
4. an investment policy statement;
5. an audited annual report;
6. a document or documents containing information on: the selection options between Sub-Funds with different investment policies, risk exposure, the total operating costs of the Sub-Funds and the types and structure of investments of each Sub-Fund, performance, the possibility of supplementary pension payments, transfers and the assumptions used in drafting the projection of pension benefits.

The Manager will comply with the Member's request for notification by sending the documentation to the Member by regular mail.

If the Member has provided an e-mail address for the purpose of communication and exchange of documentation, the Manager will inform the member and provide documentation by e-mail, or, by agreement, by access to an e-mail inbox or a personal portal.

All documents on Umbrella Pension Fund LEON 2 and its Sub-Funds are also available on the Manager's public website (www.generali.si).

CHAPTER 4: INCLUSION IN THE ADDITIONAL INSURANCE SCHEME, CONTRIBUTIONS TO THE UMBRELLA PENSION FUND, AND PAYMENTS OF THE REDEMPTION VALUE OF THE ASSETS

4.1 INCLUSION IN THE ADDITIONAL INSURANCE SCHEMES

The conditions for inclusion in a collective or individual insurance schemes are defined in respective pension plans implemented by Umbrella Pension Fund LEON 2.

A. Inclusion in an Individual Insurance Scheme:

1. A person is enrolled in an individual insurance scheme under an individual pension plan by joining the LEON 21 PP Pension Plan operated by the Umbrella Pension Fund LEON 2 and making the first contribution by means of an affiliation application.
2. The insurance scheme begins on the first day of the month for which the payment was made.
3. An individual selects the Umbrella Pension Fund LEON 2 Sub-Fund in the affiliation application that has an investment policy appropriate to his/her age group or higher. If they do not select a Umbrella Pension Fund LEON 2 Sub-Fund, it shall be deemed they have opted for a Sub-Fund that implements an investment policy appropriate to their age group.

B. Inclusion in a Collective Insurance Scheme:

1. An individual who is employed with an employer is covered by a collective insurance scheme under the LEON 2K PP Collective Pension Scheme and in accordance with the pension plan arrangement contract or the Collective Agreement.
2. The collective insurance scheme begins on the first day of the month for which the payment was made to the Umbrella Pension Fund LEON 2 Dedicated Cash Account.
3. The Member will be informed by the Manager of their enrolment in the supplementary collective pension insurance and of their classification in the Sub-Fund corresponding to their age group. At the same time, they inform them about the possibility of opting for a

Umbrella Pension Fund LEON 2 Sub-Fund with an investment policy appropriate to the older age group.

4.2 CONTRIBUTIONS

A contribution to the Umbrella Pension Fund LEON 2 is a sum of money that is paid by the Member or by the employer to the benefit of the Member, and based on which the Member acquires rights from supplementary insurance scheme.

The Manager implements the Member's lifecycle investment policy by allocating payments to the Member's credit balance received to the Dedicated Cash Account of Umbrella Pension Fund LEON 2 to the Dedicated Cash Account of the Sub-Fund for the age group to which the Member belongs or the Sub-Fund the Member can opt for in accordance with these rules.

A contribution received on the Umbrella Pension Fund LEON 2 Dedicated Cash Account within a valuation period is considered as a contribution of this accounting period and is converted into the appropriate number of asset units on the valuation day taking into consideration the value of the asset unit of the Sub-Fund on that valuation day.

The accounting period for the calculation of the net value of the assets and the value of the asset unit of the Umbrella Pension Fund LEON 2 Sub-Funds is the period between two successive valuation days.

The valuation day (conversion day) is the last working day of the month. A working day is considered to be a day on which payments in domestic currency can be made in the Republic of Slovenia during normal working hours, and is not a Saturday, Sunday, public holiday or day that is a day off in accordance with applicable labour regulations.

A net contribution is a contribution reduced by the input costs to which the Manager of Umbrella Pension Fund LEON 2 is entitled.

The number of asset units acquired by the Member based on the contribution in an accounting period equals the net contribution divided by the value of the asset unit of a particular Sub-Fund on the valuation day.

This calculated number of asset units of individual Sub-Fund is recorded on the Member's personal account.

4.3 PAYMENTS

In the cases determined by the pension plan in which they enrolled, the Member may request from Manager of the Umbrella Pension Fund LEON 2 the payment of the redemption value of the assets entered in their personal account.

The redemption value of the assets registered in the Member's personal account will be equal to the product of the number of asset units of each Sub-Fund and the unit value of the Sub-Fund, less any exit charges to which the Manager of Umbrella Pension Fund LEON 2 is entitled.

In calculating the redemption value of the asset, the Manager of the Umbrella Pension Fund LEON 2 takes into account, on the basis of the complete received claim for payment within the accounting period, the value of the asset unit as at the valuation day.

The Manager will pay the redemption value within the deadlines set out in the pension plan.

4.4 TRANSFER OF MEMBER'S ASSETS BETWEEN SUB-FUNDS OF THE UMBRELLA PENSION FUND

Automatic Carry-over

After the accounting period in which the Member reaches the age of the age group of the Sub-Fund, the Manager allocates all payments received in favour of the Member to the Sub-Fund's Dedicated Cash Account intended for the relevant age group of members in which the Member is now classified.

The transfer of assets between the Sub-Funds of Umbrella Pension Fund shall be made by the Manager after the accounting period during which the Member reaches the age of the age group of the Sub-Fund, within three years at the

latest, dedicated to that age group. The benefit of the transfer of assets between the Umbrella Pension Fund Sub-Funds is reviewed when the age condition is met and later at least once a year. The transfer of assets between the Umbrella Pension Fund Sub-Funds will take place by the end of the three-year period and will take into account the current macroeconomic situation, expected economic trends as well as the expected future returns of the Sub-Funds in relation to the intended investment structure.

The Member will be informed of the implementation of the transfer within the context of the regular annual notification in accordance with these rules.

Transfer at the Request of a Member

A member of a Sub-Fund will have the right to opt for a different Sub-Fund once a year, provided that the Sub-Fund is not aimed at a younger age group than the age group to which they belong. A claim received by the Manager by the last day of the month will be taken into account in the accounting period by the Manager transferring the assets between the Umbrella Pension Fund Sub-Funds to the selected Sub-Fund on the valuation day.

The Manager will allocate all new contributions from the first day of the following accounting period to the Dedicated Cash Account of the Sub-Fund selected by the Member.

The Member will be informed of the implementation of the transfer within the context of the regular annual notification in accordance with these rules.

In case of a change in the target age group of a Sub-Fund, members will retain the Sub-Fund to which they were allocated before the change, but will have the right to be allocated to the Sub-Fund according to the new age structure. The Manager will consider this to be a transfer at the request of the Member.

A Member of a collective and individual insurance scheme whose assets have been transferred from the LEON 2 Open-Ended Mutual Pension Fund to the LEON ZAJAMČENI (LEON GUARANTEED) Sub-Fund following the conversion shall have the option to make new contributions to another Sub-Fund, if their age permits this within the investment policy of the Member's life cycle. You can transfer or keep the funds you have saved up to that point in the LEON ZAJAMČENI (LEON GUARANTEED) Sub-Fund. Details are set out in item 5.C. of the LEON ZAJAMČENI (LEON GUARANTEED) Chapter of the Appendix – Detailed Sub-Fund Management Rules.

4.5 ERROR IN CALCULATING THE ASSET NET VALUE

An error in the calculation of the Sub-Fund's NAV is considered to have occurred if:

- the difference between the correct NAV and the incorrect NAV of a Sub-Fund of an umbrella pension fund which does not implement an investment policy of providing a minimum guaranteed return is more than 1.0% of the correct NAV; and
- the difference between the correct NAV and the incorrect NAV of a Sub-Fund of an umbrella pension fund which implements an investment policy of guaranteeing a minimum guaranteed return is more than 0.5% of the correct NAV.

In the case of an overestimation of the AUV due to an error in the calculation of the NAV, the Manager will:

- charge additional asset units to members who have paid in asset units at an overcalculated AUV and record them in their personal account in the register;
- pay the balance in cash to the Sub-Fund if members were overpaid the redemption value when they left the Sub-Fund.

In the case of an underestimation of the AUV due to an error in the calculation of the NAV, the Manager will:

- pay the balance in cash to members whose redemption AUV was underestimated at the time of termination of the insurance scheme in accordance with the correctly calculated AUV;
- correct the entry in their personal account in the register

accordingly to members who have paid in units of the Sub-Fund at an undercalculated AUV.

The Manager will make the asset transfers necessary to correct the errors within 5 working days from the date of calculation of the correct AUV. The Manager will not transfer amounts of less than EUR 2 and will not inform the members in this case.

In the case of an error in the calculation of the number of asset units in circulation, a recalculation will be made and the provisions of the second and third paragraphs of this item shall apply *mutatis mutandis* to correct the error.

The costs incurred in correcting the error that occurred in the calculation of the NAV will not be charged to the Sub-Funds.

4.6 TRANSFER OF THE MEMBER'S ASSETS IN THE PENSION PLAN, MANAGED BY ANOTHER MANAGER

The Member may at any time request from the Manager to transfer funds to a pension fund managed by another Manager under another pension plan in accordance with the provisions of the Act.

Irrespective of the preceding paragraph, a Member may only transfer the assets when his employment with the employer through which he is covered by the collective insurance scheme ends, except in the case when the employer through which he is covered by the collective insurance scheme also concludes a contract with another pension fund Manager for the financing of the collective insurance pension plan.

The transfer of assets between a collective insurance pension plan and an individual insurance pension plan is not permitted.

A transfer of assets will be made upon a written request for a transfer of assets and a consent of another Manager within a maximum period of sixty (60) days from the valuation date according to the balance on which the redemption value of the assets is calculated.

CHAPTER 5: OTHER PROVISIONS ON THE UMBRELLA PENSION FUND AND SUB-FUNDS

5.1 TRANSFER OF MANAGEMENT OF THE UMBRELLA PENSION FUND TO ANOTHER MANAGER

The Manager of the Umbrella Pension Fund LEON 2 may transfer the management of the Umbrella Pension Fund LEON 2 to another Manager if:

- the acquiring Manager fulfils the conditions for managing the Umbrella Pension Fund LEON 2 laid down by the law governing supplementary pension insurance;
- at least 70% of the members of the Umbrella Pension Fund LEON 2 agree to the transfer of management.

The Manager of the Umbrella Pension Fund LEON 2 is also obliged to transfer the management of the Umbrella Pension Fund LEON 2 to another Manager if at least 70% of the members of all the Sub-Funds of the Umbrella Pension Fund LEON 2 make such a request.

The compulsory transfer of the management of the Umbrella Pension Fund LEON 2 to another Manager will take place if:

- the Securities Market Agency's final decision revokes the Manager's authorisation to manage the Umbrella Pension Fund LEON 2;
- bankruptcy proceedings or winding-up procedure have been initiated against the Manager;
- the number of members of all Sub-Funds of Umbrella Pension Fund LEON 2 at the end of the first year of its creation is less than 1,000;
- the number of members of all Umbrella Pension Fund LEON 2 Sub-Funds falls below 1,000 and does not reach that number within the following six months;
- the net asset value of all the Sub-Funds of Umbrella Pension Fund LEON 2 does not reach EUR 100,000 within six months from the date on which the Manager receives the decision of the Securities Market Agency authorising the management of Umbrella Pension Fund

LEON 2;

- the net asset value of all Umbrella Pension Fund LEON 2 Sub-Funds falls below EUR 100,000 and does not reach EUR 100,000 again within three months.

The procedure for the transfer of management at the request of members or for the voluntary transfer of management of the Umbrella Pension Fund LEON 2 to another Manager is laid down in the act governing supplementary pension insurance, while the procedure for the compulsory transfer of management of the Umbrella Pension Fund LEON 2 to another Manager is laid down in the act governing mutual funds.

5.2 CHANGE OF THE TRUSTEE OF THE ASSETS

The Manager may change the Trustee of the assets of Umbrella Pension Fund LEON 2 by terminating the contract with the current Trustee and concluding a new contract with another Trustee if:

- the Trustee is temporarily or permanently unable to perform any of the trust services in accordance with the contract on the performance of trust services due to technical reasons or loss of the permit for the performance of trust services or due to initiated bankruptcy or compulsory settlement proceedings or other insurmountable obstacles in the Trustee's operation;
- the Trustee performs business transactions prohibited by the Act;
- the Trustee misuses internal information;
- the Trustee infringes on the provisions of the contract on the performance of trust services;
- the Trustee is deemed to be providing the trust services on uncompetitive terms, with insufficient professional diligence or the replacement is in the interests of the Members; the contract on the performance of trust services may provide more detail on this ground for termination;
- the Trustee and the Manager agree to terminate the contract on the performance of trust services by mutual agreement.

Upon termination of the contract on the performance of trust services with the existing Trustee and after obtaining the authorisation of the Securities Market Agency to conclude a contract on the performance of trust services, the Manager may conclude it with a new Trustee entering into force from a date that ensures continuity of the provision of trust services to the Umbrella Pension Fund LEON 2.

5.3 LIQUIDATION

The liquidation of the Umbrella Pension Fund LEON 2 shall only take place in the event that a compulsory transfer of management cannot be carried out in accordance with the law.

The provisions of the law governing mutual funds shall apply *mutatis mutandis* for the winding-up procedure and its legal consequences.

On the working day following the occurrence of the reason for the liquidation of the Umbrella Pension Fund LEON 2, the Manager will publish information on the liquidation of the Umbrella Pension Fund LEON 2 on their website and in a daily newspaper sold across the Republic of Slovenia, and will send a notice of the liquidation of the Umbrella Pension Fund LEON 2 to each Member within three working days.

CHAPTER 6: AMENDMENT OF THE UMBRELLA PENSION FUND MANAGEMENT RULES

The Manager may amend these rules when there occur changes to the investment policy, operating conditions, the basis for determining the target age group of members, etc.

To amend these rules, the operator must obtain:

- an opinion of the pension fund's Board on the changes of the management rules of the Umbrella Pension Fund LEON 2, except in the case of obligatory harmonisation with legislative changes;

- consent of the ATVP.

Amendments to these rules will enter into force on the expiry of one month from the date of receipt of the Securities Market Agency's consent to the amendment of the management rules.

CHAPTER 7: PERSONS RESPONSIBLE FOR ISSUANCE OF THE UMBRELLA PENSION FUND MANAGEMENT RULES

Vanja Hrovat

Chairwoman of the Management Board

Mitja Feri

Member of the Management Board

APPENDIX – DETAILED SUB-FUND MANAGEMENT RULES

The management rules of individual Sub-Funds, as further defined in this Appendix, will always be applied simultaneously with the management rules of the common part of the management rules of Umbrella Pension Fund LEON 2.

LEON DINAMIČNI (LEON DYNAMIC)

1. TARGET AGE GROUP OF MEMBERS

The Sub-Fund is open to members under the age of 50.

2. INVESTMENT OBJECTIVE

The investment objective of the Sub-Fund is to grow the value of the Sub-Fund's assets over the long term by increasing the value of predominantly higher-risk investments, dividends received and interest earned. The Sub-Fund is aimed at members who are not entitled to claim their pension earlier than in 15 years and are therefore willing to take a relatively high investment risk.

The Sub-Fund member assumes all investment risks.

3. INVESTMENT POLICY

The Sub-Fund will pursue its investment objective of long-term return mainly through high-risk investments.

High-risk investments include equities and debt securities and money market instruments with an issuer's credit rating below investment grade, real estate and units or shares of open-ended equity, mixed, balanced and alternative investment funds and bond funds whose investment policy defines investing assets in debt securities with an issuer's credit rating below investment grade (i.e. High Yield Bonds). The Sub-Fund will hold between 40% and 100% of its assets invested in them.

The Sub-Fund will also hold assets in less risky investments.

Low-risk investments include cash deposits and money market instruments and debt securities with an issuer's rating of investment grade or above or those issued or guaranteed by the Republic of Slovenia or the Bank of Slovenia, debentures and units or shares of open-ended bond investment funds whose investment policy defines that their assets are invested in debt securities with an issuer's rating of investment grade and units or shares of money market funds. The Sub-Fund will hold between 0% and 60% of its asset value invested in them.

At the time these rules come into effect, the Manager does not yet assess the likely sustainability impacts on the Sub-Fund's performance, including the sustainability of (potential) investments and the appropriate manner of boosting sustainability, and does not yet consider how and what the implications are of integrating sustainability risks into investment decisions in the Sub-Fund's asset management, and it is therefore considered that sustainability considerations and risks are not yet systematically integrated into investment decisions in the management of the Sub-Fund's assets.

However, it does include sustainability considerations in its investment due diligence, so that priority in the selection process will be given to investments in financial instruments of issuers that, in addition to sufficient expected return, meet

social responsibility criteria and whose business strategies support transparency in operations and governance and long-term benefits for the environment, employees and society at large.

The investment of the Sub-Fund's assets in financial instruments of issuers whose business is oriented towards sustainable development has the purpose of:

- managing financial risks arising from climate change, resource depletion, environmental degradation and social imbalances; and
- promoting the transparency and long-term orientation of financial and economic activities.

The Sub-Fund's investments and other assets do not have any limits given the geographical, sectoral or the currency exposure.

To hedge against risks, the use of derivative financial instruments described in Chapter 1 of the management rules with the common investment rules of all Sub-Funds of the umbrella fund is permitted as an asset management technique.

A more detailed description of the Sub-Fund's permitted assets and investment limits is set out below.

A. TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS

These types of Sub-Fund assets include:

- shares and other equity securities (including shares or units in closed-end investment funds);
- bonds and other debt securities (including convertible bonds); and
- money market instruments, such as treasury bills, commercial paper and similar instruments traded on regulated markets, and money market instruments (including certificates of deposit) that are not normally traded on a regulated market.

These include securities and money market instruments in the underwriting process.

Regulated markets which trade with these securities and money market instruments are defined in the general act that regulates the pension fund investments.

The Sub-Fund's assets will be invested in government and corporate bonds and other related debt securities of varying yields, maturities, seniority and creditworthiness, in accordance with the investment policy and market conditions. At least 50% of the value of the Sub-Fund's bonds will be bonds with a maturity of less than 15 years. At least 50% of the value of the debt instruments will fulfil the condition that they have an issuer's credit rating that qualifies as investment grade or that they are issued or guaranteed by the Republic of Slovenia. There is no limit on the exposure to a particular issuer of a debt instrument that belongs to a specific category of parties.

The Sub-Fund's exposure to types of transferable securities and money market instruments, which also includes exposures through investments in open-ended investment funds with a corresponding investment policy, will, expressed as a percentage of asset value, include as follows:

- equity securities, including open-ended equity, mixed and balanced investment funds: a maximum of 100%;
- debt securities, including open-ended bond investment funds: a maximum of 60%;
- money market instruments, including deposits and open-end money market funds: a maximum of 30%.

A Sub-Fund may have up to 10% of the value of its assets invested in other transferable securities and money market instruments that meet the conditions laid down by the Securities Market Agency, with a maximum of 5% invested in transferable securities that are not listed on a regulated market. These investments may not deviate from the Sub-Fund's investment objectives, and may not have a significant impact on its risk.

B. MONEY DEPOSITS

The assets of the Sub-Fund may be invested in deposits:

- with a bank or credit institution established in the Republic of Slovenia or a Member State; and
- with a credit institution established in a third country that has a long-term issuer's credit rating (credit rating) at least one step higher than that specified for the investment grade.

A Sub-Fund may have a maximum of 15% of the value of its assets invested in deposits, while the exposure to the same bank or credit institution through investments in deposits will not exceed 10% of the value of its assets.

C. UNITS OR SHARES OF OPEN-END INVESTMENT FUNDS

The assets of the Sub-Fund may be invested in units or shares of open-ended investment funds (target funds), the characteristics of which correspond to those laid down by the regulations.

Investments will be comprised of units or shares of:

- investment funds that invest in financial instruments and whose operations comply with the provisions of the UCITS Directive, and
- open-ended alternative investment funds managed by managers duly authorised in accordance with the AIFM Directive and open-ended dedicated investment funds established under the Alternative Investment Fund Managers Act that invest in financial instruments or alternative forms of investment such as real estate, infrastructure, precious metals, private equity and venture capital (SMEs), etc. with an expected long-term return on bond and equity investments, a target size of at least EUR 10 million and an expected duration of at least five years (counting from the date of establishment).

The assets of the Sub-Fund may also be invested in units or shares of open-ended investment funds (target funds) managed by the Sub-Fund's asset manager or whose assets are managed by the Sub-Fund's asset manager on behalf of their Managers. This also applies to investments in units or shares of open-ended investment funds managed by any Manager that is considered to be affiliated party of the Sub-Fund Manager. Such investments are only permissible if the Sub-Fund is not obliged to pay entry or exit charges on such target funds and if they are actively managed target funds with a management fee of up to and including 2.50% and passively managed target funds with a management fee of up to and including 0.75%. All the benefits relating to the management fee that are approved by the target fund Manager can go only to the benefit of the members of the Sub-Fund.

A Sub-Fund may invest up to 100% of the value of its assets in units or shares of investment funds whose operations comply with the provisions of the UCITS Directive and up to 30% of the value of its assets in units or shares of open-ended alternative investment funds.

A Sub-Fund may have a maximum of 10% of its asset value invested in units or shares of a single target fund. This proportion may exceed 10% and reach 50% of the value of the assets of the Sub-Fund, provided that they are open-ended investment funds managed by, or on behalf of their managers, by a Sub-Fund asset manager and that their operations comply with the provisions of the UCITS Directive. Further, such higher exposure is only allowed if the equity and mixed open-ended investment funds that may represent such Sub-Fund investments charge a management fee of no more than 2.50%, bond funds no more than 1.50%, money market funds no more than 1.00% and other funds no more than 2.50%. There may be a maximum of six simultaneous investments in units or shares of the target fund exceeding 10% of the value of the asset.

D. REAL ESTATE

The assets of the Sub-Fund may also be invested in real estate.

Investments in real estate as defined in applicable

International Accounting Standards are allowed, except in those under development or construction. Such real estate must also meet the following criteria:

- it is entered in a land register or other public register in the Republic of Slovenia or in a State party to the Agreement on the European Economic Area;
- it generates a present income and/or can be expected to generate a return;
- it is free from all encumbrances other than easements *in rem*; and
- its purchase price may exceed by a maximum of 5% the valuation of a chartered appraiser appointed in accordance with the law governing auditing, provided that the date of the valuation referred to in the appraisal may not be more than six months from the date of purchase.

No person may be guaranteed the purchase of any of the real estate from the Sub-Fund's assets in advance.

The Sub-Fund's exposure to a single or several real estate properties that are linked so as to constitute a single investment will be a maximum of 5% of the asset value, while the aggregate exposure to all real estate investments will be a maximum of 10% of the asset value.

E. DEBENTURES

The assets of the Sub-Fund may also be invested in debentures whose issuer is domiciled in the Republic of Slovenia or another OECD country.

The Sub-Fund's exposure to debentures of the same issuer will total a maximum of 3%, while to total debentures a maximum of 10% of the value of the assets.

4. COSTS AND FEES

ENTRY CHARGE

The entry charges to which the Manager is entitled when making a contribution to the Sub-Fund, expressed as a percentage of the amount of the contribution, total:

a) for collective insurance

Entry charges are up to a maximum of 1.50% of the amount paid into the Sub-Fund.

The level of entry charges for each employer is agreed in the pension plan financing contract. Entry charges may also be further reduced in the case of additional one-off annual deposits or sales promotions.

b) for individual insurance

Entry charges are up to a maximum of 1.50% of the amount paid into the Sub-Fund. The Manager has the right to reduce the entry charges by up to 1.5 percentage points for members joining within a certain period, both for the purpose of recruiting new members and for members who pay regularly. Entry charges may also be reduced in the case of additional one-off annual payments or sales promotions.

EXIT CHARGE

The entry charges to which the Manager is entitled for payment from the Sub-Fund, expressed as a percentage of the payout amount, total:

a) regular termination of supplementary insurance – up to 1.00%;

b) extraordinary termination of supplementary insurance – up to 1.00%.

In the case of a regular termination and payment of the redemption value into a long-term annuity payment fund managed by the Manager, no exit charges will be charged.

Within the context of collective insurance, the Manager and the employer determine the level of entry and exit charges in the pension plan financing contract that cannot exceed a maximum percentage.

SUB-FUND MANAGEMENT FEE

The Sub-Fund management fee will be a maximum of 1.00% of the average annual net asset value of the Sub-Fund calculated as the arithmetic mean of the net asset values of the Sub-Fund at the date of conversion. The Manager will

determine the amount of the Sub-Fund management fee for each year in January, whereby they will follow the rule of 0.60 percentage points for the fixed part and up to 0.40 percentage points for the variable part. The changes in the management fee shall be communicated to members by the Manager through the regular annual notification.

TRUST SERVICES FEE

The fee for the provision of trust services excluding safekeeping costs and costs for entering and executing orders is determined by the contract between the Manager and the Trustee and it totals:

the average annual net asset value of the Sub-Funds:	fee rate
up to EUR 25,999,999	0,080 %
up to EUR 33,999,999	0,070 %
up to EUR 52,999,999	0,050 %
up to EUR 99,999,999	0,045 %
above EUR 100,000,000	0,040 %

The trust fee will not exceed 0.08% of the average annual net asset value of each Sub-Fund. At the time of entry into force of these rules, the amount of the trust fee is 0.05%.

The Sub-Fund's trust fee will be calculated at the percentage indicated, whereby the total average annual net asset value of all Sub-Funds of the Umbrella Pension Fund LEON 2 at the date of conversion will be taken into account for the purpose of determining the trust fee for each Sub-Fund according to the scale indicated.

Members may be notified of any change in the amount of the trust services fee as part of the regular annual notification.

The maximum trust services fee in relation to the safekeeping of the assets of a Sub-Fund in any one year will not exceed 0.107% of the average of the 12 average monthly values of the assets of the Sub-Fund held with each qualified depository.

The maximum cost for the entering and executing orders relating to the disposal of financial instruments totals EUR 53.50 per instruction.

If a particular cost exceeds the maximum cost set out in these rules or cannot or should not be charged to the assets of the Sub-Funds in accordance with these rules, it will be paid by the Manager out of their own assets.

5. OTHER FEATURES OF THE SUB-FUND

Initial asset unit value

Initial asset unit value of LEON DINAMIČNI (LEON DYNAMIC) totalled 10.0000.

LEON PREUDARNI (LEON PRUDENT)

1. TARGET AGE GROUP OF MEMBERS

The Sub-Fund is intended for members between the ages of 50 and 60.

2. INVESTMENT OBJECTIVE

The investment objective of the Sub-Fund is to grow the value of the sub-fund's assets over the long term by increasing the value of lower- and higher-risk investments, interest received and dividends. The Sub-Fund is aimed at members who are not entitled to claim their pension earlier than in five years and are therefore willing to take a moderately high investment risk.

The Sub-Fund member assumes all investment risks.

3. INVESTMENT POLICY

The Sub-Fund will pursue its investment objective of long-term return through low- and high-risk investments.

Low-risk investments include cash deposits and money market instruments and debt securities with an issuer's rating of investment grade or above or those issued or guaranteed by the Republic of Slovenia or the Bank of Slovenia, debentures and units or shares of open-ended bond investment funds whose investment policy defines that their assets are invested in debt securities with an issuer's rating

of investment grade and units or shares of money market funds. The Sub-Fund will hold between 20% and 80% of its assets invested in them.

High-risk investments include equities and debt securities and money market instruments with an issuer's credit rating below investment grade, real estate and units or shares of open-ended equity, mixed, balanced and alternative investment funds and bond funds whose investment policy defines investing assets in debt securities with an issuer's credit rating below investment grade (i.e. High Yield Bonds). The Sub-Fund will hold between 20% and 80% of its assets invested in them.

At the time these rules come into effect, the Manager does not yet assess the likely sustainability impacts on the Sub-Fund's performance, including the sustainability of (potential) investments and the appropriate manner of boosting sustainability, and does not yet consider how and what the implications are of integrating sustainability risks into investment decisions in the Sub-Fund's asset management, and it is therefore considered that sustainability considerations and risks are not yet systematically integrated into investment decisions in the management of the Sub-Fund's assets.

However, it does include sustainability considerations in its investment due diligence, so that priority in the selection process will be given to investments in financial instruments of issuers that, in addition to sufficient expected return, meet social responsibility criteria and whose business strategies support transparency in operations and governance and long-term benefits for the environment, employees and society at large.

The investment of the Sub-Fund's assets in financial instruments of issuers whose business is oriented towards sustainable development has the purpose of:

- managing financial risks arising from climate change, resource depletion, environmental degradation and social imbalances; and
- promoting the transparency and long-term orientation of financial and economic activities.

The Sub-Fund's investments and other assets do not have any limits given the geographical, sectoral or the currency exposure.

To hedge against risks, the use of derivative financial instruments described in Chapter 1 of the management rules with the common investment rules of all Sub-Funds of the umbrella fund is permitted as an asset management technique.

A more detailed description of the Sub-Fund's permitted assets and investment limits is set out below.

A. TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS

These types of Sub-Fund assets include:

- bonds and other debt securities (including convertible bonds);
- money market instruments, such as treasury bills, commercial paper and similar instruments traded on regulated markets, and money market instruments (including certificates of deposit) that are not normally traded on a regulated market; and
- shares and other equity securities (including shares or units in closed-end investment funds).

These include securities and money market instruments in the underwriting process.

Regulated markets which trade with these securities and money market instruments are defined in the general act that regulates the pension fund investments.

The Sub-Fund's assets will be invested in government and corporate bonds and other related debt securities of varying yields, maturities, seniority and creditworthiness, in accordance with the investment policy and market conditions. At least 50% of the value of the Sub-Fund's bonds will be bonds with a maturity of less than 15 years. At least 50% of the value of the debt instruments will fulfil the

condition that they have an issuer's credit rating that qualifies as investment grade or that they are issued or guaranteed by the Republic of Slovenia. There is no limit on the exposure to a particular issuer of a debt instrument that belongs to a specific category of parties.

The Sub-Fund's exposure to types of transferable securities and money market instruments, which also includes exposures through investments in open-ended investment funds with a corresponding investment policy, will, expressed as a percentage of asset value, include as follows:

- debt securities, including open-ended bond investment funds: a maximum of 100%;
- money market instruments, including deposits and open-end money market funds: a maximum of 50%;
- equity securities, including open-ended equity, mixed and balanced investment funds: a maximum of 70%.

A Sub-Fund may have up to 10% of the value of its assets invested in other transferable securities and money market instruments that meet the conditions laid down by the Securities Market Agency, with a maximum of 5% invested in transferable securities that are not listed on a regulated market. These investments may not deviate from the Sub-Fund's investment objectives, and may not have a significant impact on its risk.

B. MONEY DEPOSITS

The assets of the Sub-Fund may be invested in deposits:

- with a bank or credit institution established in the Republic of Slovenia or a Member State; and
- with a credit institution established in a third country that has a long-term issuer's credit rating (credit rating) at least one step higher than that specified for the investment grade.

A Sub-Fund may have a maximum of 15% of the value of its assets invested in deposits, while the exposure to the same bank or credit institution through investments in deposits will not exceed 10% of the value of its assets.

C. UNITS OR SHARES OF OPEN-END INVESTMENT FUNDS

The assets of the Sub-Fund may be invested in units or shares of open-ended investment funds (target funds), the characteristics of which correspond to those laid down by the regulations.

Investments will be comprised of units or shares of:

- investment funds that invest in financial instruments and whose operations comply with the provisions of the UCITS Directive, and
- open-ended alternative investment funds managed by managers duly authorised in accordance with the AIFM Directive and open-ended dedicated investment funds established under the Alternative Investment Fund Managers Act that invest in financial instruments or alternative forms of investment such as real estate, infrastructure, precious metals, private equity and venture capital (SMEs), etc. with an expected long-term return on bond and equity investments, a target size of at least EUR 10 million and an expected duration of at least five years (counting from the date of establishment).

The assets of the Sub-Fund may also be invested in units or shares of open-ended investment funds (target funds) managed by the Sub-Fund's asset manager or whose assets are managed by the Sub-Fund's asset manager on behalf of their Managers. This also applies to investments in units or shares of open-ended investment funds managed by any Manager that is considered to be affiliated party of the Sub-Fund Manager. Such investments are only permissible if the Sub-Fund is not obliged to pay entry or exit charges on such target funds and if they are actively managed target funds with a management fee of up to and including 2.50% and passively managed target funds with a management fee of up to and including 0.75%. All the benefits relating to the management fee that are approved by the target fund Manager can go only to the benefit of the members of the Sub-Fund.

A Sub-Fund may invest up to 100% of the value of its assets in units or shares of investment funds whose operations comply with the provisions of the UCITS Directive and up to 30% of the value of its assets in units or shares of open-ended alternative investment funds.

A Sub-Fund may have a maximum of 10% of its asset value invested in units or shares of a single target fund. This proportion may exceed 10% and reach 50% of the value of the assets of the Sub-Fund, provided that they are open-ended investment funds managed by, or on behalf of their managers, by a Sub-Fund asset manager and that their operations comply with the provisions of the UCITS Directive. Further, such higher exposure is only allowed if the equity and mixed open-ended investment funds that may represent such Sub-Fund investments charge a management fee of no more than 2.50%, bond funds no more than 1.50%, money market funds no more than 1.00% and other funds no more than 2.50%. There may be a maximum of six simultaneous investments in units or shares of the target fund exceeding 10% of the value of the asset.

D. REAL ESTATE

The assets of the Sub-Fund may also be invested in real estate.

Investments in real estate as defined in International Accounting Standards are allowed, except in those under development or construction. Such real estate must also meet the following criteria:

- it is entered in a land register or other public register in the Republic of Slovenia or in a State party to the Agreement on the European Economic Area;
- it generates a present income and/or can be expected to generate a return;
- it is free from all encumbrances other than easements *in rem*; and
- its purchase price may exceed by a maximum of 5% the valuation of a chartered appraiser appointed in accordance with the law governing auditing, provided that the date of the valuation referred to in the appraisal may not be more than six months from the date of purchase.

No person may be guaranteed the purchase of any of the real estate from the Sub-Fund's assets in advance.

The Sub-Fund's exposure to a single or several real estate properties that are linked so as to constitute a single investment will be a maximum of 5% of the asset value, while the aggregate exposure to all real estate investments will be a maximum of 10% of the asset value.

E. DEBENTURES

The assets of the Sub-Fund may also be invested in debentures whose issuer is domiciled in the Republic of Slovenia or another OECD country.

The Sub-Fund's exposure to debentures of the same issuer will total a maximum of 3%, while to total debentures a maximum of 10% of the value of the assets.

4. COSTS AND FEES

ENTRY CHARGE

The entry charges to which the Manager is entitled when making a contribution to the Sub-Fund, expressed as a percentage of the amount of the contribution, total:

a) for collective insurance

Entry charges are up to a maximum of 1.50%.

The level of entry charges for each employer is agreed in the pension plan financing contract. Entry charges may also be further reduced in the case of additional one-off annual deposits or sales promotions.

b) for individual insurance

Entry charges are up to a maximum of 1.50% of the amount paid into the Sub-Fund. The Manager has the right to reduce the entry charges by up to 1.50 percentage points for members joining within a certain period, both for the purpose of recruiting new members and for members who pay regularly. Entry charges may also be reduced in the case of

additional one-off annual payments or sales promotions.

EXIT CHARGE

The entry charges to which the Manager is entitled for payment from the Sub-Fund, expressed as a percentage of the payout amount, total:

- a) regular termination of supplementary insurance – up to 1.00%;
- b) extraordinary termination of supplementary insurance – up to 1.00%.

In the case of a regular termination and payment of the redemption value into a long-term annuity payment fund managed by the Manager, no exit charges will be charged.

Within the context of collective insurance, the Manager and the employer determine the level of entry and exit charges in the pension plan financing contract that cannot exceed a maximum percentage.

SUB-FUND MANAGEMENT FEE

The Sub-Fund management fee will be a maximum of 1.00% of the average annual net asset value of the Sub-Fund calculated as the arithmetic mean of the net asset values of the Sub-Fund at the date of conversion. The Manager will determine the amount of the Sub-Fund management fee for each year in January, whereby they will follow the rule of 0.60 percentage points for the fixed part and up to 0.40 percentage points for the variable part. The changes in the management fee shall be communicated to members by the Manager through the regular annual notification.

TRUST SERVICES FEE

The fee for the provision of trust services excluding safekeeping costs and costs for entering and executing orders is determined by the contract between the Manager and the Trustee and it totals:

the average annual net asset value of the Sub-Funds:	fee rate
up to EUR 25,999,999	0,080 %
up to EUR 33,999,999	0,070 %
up to EUR 52,999,999	0,050 %
up to EUR 99,999,999	0,045 %
above EUR 100,000,000	0,040 %

The trust fee will not exceed 0.08% of the average annual net asset value of each Sub-Fund. At the time of entry into force of these rules, the amount of the trust fee is 0.05%.

The Sub-Fund's trust fee will be calculated at the percentage indicated, whereby the total average annual net asset value of all Sub-Funds of the Umbrella Pension Fund LEON 2 at the date of conversion will be taken into account for the purpose of determining the trust fee for each Sub-Fund according to the scale indicated.

Members may be notified of any change in the amount of the trust services fee as part of the regular annual notification.

The maximum trust services fee in relation to the safekeeping of the assets of a Sub-Fund in any one year will not exceed 0.107% of the average of the 12 average monthly values of the assets of the Sub-Fund held with each qualified depository.

The maximum cost for the entering and executing orders relating to the disposal of financial instruments totals EUR 53.50 per instruction.

If a particular cost exceeds the maximum cost set out in these rules or cannot or should not be charged to the assets of the Sub-Funds in accordance with these rules, it will be paid by the Manager out of their own assets.

5. OTHER FEATURES OF THE SUB-FUND

Initial asset unit value

Initial asset unit value of LEON PREUDARNI (LEON PRUDENT) totalled 10.0000.

LEON ZAJAMČENI (LEON GUARANTEED)

1. TARGET AGE GROUP OF MEMBERS

The Sub-Fund is intended for members aged 60 and over.

2. INVESTMENT OBJECTIVE

The investment objective of the Sub-Fund is to grow the value of the Sub-Fund's assets over the long term at a minimum of the guaranteed rate of return. It will be achieved through the value increase of mainly low-risk investments, interest and dividends received.

The Sub-Fund is intended for members who will be entitled to claim their pension within five years at the latest and are therefore not willing to take an investment risk. If the product of the asset unit value and the number of units of the Sub-Fund registered in the Member's personal account is lower than the guaranteed asset value at the time the pension becomes effective, the Manager will pay the guaranteed value to the Member and cover the difference from their own assets.

The guaranteed return on the net payment guaranteed by the Manager totals 60% of the average yield to maturity of the sovereign financial instruments calculated in accordance with the methodology prescribed by the Ministry of Finance.

3. INVESTMENT POLICY

The Sub-Fund will pursue its investment objective of long-term return mainly through low-risk investments.

Low-risk investments include cash deposits and money market instruments and debt securities with an issuer's rating of investment grade or above or those issued or guaranteed by the Republic of Slovenia or the Bank of Slovenia, debentures and units or shares of open-ended bond investment funds whose investment policy defines that their assets are invested in debt securities with an issuer's rating of investment grade and units or shares of money market funds. The Sub-Fund will hold between 70% and 100% of its assets invested in them.

The Sub-Fund may also invest some of its assets in high-risk investments.

High-risk investments include equities and debt securities and money market instruments with an issuer's credit rating below investment grade, real estate and units or shares of open-ended equity, mixed, balanced and alternative investment funds and bond funds whose investment policy defines investing assets in debt securities with an issuer's credit rating below investment grade (i.e. High Yield Bonds). The Sub-Fund will hold between 0% and 30% of its asset value invested in them.

At the time these rules come into effect, the Manager does not yet assess the likely sustainability impacts on the Sub-Fund's performance, including the sustainability of (potential) investments and the appropriate manner of boosting sustainability, and does not yet consider how and what the implications are of integrating sustainability risks into investment decisions in the Sub-Fund's asset management, and it is therefore considered that sustainability considerations and risks are not yet systematically integrated into investment decisions in the management of the Sub-Fund's assets.

However, it does include sustainability considerations in its investment due diligence, so that priority in the selection process will be given to investments in financial instruments of issuers that, in addition to sufficient expected return, meet social responsibility criteria and whose business strategies support transparency in operations and governance and long-term benefits for the environment, employees and society at large.

The investment of the Sub-Fund's assets in financial instruments of issuers whose business is oriented towards sustainable development has the purpose of:

- managing financial risks arising from climate change, resource depletion, environmental degradation and social imbalances; and
- promoting the transparency and long-term orientation of financial and economic activities.

The Sub-Fund's investments and other assets do not have any limits given the geographical, sectoral or the currency exposure.

To hedge against risks, the use of derivative financial instruments described in Chapter 1 of the management rules with the common investment rules of all Sub-Funds of the umbrella fund is permitted as an asset management technique.

A more detailed description of the Sub-Fund's permitted assets and investment limits is set out below.

A. TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS

These types of Sub-Fund assets include:

- bonds and other debt securities (including convertible bonds);
- money market instruments, such as treasury bills, commercial paper and similar instruments traded on regulated markets, and money market instruments (including certificates of deposit) that are not normally traded on a regulated market; and
- shares and other equity securities (including shares or units in closed-end investment funds).

These include securities and money market instruments in the underwriting process.

Regulated markets which trade with these securities and money market instruments are defined in the general act that regulates the pension fund investments.

The Sub-Fund's assets will be invested in government and corporate bonds and other related debt securities of varying yields, maturities, seniority and creditworthiness, in accordance with the investment policy and market conditions. At least 50% of the value of the Sub-Fund's bonds will be bonds with a maturity of less than 15 years. At least 50% of the value of the debt instruments will fulfil the condition that they have an issuer's credit rating that qualifies as investment grade or that they are issued or guaranteed by the Republic of Slovenia. There is no limit on the exposure to a particular issuer of a debt instrument that belongs to a specific category of parties.

The Sub-Fund's exposure to types of transferable securities and money market instruments, which also includes exposures through investments in open-ended investment funds with a corresponding investment policy, will, expressed as a percentage of asset value, include as follows:

- debt securities, including open-ended bond investment funds: a maximum of 100%;
- money market instruments, including deposits and open-end money market funds: a maximum of 70%;
- equity securities, including open-ended equity, mixed and balanced investment funds: a maximum of 30%.

A Sub-Fund may have up to 10% of the value of its assets invested in other transferable securities and money market instruments that meet the conditions laid down by the Securities Market Agency, with a maximum of 5% invested in transferable securities that are not listed on a regulated market. These investments may not deviate from the Sub-Fund's investment objectives, and may not have a significant impact on its risk.

B. MONEY DEPOSITS

The assets of the Sub-Fund may be invested in deposits:

- with a bank or credit institution established in the Republic of Slovenia or a Member State; and
- with a credit institution established in a third country that has a long-term issuer's credit rating (credit rating) at least one step higher than that specified for the investment grade.

A Sub-Fund may have a maximum of 30% of the value of its assets invested in deposits, while the exposure to the same bank or credit institution through investments in deposits will not exceed 10% of the value of its assets.

C. UNITS OR SHARES OF OPEN-END INVESTMENT FUNDS

The assets of the Sub-Fund may be invested in units or shares of open-ended investment funds (target funds), the characteristics of which correspond to those laid down by the regulations.

Investments will be comprised of units or shares of:

- investment funds that invest in financial instruments and whose operations comply with the provisions of the UCITS Directive, and
- open-ended alternative investment funds managed by managers duly authorised in accordance with the AIFM Directive and open-ended dedicated investment funds established under the Alternative Investment Fund Managers Act that invest in financial instruments or alternative forms of investment such as real estate, infrastructure, precious metals, private equity and venture capital (SMEs), etc. with an expected long-term return on bond and equity investments, a target size of at least EUR 10 million and an expected duration of at least five years (counting from the date of establishment).

The assets of the Sub-Fund may also be invested in units or shares of open-ended investment funds (target funds) managed by the Sub-Fund's asset manager or whose assets are managed by the Sub-Fund's asset manager on behalf of their Managers. This also applies to investments in units or shares of open-ended investment funds managed by any Manager that is considered to be affiliated party of the Sub-Fund Manager. Such investments are only permissible if the Sub-Fund is not obliged to pay entry or exit charges on such target funds and if they are actively managed target funds with a management fee of up to and including 2.50% and passively managed target funds with a management fee of up to and including 0.75%. All the benefits relating to the management fee that are approved by the target fund Manager can go only to the benefit of the members of the Sub-Fund.

A Sub-Fund may invest up to 100% of the value of its assets in units or shares of investment funds whose operations comply with the provisions of the UCITS Directive and up to 30% of the value of its assets in units or shares of open-ended alternative investment funds.

A Sub-Fund may have a maximum of 10% of its asset value invested in units or shares of a single target fund. This proportion may exceed 10% and reach 50% of the value of the assets of the Sub-Fund, provided that they are open-ended investment funds managed by, or on behalf of their managers, by a Sub-Fund asset manager and that their operations comply with the provisions of the UCITS Directive. Further, such higher exposure is only allowed if the equity and mixed open-ended investment funds that may represent such Sub-Fund investments charge a management fee of no more than 2.50%, bond funds no more than 1.50%, money market funds no more than 1.00% and other funds no more than 2.50%. There may be a maximum of six simultaneous investments in units or shares of the target fund exceeding 10% of the value of the asset.

D. REAL ESTATE

The assets of the Sub-Fund may also be invested in real estate.

Investments in real estate as defined in applicable International Accounting Standards are allowed, except in those under development or construction. Such real estate must also meet the following criteria:

- it is entered in a land register or other public register in the Republic of Slovenia or in a State party to the Agreement on the European Economic Area;
- it generates a present income and/or can be expected to generate a return;
- it is free from all encumbrances other than easements *in rem*; and
- its purchase price may exceed by a maximum of 5% the valuation of a chartered appraiser appointed in accordance with the law governing auditing, provided

that the date of the valuation referred to in the appraisal may not be more than six months from the date of purchase.

No person may be guaranteed the purchase of any of the real estate from the Sub-Fund's assets in advance.

The Sub-Fund's exposure to a single or several real estate properties that are linked so as to constitute a single investment will be a maximum of 5% of the asset value, while the aggregate exposure to all real estate investments will be a maximum of 10% of the asset value.

E. DEBENTURES

The assets of the Sub-Fund may also be invested in debentures whose issuer is domiciled in the Republic of Slovenia or another OECD country.

The Sub-Fund's exposure to debentures of the same issuer will total a maximum of 3%, while to total debentures a maximum of 10% of the value of the assets.

4. COSTS AND FEES

ENTRY CHARGE

The entry charges to which the Manager is entitled when making a contribution to the Sub-Fund, expressed as a percentage of the amount of the contribution, total:

a) for collective insurance

Entry charges are up to a maximum of 1.50% of the amount paid into the Sub-Fund. The level of entry charges for each employer is agreed in the pension plan financing contract. Entry charges may also be further reduced in the case of additional one-off annual deposits or sales promotions.

b) for individual insurance

Entry charges are up to a maximum of 1.50% of the amount paid into the Sub-Fund. The Manager has the right to reduce the entry charges by up to 1.50 percentage points for members joining within a certain period, both for the purpose of recruiting new members and for members who pay regularly. Entry charges may also be reduced in the case of additional one-off annual payments or sales promotions.

Entry charges are paid to the Manager on a monthly basis after the fifteenth (15th) day following the valuation day.

EXIT CHARGE

The entry charges to which the Manager is entitled for payment from the Sub-Fund, expressed as a percentage of the payout amount, total:

- a) regular termination of supplementary insurance – up to 1.00%;
- b) extraordinary termination of supplementary insurance – up to 1.00%.

In the case of a regular termination and payment of the redemption value into a long-term annuity payment fund managed by the Manager, no exit charges will be charged.

Within the context of collective insurance, the Manager and the employer determine the level of entry and exit charges in the pension plan financing contract that cannot exceed a maximum percentage.

SUB-FUND MANAGEMENT FEE

The Sub-Fund management fee will be a maximum of 1.00% of the average annual net asset value of the Sub-Fund calculated as the arithmetic mean of the net asset values of the Sub-Fund at the date of conversion. The Manager will determine the amount of the Sub-Fund management fee for each year in January, whereby they will follow the rule of 0.60 percentage points for the fixed part and up to 0.40 percentage points for the variable part. The changes in the management fee shall be communicated to members by the Manager through the regular annual notification.

TRUST SERVICES FEE

The fee for the provision of trust services excluding safekeeping costs and costs for entering and executing orders is determined by the contract between the Manager and the Trustee totalling:

the average annual net asset value of the Sub-Funds:	fee rate
up to EUR 25,999,999	0,080 %
up to EUR 33,999,999	0,070 %
up to EUR 52,999,999	0,050 %
up to EUR 99,999,999	0,045 %
above EUR 100,000,000	0,040 %

The trust fee will not exceed 0.08% of the average annual net asset value of each Sub-Fund. At the time of entry into force of these rules, the amount of the trust fee is 0.05%.

The Sub-Fund's trust fee will be calculated at the percentage indicated, whereby the total average annual net asset value of all Sub-Funds of the Umbrella Pension Fund LEON 2 at the date of conversion will be taken into account for the purpose of determining the trust fee for each Sub-Fund according to the scale indicated.

Members may be notified of any change in the amount of the trust services fee as part of the regular annual notification.

The maximum trust services fee in relation to the safekeeping of the assets of a Sub-Fund in any one year will not exceed 0.107% of the average of the 12 average monthly values of the assets of the Sub-Fund held with each qualified depositary.

The maximum cost for the entering and executing orders relating to the disposal of financial instruments totals EUR 53.50 per instruction.

If a particular cost exceeds the maximum cost set out in these rules or cannot or should not be charged to the assets of the Sub-Funds in accordance with these rules, it will be paid by the Manager out of their own assets.

5. OTHER FEATURES OF THE SUB-FUND

A. Initial asset unit value

LEON ZAJAMČENI (LEON GUARANTEED) was formed by the transformation of the LEON 2 Open-Ended Mutual Pension Fund into a Sub-Fund. The last value of the LEON 2 Open-Ended Mutual Pension Fund asset unit is equal to the initial asset unit value of the LEON ZAJAMČENI (LEON GUARANTEED).

B. Guaranteed value

The guaranteed value of Member's assets in the LEON ZAJAMČENI (LEON GUARANTEED) Sub-Fund will be equal to the sum of the net contributions paid, plus the guaranteed return, from the date of conversion of each contribution into units of the Sub-Fund until the date on which the guaranteed value of the Member's assets is calculated.

The published monthly guaranteed return or the return on the basis of the regulation is used to calculate the guaranteed return.

The calculated guaranteed values of all net contributions paid in are added up to form the guaranteed value of the assets guaranteed by the Manager. The Manager will record the information on the guaranteed value of the assets separately in the Member's personal account.

C. Sub-Fund Selection and Transfer of Assets from the LEON ZAJAMČENI (LEON GUARANTEED) Sub-Fund under the Member's Lifecycle Investment Policy

Within six (6) months of the completion of the transformation of LEON ZAJAMČENI (LEON GUARANTEED), which was created from LEON 2 Open-Ended Mutual Pension Fund, the Manager will inform all members whose age still allows them to choose a Sub-Fund with a riskier investment policy of the possibility to opt for a Sub-Fund with a riskier investment policy. If the Member has not informed the Manager of the choice of another Sub-Fund, it is considered they remain with the LEON ZAJAMČENI (LEON GUARANTEED) Sub-Fund.

A Member whose funds have been transferred from LEON 2 Open-Ended Mutual Pension Fund to LEON ZAJAMČENI (LEON GUARANTEED) following the conversion will have the option to make new contributions to another Sub-Fund, if their age permits this within the investment policy of the

Member's life cycle, while keeping the assets saved up to that point in the LEON ZAJAMČENI (LEON GUARANTEED) Sub-Fund.

A Member may choose to transfer assets paid in by their employer up to 31/12/2012 from the LEON ZAJAMČENI (LEON GUARANTEED) Sub-Fund, if their age permits this within the scope of the Member's lifecycle investment policy. By requesting the transfer of these assets, the Member acknowledges that they are aware of the possible consequences of such transfer in accordance with the legislation and the investment risk. A member may transfer assets paid in by the employer after 01/01/2013 to a Sub-Fund of their choice in accordance with the Member's lifecycle investment policy.

ANNEX TO THE MANAGEMENT REGULATIONS INFORMATION ON THE UMBRELLA PENSION FUND MANAGER AND OTHER PARTIES

A. GENERAL INFORMATION ON THE UMBRELLA PENSION FUND MANAGER

Company: GENERALI zavarovalnica d.d.

Registered office: Ljubljana

Corporate address: Kržičeva ulica 3, Ljubljana

Umbrella Pension Fund is the provider of the LEON 2K PP and LEON 2I PP pension plans. Date of establishment of the Manager: 20/12/1990

The number, date and issuer of the decision authorising the conduct of business in the life insurance group: 30200-2298/03-22DP, 17/12/2003, Insurance Supervision Agency

Number and date of the authorisation of the Securities Market Agency for the management of the Umbrella Pension Fund LEON 2: Decision No. 40230-7/2014-11 of 26/11/2015

The Manager is an insurance company organised as a public limited company in accordance with the acts governing companies and the insurance business. The manager is managed according to a two-tier management system, which, in accordance with the Articles of Association, includes a Management Board with at least two members and a Supervisory Board with two to five members.

Members of the Management Board of the Manager:

Members of the Supervisory Board of the Manager:

Vanja Hrovat,
Chairwoman of the Management Board

Gregor Pilgram,
Chairman of the Supervisory Board

Mitja Feri,
Member of the Management Board

Carlo Schiavetto,
Deputy Chairman of the Supervisory Board

Katarina Guzej,
Member of the Management Board

Miroslav Singer,
Member of the Supervisory Board

Suzana Meglič,
Member of the Supervisory Board

Matjaž Pavlin,
Member of the Supervisory Board

The audited annual report of the Manager and the audited annual report of the Umbrella Pension Fund LEON 2 will be published each year by 30 June at the latest on the Manager's public website www.generalisj.

B. THE UMBRELLA PENSION FUND BOARD

As a pension fund in which collective supplementary insurance is also provided, Umbrella Pension Fund LEON 2 has a Pension Fund Board. The Board is an expert body consisting of five members, three representatives of the members, and two representatives of the employers that are financing the pension plan.

The Board monitors the performance of the Umbrella Pension Fund LEON 2 and supervises the work of the

Manager. For this purpose, the Board has the power to:

- provide an opinion on the annual report of the Umbrella Pension Fund LEON 2;
- provide an opinion to the changes of management rules of the Umbrella Pension Fund LEON 2, except in the case of obligatory harmonisation with legislative changes;
- provide an opinion on the ongoing changes of the statement of the investment policy relating to the strategic asset allocation with respect to the type and duration of the liabilities of the Umbrella Pension Fund LEON 2;
- propose changes to the costs and fees of the Manager of the Umbrella Pension Fund LEON 2;
- verify performance according to the achieved return and according to the achieved return compared with other managers;
- provide an opinion on the reports of the Manager of the Umbrella Pension Fund LEON 2 on the risks to which Umbrella Pension Fund LEON 2 is exposed;
- consider the mode and regularity of informing employers and members of the Umbrella Pension Fund LEON 2;
- consider a report on complaints relating to the operation of the Umbrella Pension Fund LEON 2;
- other competences laid down in the general act of the Manager of the Umbrella Pension Fund LEON 2.

In the case of irregularities in the operations of the Umbrella Pension Fund LEON 2, the Board shall require that the Manager eliminate the irregularities within a reasonable time and require a report on the elimination of the detected irregularities. If the Manager fails to eliminate irregularities in operations within a specified period or does not act properly or fails to draft a report on the elimination of the detected irregularities within a specified period, the Board will inform the Supervisory Board of the Manager and the Securities Market Agency on the detected irregularities or the improper action.

The Board shall convene at least once annually. The working method and decision-making are laid down in the Rules of Procedure.

Members of the Umbrella Pension Fund LEON 2 Board:
Member representatives:

Igor Stepančič,
Tjaša Andréa-Prosenc,
Matjaž Petrič.

Representatives of the employers that finance the pension plan:

Aleš Škulj,
Gregor Turšič.

C. ASSET MANAGER OF THE UMBRELLA PENSION FUND

Company: UNICREDIT BANKA SLOVENIJA d.d.

Registered office: Ljubljana

Corporate address: Šmartinska cesta 140, Ljubljana

The main activity carried out by the asset manager of the Umbrella Pension Fund LEON 2: 64.190 (Other monetary intermediation)

Number and date of the decision on the issuance of an authorisation to provide trust services for pension funds: 2/10 of 21/11/2003, Banka Slovenije

Date of issuing the Securities Market Agency's authorisation for concluding a trust services contract for Umbrella Pension Fund LEON 2: It is the same as the date of issue of the authorisation for the transformation of the mutual pension fund into the Umbrella Pension Fund LEON 2 Sub-Fund.

D. AUDIT OF FINANCIAL STATEMENTS

The most recent audit of the financial statements of Umbrella Pension Fund LEON 2 was carried out by KPMG Slovenija, podjetje za revidiranje, d.o.o., Železna cesta 8A, 1000 Ljubljana.

E. OTHER PROVIDERS OF PENSION FUND AND SUB-FUND MANAGEMENT SERVICES

ASSET MANAGEMENT

The assets (investments) of Umbrella Pension Fund LEON 2 are managed by Generali Investments, družba za upravljanje, d.o.o.

ADMINISTRATIVE SERVICES

The Manager alone provides the administrative services.

MARKETING THE UMBRELLA PENSION FUND

The marketing of Umbrella Pension Fund LEON 2 will be carried out by the Manager through their own sales channels and with entities with which they conclude appropriate mediation or brokerage agreements following the notification of the Securities Market Agency's consent to the management rules of the Umbrella Pension Fund LEON 2. The Manager will keep a publicly accessible register of the agency and intermediary companies and of the agents and intermediaries of entrepreneurs who, under a legal relationship, carry out agency or intermediation activities for them.

Data on parties providing Umbrella Pension Fund LEON 2 marketing services are available on the insurance company's website.

Ljubljana, September 2023