RAIFFEISEN OPEN-ENDED PRIVATE PENSION FUND

PROSPECTUS

Published in April 2026

www.raiffeisen-invest.al

The Prospectus of the Raiffeisen Open-Ended Private Pension Fund is an integral part of the Contract and Declaration of Acceptance of Participation in the Fund and contains all the necessary information for deciding on membership in the Fund. When applying for membership, the potential member agrees to the Prospectus and the terms of the membership contract.

This Prospectus does not represent an invitation to join the fund, but serves as an information tool regarding the features, characteristics and risks of joining a private pension fund.

The Prospectus contains data and information valid on the date of its publication, and for non-material changes, it is updated once a year.

Since the Fund's past performance does not serve as a guarantee for the future, the management company invites interested potential members to inform themselves, before deciding to join, regarding the conditions, characteristics and risks in the Fund's documents (Prospectus, membership contract).

If the information in the Fund documents is not sufficient, all questions and clarifications should be addressed to the management company or sales agents. The Prospectus of the Raiffeisen Open-Ended Private Pension Fund was approved by Decision Board No. 66, of the Financial Supervisory Authority on 29.04.2025 and was published on 09.05.2025.

The pension system in the Republic of Albania (RA) is based on two pillars.

The first pillar consists of mandatory insurance, based on the principle of solidarity between generations (PAYG), which is administered by the Social Security Institute in accordance with Law No. 7703, dated 11.05.1993 “On social security in the Republic of Albania” as amended. Every employed person together with the employer is obliged to pay social security contributions (including pension contributions) to the SSI Fund in the state budget.

The scheme is based on the principle of defined benefit (DB), which is financed partly by contributions and partly by the state budget.

The second pillar is missing in the pension system of the Republic of Albania.

The third pillar consists of voluntary retirement savings and provides independently of the first pillar, an additional income for pensioners based on Law No. 76/2023 “On Private Pension Funds”. This pillar is managed by private and independent management companies licensed by the Financial Supervisory Authority which collect funds from members’ contributions and invest them to provide members with higher income at retirement age. The scheme is based on the principle of defined contributions (DC) and the investment risk belongs entirely to the member of the Fund.

Membership in the Raiffeisen Private Pension Fund begins with the conclusion of the Membership Agreement with Raiffeisen Invest Company, which exclusively organizes and administers the pension fund and is responsible for the content of the fund's prospectus. The management company is liable for any damage caused to the fund member by its actions or omissions or if the documents or information provided in the prospectus contain false or incomplete data and information.

Raiffeisen Invest guarantees that the assets of the fund cannot be the subject of claims or executions, carried out in the name and on behalf of its creditors and that the assets of the pension fund are separated from the assets of the management company and cannot be part of the bankruptcy procedure of the management company and that the fund cannot be part of the bankruptcy procedure.

The assets of the open-ended participation fund are completely separated from other assets managed by the management company.

TABLE OF CONTENTS

DEFINITION OF BASIC TERMS

For the purposes of this Prospectus, the following definitions shall apply:

Assets – Securities, cash and other assets owned by the pension fund member.

Member – An individual who joins the pension fund based on a membership contract with the management company, in whose name and for whose benefit a pension account is opened in the pension fund, and who is entitled to future benefits from the pension fund.

Pension fund agent - A legal entity, established as a financial institution and registered by the Authority to promote the pension fund and to offer membership contracts in the pension fund on behalf of the management company.

Authority - Albanian Financial Supervisory Authority (AFSA).

External auditor - Legal entity in the capacity of an audit firm, for the purpose of independently auditing the annual individual and/or consolidated financial statements.

Depositary (Custodian Bank): a bank licensed by the Bank of Albania to provide custody, depositary, and trust services, as well as licensed by the Financial Supervisory Authority to carry out activities related to the safekeeping of the assets of the
Pension Fund.

Portfolio diversification: investment of the fund's assets in various financial instruments, in order to reduce investment risks.

Private pension fund ("pension fund") – A separate group of assets without legal personality, approved by the Authority and managed by the management company, on behalf of the fund's members. The private pension fund may be open-ended or closed-ended.

Open-ended pension fund - A pension fund established by the management company, whose members may be any individual, including employees of an employer, who choose to contribute to the fund offered by the management company, without establishing a closed-ended pension fund.

Securities Lending - In relation to the private pension fund, it means the lending of financial instruments from one party to another at a specified interest rate and for a specified period of time.

Board of Administration - The governing body of the management company with primary responsibility for administration and supervision.

Transfer fee - The fee paid by the member to the management company at the time of transferring assets from a private pension fund managed by one management company to a private pension fund managed by another management company.

Annual management fee - A periodic fee paid to the management company of a private pension fund, calculated as an annual percentage of the net asset value of the pension fund.

Return on investment - the outcomes derived from the investment of assets and capital gains.

Contributor - The member of a pension fund, their employer, or any third party who pays pension contributions into the pension account of the Fund member.

Pension Units - The proportional share of ownership in the pool of assets of the Pension Fund. All units represent equal fractional ownership of the pension fund’s assets, and the total value of all units of the Pension Fund at any time is always equal to the total net value of the assets of that Pension Fund; **Fund Manager** - The person responsible within the Management Company for managing the fund's investment portfolio.

Repurchase agreement (Repo): An agreement with the commitment of the seller to buy a security back from the purchaser at a specified date and price.

Reverse Repurchase Agreement (Reverse Repo) - The purchase of securities with an agreement to resell them at a specified date and a higher price.

Pension payments - Cash payments, in the form of a pension, of the units held in the pension fund member's account, valued at the unit price on the day the member's withdrawal request is submitted. **Beneficiary** - An individual who receives pension benefits according to the applicable legal provisions.

Vesting period - The period before an employee is recognized as entitled to benefit from contributions paid by the employer.

Key persons - Individuals who represent the management company and perform managerial functions, including the administrator and members of the Management/Supervisory Board of the company, and in the case of the Depositary, the head of depositary services.

Investment portfolio - The entirety of investments made with the Fund's assets;

Prospectus - A public document containing the most important information about the private pension fund, such as the investment policy, risk management policy, fees, etc.

Private Pension Fund Management Company (hereinafter referred to as the "Management Company") - A joint-stock company established in accordance with the applicable legislation on commercial companies and licensed by the Authority to manage one or more private pension funds;

Securities –Negotiable financial instruments that grant rights and obligations to their legal holders and are issued and traded to generate profit. They can be equity participation instruments, debt instruments, shares, or units of investment funds or pension funds.;

Transfer of Asset - The transfer of assets from one pension fund to another pension fund, managed either by the same or by another management company;

Net asset value per unit - The net asset value of the pension fund divided by the number of units at the time of calculating the net asset value;

Net asset value - The aggregate value of the pension fund's assets after deducting the total amount of liabilities at the time of calculation.

1. INFORMATION ON THE RAIFFEISEN PRIVATE PENSION FUND WITH OPEN PARTICIPATION

1.1 NAME OF THE FUND, BASE CURRENCY OF THE FUND AND TYPE OF FUND

The Raiffeisen Open-Ended Private Pension Fund (hereinafter referred to as the "Fund") is managed by Raiffeisen Invest sh.a - Management Company of Private Pension Funds and Collective Investment Undertakings (hereinafter referred to as the "Management Company").

The base currency of the fund is Albanian Lekë.

Contributions to the fund, and private pension payments are made in Albanian Lekë.

The minimum contribution to the Fund is 1000 lekë.

1.2 DATE OF THE ESTABLISHMENT OF THE FUND

The Raiffeisen Open-Ended Private Pension Fund was established on October 18,2010.
This fund was inherited from Raiffeisen Private Institute of Supplementary Pensions sh.a., which was licensed in July 2005 under the name American Institute of Private Supplementary Pensions of Albania sh.a and became part of the Raiffeisen group in January 2009.

1.3 DECISION ON LICENSING THE FUND

The Raiffeisen Open-Ended Private Pension Fund was licensed by the Financial Supervisory Authority, under Decision no. 107, dated 18/10/2010, and is managed by Raiffeisen Private Pension Fund Management Company sh.a. On the same date, the first Prospectus of the Fund was also approved. The Fund started its activity on 18/10/2010. The first unit price was 1000 lekë.

1.4 ADDRESS OF THE MANAGEMENT COMPANY

The management company is headquartered at the following address: Rr. Abdyl Frashëri, EGT Tower, Pall.11/1, 3rd Floor, Tirana, Albania.

1.5 WHERE THE MEMBER CAN OBTAIN A COPY OF THE PROSPECTUS, INTERIM FINANCIAL REPORTS, AUDITED ANNUAL REPORT OR OTHER PUBLICATIONS PUBLISHED BY THE MANAGEMENT COMPANY

The management company makes available to the members of the fund prospectus, setting out the fund rules, free of charge, in printed form, prior to the signing of the membership contract or the declaration of acceptance of participation, at the branches of Raiffeisen Bank Sh.a. (the pension fund agent).
The Fund's Prospectus is also available to the members at the headquarters of the management company at Rr. Abdyl Frashëri, EGT Tower, Pall.11/1, 3rd Floor, Tirana, Albania, and is published on the management company's website www.raiffeisen-invest.al.

Upon the member's request, via an official letter or electronic mail (the company's email address is invest@raiffeisen.al) this documentation is sent free of charge to the member's email address.

Interim financial reports, the audited annual report and financial statements are made available to the members, upon request and free of charge, at the headquarters of the management company, Rr. Abdyl Frashëri, EGT Tower, Pall.11/1, 3rd Floor, Tirana, Albania or to the member's email address. The management company also publishes on its website the latest annual reports and financial statements for the pension fund.

The management company publishes the pension fund's unit price and net asset value on a daily basis after confirmation by the depositary.
Through its web portal, the management company provides the member with access at any time to their individual pension account.
In order to ensure that the necessary information is provided in a timely manner, the member is obliged to provide the management company with their contact details, including address, email address, telephone number, etc. and to notify the Management Company of any changes thereto.

1.6 METHOD OF PUBLICATION OF THE PROSPECTUS, INTERIM FINANCIAL REPORTS AND AUDITED ANNUAL REPORT

The prospectus, interim financial reports and the audited annual report are published on the official website of the management company.

1.7 SIGNIFICANT CHANGES TO FUND PROSPECTUS AND THEIR PUBLICATION

Significant changes to the pension fund prospectus are those that change the purpose or nature of the fund, which may have significant, undesirable consequences for the fund member, that change the risk profile of the fund or affect the payment method. These changes include:

- an increase in management fees, transfer commission, as well as the introduction of a new commission not previously disclosed in the prospectus, within the limits set by law;
- a change in the fund's investment objectives and the risks associated with the fund's planned investments;
- a change in the pension fund risk profile or risk-bearing capacity.

All such changes are subject to approval by the Authority.

Significant changes to the Prospectus are published on the official website of the Company and are notified within 10 working days from the date of receipt of approval by the Authority, by mail or electronic email to all members of the fund. Within 30 working days from the date of notification to members and publication of the notice, any fund member may request a change in the private pension fund without paying a transfer fee.

1.8 INFORMATION ABOUT THE STATUTORY AUDITOR OF THE FUND

The statutory auditor of the Fund is:
RSM Albania Sh.p.k., with registered office at
Address: Skënder Luarasi Street, General Jozef San Martin Square, Building 3, Entrance 19, Tirana, Albania,
Represented by: Elona Bisha (Administrator) - E-mail: Elona.bisha@rsm.al
Secondary contact person: Fatian Devija (Partner) - E-mail: fatian.devija@rsm.al
Website: https://www.rsm.global/albania

The External Auditor is approved by the Financial Supervisory Authority.

1.9 MEMBERSHIP IN THE FUND

Membership of an individual in the Raiffeisen Open-Ended Private Pension Fund begins with the signing of the membership contract with the Management Company and the payment of the first contribution into the Fund's account at the Depository Bank.

In cases where one or a group of employers enroll their employees in an Open-Ended Pension Fund, membership begins with the signing of a contract between the Employer and the Management Company, as well as a declaration of acceptance by each participating employee, accompanied by the payment of the first contribution into the fund's account at the Depository Bank.

The membership process in the Fund can be carried out at any branch of Raiffeisen Bank sh.a, which provides the potential member with trained and authorized staff appointed by the Management Company.

1.9.1 Membership contract

The management company publishes on its website the standard membership contracts and the declaration of acceptance of participation for employees of an employer.

The membership contract or declaration of acceptance of participation is signed only after the potential member has been familiarized with the Prospectus of the private pension fund and informed of all the applicable fees, pension payment options upon entitlement, conditions under which pension rights arise, conditions for withdrawal from the fund or transfer of assets, investment risks, as well as the methods and timeframes for informing the pension fund member.

Upon signing the membership contract or declaration of acceptance of participation, the Management Company registers the member in the members’ register, opens a personal account in the member’s name within the fund and, after receiving the contribution payment in the fund’s account, converts it into units.

Additionally, the Management Company provides the Member with the relevant credentials to access their Pension Fund account at any time.

Membership in the pension fund can also be established through a contract concluded remotely using electronic means in accordance with the regulatory framework.

In such cases, the member will have access to the full fund documentation, which includes the Prospectus and any other document required by the legislation in force. These will be presented as mandatory fields to be read by the members before making a membership decision.

The digital membership process will be designed to ensure compliance with legal requirements for electronic identification and providing full transparency to members, guaranteeing they have all the necessary information to make informed decisions.

1.9.2 Refusal of membership

The management company may refuse to enter into a membership contract if there is a suspicion of a criminal offence of money laundering or terrorist financing or if there is a legitimate cause or a court decision, preventing the management company from accepting the member into the Fund. When the management company refuses to enter a membership contract, it must inform the potential member of the reasons for the refusal, except in case it is prohibited by law.

1.9.3 Interruption of membership

The fund member may terminate the membership contract without penalties within 30 calendar days from the date of the first contribution payment into the fund account, by notifying the management company in writing or via e-mail.

Within 5 working days from the receipt of the member's written request, the management company is obliged to return to the member the value of the contributions paid into account, including any investment returns, after deducting the administration fee for that period.

1.9.4 Termination of membership

Membership in the fund ends when the last contributions in the member's pension fund account have been redeemed or when the full value of the assets has been transferred to a pension fund managed by another management company or to a life insurance company.

If the member, temporarily or permanently, stops contributing to the pension fund, they remain a member of the pension fund and have the same rights as other members of the pension fund.

1.9.5 Transfer of assets to another pension fund

A Fund Member has the right to transfer their assets at any time from one pension fund to another, whether managed by the same or a different management company.

The transfer of assets to another pension fund managed by the same management company is carried out within 5 working days from the date the member’s request is received. The transferred amount is calculated by multiplying the number of units in the member's account by the unit price on the day the transfer request is registered.

In the case of transferring the member's assets to a fund managed by a different management company, upon receiving the member's written transfer request, the Management company notifies the other management company within 5 working days of the member's request to transfer the assets. The transfer of assets to the new Fund is carried out within 10 (ten) working days from the date the other management company confirms receipt of the request. Within 5 working days from the date of the account transfer, the Management Company informs the member about the execution of the transfer, the value of the transferred assets, including investment returns and fees deducted.

1.9.6 Payment of contributions to the pension fund

All contribution payments are made to the Fund's bank account no. AL782151 1031 ALL1 0000 0393 3000, opened with the Depositary, which is the First Investment Bank, Albania sh.a.

Contributions payments are made in Albanian Lek (ALL) by:

- Any individual who is a member of the Fund, or by any other person on behalf of and for the account of the member;
- Any employer who, after signing a contract with the management company, contributes on behalf of and in favor of their employees.
- Any employer who, despite not having concluded a contract with the management company, makes contribution payments on behalf of an employee to the Fund.

The methods of payment contribution are as follows:

1. Transfer from the Member/employer's account at Raiffeisen Bank to the Fund's account (no commission);
2. Transfer from the Member/employer's account at any second-tier bank (other than Raiffeisen) to the Fund's account, subject to applicable commissions;

A Fund Member has the right to authorize the bank where they hold a valid account, to make automatic and periodic payments. In cases where an employer enrolls their employees in the Fund, the employer deposits both their own contributions and the individual contributions of the employees deducting the latter automatically from their salaries, after obtaining approval from the employees. Contribution payments can be made according to the frequency set by the Fund member.

Note: It is very important for the Fund Member to know their contract code. This code/number is used in the description of the contribution payment and identifies the beneficiary of each contribution payment. The code is provided to the members by the management company.

1.9.7 Conversion of contributions in the member's personal account into units

Payments made as a contribution to the member's personal account, as well as assets transferred to the fund, will be converted into pension units on the day the payment is received in the funds account at the unit price on the day the payment is received.

Example of purchasing a pension unit:
Pension unit price on the contribution date: **Lekë 1,000.00** Contribution: **Lekë 3,000.00**
Number of unit held by the member in the Fund: **Lekë 3,000.00/Lekë 1,000.00 = 3 quotas**
This transaction is recorded in the individual account of the Fund member which is kept with Raiffeisen INVEST sha.
If after some time the unit price increases from **Lekë 1,000.00 to Lekë 1,050.00**, the value of the members' assets in the Fund (after deducting the managment fee) will be **Lekë 1,050.00 x 3 quotas = Lekë 3,150.00**.

Each pension unit represents a proportional ownership share in the Fund's assets. The total value of the units in the Fund is always equal to the total net value of the Fund's assets.

1.10 PENSION PAYMENT

A pension payment is considered the withdrawal of the accumulated assets in the member's account when he meets the conditions prescribed by law.

The management company shall notify the member 3 months prior to the entitlement to use the

net assets in their pension account. The member is obliged to inform the management company of any changes to their personal data, including contact details such as physical/electronic address, phone number, etc. The management company is not responsible for any claim of non-receipt of notification if the Member fails to update or provide accurate contact information.

1.10.1 Legal Criteria for Pension Benefits

The Management Company will also carry out pension payment activities.

Each Fund member, at their choice, is entitled to receive either an immediate payment of the net value of the assets in their account (as a lump-sum), or periodic payments in the form of a pension corresponding to that value, upon meeting one of the following conditions:

1. they reach the retirement age defined by law for the mandatory pension system applicable to that member;
2. Up to 5 years before reaching the retirement age defined by law for the mandatory pension system;
3. they become permanently disabled for work, as certified, in accordance with the legislation in force.

Accumulated assets may be withdrawn in the following forms:

- immediate payment

- scheduled periodic payment
- payment through a life insurance company
- a combination of the above methods

The Fund Member is free to choose the withdrawal method of assets from their personal account, taking into consideration the tax treatment of each withdrawal method, as described in point 1.12.

1.10.2. Immediate pension payment

Upon fulfilling the legal conditions for receiving a pension, the fund member is entitled to receive the net value of the assets in their account as an immediate payment (lumpsum) upon submitting a written request to the management company. The immediate payment may be partial or full.

The withdrawn amount is calculated by multiplying the number of units specified in the withdrawal request by the unit price on the date the withdrawal request is registered.

In the case of a partial immediate payment, the remaining assets in the member’s pension account are invested in the same manner as all assets of the private pension fund.

The management company is obliged to execute the payment of the requested net asset value to the member's account within 15 working days from the date the withdrawal request is submitted by the member.

1.10.3. Periodic pension payment

Upon fulfilling the conditions for pension benefits, the fund member may choose to receive monthly periodic payments in the form of a pension extended overtime, for no less than 2 years. In this case, a separate contract is concluded between the fund member and the management company regarding the terms and methods of pension payment in accordance with the legislation in force.

According to the member's preference, the amount of the periodic payment is determined either as a number of units or as a value in Albanian LEK (ALL).

The monthly periodic payments, in cash, of the units held in the member's individual account are valued at the unit price on the date the obligation is recognized, as specified in the contract signed between the parties.

The management company issues the payment order within 3 working days from the date the obligation is recognized for the execution of the payment.

1.10.4 Pension payment through a life insurance company

Upon fulfilling the conditions for pension benefits, the fund member is entitled to use the net value of the assets in their account to purchase a life insurance contract in the form of an “annuity” from a life insurance company.

The Management Company notifies the life insurance company of the fund member’s request and receives a confirmation from the latter regarding the purchase of the life insurance contract in the form of an “annuity”. The Management Company transfers the net value of the assets for the purchase of a life insurance contract to the insurance company within 15 working days from the date the member's request is submitted. The net value of the assets transferred to the insurance company is calculated by multiplying the number of units in the member's account by the unit price on the date transfer request to the life insurance company is registered.

The net asset value of the assets in the fund member's account transferred to the life insurance company must be used solely for the purpose of purchasing a life insurance contract in the form of an "annuity" issued by the life insurance company selected by the member.

1.11. EARLY WITHDRAWAL

If the Fund member requests to withdraw the accumulated assets in their individual account without fulfilling the legal criteria for pension benefit, this is considered an early withdrawal. The value of the

early withdrawal is calculated by multiplying the number of units specified in the withdrawal request by the unit price on the date the withdrawal request is registered. Early withdrawal is subject to a penalty, which is calculated based on the period the member has contributed to the Fund, from the date of their first contribution until the date of early withdrawal.

Early withdrawal can be requested by the Fund member by presenting themselves to a sales agent and signing a request for partial or full withdrawal of the accumulated assets in their individual account.

The management company, within 30 days of receiving the member's request, orders the depositary to

execute the payment of the assets to be withdrawn by the member.

1.11.1. Early withdrawal penalty

In the case of early withdrawal from the pension fund, the Management Company will apply penalties on the net value of the assets withdrawn early, after deducting income tax as applicable under the current tax legislation at the time of withdrawal, which will be calculated based on the duration of the member's participation in the Fund, as follows:

- 2% for any early withdrawal made after 20 years from the date of the first contribution;
- 5% for any early withdrawal made during the period starting after 10 years from the date of the first contribution up to 20 years from the date of the first contribution, including the 20th year;
- 10% for any early withdrawal made during the period starting after 5 years from the date of the first contribution up to 10 years from the date of the first contribution, including the 10th year;
- 15%, for any early withdrawal made during the period up to 5 years from the date of the first contribution, including the 5th year.

For the purpose of calculating the early withdrawal penalty, the date of the first contribution shall be considered the date of the first contribution payment into the pension fund, and in cases of asset transfers, the date of the first contribution payment into the initial pension fund.

When a member chooses to open another account in a different pension fund, managed either by the same company or by another management company, for the purpose of calculating penalties in case of early withdrawal of assets from this new fund, the membership duration will be calculated from the date of the first contribution payment into this new fund.

1.12. INFORMATION ON THE TAX REGIME APPLICABLE TO THE PENSION FUND

1.12.1. Tax regime of the pension fund

The fund is a pool of assets, established by contract and without legal personality, therefore it is not subject to income tax or value added tax.

During the period of administration of the private pension fund by the management company, investment returns and capital gains from investments made with the fund's assets are not subject to taxation.

1.12.2 Fiscal treatment of contributions made by members

The monthly contribution made by each member of a pension fund shall be deducted from their personal income for tax purposes up to the level of the national minimum wage. Contributions made by the employer and any other contributor, on behalf of and for the account of the member to a pension fund, shall not deemed personal income of the member for tax purposes.

The purchase of fund units and the services provided by the depositary to members are considered financial services and, accordingly, shall be exempt from VAT.

1.12.3 Tax treatment of contributions made by the employer

Contributions made by the employer for the benefit of their employees in a private pension fund are considered operating expense up to the annual amount per employee equal to the nationally approved minimum annual wage, and this amount is recognized as an expense for corporate income tax purposes.

1.12.4 Tax treatment of payments received by a member who has benefited from tax Incentives during the contribution phase

1.12.4.1 Tax treatment of periodic pension payments

If a fund member chooses to receive monthly periodic payments in the form of a pension extended over time, for no less than 2 years, these payments are taxed only on the investment return, at the applicable personal income tax rate. The investment return, which results from the investment of assets and capital gains, is calculated for tax purposes by the management company of the private pension fund using the average purchase price method of the units.

1.12.4.2 Tax treatment of immediate pension payment

Any payment received by a pension fund member as an immediate payment before the 2-year period, specified in section 1.10.3, is fully taxable, including contributions, at the applicable personal income tax rate.

12.4.3 Tax treatment of early withdrawal

Early withdrawal of assets from the pension fund is taxed at the applicable income tax rate on the full value of the assets withdrawn early, including contributions.

12.4.4 Tax treatment of payments in the form of inheritance

When a fund Member passes away, the benefits received by the heirs shall be subject to income tax in accordance with the legislation in force.

12.4.5 Tax treatment of pension payments through a life insurance company

If a fund member chooses to purchase an “annual” life insurance contract from a life insurance company, the assets transferred to the insurance company will be taxed only on the investment return at the applicable personal income tax rate, similarly to periodic pension payments.

1.12.5 Tax treatment of payments received by a member who did not benefit from tax incentives during the contribution phase

Regardless of the chosen form of pension payment, if the fund member did not benefit from tax incentives during the contribution phase (i.e., their contributions to the pension fund were subject to personal income tax), the pension payment will be taxed only on the investment return, to which a 10% deduction of the tax liability applies. For this, the member provide documentation proving the taxation of their individual savings invested in the pension fund.

Note: The fiscal provisions reflect the current legal situation. Fiscal effects depend on the personal situation of the Member and may be subject to change in the future. Therefore, the fiscal assessment may vary as a result of changes in legislation, court decisions or other sub-legal acts and guidelines issued by the Tax Administration. For these reasons, before buying or selling units in the fund, we recommend that members consult a tax advisor regarding the potential consequences based on their personal situation.

1.13 RIGHTS ARISING FROM MEMBERSHIP IN THE FUND

The rights of members in the private pension fund are provided in Law No. 76/2023 "On private pension funds" and include:

1.13.1 The right to information and transparency

Members of the Fund have the right to receive regular information about the status of their account, including the value of contributions and investment performance. Through its web portal, the management company provides members with access to their individual pension account at any time.

In cases where the management company’s official website experiences technical issues and it is impossible to publish the Fund data, the member may request information related to the

Fund via e-mail or telephone.

The management company also prepare a statement of the pension account status for each member of the private pension fund, which contains accurate and up-to-date information on the net value of accumulated assets, the investment return for the 12-month period, contributions paid by the member or the employer on behalf of the member during the last 12 months, and a breakdown of the costs or fees deducted by the management company.

This statement is provided to each member, free of charge, in electronic form, once a year.

In addition to the statement of the pension account status, the management company must inform the member of the current valuation of their individual account three (3) months before the member reaches retirement age, provide them with options for pension payment methods, and offer guidance on how to apply each method. The periodic financial reports published by the management company ensure transparency regarding how the members' contributions to the Fund are managed.

1.13.2 Right to pension

Each member of the Fund, upon fulfilling the legal conditions for pension benefits, has the right to receive either an immediate payment of the net value of the assets in their account, or periodic payments, in the form of a pension corresponding to that value.

The fund member is free to choose the method of withdrawing assets from their personal account.

1.13.3 Right to transfer

Members may transfer the net value of the asset in their pension account to another private pension fund, managed either by the same or a different management company, in accordance with the conditions set forth in this prospectus and the relevant contracts.

1.13.4 Right to tax relief

The Member has the right to benefit from tax incentives in accordance with the provisions of the applicable income tax legislation, as outlined in section 1.12 of this Prospectus.

1.13.5 Right to Privacy

Members' personal and financial data are protected in accordance with the applicable data protection legislation.

1.13.6 Right to inherit

If a member dies before receiving payment of all their assets in the Fund, the assets in their account will be distributed to their heirs, in accordance with the legal provisions regulating inheritance in the Republic of Albania.

1.13.7 Right to protection of assets

The assets of the pension fund cannot be subject to claims or enforcement actions carried out on behalf of or for the account of the creditors of the management company. They are separated from the assets of the management company and the Depositary and cannot be part of their bankruptcy proceedings.

1.13.8 Right to terminate membership

A Fund Member may terminate the membership contract without penalties within 30 calendar days from the date of the first contribution payment into the Fund account by notifying the Management Company in writing or via e-mail.

1.13.9 Right to early withdrawal

A Fund Member has the right to withdraw the accumulated assets in their individual account without meeting the legal criteria for pension benefits. Early withdrawal is subject to an early withdrawal penalty.

1.13.10 Right to investment return

A Fund Member has the right to investment return. The Fund aims to optimize long-term profitability while minimizing risk. However, it is important to understand that the investment return depends on market conditions and may be volatile. Therefore, returns are not guaranteed.

The fund's performance is affected by various factors, including market fluctuations, economic conditions and the performance of assets in its portfolio. While the management company uses strategies to achieve the best possible results, the value of the investment may increase or decrease.

The Fund Member must accept that investment returns are not guaranteed and that past performance is not indicative of future results.

1.14. INFORMATION ON ALL FEES RETAINED BY THE MANAGEMENT COMPANY FROM THE ASSETS OF THE PRIVATE PENSION FUND, AS WELL AS INFORMATION ON HOW THEY ARE RETAINED AND PAID

To cover the costs of the pension fund, the management company applies the following
fees:

1.14.1 Management fee

The annual management fee of the Fund will be deducted from the Fund's assets. It will be up to 1.5 % per year of the Fund's net asset value.

The management fee will be calculated and accrued at the end of each day. The management company will withdraw the total amount of all daily fees for the respective month, within the first 10 days of the following month.

Example of the management fee charged by the Management Company:

Example: Calculation of the administration fee		
Investment of the monthly contribution of 10,000 lek		
Monthly contribution (in lekë)		10,000.00
Interest accrued for one month		83.33

a) Contribution + accrued interest		10,083.33
Annual investment return: 10%		
Monthly investment return 10%/12=0.008333333	0.008333	
Administration fee for the year 1.5%		
b) Administration fee for the month 1.5%/12=0.00125	0.001250	12.60
Net asset value at the end of the month (in lekë) (a-b)		10,070.73

The management fee includes: the Depositary fee charged by the depository bank, the fee of the Authority, the external auditor's fee, as well as any other operational costs related to the administration of the Fund's.

1.14.2 Transfer fee

If a Fund member transfers their assets from one pension fund to another pension fund, managed by the same management company, no transfer fee will apply.

If a Fund member transfers their assets from one pension fund to another pension fund, managed by a different management company, the applicable fee covering the transfer cost will be up to 0.5% of the transferred amount.

The transfer fee will not be applied in cases where the management company makes decisions that may have significant consequences for the fund member, such as those provided for in section 1.7 of this prospectus. In such cases, the management company notifies the member by regular mail or e-mail and publishes the changes on its official website. Within 30 working days from the date of notification and publication of the notice, any Fund member may request a change of pension fund without paying a transfer fee.

1.14.3 Other Fees

In addition to the fees mentioned above, the Fund member is obliged to compensate the management company for all additional services provided upon their request. This includes the cost of sending additional statements on individual accounts upon the member's specific request, postal expenses, various bank charges, etc.
Any increase in fees applied by the Management Company within the limits set by law will be notified to the members at least 6 (six) months before taking effect.
Note: The Prospectus describes only the fees applied by the Management Company. It does not include commissions that may be charged by second-tier banks for processing transactions related to contribution payments to the Fund, or in the case of assets withdrawal from the Fund (early withdrawal, transfer, or withdrawal upon meeting pension benefit conditions).

1.15 METHODOLOGY FOR ESTIMATING THE NET ASSET VALUE OF THE FUND AND THE PRICE OF THE QUOTA

The methodology for estimating the assets of the pension fund is approved by the Management Company and the Depositary.

The Management Company calculates the total value of the assets of the Pension Fund, calculates/records its liabilities and calculates the net asset value, as well as the net asset value per quota, and is responsible for their accuracy. These calculations are made on a daily basis.

The Depositary controls and confirms the calculation of these values and is responsible for their accuracy. The method for estimating the assets and financial liabilities of the Fund is based on the provisions of Law No. 76/2023 "On Private Pension Funds" and the regulations implementing it, as well as on the principles of International Financial Reporting Standards.

Based on the above:

- The portfolio of securities for trading and/or available for sale will be revalued every business day, applying the latest market price for each security that is actively traded on the Stock Exchange or regulated market.
- In the event of an inactive securities market, the revaluation is made based on a methodology agreed with the Depositary, which is based on the yield to maturity. The latter is calculated using the linear interpolation method according to the latest yields of the treasury bills or bonds auctions and the remaining days until the maturity of the security. A spread may be added to the yield to maturity, which is determined by the Management Company and the Depositary.
- The valuation of investments classified as held-to-maturity assets will be carried out using the amortized cost method in accordance with the Valuation Methodology agreed with the Depositary.
- Investment fund shares will be revalued at the net asset value per share of the respective fund, according to the official price available on the valuation date. If the net asset value per share has not been published or is not available on the valuation date, shares invested in other investment funds will be revalued at the latest published price for that fund.
- Interest income from deposits will be calculated on a daily basis, but payment will be made on the maturity date of the deposit. The basis for calculating interest is 365 days, and interest starts on the date of issue as agreed in the transaction. Any deposit with issue date T and maturity date N will earn interest from date T to date (N-1), but the payment of interest by the counterparty will be on date N.
- Repurchase agreements are valued from the date of commencement of the transaction, so that the underlying securities continue to be valued in accordance with the applicable rules of the type of security, while liabilities for cash funds received are valued by calculating the interest rate. Reverse repurchase agreements are valued from the date of commencement of the transaction, in the same way as deposits, by calculating interest daily. The interest calculation basis is 365 days.

The value of the Fund's quota on the valuation day (T-1) is determined by dividing the net value of the Fund's assets in lek on that day (T-1) by the total number of quotas for that day (T-1).

The total number of pension fund quotas on the valuation day (T-1) is calculated by adding the total number of quotas on the day before the valuation day (T-2) to the number of quotas purchased on the valuation day (T-1) and subtracting the number of quotas redeemed on the valuation day (T-1).

$$\textbf{FINAL Price} = \frac{\textbf{Total Asset Value on the day (T-1) - liabilities after recalculations}}{\textbf{No. of quotes on the day (T-1)}}$$

The Fund's asset valuation day (T-1) will be one day before the day (T) during which the calculation of the net asset value per unit is made. The Depositary is obliged to inform the AFSA regarding the calculation of the Fund's net asset value and the price per unit every day.

1.16 FUND OWNERSHIP REGISTER

The pension fund units are dematerialized and kept electronically in the fund's ownership register, which is created and maintained by the Management Company in accordance with applicable legislation.

The depositary of the pension fund simultaneously maintains the register of funds units and verifies and controls that every action taken by the management company regarding this register is accurate and complies with legal provisions.

1.17 MERGER AND SPLIT OF THE FUND

The private pension fund may be split into two or more funds or merged with two or more other funds with the approval of the Authority.

1.17.1 Merger of funds

The merger of pension funds is carried out either by transferring to an existing fund or by creating a new fund as follows:

- All rights and obligations of one or more pension funds (the transferring fund) that merge are transferred to an existing pension fund (the receiving fund). The members of the pension funds participating in the merger receive units in the receiving fund, and the pension funds participating in the merger are dissolved;
- All rights and obligations of one or more pension fund that merge (the transferring fund) are transferred to a newly created receiving pension fund, and the members of the pension funds participating in the merger receive units in the receiving pension fund, and the pension funds participating in the merger are dissolved.
- After the merger, the net asset value of the receiving fund must be equivalent to the net asset value of the transferring fund.

- The total value of all units held by the member in the receiving fund, after the change in the fund's status as a result of the merger, must be equivalent to the total value of units held by the member in the transferring fund before the change in status.
- The management company administering the fund after the merger will continue all legal relationships that the management company of the transferring fund had on behalf of and for account of the transferring fund.

1.17.2 Split of Fund

The split of a private pension fund occurs when all rights and obligations of a pension fund are transferred to two or more receiving funds, and the transferring fund is dissolved. The Raiffeisen private open-ended pension fund may be split into two or more open-ended funds. After the split is completed, the net asset value of each receiving fund must be equivalent to the net asset value of the split fund. The total value of all units held by the member in the receiving fund, after the change in the fund's status as a result of the split, must be equivalent to the total value of the units that the member held in the split fund before the change in status.

1.18 FINANCIAL YEAR

The Fund's financial year shall be the calendar year, beginning on 1 January and ending on 31 December.

1.19 ADDITIONAL INFORMATION

The information in this Prospectus is based on the law and best practices. Anyone reading this Prospectus should verify with Raiffeisen Invest sh.a. or any branch of Raiffeisen Bank sh.a. that this is the latest version, and that no revisions or other changes have been made since the Prospectus was issued.

1.19.1 Ethics and Conflict of Interest

Employees involved in the asset investment process must not engage in any personal activity or business that could conflict with the proper management of investments or limit their ability to make impartial decisions.

1.19.2 Prudence

The portfolio will be managed by applying the "Prudent Person Rule". This rule requires the fund manager to act and invest with the same judgment, care and wisdom, as a prudent person managing their own assets, not for speculative purposes but with a genuine investment motive, considering the potential for capital preservation and income generation resulting from the investment.

The fund will be managed professionally and in a manner worthy of public trust.

1.19.3 Complaints

Any complaint may be submitted in writing to the management company, at Rr. Abdyl Frashëri, EGT Tower, Pall.11/1, 3rd Floor, Tirana, Albania. All complaints will be reviewed, and a response will be provided within two (2) weeks from the date of receipt.

2. INVESTMENT POLICY

2.1 ALLOWED INVESTMENT INSTRUMENTS

In accordance with the legislation on private pension funds, and in accordance with the objectives and investment policy of the fund, the financial instruments permitted for investment of assets are listed as follows:

- Debt securities issued or guaranteed by the Republic of Albania;
- Transferable securities or money market instruments, issued in the Republic of Albania and admitted to trading on a regulated market.
- Transferable securities and money market instruments, admitted to trading on the official list on a regulated market in an OECD country, provided that the selection of the regulated market is specified in the pension fund's contract or prospectus.
- Money market assets and deposits in banks licensed in the Republic of Albania and/or OECD countries.
- Unites of collective investment undertakings with a public offering, with the exception of alternative investment funds.
- Derivative financial instruments only for the purpose of investment risk hedging.

2.2 INVESTMENT OBJECTIVES

The investment objective of the Pension Fund is to optimize long-term profitability by focusing on investment security and risk minimization, with the aim of ensuring sufficient income throughout the retirement period.
The Fund's main objectives, in order of priority, are listed as follows:

- **Safety** – All investment decisions will be made in a manner that ensures the preservation of the principal across in the entire portfolio.
- **Liquidity** – The investment portfolio must remain sufficiently liquid to meet all benefit claim requirements / obligations. Proper liquidity management is equally important for the purpose of meeting redemption requirements (early withdrawals / pensions), as well as for managing inflows in accordance with the overall investment objectives.
- **Return on investment** – The investment portfolio will be composed of long-term bonds issued or guaranteed by the Government of the Republic of Albania, aiming to maximize returns subject to risk and liquidity limits.

2.3 INVESTMENT STRATEGY AND ASSET ALLOCATION

The Fund's assets will be invested in accordance with the principles of long-term security, portfolio diversification and maintaining adequate liquidity, in the context of achieving a suitable long-term return on investment, to ensure assets and income at retirement age, while maintaining an optimal ratio between pension savings growth and the risk undertaken.

The Fund aims to have a portfolio concentrated mainly in long-term debt securities issued or guaranteed by the Government of the Republic of Albania. The Fund may invest up to 100% of its assets in government debt securities issued or guaranteed by the Government of the Republic of Albania.

Cash may be held in banks and other large financial institutions like short-term deposits or Repurchase/Reverse Repurchase Agreement transactions with a maximum maturity of up to one year, with the aim of covering the Fund's short-term liquidity needs, while also fulfilling legal obligations to investors within the specified deadlines.

Repurchase/Reverse Repurchase Agreement transactions are carried out only after a framework agreement has been signed between the management company and the counterparty. In Repurchase/Reverse Repurchase Agreement transactions, transferable securities, traded on regulated markets and considered to be high-quality liquid assets, are used as collateral.

The use of Repurchase / reverse repurchase may involve risks such as counterparty risk, failure to meet obligations on time; market risk, changes affecting collateral value; and credit risk related to the collateral. To mitigate the counterparty risk, the terms of the signed agreement will be applied. The collateral is held in a separate account at the custodian / sub-custodian bank and market risk is mitigated by applying margins such as “haircuts” on the collateral value.

Regarding the recommended Investment Horizon, Pension Fund Members are recommended to have a long horizon of staying in the fund, preferably until retirement age, to benefit from a maximum return on investment.

In order to achieve the main investment objectives, the fund follows a strategy, which is based on an extensive market analysis and includes:

- Efficient management of the investment portfolio in order to generate return and asset valuation.
- Conservative structure of the securities portfolio, mainly composed of debt instruments issued or guaranteed by the Government of the Republic of Albania.
- Selection of the type of bonds, based on expectations about interest rates and duration.
- Maintaining a portion of the fund's assets in financial instruments, which can be easily converted into liquidity.

To achieve its long-term objectives, the fund aims to implement the following limits regarding the distribution of the Fund's assets.

Asset distribution		
Instrument Target	**Target Asset Distribution***	**Maximum**
Securities issued or guaranteed by the Government of the Republic of Albania	95%	100%
Transferable securities or money market instruments, issued in the Republic of Albania and admitted for trading on a regulated market.	0%	30%

Bank deposits, reverse repurchase agreements, cash and cash equivalents	5%	100%
Transferable securities and money market instruments, admitted for trading on the official list on a regulated market in an OECD country.	0%	100%
Units in collective investment undertaking with public offering, excluding for alternative investment funds.	0%	30%

**The target asset allocation indicates that the investment focus will be on debt securities of the Government of the Republic of Albania. The target asset allocation may change depending on market conditions. Members of the fund should keep in mind that the target asset allocation is only indicative and may not necessarily be achieved. The allocation restrictions represent upper limits, above which the Management Company will not make investments in a certain asset category.*

2.4 INVESTMENT RESTRICTIONS

The fund's assets may not be invested in:

1. shares, bonds and other securities that are not listed or traded on a stock exchange, on the interbank market or on other regulated markets;
2. precious metals or exposure to other commodity exchanges
3. physical assets that are not regularly quoted in organized markets and for which valuation is uncertain, such as antiques, works of art, motor vehicles, etc.
4. securities or money market instruments issued by:
   a) the management company or any shareholder of the management company;
   b) the depositary of the Fund;
   c) the sponsor in a closed-end fund if it does not meet the requirements of the portfolio diversification principle
   d) any person, party related to the entities listed in points (a) (b) and (c) of this paragraph;

2.5 BORROWING

The management company may borrow on behalf of the Pension fund up to 5% of the fund’s net asset value for liquidity purposes only and on a temporary basis.

The management company may borrow on behalf of the pension fund through repurchase agreements (REPO) for a period not exceeding 90 (ninety) days. The management company reports all borrowings on behalf of the Pension fund to the Authority.

Repurchase agreement transactions are executed only after a framework agreement has been signed between the management company and the counterparty.

2.6 APPROVAL AND AMENDMENT OF THE INVESTMENT POLICY

The investment policy of the Raiffeisen Private Pension Fund with open participation is part of the prospectus of the fund, and the prospectus is approved by the Financial Supervisory Authority.

The investment policy is subject to review by the Investment Committee and any significant changes related to the fund's investment objectives, investment strategy or risk profile, must be approved by the Board of Directors before being included in the Fund's Prospectus. These changes are also subject to approval by the Authority.

Any significant changes to the investment policy will be published on the official website of the Management Company, immediately after the prospectus is approved by the Financial Supervisory Authority.

The management company notifies all fund members by regular mail or electronic mail of any significant changes to the investment policy and prospectus within 10 working days from the date of receipt of approval from the Authority.

Any member of the fund may request a change of pension fund without paying a transfer fee within 30 working days from the date of notification to the members and publication of the announcement.

2.7 BEST EXECUTION POLICY

In accordance with the "Best Execution Policy" implemented by the management company, the optimal execution of trading decisions is guided by the following principles:

2.7.1 Execution factors

Regarding specific transactions, the following execution factors are important to consistently achieve the best possible execution results for the fund or portfolio in the long term: interest rate/price, fees/costs, nature/size of the transaction, speed of execution, probability of execution and settlement process.

In considering the best execution factors and in determining their relative importance, the following elements are considered: fund characteristics such as the investment objective, investment policy and risk profile of the fund; the characteristics of the order given; the characteristics of the financial instruments that are the subject of this order; the characteristics of the execution venues to which that order may be addressed; the liquidity situation at the time of execution.

The management company checks after the completion of each transaction whether the transaction carried out is in accordance with market data.

2.7.2 Selection of intermediaries/parties

Raiffeisen Invest sh.a ensures maintaining strong relationships with partners of high reputation, to maximize execution quality in relation to execution cost.

The selection of trading partners (intermediaries), to whom orders can be forwarded, is based on predefined criteria. In particular, the following criteria are considered: speed of execution, traded volume, ability to execute smoothly and in a timely manner, ensuring optimal execution of orders, market information (technical information), reputation of the intermediary.

After the start of the business relationship, trading partners are subject to regular assessments by the management company.

2.7.3 Execution Venues

The execution venues that enable the best execution for each Financial Instrument in a stable manner are the domestic and international regulated markets permitted by the applicable legislation.

The regulated markets operate under strict rules enforced by the relevant regulatory authority in each jurisdiction where they operate.

The market for securities issued by the Government of the Republic of Albania is regulated by Albanian legislation. For these securities, transactions are made with eligible counterparties in the secondary market and through direct participation in the primary market.

Interest rate/price is the main criterion for transactions executed through trading platforms. The execution factors are generally ranked as follows:

1. Interest rate/price
2. Execution speed
3. Execution possibility and settlement process
4. Nature/size of the transaction
5. Fees/costs

A fundamental differentiation can be made in terms of the liquidity structure of these individual instruments. If liquidity is relatively high, criteria such as interest rate/price and execution speed are given greater importance. If liquidity is lower, more weight is given to the type of order, as well as the possibility of its execution and settlement.

For money market instruments such as deposits, Repurchase Agreement / Reverse Repurchase Agreement transactions (repo / reverse repo), the following order of execution factors is considered when selecting a counterparty:

1. Interest rate
2. Credit rating of the Counterparty
3. Possibility of execution and settlement process
4. Nature / size of the transaction
5. Fees / costs

3. RISKS RELATED TO INVESTMENTS AND THE STRUCTURE OF THE FUND'S ASSETS

Investing in the Fund necessarily involves taking risks by the investor. The main risks to which the Fund is exposed are Market Risk, Credit Risk, Operational Risk, Liquidity Risk, Agency Risk, Legal Risk, Reputational Risk.

Risk can never be completely avoided. The Management Company has in its organizational structure a special unit responsible for identifying, assessing and managing the risks associated with investments made on behalf of the Fund, the activity of which is guided by the Risk Management Policy.

Below is a tabular analysis of the main risks, their impact and management methods:

Risk	Description	Impact	Methods of Administration
Market Risk	Market risk is the risk that the market for financial instruments as a whole will decline, causing a decrease in the value of the individual instruments in the fund's portfolio. Investment performance is particularly linked to developments in capital markets, which may be affected by economic or political developments in the country, but also by the global situation of the world economy. Market risk includes interest rate risk, exchange rate risk, inflation risk, etc.	Moderate	Continuous monitoring of markets and analysis of the impact of macroeconomic changes on real investment returns.
Interest rate risk	This risk refers to the possibility of changes in the market interest rates applied at the time of issuance of a fixed-coupon bond or money market instrument. Changes in the market interest rates can be caused by factors such as: changes in economic parameters and the issuer's financial results. If interest rates increase, then the prices of debt securities fall. On the other hand, if rates fall, then we would have the opposite effect on the price of debt securities. However, price volatility varies as a function of the duration of the security. Shorter-term securities are less exposed to rate volatility than longer-term ones.	Low	Most bonds are rated as held-to-maturity (HTM) assets. This model aims to minimize the impact of interest rate fluctuations and provide stability in meeting the fund's long-term obligations. Portfolio Duration Management is used for bonds rated as available-for-sale (AFS) and are affected by interest rate changes.
Exchange rate risk	It is the possibility that currency depreciation can negatively affect the value of security or investment as a whole. This is especially true for	No impact	Since the funds' investments are all in the local currency Lek,

	those securities issued in currencies other than the lek.		this risk does not have a material impact.
Credit risk	Credit risk is related to the possibility that the issuer of a financial instrument, part of the Fund's assets, will not be able to partially or fully repay all its obligations, which would have a negative impact on the value of the Fund's assets. The Pension Fund consists mainly of investments in debt securities issued or guaranteed by the Government of the Republic of Albania, therefore the credit risk for this Fund is assessed to be the same as that of the Albanian state.	Low	Analysis of the financial sustainability of the Government of the Republic of Albania and monitoring of credit ratings.
Operational Risk	It is the risk of losses to the Fund caused by human or system errors within the management company, by the existence of inadequate internal processes, by legal or documentation errors, as well as by trading, valuation and payment procedures on behalf of the Fund.	Low - Moderate	Methods include: • Risk Assessment • Early Warning Indicators • Scenario-based Analysis • Data Collection on Operational Risk Events
Liquidity Risk	It is the risk that a position cannot be liquidated in a timely manner at a suitable price.	Moderate	Analysis of liquidity needs and maintaining an appropriate level of liquidity.
Legal Risk	It is the risk of losses arising from legal issues caused by the management company's inability to enforce legal contracts, licenses and/or ownership rights.	Low	The company has in its structure a dedicated unit for legal affairs and compliance, which ensures the rigorous implementation of the legal framework.
Agency Risk	It is the risk of damage that may be caused to the fund by deliberate decision-making by the company administrators or fund managers, for personal interests and contrary to the interests of the fund's investors.	Low	Internal governance based on effective structures such as: Shareholders' Assembly, Board of Directors, Executive Directors and Investment Committee. Organizational structure that ensures a good division of duties. Transparency with Investors through periodic reporting. Conflict of Interest Management Policies and Best Execution Policies.
Reputational Risk	Reputational risk means the risk of damaging the credibility of the Management Company in the	Moderate	Ensuring transparency with investors and the public on the

	market where it operates. This risk encompasses the impact of specific events that may worsen or negatively affect the public's perception of the company.		performance of funds and other related issues. Establishing an effective mechanism for managing and addressing complaints.
Compliance Risk	Refers to the risk of exposure to penalties, legal sanctions, reputational losses or operational limitations because of non-compliance with laws, regulations, and internal policies and procedures.	Low	The management company has a dedicated compliance unit, which ensures compliance with the regulatory framework through continuous audits and periodic reporting.
Tax Change Risk	This risk is related to possible changes in tax legislation affecting private pension funds. These changes may consist of either the introduction of a different tax regime or a possible increase in the personal income tax rate, which may have an impact on the value of pension payments for a member who withdraws from the Fund, both early and upon reaching retirement age.	Medium	Monitoring tax legislation and adapting to changes to minimize the impact.
Depository Risk	The risk that the fund's depositary will not be able to fulfill its legal obligations such as safeguarding the fund's assets and other obligations.	Low	The depository function is covered by a company licensed by the AFSA.

Risk Profile and Tolerance:

The Fund has a low risk profile, influenced by the conservative nature of its investments. Investments are focused exclusively on debt securities issued or guaranteed by the Government of the Republic of Albania, which are assessed as held-to-maturity (HTM) assets and are denominated in lek. This approach ensures stability and reliability in long-term returns, minimizing exposure to financial market fluctuations.

As such, the Fund is suitable for investors with a low risk tolerance, oriented towards capital preservation and stable long-term returns.

4. HISTORICAL DATA

4.1 FUND DATA AS OF DECEMBER 31, 2025

As of December 31, 2025, the net asset value of the Fund is 2,000,543,860 Lekë.

The annual net return of the fund is 4.55% for the period December 31, 2024 - December 31, 2025.

The annual management fee for the year ending December 31, 2025, is 1.50%.

As of December 31, 2025, the fund's investment return is 4.44% on an annualized basis for the last five years and 5.85% on an annualized basis since the fund's inception.

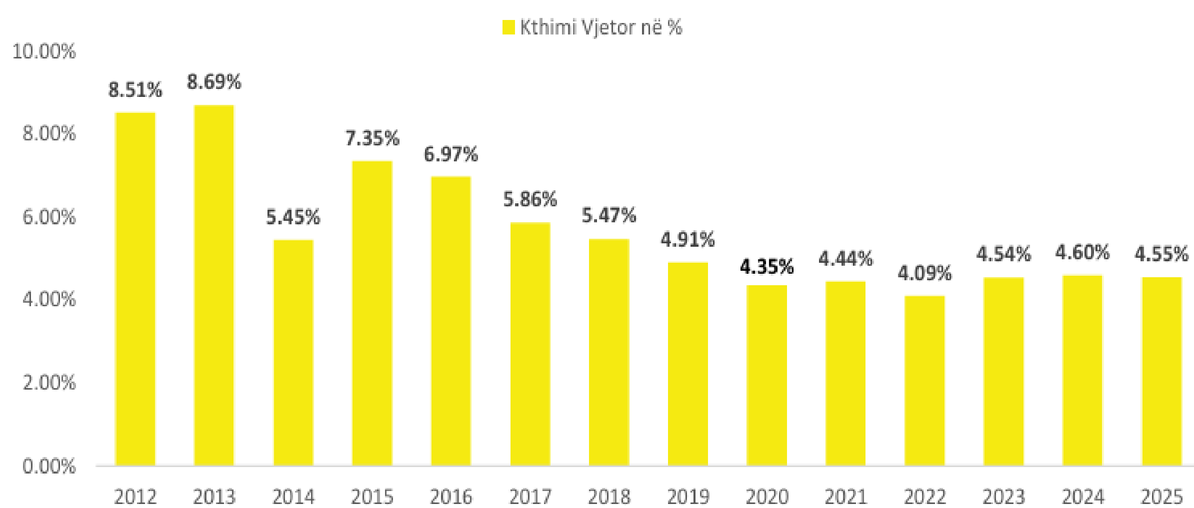
As of December 31, 2025, the structure of the Investment Portfolio is presented as in the table below:

Instrument	**As a percentage of assets**
Treasury bonds issued by the Government of the Republic of Albania	99.4%
Cash in current account	0.6%

4.2 FUND PERFORMANCE DATA

The graph below shows the past annual performance of the Raiffeisen Open-Ended Private Pension Fund.

The annual return is as of December 31 of each year and represents the fund's net profitability, after deducting the annual management fee.



Past investment return data is illustrative only and does not represent a promise or guarantee of future returns.

5. DIFFERENT RETIREMENT SCENARIOS

Below are illustrated examples of different scenarios demonstrating how the duration of the investment period in the Fund (related to the Member's age) and the contribution amount required from the Member affect the ability to receive an adequate pension.

Each calculation is illustrative, based on approximate values, to help the Fund Member understand how this pension scheme operates.

The scenarios presented below contain information verified by an authorized actuary.

Scenario 1 (in Lekë)			
Period of investment for pension		**Period of receiving pension**	
Monthly contribution amount	3,000.00	Amount available for pension	6,004,344.56
Average interest rate in years	6.00%	Average interest rate in years	6.00%
Number of years of investment	40	Length of retirement in years	20
Immediate payment	-	Number of repayments in years	12
Date of retirement	-	Monthly pension amount	43,016.99
Total contributions paid	1,440,000.00	Interest earned during retirement period	4,319,732.87
Contribution + accumulated interests	6,004,344.56	Interest earned during investment period	4,564,344.56
Amount available for pension	6,004,344.56	Total interest earned	8,884,077.43
		Total interest + contributions	**10,324,077.43**

Scenario 2 (in Lekë)			
Period of investment for pension		**Period of receiving pension**	
Monthly contribution amount	3,000.00	Amount available for pension	3,557,703.63
Average interest rate in years	4.00%	Average interest rate in years	4.00%
Number of years of investment	40	Length of retirement in years	20
Immediate payment	-	Number of repayments in years	12
Date of retirement	-	Monthly pension amount	21,558.98
Total contributions paid	1,440,000.00	Interest earned during retirement period	1,616,452.57
Contribution + accumulated interests	3,557,703.63	Interest earned during investment period	2,117,703.63
Amount available for pension	3,557,703.63	Total interest earned	3,734,156.20
		Total interest + contributions	**5,174,156.20**

Scenario 3 (in Lekë)			
Period of investment for pension		**Period of receiving pension**	
Monthly contribution amount	10,000.00	Amount available for pension	4,974,531.44
Average interest rate in years	6.00%	Average interest rate in years	6.00%
Number of years of investment	20	Length of retirement in years	20
Immediate payment	100,000.00	Number of repayments in years	12
Date of retirement	-	Monthly pension amount	35,639.09
Total contributions paid	2,500,000.00	Interest earned during retirement period	3,578,849.74

Contribution + accumulated interests	4,974,531.44	Interest earned during investment period	2,474,531.44
Amount available for pension	4,974,531.44	Total interest earned	6,053,381.18
		Total interest + contributions	**8,553,381.18**

Scenario 4 (in Lekë)			
Period of investment for pension		**Period of receiving pension**	
Monthly contribution amount	10,000.00	Amount available for pension	3,902,230.29
Average interest rate in years	4.00%	Average interest rate in years	4.00%
Number of years of investment	20	Length of retirement in years	20
Immediate payment	100,000.00	Number of repayments in years	12
Date of retirement	-	Monthly pension amount	23,646.75
Total contributions paid	2,500,000.00	Interest earned during retirement period	1,772,989.22
Contribution + accumulated interests	3,902,230.29	Interest earned during investment period	1,402,230.29
Amount available for pension	3,902,230.29	Total interest earned	3,175,219.51
		Total interest + contributions	**5,675,219.51**

Scenario 5 (in Lekë)			
Period of investment for pension		**Period of receiving pension**	
Monthly contribution amount	15,000.00	Amount available for pension	7,296,286.94
Average interest rate in years	6.00%	Average interest rate in years	4.00%
Number of years of investment	20	Length of retirement in years	20
Immediate payment	100,000.00	Number of repayments in years	12
Date of retirement	-	Monthly pension amount	44,214.06
Total contributions paid	3,700,000.00	Interest earned during retirement period	3,315,088.33
Contribution + accumulated interests	7,296,286.94	Interest earned during investment period	3,596,286.94
Amount available for pension	7,296,286.94	Total interest earned	6,911,375.27
		Total interest + contributions	**10,611,375.27**

Scenario 6 (in Lekë)			
Period of investment for pension		**Period of receiving pension**	
Monthly contribution amount	15,000.00	Amount available for pension	2,652,420.83
Average interest rate in years	6.00%	Average interest rate in years	6.00%
Number of years of investment	10	Length of retirement in years	20
Immediate payment	100,000.00	Number of repayments in years	12

Date of retirement	-	Monthly pension amount	19,002.77
Total contributions paid	1,900,000.00	Interest earned during retirement period	1,908,243.16
Contribution + accumulated interests	2,652,420.83	Interest earned during investment period	752,420.83
Amount available for pension	2,652,420.83	Total interest earned	2,660,663.99
		Total interest + contributions	**4,560,663.99**

Scenario 7 (in Lekë)			
Period of investment for pension		**Period of receiving pension**	
Monthly contribution amount	120,000.00	Amount available for pension	4,999,840.75
Average interest rate in years	6.00%	Average interest rate in years	6.00%
Number of years of investment	20	Length of retirement in years	20
Immediate payment	100,000.00	Number of repayments in years	12
Date of retirement	-	Monthly pension amount	35,820.41
Total contributions paid	2,500,000.00	Interest earned during retirement period	3,597,058.13
Contribution + accumulated interests	4,999,840.75	Interest earned during investment period	2,499,840.75
Amount available for pension	4,999,840.75	Total interest earned	6,096,898.88
		Total interest + contributions	**8,596,898.88**

6. MANAGEMENT COMPANY

6.1. LEGAL FORM

Raiffeisen Invest sh.a. – the asset management company of Private Pension Funds and Collective Investment Undertakings is a joint stock company, established and registered as a legal entity on18 July 2005, holder of Tax identification number (NUIS) K51928000１I, with its headquarters at Abdyl Frasheri str, EGT Tower, Building 11/1 Floor 3, Tirana, Albania. The sole shareholder of the company is Raiffeisen bank Albania, which owns 100% of the shares. The company's registered capital is 90 million Lek, which has been totally paid. Raiffeisen Invest sh.a is supervised by Financial Supervisory Authority, in accordance with the provisions of Law No.9572, dated 03.07.2006" On the financial Supervisory Authority" as amended, Law No. 76/2023 "On Private Pension Funds," and Law No. 56/2020 "On Collective Investment Undertakings.

The object of Raiffeisen INVEST's activity is:

- The administration of private pension funds and the assets of collective investment undertakings, based on License no.1 dated 13.12.2011, issued by the Financial Supervisory Authority.

While carrying out its activities, the management company acts honestly and impartially, with the necessary skills and due care, in compliance with the applicable legal framework, professional standards and best practices.
The management company is the legal managing entity of all funds under its administration as well as their representative in dealing with third parties.

6.2. FUNDS UNDER MANAGEMENT

Raiffeisen INVEST sh.a. manages the funds below:

1. Raiffeisen Prestigj investment fund
2. Raiffeisen Invest Euro investment fund
3. Raiffeisen Vizion investment fund
4. Raiffeisen Miks investment fund
5. Raiffeisen Open - end Pension Fund
6. Raiffeisen Sustainable Solid Feeder Fund

6.3. THE COMPANY GOVERNING BODIES

The governing bodies of the company are: The Shareholder Assembly, the Board of Administration and the Executive Administrators

6.3.1. Shareholder assembly

The Shareholders' Assembly consists of the legal representatives of the sole shareholder of the company, Raiffeisen Bank sh.a.

6.3.2. Board of Administration

Board of Administration is the central governing body of the management company, which controls and monitors the implementation of commercial policies and the development of the company's business. It ensures that the management company's complies with the law and accounting standards, approves commercial, financial and investment policies, fund prospectus etc. The Board is composed as follows:

Mrs. Donalda Gjorga: Chairman of the Board of Administration

Mrs. Donalda Gjorga is currently Director of the Treasury Department at Raiffeisen Bank. Mrs. Gjorga has completed undergraduate and postgraduate studies (MBA) in Business Administration at the Faculty of Economy in Tirana. Donalda has had experience in the banking system since 2002, and in the field of investment in financial markets at the Treasury Department in Raiffeisen Bank since the year 2004. Mrs. Gjorga has completed the final tests with excellent results for: ACI Dealing and ACI Diploma offered by the Financial Market Association, which is the largest international association of Traders in financial markets.

Mr. Peter Zilinek: Vice-Member of the Board of Administration

Mr. Peter Zilinek has a wide experience in asset management industry. Currently, he holds the function of Head of Group Steering, in CEE Department in Raiffeisen Capital Management, Vienna, Austria. As part of Raiffeisen Bank International (RBI) Competence Centre for Asset Management, he is representing RBI in supervisory bodies of investment and pension funds in many CEE countries. Mr. Zilinek has a Master's degree in both areas, financial management and Law and he is a CFA Charter holder.

Mrs. Elona Llaci: Member of the Board of Administration

Ms. Elona Llaci is currently the Director of the Strategy and Innovation Department at Raiffeisen Bank, Albania. She has had experience in the Banking sector since the year 2005, covering various roles such as Project Financing, Corporate Credit Risk Assessment, and Credit Committee Member at Raiffeisen Bank. Ms. Llaci has extensive knowledge of the industry, expertise in orientating against the various challenges that come from a dynamic business environment, as well as having the necessary experience to successfully manage the objectives of the organization, approaching innovative solutions in order to achieve high results. Ms. Llaci graduated in 2004 in the Finance / Accounting branch at the University of Tirana, she is also an Innovation Manager, certified by the Global Innovation Management Institute.

Mrs. Juela Ahmeti: Member of the Board of Administration

Mrs. Juela Ahmeti graduated in Finance/Banking from the Faculty of Economics at the University of Tirana in the years 2000. She has long experience in the banking system, in the field of finance and accounting, financial and regulatory reporting. Mrs. Ahmeti has been working at Raiffeisen Bank since the year 2005, when she was the Head of the Department of Financial Control & Budgeting, Business Intelligence and Financial Analysis. Since August 2020, Ms. Juela Ahmeti is the Head of the Finance Division at Raiffeisen Bank, Albania. From 1 July 2024 she is a member of the Board of Administration of Raiffeisen Invest sh.a.

Mrs. Edlira Konini - Member of the Board of Administration

Mrs. Edlira Konini has completed undergraduate and postgraduate studies (Master's degree) in Paris, France, in Business Administration. She has a long experience in the field of investment and financial markets, since the year 2005. Edlira joined Raiffeisen INVEST in 2009 after a few years of experience at the Foreign Exchange sector in the Department of Treasury and Investment Banking at Raiffeisen Bank Albania, initially holding the position of Head of Portfolio Management and later, that of Deputy General Administrator. She has received excellent results of ACI Dealing Certificate, offered by the Financial Market Association

Mrs. Elsa Kristo - Member of the Board of Administration

Ms. Elsa Kristo completed her undergraduate and postgraduate studies (Doctor of Science degree) at the Faculty of Economics, University of Tirana. She also holds the international Certified Fraud Examiner (CFE) certification. She has extensive banking experience, mostly in the Internal Audit Division at Raiffeisen Bank, where since 2009 she has held the position of Manager of the Internal Audit Department for Retail and Network Branches. Simultaneously, she serves as an external lecturer at the Faculty of Economics, University of Tirana. In October 2025, she joined Raiffeisen Invest Albania as Deputy General Manager.

6.3.3. Investment Committee

Decision-making in the important investment process as well as its supervision is entrusted to the Investment Committee. The Investment Committee is a collegial, decision-making and supervisory body.

It monitors whether the investment process is in accordance with the investment policy of each fund approved by the Board of Directors, as well as in accordance with the risk management policy and regulatory requirements.

6.3.4. Executive Administrators

The daily operations of the Company are managed by two (2) Executive Administrators, who are also members of the Board of Administration. They organize and manage the activity of the company's activities, prepare and propose for approval to the Board all internal regulations and procedures, business development reports, financial reports, and decide on the rights and obligations of employees arising from employment contracts, among other responsibilities.
The executive administrators are:

1. Ms. Edlira Konini – General Administrator
2. Mrs. Elsa Kristo – Deputy General Administrator

6.3.5. Key Personnel

Key personnel of the Management Company consist of the following:

Mr. Lizander Saraci - Head of Risk Management Department.

Responsible for identifying, analyzing and managing risks related to investment activities, ensuring compliance with regulatory requirements and protecting the company's assets.

The Risk Manager will play a crucial role in maintaining a sound risk management framework, assessing and mitigating potential risks and providing strategic guidance to the organization.

Ms. Rezarta Arapi – Head of the Investment Administration Department

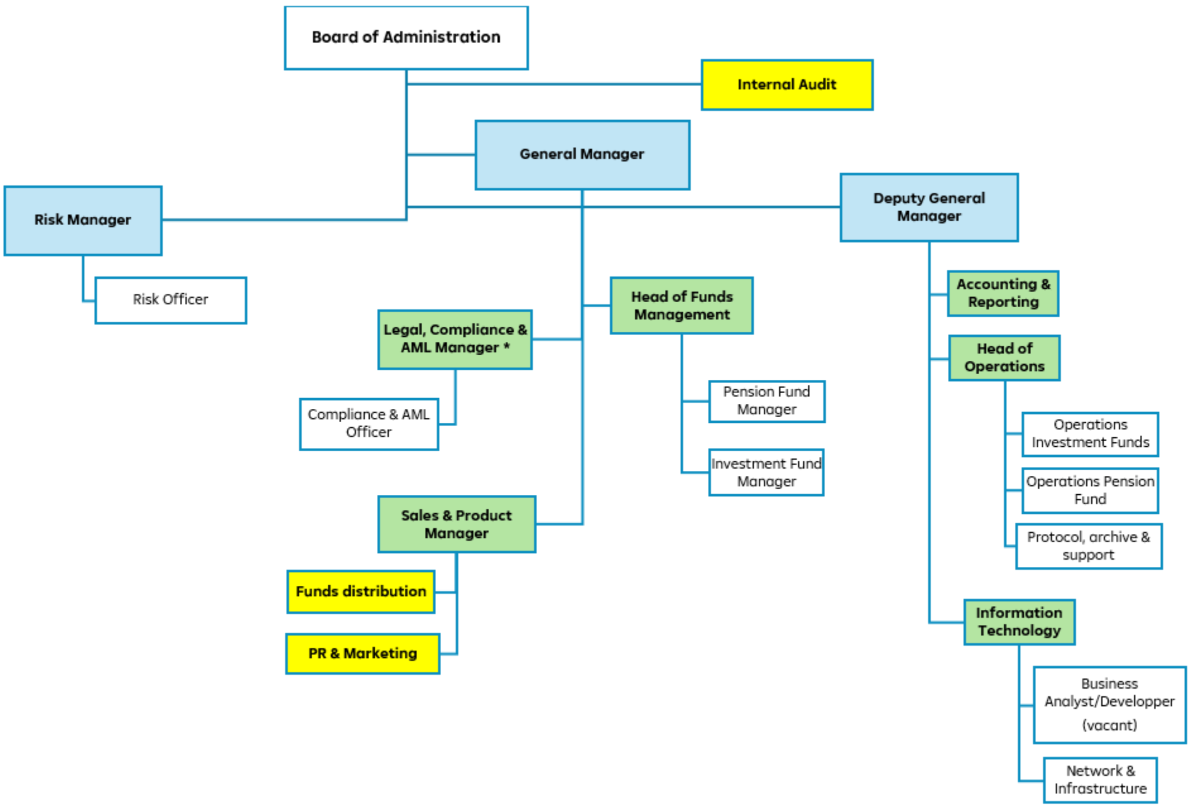
Responsible for the development and effective implementation of the fund's investment policy, with the main aim of fulfilling the financial objectives in relation to their progress and performance. She continually evaluates the best investment opportunities, analyzes the performance of the financial markets, supervises the performance of the investment portfolio and executes investments within the limits of the investment policy, ensuring that the investment process is in accordance with the fund's Prospectus, with the Albanian legislation and regulatory framework, as well as with the management company's regulations and the directives of the Raiffeisen Group.

Ms. Brunilda Haxhimihali (Emini) – Head of the Legal, Compliance& Anti-Money Laundering (AML) Department.

Responsible for ensuring compliance with the legal and regulatory framework of the company's business activities, including funds under management. It represents the company's legal interests to supervisory authorities and third parties; develops and monitors the implementation of corporate governance requirements and manages the prevention of money laundering and terrorist financing, financial crime and other tasks related to compliance with local and Raiffeisen Group legislation.

Key personnel do not hold any managerial position in the parent company or any other company within in the financial group.

6.3.6. Organizational Structure of the Management Company



* *Compliance & AML functionally report to the Board of Administration*

Fully outsourced function to the RBAL

6.4 OUTSOURCED ACTIVITIES

6.4.1. Transfer of tasks to Raiffeisen Bank Albania

In order to increase efficiency and utilize synergies within the Raiffeisen Group, some activities of the management company will be/have been delegated to Raiffeisen Bank Albania. Based on the experience and standards of Raiffeisen Bank sh.a., the delegation is considered to be in the best interest of investors, but the management company remains responsible for the delegated functions and their proper execution.

Raiffeisen Bank Albania based on the service agreements concluded with the management company has undertaken to perform fully or partially the following functions:

- Human resources: supports the management company regarding employee training policies in compliance with the Group's standards, as well as its internal policies (Personnel Manual, Code of Conduct, etc.);

- Marketing & Public relations: develops and implements the marketing strategy of the management company, provides appropriate support for communication and image promotion campaigns in accordance with Group's standards, as well as maintains relations with third parties that offer Marketing and Public Relations services;
- Sales and Distribution perform the process of selling fund units in the role of sales agent of the management company;
- Operational risk: advice and guide regarding operational risk management policies according to Group standards, risk assessment and definition of risk warning indicators, training for employees etc.;
- Internal audit: performs the full function of internal audit through continuous controls that ensure the compliance of the management company's activities and internal procedures with the legal framework and Group standards, as well as the identification of issues and exposure to risks with the aim of improving the control system; The Internal audit reports to the governing bodies of the management company.
- Archive management and some administration functions
- Information technology: supports the management company regarding hardware and software developments, undertaking safeguards including data back up and system recovery, maintaining servers and developing their architecture, designing and maintaining system recovery procedures in case of disasters etc.
- Security: performs information security services, physical security as well as business continuity services. Provides training related to these services;
- Compliance, money laundering, financial sanctions and fraud prevention exercises the measures of due diligence for the prevention of money laundering, financial sanctions, but also for the purposes of implementation of FATCA and CRS requirements; sets standards for prevention and manage cases of fraud and financial crime;

The Management Company bears full responsibility for the fulfillment and performance of each delegated function.

6.4.2. Conflicts of interest associated with this transfer

The management company delegates certain functions of its activity to third parties, prioritizing the best interests of its investors including cases where the third party is the parent company.

Any third party undertaking to perform certain functions delegated by the management company is there for obliged to:

1. to implement appropriate measures to identify conflicts of interest
2. to establish internal regulations and procedures to prevent identified conflicts of interest
3. to notify the management company of any unavoidable conflicts of interest.

Every material outsourced service is subject to approval by Financial Supervisory Authority.

6.5. VOLUNTARY AND COMPULSORY LIQUIDATION OF THE MANAGEMENT COMPANY

The Management Company may, under certain circumstances, be subject to voluntary and/or compulsory liquidation, in accordance with the procedures set forth in the applicable legislation for traders and commercial companies, as well as Law No. 76/2023 "On private pension funds".

The voluntary and compulsory liquidation of the management company is approved by a decision of the Financial Supervisory Authority.

At least two (2) natural persons are appointed as liquidators to sell and distribute the assets of the company.

The liquidators are natural persons who are capable and suitable to perform their duties and have the necessary experience and qualifications in accordance with the legislation in force.

The Authority publishes on its website the decision both in cases of voluntary liquidation and compulsory liquidation.

In any case, the assets of the pension fund, under the administration of the management company, shall not be subject to execution proceeding as a result of the liquidation or bankruptcy procedures of the management company under Albanian law, nor to the settlement or enforcement of any claims against the management company.

6.6. INFORMATION ABOUT THE STATUTORY AUDITOR OF THE MANAGEMENT COMPANY

The statutory auditor of the Management Company is:

RSM Albania Sh.p.k., with registered office at: Skënder Luarasi Street, General Jozef San Martin Square, Building 3, Entrance 19, Tirana, Albania,

Represented by: Elona Bisha (Administrator) - E-mail: Elona.bisha@rsm.al

Secondary contact person: Fatian Devija (Partner) - E-mail: fatian.devija@rsm.al

Website: https://www.rsm.global/albania

The External Auditor is approved by the Financial Supervisory Authority.

7. INFORMATION REGARDING THE DEPOSITARY

The Management Company has entered into a Depository Service Agreement with First Investment Bank, Albania sh.a., established and registered as a legal entity on 19.04.2006, with NUIS K72014801, headquatered at: Blvd. "Dëshmorët e Kombit", Twin Towers, Tower 2, Floor 14, Tirana, licensed by the Bank of Albania to provide custody, depository and fiducary services under Decision no. 13, dated 10/03/2010, and by the Financial Supervisory Authority to provide depository services for pension funds under License no. 1 dated 13.12.2011.

The Depository is and will remain entirely independent from the Management Company and any other related party.

The functions of the Depositary are as follows:

a. holds and records the assets of the fund;

b. continuously monitors the fund's cash flows and, in particular ensures that all payments made by or on behalf of the member have been received, and that all the pension fund's monetary assets are recorded in the cash accounts held in the name of the fund, the management company on behalf of the fund, or the depositary on behalf of the fund;

c. maintains the register of fund members and records data on every transfer related to the pension fund;

d. maintains accounts for the pension fund's assets and ensures the segregation of the assets for each fund for which it provides depositary services from the assets of the depositary and other clients of the depositary and the management company;

e. ensures that the assets of the pension fund are invested in accordance with the approved investment objectives and strategy, legal provisions, and the sub-legal acts implementing them;

f. informs the Authority and the management company about the procedure for calculating the value of the assets and the unit price of the pension fund, confirms the calculation, and ensures that the calculation of the net asset value and the unit price of the pension fund are carried out in accordance with the approved accounting policies, valuation methodologies, and in compliance with the Law and the sub-legal acts;

g. executes the management company orders regarding transactions of the fund's assets, provided they do not conflict with the Law and the sub-legal acts;

h. reports to the management company on trading activities related to the assets entrusted held in custody and executes the management company's orders;

i. guarantees the return of any amounts due to the pension fund within the specified time limits;

j. ensures that all income, derived from transactions with the fund assets, is deposited into the fund's account within the specified time limits;

k. guarantees that the pension fund's income is used in accordance with the Law and the regulation in force;

l. ensures that the costs or fees paid by the pension fund comply with the provisions of the Law and the regulation in force;

m. performs all other duties specified in the contract for the execution of depositary activities for the pension fund.

7.1 CONFLICT OF INTEREST

1. The depositary, when performing its duties, acts with the care of a skilled expert, conscientiously and honestly, independently from the management company, its shareholders, or the members of the fund for which the Depositary carries out its activities.

2. Through its organizational structure and internal regulations, during the performance of its activities and duties as stipulated by Law and the agreement with the Management Company for the carrying out its activities, the depositary must avoid conflicts of interest between itself, its shareholders and/or holders of significant influence and the management company.
3. Any potential conflict of interest is identified, managed and appropriately monitored by the responsible structures, to prevent any undesirable consequences for the interests of the fund members.
4. The depositary does not hold a license as a management company.
5. Key persons, key personnel, and other employees of the depositary cannot be key persons, key personnel or employees of the management company and vice versa.