

Instructions for the fund agreement

Information for fund prior to entering into the fund agreement and registration of funds

PENSIONS
MYNDIGHETEN

Content

1.	Introduction	1
1.1.	Instructions for the Fund Agreement	1
2.	The premium pension system and the Swedish Pensions Agency	1
2.1.	Part of the national pension	1
2.2.	The Swedish Pensions Agency and its assignment	1
3.	Pensions savers in the premium pension system	2
3.1.	Choosing and changing between funds.....	2
3.2.	Information for pension savers.....	2
4.	Fund Managers in the premium pension system	3
4.1.	Requirements for fund managers.....	3
5.	Entering into a fund agreement	3
5.1.	Application and conclusion.....	3
5.1.1.	Application fee and annual review and monitoring fee	4
6.	Categorisation of funds.....	6
6.1.	Equity funds.....	6
6.2.	Fixed income funds.....	6
6.3.	Balanced / Multi-asset funds	7
6.4.	Alternative funds	7
7.	Price reduction system.....	8
8.	Focus	9
8.1.	Communication via Focus	9
8.1.1.	Focus Fund Trade	9
8.1.2.	Focus Fundinfo	9
8.1.3.	User manual.....	9
8.2.	Login to Focus.....	9
8.2.1.	Ordering security token keychains	10
8.3.	Approved price reporting and complete registered fund information.....	10
9.	Administrative requirements (fund trading)	12
9.1.	Daily administrative routines.....	12
9.1.1.	Monthly reporting.....	12
10.	Trading in the funds.....	13
10.1.	The Swedish Pensions Agency 's trading cycle	13
10.2.	Delayed trading	14
10.3.	Slow reporting	14
10.4.	The Swedish Pensions Agency 's trading book and internal trade.....	14
10.5.	Daily reporting of NAV.....	15
10.6.	Orders via Fax.....	15

11.	Payments to the Swedish Pensions Agency.....	16
12.	Administrative changes	17
13.	Fund information	18
13.1.	Reporting of fund information.....	18
13.2.	Reporting withdrawal.....	18
13.3.	Changes in funds, deregistration, mergers and transfers.....	19
13.3.1.	Pooling of funds	19
13.3.2.	Amendments to fund prospectus.....	19
13.3.3.	Termination of a fund	20
13.3.4.	Transfer of management of a fund.....	20
14.	Fund information to be reported in FocusFundinfo.....	21
15.	Information regarding fees to be reported in Focus Fundinfo.....	23
15.1.	Initial och annual information regarding fees i Focus Fundinfo.....	23
15.2.	Quarterly information regarding fees in Focus Fundinfo.....	24
15.3.	New fund	24
15.4.	Change in fees	24
15.5.	Explanation of terms.....	25
16.	Contact the Swedish Pensions Agency	26

General information on the pension system

1. Introduction

1.1. Instructions for the Fund Agreement

The instructions for the Fund Agreement (“The instructions”) aims to provide information to fund managers prior to entering into fund agreements and registration of funds in the premium pension system, as well as instructions for practical management.

The instructions are written in Swedish. A translation of the instructions into English is available.

2. The premium pension system and the Swedish Pensions Agency

2.1. Part of the national pension

The premium pension system is part of the national pension in Sweden. The current pension system was established in 1998. Premium pension contributions are equivalent to 2.5 per cent of the pensionable income of the pension savers. The capital is to be invested in investment funds (“funds”) administered by fund managers that meet certain requirements and have entered into a fund agreement with the Swedish Pensions Agency (Pensionsmyndigheten). Pension savers may themselves choose the fund or funds in which their capital will be invested. Pension savers may also change the allocation of their investments between funds free of charge at any point in time during the entire savings period.

2.2. The Swedish Pensions Agency and its assignment

The Swedish Pensions Agency is a government agency established to administer and provide information about the national pension, which includes the premium pension system. In this capacity the authority operates mainly as an insurance company. The Swedish Pensions Agency is the formal owner of the fund units in the funds chosen by the pension savers. It is thus the Swedish Pensions Agency that is responsible for the administration of the accounts and fund trading on behalf of the pension savers.

3. Pensions savers in the premium pension system

3.1. Choosing and changing between funds

The first time a pension saver is credited with a premium pension contribution, he or she is given the opportunity to choose one or more funds in which to invest his or her premium pension. If the pension saver does not make an active choice from the funds registered in the premium pension system, the capital is invested in Statens Årskullsförvaltningsalternativ, SÅFA (national life cycle management option), which is managed by Sjunde AP-fonden (the Seventh Swedish National Pension Fund). The pension saver can subsequently, at any point in time, make an active choice of funds.

Pension savers can choose to invest their premium pension capital in up to five funds, and change between funds at any point in time without any fees being charged and without any tax implications.

New capital credited to a pension saver's premium pension account will be invested in accordance with the saver's most recently stated allocation, i.e. the percentage allocation to funds that was applied at the pension saver's most recent choice or change of funds.

3.2. Information for pension savers

The Swedish Pensions Agency distributes information about premium pension entitlements in the so-called orange envelope, which provides annual information on each pension saver's capital invested in the national pension.

For pension savers who want information about a particular fund, the Swedish Pensions Agency has compiled special fund fact sheets on each fund. The fact sheets contain information about the funds and, like other fund information, are available on the website of the Swedish Pensions Agency. Information can also be provided by the Swedish Pensions Agency's customer service via telephone or e-mail.

Each month the Swedish Pensions Agency publishes a fund catalogue containing basic information about each fund, including historical value development, risk (standard deviation), fund fee and total cost of the fund (TKA). The funds are divided into categories based on investment policy.

FUND MANAGERS IN THE PREMIUM SYSTEM (FUND AGREEMENT)

4. Fund Managers in the premium pension system

4.1. Requirements for fund managers

Requirements for fund managers are stated in the fund agreement and stipulated in Chapter 64, § 17 c, of the Social Insurance Code.

In addition to the application fee, the fund manager shall pay an annual fee for review and monitoring. The application fee and the annual fee will be reviewed annually by the Swedish Pensions Agency, which may propose changes to them if necessary. The fee levels are regulated by the SFS Ordinance on the Premium Pension (2018:1302).

5. Entering into a fund agreement

5.1. Application and conclusion

Once a fund manager submits an application to the Swedish Pensions Agency, a fund agreement is entered. If the application is granted, an agreement is concluded between the fund manager and the Swedish Pensions Agency. One fund agreement is required per fund. This means that if the fund manager wishes to register a new fund, a new application for a fund agreement must be submitted even if the fund manager already has an approved fund agreement for another fund.

For the application process, the fund manager must use the following forms that are available on the website of the agency.

The fund agreement is available in both Swedish and English. If the two versions conflict with each other, the Swedish language version shall take precedence.

The starting point is that the application and the documents attached to the application must be in Swedish unless otherwise stated. The application form must be in the Swedish language. The same goes for accounting for the funds' KIID. However, the fund agreement allows some other documentation to be provided in English. The documents that can be in English are:

- Documentation that verifies the representative's right to represent the Fund Manager,
- Specimen signatures of the representatives authorised to represent the Fund Manager,

- Schematic illustration of group of companies as well as the Fund Manager's management structure (in accordance with the appendix template "Schematic illustration")
- A list of the board members, alternate members and senior executives named in the Application section 1.4.5 with information on education and previous and current experience of financial activities. The appendix must also specify whether these individuals may have assignments or ownership interests in other companies within the financial sector. Ownership interests in public companies does not have to be included unless it constitutes a qualifying holding.
- Annual reports for the past three years for the Fund manager as well as for any External Investment Managers,
- Prospectus,
- The three most recent annual reports for the fund,
- Document stating which representatives that may represent the Fund Manager in trading,
- The fund's official trading calendar,
- Sustainability information in accordance with the Guidelines of the Swedish Investment Fund Association on marketing and information, from the Swedish Investment Fund Association
- Latest annual report (see ENF's Sustainability Declaration Point 6) when you report how the investment policy is met,
- Completed appendices for registration fund managers in the Swedish Pensions Agency's system for trading in funds
- Completed appendices for registration funds in the Swedish Pensions Agency's system for trading in funds
- Completed appendices for their ordering of and contact personnel for RSA card readers

(Voluntary) document regarding conflict of interest may be attached in English provided that all questions in the application form about conflict of interest are answered in Swedish.

Further instructions on language selection may occur in information provided by the Swedish Pensions Agency.

5.1.1. Application fee and annual review and monitoring fee

Application fee

For an application to be processed, the application fee must be paid to the Swedish Pensions Agency. The payment must be made in connection with the instructions stated below.

Payment instructions

- The application fee for a first fund agreement application is SEK 75 000 and SEK 10 000 for each additional fund application.
- The ISIN number for each fund and the name of the fund manager must be stated.
- A separate payment must be made for each fund agreement.
 - Example:
 - Fund 1: SEK 75 000, ISIN number XXXXXXXXXXXX, name of the fund manager
 - Fund 2: SEK 10 000, ISIN number XXXXXXXXXXXX, name of the fund manager
- Payment of an application fee from Sweden must be made to Bankgiro 5298-3772 or directly to account number 12810123152 in Danske Bank.

Foreign payments are made to IBAN number
SE1812000000012810123152, BIC/SWIFT address: DABASESX.

Annual review and monitoring fee

Fund managers shall pay an annual fee for review and monitoring. The annual fee is SEK 32 000 per fund agreement. The annual fee is invoiced by the Swedish Pensions Agency once a fund agreement has been concluded (Year 1). As of year 2, the annual fee is invoiced in advance for the next calendar year.

The fund application must include the invoicing address for the annual fee.

6. Categorisation of funds

The Swedish Pensions Agency categorises funds as equity, fixed income, alternative or mixed funds. The fund categories are used in the price reduction system (see Section 7), but also when the Swedish Pensions Agency provides information to the premium pension savers. It is the Swedish Pensions Agency that determines into which fund type or category a fund should fall.

There are three types of funds within the price reduction system: equity funds, fixed income funds and other funds. Mixed funds and alternative funds are included in the category other funds when it comes to price reduction. It is therefore important that a fund is categorised correctly. Please find a more detailed description of the four categories below.

6.1. Equity funds

An equity fund invests in company shares in local markets such as Sweden or the USA, but also across regions such as Europe, Asia or globally. The investment policy can also target emerging markets and so-called frontier markets¹. Funds investing in emerging markets often have a risk and return profile that differs clearly from the funds that invest in developed countries. It is also common to have a segment breakdown within equity funds for the purpose of investing in small companies, medium-sized companies and large companies. There are also equity funds with sector classifications for the purpose of investing in a single industry sector, such as IT, Finance and Infrastructure.

6.2. Fixed income funds

Fixed income funds invest in fixed income securities, which means government bonds, treasury bills and corporate bonds. Fixed income funds are normally divided into short and long-term fixed income funds, depending on the securities in which the fund invests. A typical short-term fixed income fund normally invests in securities with a maturity of up to one year. A long-term fixed income fund invests in securities with a maturity of over one year. A longer maturity involves a higher risk².

¹ "Frontier markets" refers to the new emerging markets included in the MSCI Frontier Markets Index.

² Higher risk defined as: the impact of a one percent change in interest rate on the bond price (on a long maturity bond versus a short maturity bond).

6.3. Balanced / Multi-asset funds

Balanced / Multi-asset funds invest in both equities and fixed income securities, but can also invest in other funds. A Balanced / Multi-asset fund therefore normally has a lower risk than a traditional equity fund but a higher risk than a fixed income fund.

6.4. Alternative funds

An alternative fund varies greatly in terms of investment policy and risk taking. The objective of the fund may, for example, be to achieve the performance of an interest rate with a risk premium or protection strategy against an index (both interest rate index and equity index). Alternative funds can, for example, be absolute return funds. Absolute return funds aim for a positive return regardless of how the market develops. The objective is often a market interest rate with a risk premium, such as, for example STIBOR +2.5%.

7. Price reduction system

The price reduction system is described in detail in Appendix B of the fund agreement (Price Reduction). The price reduction model is described in the illustration below.

+	Management fee	Annual fee	TER	TKA
	Custody fee, etc..			
	Performance-based fee			
	Courtage (Broker fee)			
+	One-off fees (deposit and withdrawal fees)			
<hr/>				
=	Total of fees for the fund			
<hr/>				
-	Courtage (Broker fee)			
-	The Swedish Pensions Agency's discount			
<hr/>				
=	Fund fee at the Swedish Pensions Agency			

ADMINISTRATION AND TRADING

8. Focus

8.1. Communication via Focus

A web-based communication system – Focus– is used for the day-to-day cooperation between the Swedish Pensions Agency and the fund company. Communication via Focus is a requirement from the Swedish Pensions Agency.

Focus does not require any specific software, the only requirement is a functioning Internet connection, user ID and security token keychains (SecurID).

Focus consists of two parts, with separate logins:

- Focus Fund Trade
- Focus Fundinfo

8.1.1. Focus Fund Trade

Focus Fund Trade is used for the transfer of trading orders, reporting of contract notes, daily NAV prices, monthly reporting of holdings and general information on fund trading.

8.1.2. Focus Fundinfo

Focus Fundinfo is used for the fund manager's reporting of fund information, sustainability information, historical NAV prices and fund fees. In Focus Fundinfo, the fund manager can also review how the fund is presented in the Swedish Pensions Agency's system and then correct the fund information when needed.

8.1.3. User manual

A user manual for Focus is available in Focus and can also be sent on request.

8.2. Login to Focus

Access to Focus requires a user ID and a security token keychain (SecurID). The login to the two parts of Focus takes place using separate security token keychains with separate user IDs.

Each SecurID token keychain has secret encryption keys to certify that the codes created are unique to each individual login. The codes are shown in a display that is automatically updated once a minute.

8.2.1. Ordering security token keychains

For access to security token keychains, the fund manager must order token keychains using the forms attached in connection with the application of the fund manager. Fund managers can also be sent the forms on request.

For Focus Fund Trade, the Swedish Pensions Agency provides two security token keychains free of charge for each fund manager. Fund managers can obtain more token keychains by placing an order. For additional token keychains, fund managers are charged SEK 1 000 per token keychain to be paid within 30 days.

For Focus Fundinfo, the Swedish Pensions Agency provides one security token keychain free of charge for each fund manager. Fund managers can obtain additional token keychains by placing an order. For the additional token keychain, fund managers are charged SEK 1 000 to be paid within 30 days.

There is also a possibility for fund managers to have separate token keychains for reporting fund information – for instance if there are various people/companies compiling the reports.

The fund manager shall appoint a person responsible for the token keychains to be included on the order forms. The person responsible will receive the token keychains and also be the Swedish Pensions Agency's contact person in all cases relating to the token keychains (e.g. unlocking and changing the PIN) and the reporting of fund information.

Together with the security token keychain, the Swedish Pensions Agency provides user instructions. The fund manager is responsible for storing the token keychains and codes in accordance with the user instructions for the security token keychain.

If you need assistance or have any questions regarding the security token keychains, please contact the fund administrators via *fundadmin@pensionsmyndigheten.se*.

8.3. Approved price reporting and complete registered fund information

Once the facility to login to Focus Fund Trade has been obtained, NAV prices can be reported for the relevant fund. The Swedish Pensions Agency intends to ensure that price reporting works before the fund is available for trading in the system. If the fund is yet to be started-up, price reporting can still take place, but with a fictitious NAV price, the price intended to use as the starting price.

Next, the fund information requested for the fund will be registered in Focus Fund Info. The information is used to inform pension savers about your funds via the Swedish Pensions Agency's website, in separate fund fact sheets and in the Swedish Pensions Agency's fund catalogue. Instructions how to provide the information can be found in Chapter 14 below. Instructions how

to register the information in Focus can be found in the Focus manual which can be downloaded via the "Help" tab in Focus or obtained from the Swedish Pensions Agency. Until the information is complete, the fund will not be available for trading in the system. It is important that the information is updated on an ongoing basis.

9. Administrative requirements (fund trading)

In Appendix B of the fund agreement (Trading in Funds) a number of administrative requirements are outlined.

9.1. Daily administrative routines

Each day, the fund manager's administration must perform the following in the trading system of the Swedish Pensions Agency, Focus Fund trade:

Time (CET)	Activity
9:30 – 12:00 Day 1	Confirm orders - Log in to Focus Fund trade, retrieve and confirm fund orders.
14:30 – 21:00 Day 1 or 08:00 – 11:00 Day 2	Daily price reporting - Log in to Focus Fund trade and report NAV prices for Day 1.
14:30 – 21:00 Day 1 or 08:00 – 13:00 Day 2	Submit contract note on executed orders*

* The time can be delayed to the next day if the fund has delayed trade and/or slow reporting (read more about this in the trading section below).

9.1.1. Monthly reporting

At the end of each month, the fund manager shall report the holdings of the Swedish Pensions Agency in Focus Fund Trade, at the latest by the third trading day after the end of the month.

10. Trading in the funds

The Swedish Pensions Agency's trading is based on the changes between funds made by the pension savers, credits of pension entitlements, refunds, inheritance gains, fees and pension payments. This means that the size of the transactions can fluctuate considerably day-to-day. To avoid fund orders that are too small, the Swedish Pensions Agency holds units in all funds in its trading book.

10.1. The Swedish Pensions Agency 's trading cycle

Below you will find a brief description of the Swedish Pensions Agency's normal trading cycle. All times given below refer to Swedish time (CET).

Day 0

The pension saver requests a change between funds, which can be made until midnight (Monday-Thursday and Sunday).

Day 1

The Swedish Pensions Agency compiles buy and sell orders in the various funds, in order to calculate the net value into a single order in each fund.

The Swedish Pensions Agency sends payment authorisation for buy orders and informs the Swedish National Debt Office how much credit it will need to finance the day's purchases. Since the Swedish Pensions Agency buys fund units before receiving payments from sales, it needs to borrow to be able to pay for the new fund units.

At 09:30 the Swedish Pensions Agency sends a net order per fund to the fund managers via the fund administration system, Focus Fund trade. Between 09:30 and 12:00-noon the fund managers login to Focus Fund trade and retrieve/confirm the day's orders.

The fund manager sets the fund unit prices for Day 1 and executes the Swedish Pensions Agency's order at these prices. If the fund is registered as "delayed trading", the Swedish Pensions Agency's trading is conducted in accordance with the fund unit price for Day 2. The day for which the price is used for trading is referred to by the Swedish Pensions Agency as the Trading Day.

The fund managers report the fund unit prices of the day to the Swedish Pensions Agency via Focus Fund trade. This reporting takes place between 14:30 and 21:00.

Day 2

Fund managers that did not manage to report the fund unit price during the afternoon of Day 1 are to report the price on the morning of Day 2 between 08:00 and 11:00. Fund managers that are unable to calculate their fund unit

price for 11:00 may register the fund as “slow reporting”. The price reporting/contract note will then be shifted one day forward to the next day in Focus Fund trade.

The fund manager reports the contract note via Focus Fund trade for the previous day’s transactions between 08:00 and 13:00.

The Swedish Pensions Agency reconciles the sent orders against the contract note and then books the executed transactions in the accounts of the pension savers. After that, the accounts of the pension savers are open for trading again.

10.2. Delayed trading

According to the fund agreement’s Appendix B (Trading in Funds), an order issued by the Swedish Pensions Agency at 09:30 on the order day will be executed at the same day’s NAV price. This day is called the Trading Day (T). However, for a fund whose cut-off times make this impossible, the Swedish Pensions Agency may allow the trading day for the fund to be the trading day following the order day. This means that the fund has delayed trading.

10.3. Slow reporting

According to Appendix B in the fund agreement (Trading in Funds), the reporting of an order must be performed no later than 13:00 on the day after the trading day. However, the Swedish Pensions Agency may allow the reporting to be performed no later than 13:00 two days after the trading day, so called slow reporting.

10.4. The Swedish Pensions Agency’s trading book and internal trade

The Swedish Pensions Agency holds fund units in its trading book to facilitate the administration of trading in fund units and to minimize the associated potential transaction costs. The trading book consists of units in the funds that are registered in the premium pension system and are purely administrative in nature. The Swedish Pensions Agency owns the fund units held in the trading book and bears the risk of any changes in their value.

The pension savers trade against the internal trading book and when there is a fund order generated that exceeds or is below the trading book’s fixed limit values, an external order is sent to the fund manager.

10.5. Daily reporting of NAV

It is of the utmost importance that the Swedish Pensions Agency receives accurate unit prices from the fund manager each day, even on days when the Swedish Pensions Agency does not send any orders. The reason is that internal trading at the Swedish Pensions Agency may take place without any external trading with the fund manager. The unit prices can also be used to calculate future orders and for fund information for the pension savers. If the fund manager adjusts its NAV price retroactively, the Swedish Pensions Agency must be contacted immediately.

10.6. Orders via Fax

On special occasions, orders can be faxed to the fund manager. A fax would always be accompanied by a separate communication with the fund manager. A fax order from the Swedish Pensions Agency is signed by an authorised signatory according to the signature list for fund trading.

11. Payments to the Swedish Pensions Agency

All information needed to make payments to the Swedish Pensions Agency can be found in the separate payment instruction: *Payment Instruction for the Swedish Pensions Agency*.

Payments to the Swedish Pensions Agency must contain the order numbers of the Swedish Pensions Agency and must be deposited into an account. For payments in a foreign currency, the Swift/BIC address for the Swedish Pensions Agency's bank, Danske Bank (Swift/BIC DABASESX), must be used. The account number for the respective currency account must be stated, as well as the order number of the Agency.

Please note that the parties are responsible for their own fees and costs associated with payments. When payments are made in a foreign currency, the code SHARE must be stated. We can only guarantee that our bank pays the entire remittance. If the receiving bank or transfer banks deduct fees from the settlement then the fund manager is responsible for paying these fees or for sending us another payment instruction.

If you have any questions regarding payments, please contact our finance administrators at

finansadmin@pensionsmyndigheten.se

12. Administrative changes

Administrative changes that affect funds or fund managers may necessitate system updates or similar modifications at the Swedish Pensions Agency. It is therefore important for the fund managers to inform the Swedish Pensions Agency in advance of any planned administrative changes, in order for the cooperation between the Swedish Pensions Agency and the fund managers to work. Notification of changes is made using the “Change Notice” form available on the Swedish Pensions Agency’s website. The form must be signed by an authorised signatory of the fund manager and sent to fundadmin@pensionsmyndigheten.se together with the authorisation document for the authorised signatory. The authorisation document should not be more than three months old. Examples of changes that fund managers should inform the Swedish Pensions Agency about are, for example:

- Changes in routines or cut-off times for trading in fund units or for calculating unit prices for fund units
- Changes in price reporting routines
- Changes in the trading cycle
- Changes in payment routines/account information
- Change of administration company and transfer agent
- Changes of contact person information.

FUND INFORMATION

13. Fund information

13.1. Reporting of fund information

Fund information refers to sustainability declaration, fund assets, turnover rate, portfolio allocation, the ten largest holdings and various texts describing the fund (see Section 14). The information that the Swedish Pensions Agency needs for compiling the fund catalogue and the fund fact sheets is reported in more detail in Section 15. Updating of the different information is made quarterly and annually by 20th of the month after the end of the previous quarter and previous year respectively. Some changes will be updated continuously as soon as the change has taken place, such as change in investment policy. More detailed information on the information that should be submitted at each point in time is given below.

Historical dividend-adjusted NAV is submitted by the fund manager via Focus Fundinfo when the fund is initially registered at the Swedish Pensions Agency. The Swedish Pensions Agency would like to receive at least 10 years of historical dividend-adjusted NAV from the fund manager to the extent that this is available. The historical values are used to calculate return and the measure of risk. The fund manager must report historical dividend-adjusted NAV in SEK via Focus Fundinfo. However, if the currency for the NAV prices is not in SEK then the fund manager must e-mail the figures to the Swedish Pensions Agency.

Any changes regarding information on a fund management company are to be sent by e-mail to the Swedish Pensions Agency

(*fundinfo@pensionsmyndigheten.se*).

13.2. Reporting withdrawal

According to the Swedish Social Insurance Code (2010:110) a fund manager participating in the premium pension system is required to annually account for costs broken down into type of cost to the Swedish Pensions Agency.

The information reported to the Swedish Pensions Agency is used for three distinct purposes:

1. The Swedish Pensions Agency's fund information, which is offered via the fund catalogue, fund fact sheets and on our website.
2. The Swedish Pensions Agency's calculation of the price reduction that the fund manager is required to pay to the Agency.
3. Reporting to each individual pension saver how much the administration has cost the pension saver in SEK for each fund he or she has had capital invested in during the previous year.

The fund manager shall report in Focus Fundinfo all costs that have been paid from a fund, broken down according to type of cost. The reporting shall take

place no later than 28 February for the previous calendar year. For funds with performance-based management fees and fund of funds, the fund manager shall report the costs quarterly by the 20th of the month after the end of the previous quarter. After special consent from the Swedish Pensions Agency, the fund manager may report the performance-based portion annually.

The cost reporting is the basis for the Swedish Pensions Agency's information on fees in funds and cost statements for pension savers and for invoicing of price reductions in accordance with Appendix B.

13.3. Changes in funds, deregistration, mergers and transfers

Please see below some examples of important changes/events regarding funds, along with a description of the action triggered by the changes at the Swedish Pensions Agency.

In the case of pooling/merger, termination or transfer of funds, the contractual relationship between the Swedish Pensions Agency and a fund manager is affected. The Swedish Pensions Agency may need to change its administrative procedures as a result of the change, hence it is important that the Swedish Pensions Agency receives information about the event in good time.

13.3.1. Pooling of funds

The fund manager is required to inform the Swedish Pensions Agency of a forthcoming merger as soon as a date for the event has been decided. It is important that the Swedish Pensions Agency receives information about the merger.

The receiving fund must be included in the premium pension system in order for the Swedish Pensions Agency to approve the transfer of fund units. If this requires a new fund agreement, the process must be started in good time so that the conclusion of the agreement and registration are completed before the pooling takes place.

In some instances, a merger will result in a fund registered with the Swedish Pensions Agency being combined with a fund not registered with the Swedish Pensions Agency. The Swedish Pensions Agency may then decide that the fund units are sold in the fund that is being absorbed.

The Swedish Pensions Agency sends individual information to all pension savers with holdings in the fund to be terminated as a result of the merger. Pension savers shall be given a reasonable period of time to make a change of funds if he or she does not want the holding to continue into the receiving fund.

13.3.2. Amendments to fund prospectus

The fund manager must inform the Swedish Pensions Agency of all planned amendments to the prospectus of the fund as soon as the fund manager has

decided when they shall be implemented and, where appropriate, when the supervisory authority has approved of the amendments. For example, this could be an amendment to the investment policy, management fee or the name of a fund.

For certain amendments, the Swedish Pensions Agency will send individual information to the pension savers affected. The pension savers affected shall be given a reasonable period of time to make a change of funds if they do not want to retain their holdings in the fund.

13.3.3. Termination of a fund

As soon as a date for the termination of a fund has been determined, the fund manager must inform the date to the Swedish Pensions Agency. The fund manager must then also request that the fund to be terminated is deregistered at the Swedish Pensions Agency. Requests for deregistration must be made in writing and must be signed by an authorised signatory of the fund manager.

Upon termination of the fund, the Swedish Pensions Agency will send individual information to the pension savers affected. The pension savers shall be given a reasonable period of time to make a change of fund from the fund to be terminated.

13.3.4. Transfer of management of a fund

If a fund is transferred from one fund manager to another, the acquiring fund manager must submit an application to enter into a fund agreement for the fund in question in good time before the transfer. The fund manager must also submit the decision on authorised transfer from the supervisory authority in question. If the Swedish Pensions Agency approves the new fund manager as the fund manager of the old fund, the units will be transferred, i.e. the capital on the fund market will be retained in the fund.

14. Fund information to be reported in FocusFundinfo

The fund manager shall continuously update Focus Fundinfo with information about the fund. The update frequency varies depending what the information refers to. In general, the following requirements apply to the texts:

- All texts must be written in Swedish, avoiding technical language.
- The texts must be objective, informative and apply to the fund in question. Texts such as "Fund of the year," "Managed by the best fund manager," or "Best value development" will not be allowed.

Frequency	Information	Note
Initially	Historical dividend-adjusted NAV (up to 10 years if available).	1
Initially and as soon as possible after any changes	Target group (max. 130 characters)	
	Objective of investment (max. 130 characters)	
	Short text describing the fund's investment strategy (for fund catalogue, max. 114 characters)	
	Longer text describing the fund's investment strategy (for fund web, max. 300 characters)	2
	Text describing the type of securities the fund invests in (max. 300 characters)	
	Text with other information (max. 150 characters)	3
	Name of fund manager	
	Management experience of the fund manager, since which year?	
	Average number of securities in the fund. Fund assets in MSEK, previous year	
	Fund turnover rate previous year (stated times/year, not in percent)	4
	Information about the fund's sustainability work. Sustainability aspects taken into account in investment management, reporting of ESG work (what the fund incorporates/excludes/influences). How the fund manager follows up the sustainability work.	
	Portfolio allocation (e.g. industries and/or countries and asset allocation)	
Quarterly	Ten largest holdings, for each holding as a percentage of the fund assets	
	Portfolio allocation (e.g. industries and/or countries and asset allocation)	
Annually	Fund turnover rate previous year (stated times/year, not in percent)	4
	Fund assets in MSEK, previous year	

Notes

1) Information regarding historical NAV (up to 10 years if available) is reported on the first occasion only. Thereafter, reporting is performed daily through the Swedish pensions Agency's trading system, Focus Fundtrade.

2) The text shall describe how the fund allocates its investments to different regions/industries or how the fund selects securities. If the fund is using

derivatives as part of the investment strategy, indicate that here or in the field "Type of securities".

3) Text with other information. For example, an explanation of a special fee structure or other essential information about the fund.

4) The formula for calculating the turnover rate:

Turnover rate = lowest of A and B divided by C, i.e.: Turnover rate = Min. (A,B)/C NOTE: Must be shown as a times/year, and should therefore not be multiplied by 100.	A =	Total securities purchased during the year
	B =	Total securities sold during the year
	C =	Average fund capital during the year.

15. Information regarding fees to be reported in Focus Fundinfo

Information about the fees in the fund must be reported by the fund manager in Focus Fundinfo at the beginning of the year. The funds that have a performance-based fee and/or are mainly investing in other funds must also report fees on a quarterly basis in Focus Fundinfo.

15.1. Initial och annual information regarding fees i Focus Fundinfo

Frequency	Fund types affected	Information
Initially and Annually Deadline: 20 February	Funds that are not fund of funds and/or have performance-based fee	Management fee (%) Ongoing charges (%) TKA = Total cost of the fund (%). Report if calculated State cause of possible deviation in ongoing charges compared with previous reporting
	Fund of funds	Management fee (%) TKA = Total cost of the fund (%). Report if calculated Main fund's total cost withdrawal quotient - HTK (%) Underlying funds weighted cost withdrawal quotient - UVK (%)
	Performance-based	Management fee (%) TKA = Total cost of the fund (%). Report if calculated Ongoing charges (%) Performance-based fee (%)
	Fund of funds and performance-based	Management fee (%) TKA = Total cost of the fund (%). Report if calculated Main fund's total cost withdrawal quotient, HTK (%) Underlying funds weighted cost withdrawal quotient, UVK (%) Performance-based fee (%)

15.2. Quarterly information regarding fees in Focus Fundinfo

Frequency	Fund types affected	Information
Quarterly. Deadline: 20 January, 20 April, 20 July, 20 October	Fund of funds	Management fee % Main fund's total cost withdrawal quotient - HTK (%) Underlying funds weighted cost withdrawal quotient - UVK (%) For funds that use the maximum fee of underlying funds instead of the actual fees, please tick the box. Specification of the underlying funds, the total cost of each individual fund, weighted cost and weighted rebate.
	Performance-based	Management fee (%) Ongoing charges (%) Performance-based fee (%)
	Fund of funds and performance-based	Management fee (%) Performance-based fee (%) Main fund's total cost withdrawal quotient - HTK (%) Underlying funds weighted cost withdrawal quotient - UVK (%) For funds that use the maximum fee of underlying funds instead of the actual fees, please tick the specially designated box. Specification of the underlying funds, the total cost of each individual fund, weighted cost and weighted rebate.

15.3. New fund

For new funds, “estimated” ongoing charges are used as the basis for calculating the Swedish Pensions Agency’s rebate.

15.4. Change in fees

In case there are any changes to the fees during the year which might affect the basis for calculating the fees for the Swedish Pension Authority, the fund manager must contact the Swedish Pensions Agency for the adjustment of the current year’s invoicing.

15.5. Explanation of terms

Term	Explanation
Ongoing charges	Corresponds to ongoing charges in the fund's basic fact sheet. Ongoing charges are used as the basis for calculating the Swedish Pensions Agency's rebate for all of the funds that do not have a performance-based fee or are fund of funds.
Management fee	The management fee refers, amongst other things, to the fund's costs for the management and custody of the fund units. The management fee divided by 365 is normally deducted from the fund each day.
TKA: Total cost of the fund Currently referred to in Focus as Total including transaction costs	TKA: Total cost of the fund in percent is calculated as a share of an average fund capital for every day of the entire year (365 days). TKA is the total cost in a fund; that is, management fee, transaction costs and all other costs including withholding tax and interest expenses. The information is presented in the Swedish Pensions Agency's fund catalogue and on the website.
Main fund's total cost withdrawal quotient – HTK	HTK corresponds to the total of the fund's reported costs including performance- based fee, but excluding transaction costs, interest expenses and withholding tax. The calculation is described in more detail in the Fund's Appendix A (Price Reduction).
Underlying fund's weighted cost withdrawal quotient – UVK)	UVK corresponds to the total costs of the underlying funds including performance- based fee. The costs are weighted according to the size of the holding. The calculation is described in more detail in the Fund's Appendix A (Price Reduction).
Total cost withdrawal quotient SK	$SK = HTK + UVK$ The system calculates this term automatically and uses it for calculation of the price reduction.
Fund fee (on web and in catalogue)	The ongoing charges for the fund after the deduction of the Swedish Pensions Agency's rebate. Presented in the fund catalogue and on the Agency's website.

CONTACT

16. Contact the Swedish Pensions Agency

If you have any questions or need further information about the Swedish Pensions Agency and the premium pension system, please visit:

<https://www.pensionsmyndigheten.se/om-pensionsmyndigheten/for-fondbolag/for-fund-managers>

Contact information Fund Market department

Postal address:

Pensionsmyndigheten

Att: Fondtorgsavdelningen

Box 38190

SE - 100 64 STOCKHOLM

SWEDEN

Director, Fund Department: Erik Fransson

E-mail: *erik.fransson@pensionsmyndigheten.se*

Management of the Fund Market

Questions on, for example, cooperation agreements, new funds, termination of funds, mergers and changes in fund rules:

fundselection@pensionsmyndigheten.se

Head of Unit: Christian Lundström

E-mail: *christian.lundstrom@pensionsmyndigheten.se*

Fund information och customer comments

Questions on, for example, cooperation agreements, new funds, termination of funds, mergers and changes in fund rules:

fundinfo@pensionsmyndigheten.se

Head of Unit: Estrella Zarate

E-mail: *estrella.zarate@pensionsmyndigheten.se*

Fund trading

Questions on, for example, purchasing, redemption, Focus, contract notes, NAV reporting, and price reduction:

fundadmin@pensionsmyndigheten.se

Telephone: +46 (0)10-454 23 10

Fax: +46 (0)8-658 13 30

Questions on cash management, payments and invoices:

finansadmin@pensionsmyndigheten.se

Head of Unit: Rasmus Bjälkeson

E-mail: *rasmus.bjalkeson@pensionsmyndigheten.se*

www.pensionsmyndigheten.se