

INFORMATIONAL BROCHURE
OF PFR PPK
Specjalistyczny Fundusz Inwestycyjny Otwarty
(PFR PPK SFIO)
(“Brochure”)

Designations of all Subfunds distinguished within PFR PPK SFIO:

PFR PPK 2025

PFR PPK 2030

PFR PPK 2035

PFR PPK 2040

PFR PPK 2045

PFR PPK 2050

PFR PPK 2055

PFR PPK 2060

PFR
Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna
residing in Warsaw at ul. Krucza 50, 00-025 Warszawa
company’s website: www.pfrtfi.pl

The Brochure was drawn up under Article 220 of the Act on Investment Funds and Management of Alternative Investment Funds of 27 May 2004 (i.e. Journal of Laws of 2018, item 1355, as amended) and the Regulation of the Minister of Finances of 22 May 2013 on the informational brochure of an open investment fund and specialised open investment fund and on calculating the profit to risk ratio for such funds (i.e. Journal of Laws of 2018, item 2202).

The Brochure was drawn up in Warsaw on 30 May 2019.

CHAPTER I. People responsible for information contained in the Brochure

1. Full names and job titles of people responsible for information contained in the Brochure

People responsible for information contained in the Brochure shall be:

Ewa Malyszko – President of the Company’s Management Board

Piotr Kuba – Member of the Company’s Management Board

2. Name and seat of the Company

PFR Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna residing in Warsaw

3. Declaration of people indicated in point 1

We hereby represent that information contained in the Brochure are truthful and accurate, that no facts or circumstances whose disclosure in the Brochure is required under the Act and Regulation have been omitted, and that, to the best of our knowledge, there are no circumstances which could have a major impact on the legal, material, or financial situation of the Fund other than ones disclosed in the Brochure.

Ewa Malyszko

President of the Company’s Management Board

Piotr Kuba

Member of the Company’s Management Board

CHAPTER II. About the Company**1. Business name, country where its seat is, seat address of the Company, including contact numbers, address of its main website, and e-mail address**

PFR Towarzystwo Funduszy Inwestycyjnych S.A., residing in Poland in Warsaw at ul. Krucza 50, 00-025 Warszawa, phone no.: (+48 22) 341-70-00, Informational hotline: 800-800-120, e-mail address sekretariat@pfrtfi.pl, website address: www.pfrtfi.pl.

2. Date of the Company's permit to pursue business activity

Decision no. DFI/II/4030/35/22/13/14/92-1/AG.of KNF Financial Supervision Authority dated 5 August 2014

3. Designation of the court of registration and registration number under which the Company is registered

District Court for the capital city of Warsaw in Warsaw, XII Commercial Division of the National Court Register (KRS).

National Court Register (KRS) number: 0000486060.

4. Company's equity, including elements of equity as of the last balance sheet date

As of 31 December 2017, the amount and elements of the Company's equity were as follows:

Company equity	PLN 17 623 388.05
Company's share capital	PLN 21 000 000.00
Company's revaluation capital	PLN 0.00
Other reserves	PLN 7.000.000,00
Net profit (loss) from preceding years	- PLN 7 146 571.80
Net profit (loss) of the Company in the business year	- PLN 3 230 040.15

5. Information about the paying-in of the Company's share capital

The Company's share capital was fully paid-in by means of a pecuniary contribution.

6. Business name and seat address of the Company's parent entity, including the characteristic features of their relations

The Company's parent entity shall be Polski Fundusz Rozwoju S.A., residing in Warsaw, holding 100% of votes at Annual General Meetings of the Company and 100% of the Company's share capital, i.e. 48 000 of the Company's shares.

7. Full names:**7.1. of the Company's Management Board Members, including their functions within the Management Board**

Ewa Malyszko – President of the Company's Management Board

Piotr Kuba – Member of the Company's Management Board

7.2. of the Company's Supervisory Board, including the President thereof

Maciej Bombol – President of the Company's Supervisory Board

Rafal Kos

Tomasz Berent

Marcin Sobczyk

7.3. of natural persons responsible within the Company for managing the Fund and Subfunds

Piotr Kuba – Management Board Member of the Company

Kamil Kosiński – Director of Fixed-Date Fund Management Department

Michał Sikorski – Fund Manager

8. Information about functions of people indicated in point 7 outside of the Company if this may have bearing on the situation of Fund Participants

8.1. Management Board of the Company

8.1.1. Ewa Małyszko

1) Functions outside of the Company if this may have bearing on the situation of Fund Participants

The Company is not aware of any functions of Ewa Małyszko outside of the Company which could have bearing on the situation of Fund Participants.

8.1.2. Piotr Kuba

1) Functions outside of the Company if this may have bearing on the situation of Fund Participants

The Company is not aware of any functions of Piotr Kuba outside of the Company which could have bearing on the situation of Fund Participants.

8.2. Supervisory Board of the Company

8.2.1. Maciej Bombol

1) Functions outside of the Company if this may have bearing on the situation of Fund Participants

The Company is not aware of any functions of Maciej Bombol outside of the Company which could have bearing on the situation of Fund Participants.

8.2.2. Rafał Kos

1) Functions outside of the Company if this may have bearing on the situation of Fund Participants

The Company is not aware of any functions of Rafał Kos outside of the Company which could have bearing on the situation of Fund Participants.

8.2.3. Tomasz Berent

1) Functions outside of the Company if this may have bearing on the situation of Fund Participants

The Company is not aware of any functions of Tomasz Berent outside of the Company which could have bearing on the situation of Fund Participants.

8.2.4. Marcin Sobczyk

1) Functions outside of the Company if this may have bearing on the situation of Fund Participants

The Company is not aware of any functions of Marcin Sobczyk outside of the Company which could have bearing on the situation of Fund Participants.

8.3. Natural persons responsible within the Company for managing the Fund and Subfunds

8.3.1. Piotr Kuba

Information about Piotr Kuba can be found in point 8.1.2. above.

8.3.2. Kamil Kosiński

1) Functions outside of the Company if this may have bearing on the situation of Fund Participants

The Company is not aware of any functions of Kamil Kosiński outside of the Company which could have bearing on the situation of Fund Participants.

8.3.3. Michał Sikorski

1) Functions outside of the Company if this may have bearing on the situation of Fund Participants

Michał Sikorski is a member of the supervisory board of Rafako S.A.

8.4. Names of other investment funds managed by the Company and not included in the Brochure

- 1) Fundusz Ekspansji Zagranicznej Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych
- 2) Fundusz Inwestycji Infrastrukturalnych - Dłużny Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych
- 3) Fundusz Inwestycji Infrastrukturalnych - Kapitałowy Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych
- 4) Fundusz Inwestycji Polskich Przedsiębiorstw Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych
- 5) Fundusz Inwestycji Samorządowych Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych
- 6) Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych Spółek ARP
- 7) Fundusz Sektora Mieszkań dla Rozwoju Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych
- 8) Fundusz Sektora Mieszkań na Wynajem Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych
- 9) PFR BIZNEST Fundusz Inwestycyjny Zamknięty
- 10) PFR Fundusz Funduszy Fundusz Inwestycyjny Zamknięty
- 11) PFR Inwestycje Fundusz Inwestycyjny Zamknięty
- 12) PFR KOFFI Fundusz Inwestycyjny Zamknięty
- 13) PFR NCBR CVC Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych
- 14) PFR OTWARTE INNOWACJE Fundusz Inwestycyjny Zamknięty
- 15) PFR STARTER Fundusz Inwestycyjny Zamknięty

9. Summary of information about the Company's remuneration policy, including information stating that detailed information about said policy, particularly a description of the way in which remuneration and discretionary old age pension benefits are calculated, as well as full names of people responsible for awarding remuneration and discretionary old age pension benefits, including the composition of the remuneration committee, is available on the website and an indication of the website where such policy is made available

A policy regarding variable elements of remuneration within PFR Towarzystwo Funduszy Inwestycyjnych S.A. ("**Policy**") was accepted by the Management Board of the Company on 2 December 2016 and approved by the Company's Supervisory Board. The Policy was drawn up on the basis of Article 47a of the Act and the provisions of the regulation of the Minister of Finances of 30 August 2016 on detailed requirements to be met by a remuneration policy in an investment fund company (Journal of Laws of 2016, item 1487), hereinafter referred to as the "**Regulation**." Within the Fund, there are also Remuneration Regulations adopted by the Company's Management Board on 28 October 2016 and setting forth terms and conditions for remunerating work and awarding other benefits connected with working at the Company.

The purpose of the Policy is to ensure correct and efficient management of risk and prevent the taking of risk inconsistent with risk profiles, investment policy, investment strategy, investment fund statutes, or internal regulations of the Company. The provisions of the Policy define general rules pertaining to calculating, awarding, and disbursing variable elements of remuneration of people who have a major impact on the risk profile of the Company or subfunds managed by them or of people occupying managerial positions within the Company, i.e.: Management Board Members, employees taking investment-related decisions pertaining to the investment portfolios of investment funds managed by the Company, people performing tasks related to risk management, people performing tasks related to legal compliance of activity, directors of departments, managers of divisions, and team leaders.

The Policy was developed taking into account the legal form of the Company, as well as the scope and degree of complexity of its activity and risks associated therewith, as well as the internal structure of the Company, i.e. in line with the principle of proportionate implementation of requirements provided for in §6(2) of the Regulation.

Detailed information about the Policy, particularly a description of the way in which remuneration and discretionary old age pension benefits are calculated, the names and functions of people responsible for awarding remuneration and discretionary old age pension benefits, including the remuneration committee, can be found at www.pfrtfi.pl.

CHAPTER III. Data regarding the Fund**1. Date of permit to create the Fund**

Not applicable. The Fund is a specialist investment fund created with subfunds within it, every such subfund being a fixed-date subfund as per Article 39 of the Act of 4 October 2018 on employee capital plans (Journal of Laws of 2018, item 2215), whose creation, pursuant to Article 15a of the Act, does not require permission from KNF Financial Supervision Authority.

2. Date when and number under which the Fund was recorded in the register of investment funds

The Fund was registered in the register of investment funds on 18 April 2019 under no. RFi 1642.

3. Characteristic features of Participation Units sold by the Fund

The Fund sells Participation Units of one category per Subfund. Participation Units in a given Subfund represent the same property rights of a Participant, as defined in the Statutes, the Act, and the ECP Act, with regard to that Subfund. Participation Units may be divided into fractions thereof. Participation Units shall not bear interest.

Participation Units of Subfunds may not be disposed of by the Participant for the benefit of third parties but may be the object of Exchange, Disbursement, Transfer Disbursement, or Return. Participation Units may be inherited and passed on pursuant to the rules provided for in the ECP Act.

The Fund may divide Participation Units into equal portions. Such a division shall be effected by means of dividing every Participation Unit by a certain number into equal portions in such way that the total value of Participation Units held by a Participant after such division is effected equalled the value of Participation Units before such division. The Fund shall notify the relevant Participants of its intention to divide Participation Units at least 14 days before such division via the www.pfrtfi.pl website.

4. Concise summary of the rights of Fund Participants

A Fund Participant shall have the right to, without limitation:

- 1) receive the initial payment and annual additional payments pursuant to the rules defined in the ECP Act;
- 2) receive information required under the ECP Act, including:
 - a) information about the conclusion of the ECP Operation Agreement,
 - b) information about the terms and conditions for participation in ECP, as well as about the rights and obligations of the Employer and the Participant related to participation in ECP,
 - c) information about disbursement rules of funds accumulated on the ECP Account of a Participant in the first quarter of the calendar years in which the ECP Participant has reached the age of 60,
 - d) annual information about the amount of funds accumulated within the ECP Account of the Participant, the amount of payments made to the account in the preceding calendar year, and other transactions involving their ECP Account in the preceding calendar year,
- 3) purchase Participation Units for payments made in line with the rules provided for in the ECP Act,
- 4) lower the amount of base payments to less than 2% of the monthly remuneration (but no less than 0.5% of the monthly remuneration) if the remuneration of the Participant from different sources in a given month does not exceed 1.2 times the minimum wage,
- 5) make additional payments up to 2.5% of the Participant's monthly remuneration,

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- 6) receive base payments financed by the Employer of at least 1.5% of the Participant's monthly remuneration,
- 7) withdraw funds from ECP Account by means of a Disbursement, Transfer Disbursement, or Return,
- 8) designate an attorney-in-fact for activities related to participation in the Fund,
- 9) indicate Authorised Persons entitled to receive funds accumulated on the ECP Account after the death of the Participant,
- 10) leave funds in the Fund in the event of a change of the Employer or termination of the ECP Operation Agreement,
- 11) effect an Exchange,
- 12) take part in the General Meeting of Participants,
- 13) resign from making payments to ECP.

5. Rules for subscribing for Participation Units

Not applicable. The Fund organises no subscription for Participation Units.

6. Mode and detailed terms and conditions of:

6.1. Disposing of Participation Units

The Fund shall dispose of participation units in Subfunds exclusively for base payments, additional payments, initial payments, annual additional payments, payments to Subfunds as part of Transfer Disbursement, Exchange, or for funds transferred by the liquidator, as indicated in Article 87(21) of the ECP Act.

As far as the purchase of Participation Units is concerned, the Fund shall only accept Payments made to a bank account especially designated by the Fund and only as part of ECP.

Funds accumulated within ECP due to Payments shall be directed to the Subfund relevant to the Participant's age in line with the Fixed-Date unless the Participant makes a request for dividing Payments made to ECP. A Participant shall have the right to request a new division of Payments to the Fund with the proviso that no less than 10% of the amount of every Payment (the amount of such Payment to be divided shall be accurate to 1%) is to be transferred to each of Subfunds selected and that the percentages add up to 100%.

Participation Units in Subfunds may only be disposed of for the benefit of a natural person who has turned 18 years of age for whom and on whose behalf the Employer, who has concluded an ECP Management Agreement with the Fund at an earlier date, concluded an ECP Operation Agreement.

The Fund shall dispose of Participation Units after a Payment for their purchase has been made on the Valuation Day when the Transfer Agent records the number of Participation Units purchased for such a Payment in the Subregister of Participants of a given Subfund and this shall be done within 7 calendar days from the day when the Fund has received Summary Information from the Employer and when the relevant amount of Payment has been credited to the bank account of the Fund unless there is a delay due to circumstances for which the Fund is not responsible.

The Fund shall dispose of Participation Units at a price corresponding to the Net Asset Value per Participation Unit (NAVPU) of a given Subfund as of the relevant Valuation Day when funds transferred for purchasing Participation Units were credited for that purpose on the bank account of the Fund operated by the Custodian provided that the Fund has received Summary Information from the Employer. In the absence of such Summary Information, the Fund shall dispose of Participation Units at a price in effect as of a given Valuation Date for which the Fund received Summary Information.

6.2. Re-purchase of Participation Units

The Fund shall re-purchase Participation Units recorded on the ECP Account at a price equal NAVPU determined as of the Valuation Day.

Participation Units shall be re-purchased upon recording in the Register of Fund Participants of the number of Participation Units re-purchased and the amount due to the Fund Participant on account of such Participation Unit re-purchase.

The Fund shall re-purchase Participation Units at a price effective as of the second Valuation Day following the day when the relevant re-purchase request was received.

The period in which Participation Units are to be re-purchased shall not exceed 7 calendar days from receiving the re-purchase request unless there is a delay due to circumstances for which the Fund is not responsible.

If re-purchase is effected in connection with the payment of a monthly instalment of Payment, the Participation Unit re-purchase deadline shall be as indicated in point 6.4.

6.3. Exchange of Participation Units for participation unit in another fund and the amount of fees associated with such an exchange

Not applicable.

6.4. Disbursement due to Participation Unit re-purchase or disbursement of Fund's income

A Participant may manage funds accumulated on the ECP Account in line with the rules provided for in chapter 15 of the ECP Act, i.e. exclusively by means of making a request for Disbursement, Transfer Disbursement, or Return.

Disbursement at the request of a Participant who has reached the age of 60, as well as disbursement as part of Spousal Benefit, shall take place according to the following deadlines:

- 1) one-time disbursement - immediately and not later than within 14 days from the submission of the application for such disbursement;
- 2) disbursement in monthly instalments - the first re-purchase of Participation Units shall take place within 7 days from the submission of the application for such disbursement and subsequent instalments shall be paid on dates indicated in the application and if no such dates are indicated in the application, this shall take place one month from the first disbursement; the participation unit Valuation Day as of which the re-purchase price of such units shall be considered the date of first disbursement.

Disbursement as part of the Spousal Benefit, as defined in the ECP Act, shall be effected in monthly instalments and such disbursement shall take place on dates and in the mode provided for in the Informational Brochure.

If a Disbursement aimed at covering Own Contribution is to be made, its date shall be as indicated in the agreement discussed in Article 98(1) of the ECP Act.

Disbursements at the request of the Participant related to an instance of Serious Illness shall be effected according to following deadlines:

- 1) one-time disbursement - immediately and not later than within 14 calendar days from the submission by the Participant of the application for such disbursement;
- 2) disbursement effected in monthly instalments - the first instalment shall be paid immediately and not later than within 14 calendar days from the submission by the Participant of the application for such disbursement and subsequent payments shall be made on dates indicated in the application.

A Transfer Disbursement of funds accumulated as part of the ECP Account may be effected:

- 1) to another ECP Account;
- 1) to the account of a fixed-term savings deposit of the Participant after they have reached the age of 60;
- 2) to an account of a fixed-term deposit of the Participant with a credit and savings union after the Participant has reached the age of 60;
- 3) to the IRA of the spouse of a deceased Participant or the IRA of the Authorised Person;
- 4) to an IRA account operated for the spouse of a deceased Participant or for the Authorised Person;
- 5) to the Insurance Institution pursuing activity indicated in section I of the appendix to the act of 11 September 2015 on insurance and re-insurance activity;
- 6) to the account of a fixed-term savings deposit or the account of a fixed-term deposit of the spouse or former spouse of the Participant as per Article 80(2) of the ECP Act.

A Transfer Disbursement shall be effected under a request from the Employer if the situation is as discussed in Article 12(4) and Article 19(4) of the ECP Act, the Participant, the spouse or former spouse of a Participant, the spouse of a deceased Participant, or the Authorised Person after the following relevant document is presented: a confirmation of participation in another ECP, IRA, or EPS, a confirmation of a concluded agreement for operating the account of a fixed-term savings deposit or an agreement for operating the account of a fixed-term deposit, or a confirmation of an agreement concluded with the Insurance Institution under which the Participant is to acquire the right to a fixed-term or lifetime benefit after they reach 60 years of age.

A Transfer Disbursement may also be effected under the following specific circumstances:

- 1) in the event of the Participant divorcing or their marriage being annulled, the Transfer Disbursement shall be effected within 3 months from the submission of the relevant application and presentation of evidence confirming that funds accumulated on the Participant's ECP Account are due to their former spouse;
- 2) if the Participant who, as of the date of their death, was married, the Transfer Disbursement shall be effected within 3 months after presentation by the spouse of the deceased Participant of a copy of the death certificate, marriage certificate, and a statement of their marital financial relations, as well as documents describing the way in which such financial relations were settled if there was no statutory marital property between the spouses;
- 3) to the extent in which funds accumulated on the ECP Account of a deceased Participant were transferred to Authorised Persons, the Transfer Disbursement shall be effected within 3 months from the submission of a request for Transfer Disbursement together with a copy of the Participant's death certificate and a document confirming the identity of the authorised person or a copy of a valid and binding court decision confirming the acquisition of inheritance or a certified deed confirming inheritance, as well as a joint statement made by all heirs regarding the way in which funds accumulated on the ECP Account of the deceased Participant are to be divided or a valid and binding court decision regarding the division of inheritance, and documents confirming the identity of heirs - unless the Authorised Person requests that the Transfer Disbursement or Return be effected at a later date.

In the event of a Return, disbursement shall take place within 14 calendar days from the day when the Participants makes the relevant Return request in line with the following:

- 1) if the marriage of a Participant is terminated by means of a divorce or annulled - within 3 months from presentation by their former spouse of evidence confirming that funds on their ECP Account are due to the former spouse;
- 2) if a Participant was married upon their death - within 3 months from presentation by the spouse of such a deceased Participant of evidence confirming that funds on their ECP Account are due to their spouse;
- 3) if funds accumulated on the ECP Account of a deceased Participant are due to Authorised Persons - within 3 months from the submission of a request for such Return by the Authorised Person together with a copy of the Participant's death certificate and a document confirming the identity of the Authorised Person or a copy of a valid and binding court decision confirming the acquisition of inheritance or a certified deed confirming inheritance, as well as a joint statement made by all heirs regarding the way in which funds accumulated by the deceased Participant are to be divided or a valid and binding court decision regarding the division of inheritance, and documents confirming the identity of heirs.

The Fund shall effect Returns taking Article 83 and Article 105 of the ECP Act into account.

Before a Return at the request of a Participant's former spouse is effected, the following transfers shall be effected using funds accumulated on the ECP Account of the Participant:

- 1) if an insured person's account indicated in Article 40(1) of the Act of 13 October 1998 on the Social Insurance System is operated for the former spouse of a Participant, the Fund shall transfer from that Participant's funds to an account indicated by the Social Insurance Institution a portion of Participant funds corresponding to 30% of the portion of funds from re-purchase by the Fund of Participation Units which were purchased for the benefit of the Participant using Employer Payments due to the former spouse as a result of marital property division;
- 2) if no insured person's account indicated in point 1 is operated for the former spouse of a Participant, the selected financial institution shall transfer to a bank account indicated by the relevant Minister of Labour a portion of Participant funds corresponding to 30% of the portion of funds from re-purchase by the Fund of Participation Units which were purchased for the benefit of the Participant using Employer Payments due to the former spouse as a result of marital property division;
- 3) The Fund shall transfer a portion of the Participant's funds corresponding to funds from re-purchase by the fund of participation units purchased for the benefit of the Participant using the initial payment and annual additional payments to a bank account indicated by the relevant Minister of Labour due to the former spouse as a result of marital property division;
- 4) The Fund shall transfer 70% of funds from re-purchase by the Fund of participation units which were purchased for the benefit of the Participant using Employer Payments in the portion due to the former spouse as a result of marital property division to a bank account or an account within a credit and savings union indicated by the Participant after those funds are reduced by the relevant personal income tax which, in line with separate legal regulations, is transferred to the account of the relevant tax office;
- 5) The Fund shall transfer, out of Participant funds, an amount corresponding to funds from re-purchase by the Fund of participation units which were purchased for the benefit of the Participant using Participant Payments as an Employee in the portion due to the former spouse as a result of marital property division to a bank account or an account within a credit and savings union indicated by the Participant after those funds are reduced by the relevant personal income tax which, in line with separate legal regulations, is transferred to the account of the relevant tax office.

Before a Return at the request of the Participant is effected, the following transfers shall be effected by the Fund using funds accumulated on the ECP Account of the Participant:

- 1) 30% of funds from re-purchase by the Fund of participation units which were purchased for the benefit of the Participant using Employer Payments to a bank account indicated by the Social Insurance Institution;
- 2) 70% of funds from re-purchase by the Fund of participation units which were purchased for the benefit of the Participant using Employer Payments to a bank account or an account within a credit and savings union indicated by the Participant after those funds are reduced by the relevant personal income tax which, in line with separate legal regulations, is transferred to the account of the relevant tax office;
- 3) an amount corresponding to funds from the re-purchase of participation units which were purchased for the benefit of the Participant using Payments financed by the Participant in their capacity of an Employee to a bank account or an account within a credit and savings union indicated by the

Participant after those funds are reduced by the relevant personal income tax which, in line with separate legal regulations, is transferred to the account of the relevant tax office;

- 4) an amount corresponding to funds from re-purchase by the Fund of participation units purchased for the benefit of the Participant using the initial payment and annual additional payments to a bank account indicated by the relevant Minister of Labour.

Profits achieved by Subfunds shall be used to increase the assets of those Subfunds and shall not be disbursed.

6.5. Exchange of Participation Units associated with one Subfund for Participation Units associated with a different Subfund and fees related to such exchange

The Participant shall have the right to, under one order, effect an Exchange of Participation Units between different Subfunds.

An Exchange shall be effected by means of simultaneously re-purchasing Participation Units in one Subfund (source Subfund) and purchasing, using funds obtained due to such re-purchase, Participation Units in another Subfund (target Subfund). Participation Units in the target Subfund may be purchased as part of such an exchange only after funds acquired as a result of re-purchase of Participation Units in the source Subfund have been credited to the bank account of the target Subfund. Performance of the third and further Exchange requests in a given calendar year may be subject to a fee calculated in line with the following rules.

When making an Exchange request, the Participant shall indicate a percentile division of funds accumulated as part of ECP within particular Subfunds; a payment made to a Subfund shall amount to at least 10% of funds accumulated as part of ECP, accurate down to 1% (one percentile point). The division of funds accumulated as part of ECP shall be defined as of the Valuation Day when the Exchange request is processed. If a Participant makes an Exchange order pertaining to a smaller portion of Participation Units accumulated as part of ECP than was indicated, such an Exchange request shall not be performed.

re-purchase of Participation Units in the source Subfund in connection with performing an Exchange may be subject to a handling fee whose amount shall be defined by the Company and which shall not be more than 0.1% of the value of Participation Units covered by a given Exchange request. The handling fee for effecting an Exchange shall reduce the amount which Participation Units of the target fund are sold for and shall be due to the Company from the Participant.

The Fund shall perform an Exchange request related to Participation Units using a price in effect as of the second Valuation Day following the day when the Exchange request is received and within 7 calendar days from the day when the Participant makes such a request unless there is a delay for reasons not attributable to the Fund.

6.6. Considerations due to late performance of Participant orders or incorrect valuation of Net Assets per Participation Unit

If there are liabilities towards Participants due to late performance of orders or incorrect performance of orders, such liabilities shall be paid for by the Company or a company collaborating with the Company at whose fault a given liability emerged. Liabilities shall be paid for immediately after their value is calculated by means of purchasing for the benefit of the Participant additional Participation Units up to the value of the liability or by means of effecting a transfer of funds to the Participant's account. Participation Units shall be purchased at a price effective as of the day when the liability is paid for and, consequently, the value of Participation Units purchased equals the value of the liability as of the day when it is paid for.

If NAVPU is incorrectly calculated at the fault of the Company, the Company shall immediately adjust the number of Participation Units purchased or disposed of. If a Participant has received an amount or a number of Participation Units lower than was due to them as a result of incorrect valuation, the Company shall compensate the Participant for their losses by means of disbursing the missing amount to them or purchasing

the relevant number of Participation Units for them. If a Participant has received an amount or a number of Participation Units greater than was due to them as a result of incorrect valuation, the Company shall compensate the Fund for its losses or adjust the number of Participation Units sold to the Participant.

The Company may not be held liable for losses due to the Employer failing to fulfil or improperly fulfilling their obligations provided for in the ECP Management Agreement, ECP Operation Agreement, or ECP Regulations, as well as for losses related to the promptness and correctness of calculation of ECP Payments to ECP Accounts of Participants.

6.7. Sequence of order performance

- 1) The Transfer Agent shall perform Participant orders in the sequence in which they were received.
- 2) If the Transfer Agent receives more than one order accepted on the same Valuation Day and those orders pertain to the same ECP Account, the sequence in which they shall be performed is as follows: Exchange; disposal; disbursement; transfer disbursement or return.

7. Circumstances under which the Fund may suspend re-purchase of Participation Units connected with a given Subfund

The Fund may suspend re-purchasing Participation Units of a given Subfund for 2 weeks if:

- 1) in the preceding 2 weeks the total value of Participation Units re-purchased by the Subfund and Participation Units whose re-purchase was requested exceeds 10% of the value of that Subfund's Assets or
- 2) it is impossible to reliably appraise a material portion of Subfund Assets for reasons not attributable to the Fund.

If the situation is as indicated above, then, with the consent of KNF Financial Supervision Authority and subject to conditions defined thereby:

- 1) the re-purchase of Participation Units may be suspended for a period exceeding 2 weeks and not exceeding 2 months,
- 2) the Fund may re-purchase Participation Units in instalments over the course of a period not exceeding 6 months, applying proportionate reduction or when effecting disbursements due to Participation Unit re-purchase.

Throughout such suspension of Subfund Participation Unit re-purchase, the Fund shall not effect Exchanges, Disbursements, Transfer Disbursements, or Returns.

The Fund may suspend re-purchase of Participation Units in any Subfund separately if the conditions provided for in the Act and in this point have been met.

Information about suspension of Participation Unit re-purchase shall be made available in places where Participation Units are sold indicated in the informational brochure of the Fund and shall also be communicated to the general public by means of the relevant announcement being published on the Company's website: www.pfrtfi.pl.

8. Definition of markets on which Participation Units are to be disposed of

Participation Units shall be disposed of exclusively in Poland.

9. Concise information about the tax-related obligations of the Fund and detailed information about the tax-related obligations of Participants, including an indication of the legal provisions in force and information about whether or not income tax has to be paid in connection with holding Participation Units

9.1. Tax-related obligations of the Fund

The Fund is a specialised open investment fund operating under the Act and it is a fixed-date fund as per the ECP Act. The tax exemption provided for in Article 6(1)(10) of the Personal Income Tax Act of 15 February 1992 under which specialised open investment funds shall be exempted from paying the income tax shall apply to the Fund.

Pursuant to Article 12(4)(26) of the Corporate Income Tax Act of 15 February 1992, revenue shall not include the value of payments in the form of cash or securities or shares in limited liability companies accepted in exchange for assigning or selling participation units or investment certificates to fund participants or, in the case of a fund with subfunds divided within it, subfund participants.

9.2. Tax-related obligations of Fund Participants

Due to the fact that tax-related obligations depend on the situation of a given Fund participant and the venue where a given investment is made, it is necessary to consult a tax adviser or legal adviser in order to determine tax-related obligations.

Pursuant to Article 21(1)(47f) and 21(1)(47g) of the Personal Income Tax Act, annual additional payments and initial payments of employee capital plans awarded in line with the rules provided for in the ECP Act and amounts received as returns pursuant to Article 85(4) and Article 86(2) of the ECP Act shall be exempted from the income tax.

Pursuant to Article 21(1)(58c) and 21(1)(58d) of the Personal Income Tax, the following shall be exempted from income tax:

1) income due to participation in the Fund related to:

- i. accumulation of funds on the Fund's account by the Participant,
- ii. disbursement of accumulated funds in situations provided for in Article 97(1) of the ECP Act, subject to Article 30a(1)(11a) and 30a(1)(11b) of the Personal Income Tax (i.e. income of a Fund Participant acquired due to a disbursement effected in line with Article 98 of the ECP Act - to the extent in which the Participant has not returned funds disbursed to them by a deadline following from an agreement concluded with the Fund and Fund Participant income due to disbursement of funds discussed in Article 99(1)(2) of the ECP Act - if such disbursement takes place in fewer than 120 monthly instalments, or due to a one-time payment - if the situation is as discussed in Article 99(2) of the ECP Act),
- iii. a transfer disbursement of funds accumulated within the Fund.

2) disbursement from the account of a fixed-term savings deposit or the account of a fixed-term deposit discussed in Article 80(2) and Article 102(3) of the ECP Act, subject to Article 30a(11e) and 30a(11f) of the Personal Income Tax Act of 26 July 1991 (i.e. the income of the spouse or former spouse of a Fund Participant, due to disbursement of 75% of funds transferred to them by means of a transfer disbursement to the account of a fixed-term savings deposit or the account of a fixed-term deposit discussed in Article 80(2) of the ECP Act, effected after the Participant has reached the age of 60 - if such disbursement is effected as a result of liquidation of the account of a fixed-term savings deposit or the account of a fixed-term deposit or if the agreement related to such an account is changed and if income of the Fund Participant changes due to a disbursement of 75% of funds accumulated on the Fund's account which were transferred by means of a transfer disbursement to the account of a fixed-term savings deposit or the account of a fixed-term deposit

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discussed in Article 102(3) of the ECP Act or the account of a fixed-term deposit or if the agreement pertaining to such an account is changed.

According to Article 30a, section 1, points 11a) – 11f) of the Personal Income Tax Act of 26 July 1991, the following shall be subject to taxation with the 19% flat rate of income tax:

- a) income of the Fund Participant obtained due to a disbursement effected under Article 98 of the ECP Act - to the extent in which the Participant has not returned such funds disbursed to them by a deadline following from the relevant agreement concluded with the Fund;
- b) income of the Fund Participant achieved due to a disbursement of funds discussed in Article 99(1)(2) of the ECP Act - if such disbursement is effected in fewer than 120 monthly instalments, or due to a one-time disbursement - if the situation is as discussed in Article 99(2) of the ECP Act;
- c) income of the spouse or former spouse of a Fund Participant due to a return effected under Article 80(2) of the ECP Act;
- d) income of the Fund Participant obtained due to a return of accumulated funds effected in line with Article 105 of the ECP Act;
- e) income of the spouse or former spouse of a Fund Participant due to a disbursement of 75% of funds transferred to them by means of a transfer disbursement to the account of a fixed-term savings deposit or the account of a fixed-term deposit discussed in Article 80(2) of the ECP Act after the Participant has reached the age of 60 - if such disbursement takes place as a result of liquidation of the account of a fixed-term savings deposit or the account of a fixed-term deposit or a change of the agreement pertaining to such an account;
- f) income of Fund Participant due to a disbursement of 75% of funds accumulated on the account as part of the employee capital plan which were transferred by means of a transfer disbursement to the account of a fixed-term savings deposit or the account of a fixed-term deposit discussed in Article 102(3) of the ECP - if such disbursement takes place as a result of liquidation of the account of a fixed-term savings deposit or the account of a fixed-term deposit or a change of the agreement pertaining to such an account.

The amount of funds disbursed which were not returned on time less the costs of purchasing re-purchased Participation Units associated with that failed return shall be considered the income of the Fund Participant discussed in point a) above. The sum of expenses for purchasing re-purchased Participation Units out of which disbursement was made in the mode provided for in Article 98 of the ECP Act, calculated using the same proportion as the ratio of the failed return to the value of disbursed funds, shall be considered the cost discussed in sentence one. Income shall be considered generated as of the day following the day when the deadline for returning disbursed funds, as provided for in the agreement discussed in Article 98(1) of the ECP Act, passed.

The amount of disbursement due to a completed re-purchase of Participation Units less expenses for purchasing re-purchased Participation Units out of which disbursement was made shall be considered the Fund Participant's income discussed in point b).

The amount of return due to a completed re-purchase of Participation Units less expenses for purchasing re-purchased Participation Units out of which return was made shall be considered the Fund Participant's income discussed in points c) and d).

The amount of disbursement less costs associated with such disbursement corresponding to 75% of expenses for purchasing re-purchased Participation Units out of which funds were transferred by means of a transfer disbursement to the account of a fixed-term savings deposit or a fixed-term deposit shall be considered the Fund Participant's income discussed in point e).

The amount of disbursement less costs associated with such disbursement corresponding to expenses for purchasing re-purchased Participation Units out of which funds were transferred by means of a transfer

disbursement to the account of a fixed-term savings deposit or a fixed-term deposit shall be considered the Fund Participant's income discussed in point f).

The tax base (income) and tax shall be values expressed in PLN. In the case of monetary funds, the tax payer, while calculating the tax base (income), separately calculates (converts) revenues and tax-deductible income in PLN, i.e. converts a foreign currency into PLN. Revenue in foreign currencies shall be calculated (converted) using the average rate of exchange of the relevant foreign currency announced by the National Bank of Poland as of the last business day preceding the day when income was received (Article 11a(1) of the Personal Income Tax Act of 26 July 1991) while costs borne in a foreign currency shall be calculated according to the rate of exchange published by the National Bank of Poland as of the last business day preceding the day when redeemed/re-purchased participation units in capital funds were purchased (i.e. the day when the cost was borne, Article 11a(2) of the Personal Income Tax of 26 July 1991). Flat-rate income tax shall be calculated and charged on amounts expressed in PLN.

As far as Participants who are natural persons are concerned, taxes shall be calculated, collected, and paid by the payer, i.e. the entity disbursing funds to Participants due to receiving income due to participation in the Fund or making the same available to Participants (Article 41(4) of the Personal Income Tax of 26 July 1991). To the extent in which an ECP participant has failed to effect a return of funds disbursed to them by a deadline following from the agreement discussed in point a) above, the Participant shall account for the flat-rate income tax related to this on their own as per Article 30a(1)(11a) in conjunction with Article 41(4) of the Personal Income Tax of 26 July 1991.

The tax base and the amount of tax shall be rounded to full PLN in the following way: fractions of PLN less than 50/100 shall be omitted and fractions of PLN of PLN 00/50 or more shall be rounded up to full PLN (Article 63 § 1 of the Tax Ordinance Act of 29 August 1997).

If Participation Units of a Subfund are exchanged for Participation Units of a different Subfund within the same Fund, revenue and tax-deductible income shall not be calculated as of the moment when such an exchange is effected (Article 17(1c) and Article 23(3e) of the Personal Income Tax of 26 July 1991).

As far as Fund Participants who are natural persons without an address of residence in Poland (foreign investors) are concerned, the above-indicated rules regarding taxation shall be applied taking into account agreements on preventing double taxation concluded by Poland provided that such a Participant presents the relevant certificate of tax residency. Taxation method and rate of the tax under international agreements concluded by Poland may differ from ones following from Polish law. It is advisable to consult a tax adviser in order to determine the exact rules for paying the income tax.

10. Indication of a day and time which is the final deadline for publishing the Net Asset Value per Participation Unit, defined as of a given Valuation Day, as well as the place where the purchase and selling price of Participation Units will be published

The Net Asset Value per Participation Unit defined as of a given Valuation Day shall be published on the websites of the Company www.pfrtfi.pl no later than on the business day following such valuation, by 23:59 with the proviso that if there are circumstances independent from the Company and entities for whose actions the Company is responsible which have an impact on such publication date, the Net Asset Value per Participation Unit shall be published immediately after such circumstances or their consequences cease. The Fund shall publish information about purchase and re-purchase price of Participation Units on the websites of the Company www.pfrtfi.pl.

11. Definition of methods and rules for appraising Subfund Assets and declaration of an entity authorised to reviews financial statements confirming that the methods and rules of Subfund Asset appraisal described in the Brochure are consistent with regulations pertaining to investment fund bookkeeping and that the same are consistent with Subfund investment policy and complete

11.1. Methods and rules of Subfund Asset appraisal

11.1.1. Calculation of Net Asset Value and Net Asset Value per Participation Unit

1. Subfund Assets shall be appraised and Subfund liabilities shall be defined as of the Valuation Day and as of the day of drawing up the relevant financial report in line with the rules indicated in the following points.
2. A Subfund shall appraise Subfund Assets and define the Net Subfund Asset Value and the Net Asset Value per Participation Unit as of Valuation Days.
3. Subfund Assets shall be appraised and Subfund liabilities shall be calculated in line with a reliably estimated fair value subject to the provisions of point 11.1.3. section 1 point 1) and point 2) and points 11.1.4 and 11.1.5.
4. The Net Subfund Asset Value shall equal the value of all Subfund Assets as of the Valuation Day minus Subfund liabilities.

11.1.2. Appraisal of investment components on the Active Market

1. Investment components on the Active Market shall be appraised as follows:
 - 1) The fair value of investment components of Fund deposits on the Active Market shall be determined on the basis of the most recent exchange rate available as of the date of such appraisal of such an investment component on the Active Market.
 - 2) If as of such appraisal the Active Market on whose basis a given investment component is appraised does not trade, then such an investment component shall be appraised on the basis of the last closing exchange rate available for that Active Market or, if there is no such closing exchange rate, on the basis of another indicator corresponding to such a rate defined for the Active Market, taking fair value adjustments provided for in point 11.1.7 into account.
 - 3) If the last rate of exchange available was calculated on the basis of a markedly low volume of transactions involving a given investment component or if no transaction involving a given investment component has been concluded or if the rate of exchange is from a day earlier than the last day on which a given investment component was traded on the Active Market, then the investment component shall be appraised on the basis of the last rate of exchange from the Active Market available when appraisal is effected, taking fair value adjustments provided for in point 11.1.7 into account and with the proviso that if the appraisal of Subfund Assets is effected after the closing exchange rate is defined on the Valuation Day or, in the absence of a closing exchange rate, after another indicator used as an equivalent thereof on the Active Market, then such a rate of indicator shall be accepted as the last one available, taking important circumstances having an impact on the rate or indicator into account.
2. If an investment component of a Subfund is the object of transactions on more than one Active Market, its fair value shall be its exchange rate defined for the main market.
3. The main criterion for determining which market is the main one, as discussed in section 2, shall be the volume of transactions involving a given investment component. If it is not possible to objectively and accurately determine the volume of transactions, the Subfund shall make use of one of the following applicable criterion:

- 1) the number of transactions involving a given investment component concluded, or
 - 2) the quantity of a given investment component introduced into circulation on a given market, or
 - 3) the order of introduction into circulation, or
 - 4) whether or not the Subfund can conclude transactions on a given market.
4. The main market, as discussed in section 2, shall be selected as of the end of every subsequent calendar month.
5. Last available rates of exchange, as discussed in section 1, as of the day of appraisal shall be defined by the Subfund as of 23:30. 23:30 was selected due to the foregoing considerations:
- 1) the inter-bank deposit interest rates WIBOR and WIBID are already defined for the Polish inter-bank market by 23:30,
 - 2) as of 23:30, closing exchange rates are already available for Polish and European stock exchanges,
 - 3) as of 23:30, closing exchange rates are already available for most North American, South American, and Asian markets.
6. The provisions of the above-indicated sections shall apply to the appraisal of the following Subfund investments listed on the Active Market:
- 1) shares,
 - 2) subscription warrants,
 - 3) titles to shares,
 - 4) pre-emptive rights,
 - 5) depository receipts,
 - 6) mortgage bonds,
 - 7) debt securities,
 - 8) Derivative Instruments,
 - 9) participation titles issued by foreign funds and foreign joint investment institutions,
 - 10) other securities approved for trading.

11.1.3. Appraisal of investment components not listed on the Active Market

1. The value of investment components of the Subfund not listed on the Active Market shall be calculated, subject to the provisions of point 11.1.4, in the following way:
 - 1) for debt securities - at the adjusted purchase price estimated with the use of the effective interest rate and taking write-offs due to depreciation into account,
 - 2) shares:
 - a) for shares issued by entities for which issuers of a similar profile and scope of activity whose shares are listed on the Active Market can be found - using index models relating the price of shares to certain selected financial parameters associated with the financial activity of the issuer (price/profit, price/bookkeeping value, etc.) on the basis of a price announced on the Active Market for shares of issuers listed on the Active Market,
 - b) for shares issued by entities for which issuers of a similar profile and scope of activity whose shares are listed on the Active Market cannot be found - using a model of discounted cash

flows taking into account a discount rate which in turn takes into account the risk-free rate and the bonus for risk associated with a given issuer's activity. The fair value following from the relevant financial analysis shall be subject to adjustment whenever the Subfund receives information pertaining to important events which might have an impact on the fair value of shares being appraised,

- c) other appraisal techniques if, in the Company's opinion, a given technique offers a more reliable estimation of the fair value,
- 3) debt securities containing built-in Derivative Instruments in the following way:
 - a) if such built-in derivative instruments are closely connected with the debt security being appraised, the value of such debt securities shall be calculated using an appraisal model suitable for a given debt security; the appraisal model used shall, depending on the characteristic features of the built-in Derivative Instrument, take into account in its structure appraisal models for particular built-in derivative instruments,
 - b) if such built-in Derivative Instruments are not closely linked with the debt security being appraised, then the value of such debt security being appraised shall be the sum of value of the debt security (without built-in derivative instruments) calculated taking into account the effective interest rate and the value of built-in derivative instruments calculated on the basis of models relevant to given types of Derivative Instruments,
 - 4) subscription warrants, titles to shares - on the basis of appraisal models applicable to such investments, using parameters taken from the Active Market; if the issuer's shares are not listed on the Active Market, the price of shares used as part of the model shall be calculated in line with point 2) above,
 - 5) pre-emptive rights - on the basis of the model of pre-emptive right theoretical value,
 - 6) depository receipts - on the basis of the price of the security in connection with which a given depository receipt was issued, as announced to the general public on the Active Market,
 - 7) Derivative Instruments , including Non-Standardized Derivative Instruments - based on appraisal models commonly used for a given type of investment, as part of which input parameters are to be taken from the Active Market and the models used shall be:
 - a) for contracts pertaining to the rates of exchange, price, or value of securities or Derivative Instruments of the Financial Market - the discounted cash flows model,
 - b) for options – the Black-Scholes model or other commonly used estimation methods,
 - c) for forward transactions, currency swap transactions, and interest rate swap transactions - the discounted cash flows model.

If in view of the characteristic features of a Derivative Instrument or a Non-Standardized Derivative Instrument it is impossible to apply any of the foregoing modes, the Derivative Instrument or Non-Standardized Derivative Instrument shall be appraised using another commonly used method of estimating fair value, including, in particular, in line with the quotation of its value announced by Bloomberg,

- 8) participation units, investment certificates, participation titles issued by foreign funds, and participation titles issued by joint investment institutions residing abroad - based on the most recently announced Net Asset value per participation unit, investment certificate, or participation title, taking into account circumstances impacting fair value which manifested themselves after the announcement of the Net Asset Value per participation unit, investment certificate, or participation title,

- 9) deposits - at an amount resulting from adding up face value and accrued interest (whose rate shall be calculated using the effective interest rate),
 - 10) financial liabilities and investment components other than indicated above - according to reliably defined fair value, as discussed in point 11.1.7.
2. If the value of an investment component of a Subfund which was appraised according to its fair value before is re-evaluated to the adjusted purchase price - the fair value following from the accounting books of the Subfund as of the date of such re-evaluation shall become the new adjusted purchase price.
 3. Appraisal models discussed in section 1 shall be used continually. Every change of the appraisal model used shall be recorded in the Subfund's financial statement for the next two years.
 4. Models and methods for appraising investment components of the Subfund discussed in section 1 shall be subject to consultation with the Custodian.

11.1.4. Loans of securities

1. Amounts due to loans of securities shall be appraised in line with rules accepted for such securities.
2. All securities allowed for public trading which may be purchased by the Subfund may become the object of a loan of securities.

11.1.5. Securities purchased (disposed of) with a promise of re-purchase

1. Securities purchased with the other party to the relevant transaction undertaking to re-purchase them shall be appraised, as of the conclusion date of the purchase agreement, using the adjusted purchase price method which shall be estimated using the effective interest rate.
2. Liabilities due to disposal of securities with the Subfund undertaking to re-purchase them shall be appraised, as of the conclusion date of the sale agreement, using the method of adjusted difference between the re-purchase price and sale price, applying the effective interest rate.

11.1.6. Assets and liabilities expressed in a foreign currency

1. The assets and liabilities of the Subfund expressed in foreign currencies shall be appraised or defined in the currency in which they are listed on the Active Market or, if they are not listed on the Active Market, in the currency in which they are expressed.
2. The assets and liabilities of the Subfund discussed in section 1 shall be presented in PLN after their conversion using the last available average rate of exchange for the relevant currency calculated by the National Bank of Poland.
3. The value of Subfund Assets listed or expressed in currencies for which the National Bank of Poland does not calculate a rate of exchange shall be defined in relation to the average NBP rate of exchange to USD or, if not possible, to EUR.

11.1.7. Reliably estimated fair value in situations discussed in point 11.1.2. section 1 points 2 and 3 and in point 11.1.3. section 1 point 9

1. The following value shall be considered reliably estimated fair value:
 - 1) an estimation of the value of a given investment component by a specialised independent unit rendering such services, provided that the unit is able to accurately estimate cash flows associated with a given component;
 - 2) application of the relevant appraisal model to the investment component, provided that input data entered to the model are from the active market;

- 3) estimating the value of a given investment component using widely approved estimation methods;
 - 4) estimating the value of an investment component for which there is no active market on the basis of the price of an investment component which is not considerably different from the one to be appraised (in particular, the legal structure and economic purpose of the former being similar to those of the latter) publicly announced on the active market.
2. Models and methods for appraising investment components of the fund discussed in section 1 shall be subject to consultation with the custodian.

11.2. Declaration of an entity authorised to review financial statements

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12. Information about the creation of an investor board

The Fund does not plan to create an investor board.

13. Information about the mode of and rules for the operation of the General Meeting of Participants indicated in Article 113a of the Act

The General Meeting of the Fund's Participants operates as its body. The mode of operation of the General Meeting of Participants and the mode in which it passes resolutions are defined in the Statutes and the regulations approved by the meeting. The General Meeting shall take place at the venue of the Fund's seat or at another venue defined by the Company in a notification on convening the General Meeting of Participants. A General Meeting shall be convened to give consent to the following:

- 1) management of the Fund being taken over by another investment fund company;
- 2) management of the Fund and the handling of its affairs being taken over by a manager from the European Union.

A General Meeting of Participants shall be convened by the Company by means of notifying Participants of it via registered mail or using a permanent information carrier at least 21 days before the planned date of such a General Meeting of Participants. Such a notification shall include information about the date and venue of the General Meeting of Participants, an indication of the event to which the General Meeting is to give its consent, information about suspension of sale and re-purchase of Participation Units, information about the day as of which the list of Participants authorised to take part in the General Meeting is defined. Before transferring the notification indicated in the preceding sentence, the Company shall publish an announcement that a General Meeting of Participants is to be convened on the www.pfrtfi.pl website.

A Participant shall be authorised to take part in a General Meeting of Participants provided that they are recorded in the Register of Fund Participants as of the end of the second Business Day preceding the date of the General Meeting of Participants. As far as matters pertaining only to a specific Subfund are concerned, only Participants of that Fund shall have the right to take part in the relevant General Meeting. The purchase and re-purchase of Participation Units shall be suspended from the day preceding the General Meeting until its date. A Participant may take part in a General Meeting personally or by proxy. The relevant power of attorney shall be granted in writing under pain of nullity.

A General Meeting shall be valid if at least 50% of the Participation Units of the Fund, as of the situation two Business Days before the date of the General Meeting, are represented on it. Each whole Participation Unit held shall entitle a Participant to cast one vote. Before a resolution is passed by the General Meeting of Participants, the Management Board of the Company shall present its recommendations to Participants and provide them with explanations related to matters of interest to them pertaining to the event/circumstances for which the General Meeting is to give its consent - this shall include answering questions asked by Participants. Before a resolution is passed, a Participant may request to hold a discussion related to whether or not giving

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the consent discussed in points 1) - 2) above is reasonable. Resolutions shall be passed by the General Meeting with a majority of 2/3 votes cast by Participants present or represented at a given General Meeting.

A resolution of the General Meeting which is contrary to the Act may be appealed against by means of initiating a lawsuit against the Fund for declaring the resolution invalid as per the rules defined in the Act. The right to file such a lawsuit shall expire after the lapse of one month from such a resolution being passed. If an obviously groundless lawsuit for declaring a resolution of the General Meeting of Participants null and void is filed, the court, at the request of the Company, may order the relevant Participant to pay ten times the court costs and remuneration of one lawyer or legal adviser. This shall not preclude seeking compensation under commonly applicable rules.

CHAPTER IV. Subfund PFR PPK 2025**1. Brief description of the Subfund's investment policy****1.1. Indication of the main categories of the Subfund's investments and their diversification so as to describe the character of the Subfund and, if the Subfund mostly invests its assets in investments other than securities or instruments of the financial market, a clear indication of that characteristic feature**

1. The Subfund is a Fixed-Date Subfund as per the ECP Act. The Fund manages the investment Policy of the Subfund in line with the rules provided for in the Fund's Statutes.
2. The Fund may invest Subfund Assets in securities, financial instruments, and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object in line with the rules provided for in Article 38 in the 2nd part of the Fund's Statutes.
3. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2019, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 2) as of 1 January 2020 and until 31 December 2024, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 3) from 1 January 2025, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
4. The Fund may, as part of the Debt Portion of the Subfund's portfolio, invest:
 - 1) no less than 70% of the value of assets considered the Debt Portion in:
 - a) securities issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government body, or central state authorities, or the central bank of a Member State, the European Union, or the European Investment Bank, or international organisations on condition that such securities issued, backed, or guaranteed by such international organisations have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - b) deposits with a maturity date no longer than 180 days with domestic banks or loan institutions in the meaning of the Banking Law Act of 29 August 1997 provided that such loan institutions have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;

- 2) no more than 30% of the value of assets of the Debt Portion in financial instruments other than indicated in point 1) provided that no more than 10% of the value of assets may be invested in financial instruments which do not have an investment ranking assigned to them by a rating agency approved by the European Central Bank in its operations.
5. While calculating the share of particular investment categories in the Debt Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using Derivative Instruments.
6. The Fund may, as part of the Share Portion of the Subfund's portfolio, invest:
 - 1) no less than 40% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies, as defined in the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, which are included in the WIG20 index or in derivative instruments based on the shares of such companies or the WIG20 index;
 - 2) no more than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies which are included in the mWIG40 index or in derivative instruments based on the shares of such companies or the mWIG40 index;
 - 3) no more than 10% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) other than indicated in points 1) and 2) and by companies listed on the organised market in Poland and in derivative instruments based on shares of such companies or market indices where they are listed and in shares, rights to shares, pre-emptive rights, or other share instruments constituting the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for admission into circulation at the Warsaw Stock Exchange and such admission into circulation is secured within a year from the date when such securities were first offered;
 - 4) no less than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, and other share instruments constituting the object of circulation on the organised market of an OECD state other than Poland or derivative instruments based on such share instruments or their indices.
7. While calculating the share of particular investment categories in the Share Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using derivative instruments.
8. The Fund may invest the Assets of every Subfund in assets expressed in PLN or currencies of EU member states or parties to the European Economic Area agreement or members of the Organisation for Economic Cooperation and Development. The total value of assets of every Subfund invested by the Fund in assets expressed in a currency other than PLN may not exceed 30% of the value of Assets of a given Subfund.
9. The Fund, acting on behalf of a Subfund, may take out loans and bank loans exclusively from domestic bank or loan institutions whose repayment period shall be up to one year and whose total value shall not exceed 10% of the Net Subfund Asset Value as of the conclusion of a given loan or bank loan agreement.

10. The Fund, acting on behalf of a Subfund, may grant loans to other entities whose object may be securities, including dematerialised securities, in line with the rules provided for in the Act.
11. Rules for investment diversification and other investment-related restrictions provided for in the Act shall apply to matters not provided for hereinabove.

1.2. A brief description of criteria for selecting investments for the investment portfolio of Subfunds

1. The proportions of different types of investments for a given Subfund shall depend on the Company's decision and on the amount of time remaining until the Fixed Date of a given Subfund. While taking investment-related decisions regarding the Assets of a given Subfund, the Company shall follow its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act, the ECP Act, and the Statutes into account. Further, the Company shall strive to achieve an investment portfolio structure of a given Subfund consistent with the diversification rules defined for that Subfund.
2. Core criteria for choosing investments used by the Fund while investing Subfund assets shall be fundamental analysis and portfolio analysis. The following criteria shall also be taken into account when making investments in particular types of deposits:
 - 1) as regards investments in shares and similar financial instruments such as, in particular: pre-emptive rights, rights to shares, subscription warrants, depository notes (or other property rights incorporating rights under shares), as well as other disposable shares incorporating property rights corresponding to rights under shares: an assessment of development prospects for a given issuer, belonging to indices, capitalization and liquidity of the issuer's instruments, the current and expected situation on markets, expected rate of return, the level of investment risk, the level of currency risk in the case of investments on foreign markets, and the level of risk associated with investment liquidity;
 - 2) as regards investments in Financial Market Instruments, debt securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, or bonds and financial instruments of a similar type such as, in particular: treasury bills, mortgage bonds, deposit certificates, and other disposable securities incorporating property rights corresponding to rights related to incurring a debt: an assessment of the development prospects of a given issuer taking into account the risk of them becoming insolvent, an assessment of the current and expected level of interest rates and inflation, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, and the liquidity of a given Subfund's Assets;
 - 3) as regards investments in participation units and investment certificates of investment funds whose seat is in Poland and in participation titles issued by foreign funds or joint investment institutions residing abroad: the level of similarity of a given entity's investment policy with the investment policy of a given Subfund, the composition of a given fund's portfolio, analyses of past rates of return, track record of the fund's management team, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, the liquidity of a given Subfund's Assets, and the level of costs to be borne by participants in a given entity,
 - 4) as regards investments in deposits: interest rate on such deposits and the financial standing of the relevant bank or loan institution.
3. The Fund shall make use of the following criteria while choosing the instruments discussed in Article 21(6) of the Fund's Statutes:

- 1) instrument's liquidity and the amount of difference between the purchase and sale proposals related to a given Derivative Instrument associated with it,
- 2) the amount of undervaluation or overvaluation of a given Derivative Instrument in relation to a theoretical appraisal model applicable to a given Derivative Instrument; in the case of undervaluation, the Fund shall take the long position as far as a given Derivative Instrument is concerned and the Fund shall take the short position in the event of overvaluation;
- 3) transaction costs associated with taking and liquidating a position as part of a given Derivative Instrument;
- 4) adjusting the characteristic features of a Derivative Instrument to the investment strategy and financial instruments in the Fund's investment portfolio.

1.3. If a Subfund reflects the composition of a recognised share or debt securities index - indicate the index, the market to which it pertains, and the extent to which the index is reflected by the Subfund

The Subfund does not reflect the composition of a recognised share or debt security index.

1.4. If the net value of assets of the Subfund's investment portfolio may be subject to considerable variation due to the composition of the portfolio and the assumed portfolio management technique, that feature is to be clearly indicated

The Net Value of Assets may be subject to considerable variability in view of the fact that there are shares and other instruments with high variability in its investment portfolio.

1.5. If the Subfund can conclude agreements whose objects are derivative instruments, including Non-Standardised Derivative Instruments, this is to be indicated and the impact of such agreements, including agreements whose subject are Non-Standardised Derivative Instruments, on the risk associated with the investment policy assumed is also to be indicated

The Subfund may conclude agreements whose object are Derivative Instruments, including Non-Standardised Derivative Instruments, both in order to reduce investment risk and to ensure efficient Subfund investment portfolio management. Agreements concluded with a view to limiting investment risk shall be aimed at reducing investment risk, including the risk related to interest rates and currency-related risk, while agreements concluded in order to ensure efficient portfolio management may result in increasing the level of risk.

1.6. If guarantees regarding the payment of a certain amount due to Participation Unit re-purchase were made, indicate the guarantor and the terms and conditions of the guarantee.

Not applicable.

2. A description of investment risk associated with investing in Subfund Participation Units, including risk associated with the Subfund investment policy

2.1. A description of investment risk associated with the Subfund investment policy, taking management strategy and particular investment strategies applied to investments in specific geographic regions, within a specific line of business or economic sector, or to a specific type of investments or in order to reflect an index into account

- 1) market risk - related to the overall economic situation on the securities market,
- 2) loan risk - related to it being possible for an entity with whom the Fund concluded agreements or transactions failing to fulfil their obligations,
- 3) settlement risk - related to business partner risks and them not settling their transactions on time,

- 4) liquidity risk - related to a possible situation where concluding a transaction involving securities without significantly influencing their price is impossible,
- 5) currency risk - related to possible fluctuations of rates of exchange,
- 6) risk connected with storing assets - related to the possibility of the Custodian or sub-custodian ceasing or limiting the scope of their activity consisting in storing Subfund assets,
- 7) risk connected with the concentration of assets or markets - related to the possibility of investing Subfund assets in securities or other financial instruments issued by a small group of issuers or issuers operating within one market,
- 8) legal risk - related to possible changes of the legal system, including taxation, which could have a negative impact on the functioning of economic entities, including issuers of securities,
- 9) macroeconomic risk - related to the impact of the overall economic situation in the country and in the world on the market prices of financial instruments and related to changes of macroeconomic indicators such as the pace of economic growth and inflation rate.

2.2. Description of risk associated with participation in the Subfund, particularly the following types of risk:

- 1) risk of not achieving the expected return on investment in Participation Units, taking factors influencing the level of risk associated with the investment into account

The Subfund shall strive towards achieving the investment objective defined in its Statutes but it cannot guarantee that the same will be achieved. The Subfund does not guarantee that a Participant will achieve a specific rate of return on investment in Participation Units due to risk factors listed above, including conclusion by the Subfund of certain agreements, and due to detailed terms and conditions of transactions concluded by the Subfund.

- 2) risk associated with the conclusion of specific agreements

The conclusion of agreements whose objects are Derivative Instruments, including Non-Standardized Derivative Instruments, may result in the following types of risk occurring:

- a) market risk - related to possible losses due to changes of market parameters such as the price of securities, interest rates, rates of exchange, and stock exchange indices. Due to the effect of financial leverage, the option to take the short position, and the level of complexity of such instrument's appraisal, this risk is higher than in the case of instruments forming the base of such instruments;
- b) risk of incorrect securing of position as a result of the Subfund using an incorrect cash flow hedge or using one incorrectly (thus the strategy used by the Fund may result in losses);
- c) risk of there being no liquidity necessary for concluding a transaction for both securing and secured positions;
- d) risk of non-matching securing and secured positions (due to an error in assessing the relation between the secured position and the hedging instrument, particularly as a result of a change of size of the secured position);
- e) base risk - related to possible discrepancies between changes of the prices of base assets and the derivative instrument;
- f) risk of insolvency of the clearing house - related to possible losses as a result of the clearing house failing to fulfil its obligations (if the derivative instrument is settled by it);

- g) appraisal model risk - related to using an incorrect non-standardised derivative instrument appraisal model;
- h) business partner risk - related to a business partner failing to fulfil their obligations under derivative instrument transactions; due to the presence of financial leverage, losses may exceed the amount of Assets invested in derivative instruments;
- i) financial leverage risk - related to possible losses exceeding the amount of assets invested in derivative instruments if no margin deposit is presented or if it is established in an amount lower than the value of the derivative instrument base.

3) risk associated with special terms and conditions of transactions concluded by the Subfund

Non-standard transactions concluded by the Subfund may result in additional risks and costs associated with them.

4) risk associated with guarantees made

The Subfund does not make guarantees.

5) risks of special circumstances on which the fund participant has no influence or limited influence:

a) commencement of Fund or Subfund liquidation

The Fund may be dissolved and Subfunds may be liquidated in situations provided for in the Statutes.

b) management of the Fund being taken over by another company

Another investment fund company may take over the management of the Fund without the consent of Fund Participants under an agreement concluded with the Company. The company taking over management of the Fund shall take over the rights and responsibilities of the Company.

c) the management of the fund being taken over by a company or a manager from the EU

Under Polish law, the Company may, under an agreement concluded in writing under pain of nullity, with the consent of the General Meeting of Participants, transfer the management of the Fund and the handling of its affairs to a manager from the EU pursuing business activity in Poland.

d) change of custodian or an entity serving the fund

The Fund may change its custodian or other entities serving the Fund or Subfund without the consent of Participants.

e) merger of the Fund with another fund

The Company may decide to merge the Fund with another investment fund managed by the Company. Such a merger shall take place after the Committee has consented to it. Such a merger shall take place by means of transferring the property of the fund to be taken over to the fund taking it over and assigning participation units in the latter to participants of the former in exchange for participation units of the fund to be taken over.

f) transformation of the Fund into an open investment fund

Not applicable.

g) a change of the investment policy

The Company may change the Statutes as regards the Fund's investment policy. Changes to the Statutes shall become effective after 3 months have passed from their announcement.

- 6) guarantor's insolvency

Not applicable.

- 7) inflation

In essence, the impact of this factor is described in the paragraph pertaining to economic risk related to interest rates. It should additionally be emphasized that, from the perspective of a Participant, the level of inflation has a considerable impact on the rate of return on investment in Participation Units. It may so happen that, due to a high level of inflation, the actual rate of return on investment in Participation Units proves to be a negative value in spite of the nominal rate of return on investment in Participation Units being a positive value. Due to this, Participants are at risk of losing the real value of their investment.

- 8) risk associated with legal regulations pertaining to the Fund, particularly as regards tax regulations

Changes to the legal system may exert a negative influence on investments of Participants who run the risk of having to bear additional fees which could in turn have a negative impact on rates of return on investment in Participation Units achieved by Participants.

- 9) Operating risk

Operating risk consists in the possibility of there being losses as a result of inadequacy or deficiency of internal processes, failures of people or systems, or the impact of external factors, including occurrences such as natural disasters and terrorist attacks.

3. Definition of investor profile, including the temporal scope of the investment and the level of investment risk associated with the investment policy of the Subfund

The Subfund is meant for people:

- born between 1963 and 1967,
- planning making long-term savings with a view to using funds thus accumulated after they cease to be professionally active,
- expecting that the risk profile of the Subfund will be adjusted according to Participant age - the Subfund's investment risk will be decreased as the Fixed Date of the Subfund draws nearer,
- accepting moderate fluctuations of value of Participation Units.

4. Information about the amount of fees and commissions related to participation in the Subfund, the mode of their calculation and collection, and about costs to be borne by the Subfund

4.1. An indication of the provisions of the Statutes defining the types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne

The types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne are defined in Article 40 and Article 41 of the Fund's Statutes.

4.2. An indication of the Total Expense Ratio (TER), including information confirming that it reflects the share of costs not directly associated with the Subfund's activity in the average net value of Subfund's assets for a given year, and an indication of categories of Subfund costs not

included in the TER, including transaction fees

Not applicable.

4.3. Handling charges due to disposal or re-purchase of participation units and other fees paid directly by the Participants

The Company charges no handling fees for disposing of and re-purchasing Participation Units. If the third or further Exchange order is performed in a given calendar year, the Company may charge a handling fee amounting to no more than 0.1% of the value of Participation Units covered by such an order.

4.4. An indication of the variable fee constituting a part of the Company's remuneration for handling management, whose amount shall depend on Subfund performance and which is presented as a percentage of the average Net Subfund Asset Value

Pursuant to rules following from the regulation on the mode of calculating the reference rate and detailed rules for calculating remuneration due to performance results to be received by a financial institution registered in the ECP Register issued under Article 49(13) of the ECP Act, the Company may calculate and collect remuneration for performance results achieved; said remuneration shall be calculated by the Company and it shall not amount to more than 0.10% of the Net Subfund Asset Value per annum for every Subfund; said remuneration may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year,
- 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.

Reserves for remuneration for performance results shall be calculated as of every Valuation Day and paid to the Company by the 15th business day after the end of a given year.

4.5. Maximum amount of remuneration for Subfund management

For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.

The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.

The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

4.6. An indication of existing agreements or understandings under which the costs of Subfund's operation are directly or indirectly divided between the Subfund and the Company or another entity

The costs of Subfund's operation shall be divided between the Subfund and the Company under the Statutes.

5. Main financial data of the Subfund in historical perspective

5.1. Net Subfund Asset Value as of the end of the last business year, consistent with the value indicated in a financial report reviewed by an auditor

Not applicable.

5.2. Average rate of return on investment in Participation Units of the Subfund over the course of the last 2 years, for Subfunds operating for less than 3 years, or over the course of the last 3, 5, and 10 years for other Subfunds

Not applicable.

5.3. An indication of a benchmark used for assessing the efficiency of investments in the Participation Units of the Subfund, reflecting the behaviour of market variables which best reflect the purpose and investment policy of the Subfund, hereinafter referred to as the “benchmark”; an indication of that benchmark and information about any changes of the benchmark

No benchmark for assessing the efficiency of investments in the Participation Units of the Subfund has been defined for the Subfund.

5.4. Information about average rates of return from the benchmark used by the Subfund appropriately for periods discussed in point 5.2

Not applicable.

5.5. A reservation that a given Participant’s individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

The Company hereby makes a reservation that individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

CHAPTER V. Subfund PFR PPK 2030

1. Brief description of the Subfund's investment policy

1.1. Indication of the main categories of the Subfund's investments and their diversification so as to describe the character of the Subfund and, if the Subfund mostly invests its assets in investments other than securities or instruments of the financial market, a clear indication of that characteristic feature

1. The Subfund is a Fixed-Date Subfund as per the ECP Act. The Fund manages the investment Policy of the Subfund in line with the rules provided for in the Fund's Statutes.
2. The Fund may invest Subfund Assets in securities, financial instruments, and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object in line with the rules provided for in Article 43 in the 2nd part of the Fund's Statutes.
3. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2019, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - b) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 2) as of 1 January 2020 and until 31 December 2024, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 3) as of 01 January 2025 and until 31 December 2029, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 4) from 1 January 2030, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
4. The Fund may, as part of the Debt Portion of the Subfund's portfolio, invest:
 - 1) no less than 70% of the value of assets considered the Debt Portion in:
 - a) securities issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government body, or central state authorities, or the central bank of a Member State, the European Union, or the European Investment Bank, or international organisations on condition that such securities issued, backed, or guaranteed by such international organisations have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;

- b) deposits with a maturity date no longer than 180 days with domestic banks or loan institutions in the meaning of the Banking Law Act of 29 August 1997 provided that such loan institutions have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - 2) no more than 30% of the value of assets of the Debt Portion in financial instruments other than indicated in point 1) provided that no more than 10% of the value of assets may be invested in financial instruments which do not have an investment ranking assigned to them by a rating agency approved by the European Central Bank in its operations.
5. While calculating the share of particular investment categories in the Debt Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using Derivative Instruments.
6. The Fund may, as part of the Share Portion of the Subfund's portfolio, invest:
 - 1) no less than 40% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies, as defined in the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, which are included in the WIG20 index or in derivative instruments based on the shares of such companies or the WIG20 index;
 - 2) no more than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies which are included in the mWIG40 index or in derivative instruments based on the shares of such companies or the mWIG40 index;
 - 3) no more than 10% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) other than indicated in points 1) and 2) and by companies listed on the organised market in Poland and in derivative instruments based on shares of such companies or market indices where they are listed and in shares, rights to shares, pre-emptive rights, or other share instruments constituting the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for admission into circulation at the Warsaw Stock Exchange and such admission into circulation is secured within a year from the date when such securities were first offered;
 - 4) no less than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, and other share instruments constituting the object of circulation on the organised market of an OECD state other than Poland or derivative instruments based on such share instruments or their indices.
7. While calculating the share of particular investment categories in the Share Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using derivative instruments.
8. The Fund may invest the Assets of every Subfund in assets expressed in PLN or currencies of EU member states or parties to the European Economic Area agreement or members of the Organisation for Economic Cooperation and Development. The total value of assets of every Subfund invested by the Fund in assets expressed in a currency other than PLN may not exceed 30% of the value of Assets of a given Subfund.

9. The Fund, acting on behalf of a Subfund, may take out loans and bank loans exclusively from domestic bank or loan institutions whose repayment period shall be up to one year and whose total value shall not exceed 10% of the Net Subfund Asset Value as of the conclusion of a given loan or bank loan agreement.
10. The Fund, acting on behalf of a Subfund, may grant loans to other entities whose object may be securities, including dematerialised securities, in line with the rules provided for in the Act.
11. Rules for investment diversification and other investment-related restrictions provided for in the Act shall apply to matters not provided for hereinabove.

1.2. A brief description of criteria for selecting investments for the investment portfolio of Subfunds

1. The proportions of different types of investments for a given Subfund shall depend on the Company's decision and on the amount of time remaining until the Fixed Date of a given Subfund. While taking investment-related decisions regarding the Assets of a given Subfund, the Company shall follow its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act, the ECP Act, and the Statutes into account. Further, the Company shall strive to achieve an investment portfolio structure of a given Subfund consistent with the diversification rules defined for that Subfund.
2. Core criteria for choosing investments used by the Fund while investing Subfund assets shall be fundamental analysis and portfolio analysis. The following criteria shall also be taken into account when making investments in particular types of deposits:
 - 1) as regards investments in shares and similar financial instruments such as, in particular: pre-emptive rights, rights to shares, subscription warrants, depository notes (or other property rights incorporating rights under shares), as well as other disposable shares incorporating property rights corresponding to rights under shares: an assessment of development prospects for a given issuer, belonging to indices, capitalization and liquidity of the issuer's instruments, the current and expected situation on markets, expected rate of return, the level of investment risk, the level of currency risk in the case of investments on foreign markets, and the level of risk associated with investment liquidity;
 - 2) as regards investments in Financial Market Instruments, debt securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, or bonds and financial instruments of a similar type such as, in particular: treasury bills, mortgage bonds, deposit certificates, and other disposable securities incorporating property rights corresponding to rights related to incurring a debt: an assessment of the development prospects of a given issuer taking into account the risk of them becoming insolvent, an assessment of the current and expected level of interest rates and inflation, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, and the liquidity of a given Subfund's Assets;
 - 3) as regards investments in participation units and investment certificates of investment funds whose seat is in Poland and in participation titles issued by foreign funds or joint investment institutions residing abroad: the level of similarity of a given entity's investment policy with the investment policy of a given Subfund, the composition of a given fund's portfolio, analyses of past rates of return, track record of the fund's management team, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign

markets, the liquidity of a given Subfund's Assets, and the level of costs to be borne by participants in a given entity,

- 4) as regards investments in deposits: interest rate on such deposits and the financial standing of the relevant bank or loan institution.
3. The Fund shall make use of the following criteria while choosing the instruments discussed in Article 21(6) of the Fund's Statutes:
- 1) instrument's liquidity and the amount of difference between the purchase and sale proposals related to a given Derivative Instrument associated with it,
 - 2) the amount of undervaluation or overvaluation of a given Derivative Instrument in relation to a theoretical appraisal model applicable to a given Derivative Instrument; in the case of undervaluation, the Fund shall take the long position as far as a given Derivative Instrument is concerned and the Fund shall take the short position in the event of overvaluation;
 - 3) transaction costs associated with taking and liquidating a position as part of a given Derivative Instrument;
 - 4) adjusting the characteristic features of a Derivative Instrument to the investment strategy and financial instruments in the Fund's investment portfolio.

1.3. If a Subfund reflects the composition of a recognised share or debt securities index - indicate the index, the market to which it pertains, and the extent to which the index is reflected by the Subfund

The Subfund does not reflect the composition of a recognised share or debt security index.

1.4. If the net value of assets of the Subfund's investment portfolio may be subject to considerable variation due to the composition of the portfolio and the assumed portfolio management technique, that feature is to be clearly indicated

The Net Value of Assets may be subject to considerable variability in view of the fact that there are shares and other instruments with high variability in its investment portfolio.

1.5. If the Subfund can conclude agreements whose objects are derivative instruments, including Non-Standardised Derivative Instruments, this is to be indicated and the impact of such agreements, including agreements whose subject are Non-Standardised Derivative Instruments, on the risk associated with the investment policy assumed is also to be indicated

The Subfund may conclude agreements whose object are Derivative Instruments, including Non-Standardised Derivative Instruments, both in order to reduce investment risk and to ensure efficient Subfund investment portfolio management. Agreements concluded with a view to limiting investment risk shall be aimed at reducing investment risk, including the risk related to interest rates and currency-related risk, while agreements concluded in order to ensure efficient portfolio management may result in increasing the level of risk.

1.6. If guarantees regarding the payment of a certain amount due to Participation Unit re-purchase were made, indicate the guarantor and the terms and conditions of the guarantee.

Not applicable.

2. A description of investment risk associated with investing in Subfund Participation Units, including risk associated with the Subfund investment policy

2.1. A description of investment risk associated with the Subfund investment policy, taking

management strategy and particular investment strategies applied to investments in specific geographic regions, within a specific line of business or economic sector, or to a specific type of investments or in order to reflect an index into account

- 1) market risk - related to the overall economic situation on the securities market,
- 2) loan risk - related to it being possible for an entity with whom the Fund concluded agreements or transactions failing to fulfil their obligations,
- 3) settlement risk - related to business partner risks and them not settling their transactions on time,
- 4) liquidity risk - related to a possible situation where concluding a transaction involving securities without significantly influencing their price is impossible,
- 5) currency risk - related to possible fluctuations of rates of exchange,
- 6) risk connected with storing assets - related to the possibility of the Custodian or sub-custodian ceasing or limiting the scope of their activity consisting in storing Subfund assets,
- 7) risk connected with the concentration of assets or markets - related to the possibility of investing Subfund assets in securities or other financial instruments issued by a small group of issuers or issuers operating within one market,
- 8) legal risk - related to possible changes of the legal system, including taxation, which could have a negative impact on the functioning of economic entities, including issuers of securities,
- 9) macroeconomic risk - related to the impact of the overall economic situation in the country and in the world on the market prices of financial instruments and related to changes of macroeconomic indicators such as the pace of economic growth and inflation rate.

2.2. Description of risk associated with participation in the Subfund, particularly the following types of risk:

- 1) risk of not achieving the expected return on investment in Participation Units, taking factors influencing the level of risk associated with the investment into account

The Subfund shall strive towards achieving the investment objective defined in its Statutes but it cannot guarantee that the same will be achieved. The Subfund, in spite of exercising top-level professional diligence, may not achieve a specific rate of return on investment in Participation Units due to risk factors listed above, including conclusion by the Subfund of certain agreements, and due to detailed terms and conditions of transactions concluded by the Subfund.

- 2) risk associated with the conclusion of specific agreements

The conclusion of agreements whose objects are Derivative Instruments, including Non-Standardized Derivative Instruments, may result in the following types of risk occurring:

- a) market risk - related to possible losses due to changes of market parameters such as the price of securities, interest rates, rates of exchange, and stock exchange indices. Due to the effect of financial leverage, the option to take the short position, and the level of complexity of such instrument's appraisal, this risk is higher than in the case of instruments forming the base of such instruments;
- b) risk of incorrect securing of position as a result of the Subfund using an incorrect cash flow hedge or using one incorrectly (thus the strategy used by the Fund may result in losses);
- c) risk of there being no liquidity necessary for concluding a transaction for both securing and secured positions;

- d) risk of non-matching securing and secured positions (due to an error in assessing the relation between the secured position and the hedging instrument, particularly as a result of a change of size of the secured position);
- e) base risk - related to possible discrepancies between changes of the prices of base assets and the derivative instrument;
- f) risk of insolvency of the clearing house - related to possible losses as a result of the clearing house failing to fulfil its obligations (if the derivative instrument is settled by it);
- g) appraisal model risk - related to using an incorrect non-standardised derivative instrument appraisal model;
- h) business partner risk - related to a business partner failing to fulfil their obligations under derivative instrument transactions; due to the presence of financial leverage, losses may exceed the amount of Assets invested in derivative instruments;
- i) financial leverage risk - related to possible losses exceeding the amount of assets invested in derivative instruments if no margin deposit is presented or if it is established in an amount lower than the value of the derivative instrument base.

3) risk associated with special terms and conditions of transactions concluded by the Subfund

Non-standard transactions concluded by the Subfund may result in additional risks and costs associated with them.

4) risk associated with guarantees made

The Subfund does not make guarantees.

5) risks of special circumstances on which the fund participant has no influence or limited influence:

- a) commencement of Fund or Subfund liquidation

The Fund may be dissolved and Subfunds may be liquidated in situations provided for in the Statutes.

- b) management of the Fund being taken over by another company

Another investment fund company may take over the management of the Fund without the consent of Fund Participants under an agreement concluded with the Company. The company taking over management of the Fund shall take over the rights and responsibilities of the Company.

- c) the management of the fund being taken over by a company or a manager from the EU

Under Polish law, the Company may, under an agreement concluded in writing under pain of nullity, with the consent of the General Meeting of Participants, transfer the management of the Fund and the handling of its affairs to a manager from the EU pursuing business activity in Poland.

- d) change of custodian or an entity serving the fund

The Fund may change its custodian or other entities serving the Fund or Subfund without the consent of Participants.

- e) merger of the Fund with another fund

The Company may decide to merge the Fund with another investment fund managed by the Company. Such a merger shall take place after the Committee has consented to it. Such a merger shall take place by means of transferring the property of the fund to be taken over to the fund taking it over and assigning participation units in the latter to participants of the former in exchange for participation units of the fund to be taken over.

- f) transformation of the Fund into an open investment fund

Not applicable.

- g) a change of the investment policy

The Company may change the Statutes as regards the Fund's investment policy. Changes to the Statutes shall become effective after 3 months have passed from their announcement.

- 6) guarantor's insolvency

Not applicable.

- 7) inflation

In essence, the impact of this factor is described in the paragraph pertaining to economic risk related to interest rates. It should additionally be emphasized that, from the perspective of a Participant, the level of inflation has a considerable impact on the rate of return on investment in Participation Units. It may so happen that, due to a high level of inflation, the actual rate of return on investment in Participation Units proves to be a negative value in spite of the nominal rate of return on investment in Participation Units being a positive value. Due to this, Participants are at risk of losing the real value of their investment.

- 8) risk associated with legal regulations pertaining to the Fund, particularly as regards tax regulations

Changes to the legal system may exert a negative influence on investments of Participants who run the risk of having to bear additional fees which could in turn have a negative impact on rates of return on investment in Participation Units achieved by Participants.

- 9) Operating risk

Operating risk consists in the possibility of there being losses as a result of inadequacy or deficiency of internal processes, failures of people or systems, or the impact of external factors, including occurrences such as natural disasters and terrorist attacks.

3. Definition of investor profile, including the temporal scope of the investment and the level of investment risk associated with the investment policy of the Subfund

The Subfund is meant for people:

- born between 1968 and 1972,
- planning making long-term savings with a view to using funds thus accumulated after they cease to be professionally active,
- expecting that the risk profile of the Subfund will be adjusted according to Participant age - the Subfund's investment risk decreases as the Fixed Date of the Subfund draws nearer,
- accepting medium-level fluctuations of value of Participation Units.

4. Information about the amount of fees and commissions related to participation in the Subfund, the mode of their calculation and collection, and about costs to be borne by the Subfund

4.1. An indication of the provisions of the Statutes defining the types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne

The types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne are defined in Article 45 and Article 46 of the Fund's Statutes.

4.2. An indication of the Total Expense Ratio (TER), including information confirming that it reflects the share of costs not directly associated with the Subfund's activity in the average net value of Subfund's assets for a given year, and an indication of categories of Subfund costs not included in the TER, including transaction fees

Not applicable.

4.3. Handling charges due to disposal or re-purchase of participation units and other fees paid directly by the Participants

The Company charges no handling fees for disposing of and re-purchasing Participation Units. If the third or further Exchange order is performed in a given calendar year, the Company may charge a handling fee amounting to no more than 0.1% of the value of Participation Units covered by such an order.

4.4. An indication of the variable fee constituting a part of the Company's remuneration for handling management, whose amount shall depend on Subfund performance and which is presented as a percentage of the average Net Subfund Asset Value

Pursuant to rules following from the regulation on the mode of calculating the reference rate and detailed rules for calculating remuneration due to performance results to be received by a financial institution registered in the ECP Register issued under Article 49(13) of the ECP Act, the Company may calculate and collect remuneration for performance results achieved; said remuneration shall be calculated by the Company and it shall not amount to more than 0.10% of the Net Subfund Asset Value per annum for every Subfund; said remuneration may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year,
- 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.

Reserves for remuneration for performance results shall be calculated as of every Valuation Day and paid to the Company by the 15th business day after the end of a given year.

4.5. Maximum amount of remuneration for Subfund management

For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "Fixed Remuneration") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.

The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.

The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

4.6. An indication of existing agreements or understandings under which the costs of Subfund's operation are directly or indirectly divided between the Subfund and the Company or another entity

The costs of Subfund's operation shall be divided between the Subfund and the Company under the Statutes.

5. Main financial data of the Subfund in historical perspective

5.1. Net Subfund Asset Value as of the end of the last business year, consistent with the value indicated in a financial report reviewed by an auditor

Not applicable.

5.2. Average rate of return on investment in Participation Units of the Subfund over the

course of the last 2 years, for Subfunds operating for less than 3 years, or over the course of the last 3, 5, and 10 years for other Subfunds

Not applicable.

5.3. An indication of a benchmark used for assessing the efficiency of investments in the Participation Units of the Subfund, reflecting the behaviour of market variables which best reflect the purpose and investment policy of the Subfund, hereinafter referred to as the “benchmark”; an indication of that benchmark and information about any changes of the benchmark

No benchmark for assessing the efficiency of investments in the Participation Units of the Subfund has been defined for the Subfund.

5.4. Information about average rates of return from the benchmark used by the Subfund appropriately for periods discussed in point 5.2

Not applicable.

5.5. A reservation that a given Participant’s individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

The Company hereby makes a reservation that individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

CHAPTER VI. Subfund PFR PPK 2035**1. Brief description of the Subfund's investment policy****1.1. Indication of the main categories of the Subfund's investments and their diversification so as to describe the character of the Subfund and, if the Subfund mostly invests its assets in investments other than securities or instruments of the financial market, a clear indication of that characteristic feature**

1. The Subfund is a Fixed-Date Subfund as per the ECP Act. The Fund manages the investment Policy of the Subfund in line with the rules provided for in the Fund's Statutes.
2. The Fund may invest Subfund Assets in securities, financial instruments, and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object in line with the rules provided for in Article 48 in the 2nd part of the Fund's Statutes.
3. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2024, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - b) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 2) as of 1 January 2025 and until 31 December 2029, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 3) as of 01 January 2030 and until 31 December 2034, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 4) from 01 January 2035, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
4. The Fund may, as part of the Debt Portion of the Subfund's portfolio, invest:
 - 1) no less than 70% of the value of assets considered the Debt Portion in:
 - a) securities issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government body, or central state authorities, or the central bank of a Member State, the European Union, or the European Investment Bank, or international organisations on condition that such securities issued, backed, or guaranteed by such international organisations have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - b) deposits with a maturity date no longer than 180 days with domestic banks or loan institutions in the meaning of the Banking Law Act of 29 August 1997 provided that such loan institutions have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;

- 2) no more than 30% of the value of assets of the Debt Portion in financial instruments other than indicated in point 1) provided that no more than 10% of the value of assets may be invested in financial instruments which do not have an investment ranking assigned to them by a rating agency approved by the European Central Bank in its operations.
5. While calculating the share of particular investment categories in the Debt Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using Derivative Instruments.
6. The Fund may, as part of the Share Portion of the Subfund's portfolio, invest:
 - 1) no less than 40% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies, as defined in the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, which are included in the WIG20 index or in derivative instruments based on the shares of such companies or the WIG20 index;
 - 2) no more than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies which are included in the mWIG40 index or in derivative instruments based on the shares of such companies or the mWIG40 index;
 - 3) no more than 10% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) other than indicated in points 1) and 2) and by companies listed on the organised market in Poland and in derivative instruments based on shares of such companies or market indices where they are listed and in shares, rights to shares, pre-emptive rights, or other share instruments constituting the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for admission into circulation at the Warsaw Stock Exchange and such admission into circulation is secured within a year from the date when such securities were first offered;
 - 4) no less than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, and other share instruments constituting the object of circulation on the organised market of an OECD state other than Poland or derivative instruments based on such share instruments or their indices.
7. While calculating the share of particular investment categories in the Share Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using derivative instruments.
8. The Fund may invest the Assets of every Subfund in assets expressed in PLN or currencies of EU member states or parties to the European Economic Area agreement or members of the Organisation for Economic Cooperation and Development. The total value of assets of every Subfund invested by the Fund in assets expressed in a currency other than PLN may not exceed 30% of the value of Assets of a given Subfund.
9. The Fund, acting on behalf of a Subfund, may take out loans and bank loans exclusively from domestic bank or loan institutions whose repayment period shall be up to one year and whose total value shall not exceed 10% of the Net Subfund Asset Value as of the conclusion of a given loan or bank loan agreement.

10. The Fund, acting on behalf of a Subfund, may grant loans to other entities whose object may be securities, including dematerialised securities, in line with the rules provided for in the Act.
11. Rules for investment diversification and other investment-related restrictions provided for in the Act shall apply to matters not provided for hereinabove.

1.2. A brief description of criteria for selecting investments for the investment portfolio of Subfunds

1. The proportions of different types of investments for a given Subfund shall depend on the Company's decision and on the amount of time remaining until the Fixed Date of a given Subfund. While taking investment-related decisions regarding the Assets of a given Subfund, the Company shall follow its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act, the ECP Act, and the Statutes into account. Further, the Company shall strive to achieve an investment portfolio structure of a given Subfund consistent with the diversification rules defined for that Subfund.
2. Core criteria for choosing investments used by the Fund while investing Subfund assets shall be fundamental analysis and portfolio analysis. The following criteria shall also be taken into account when making investments in particular types of deposits:
 - 1) as regards investments in shares and similar financial instruments such as, in particular: preemptive rights, rights to shares, subscription warrants, depository notes (or other property rights incorporating rights under shares), as well as other disposable shares incorporating property rights corresponding to rights under shares: an assessment of development prospects for a given issuer, belonging to indices, capitalization and liquidity of the issuer's instruments, the current and expected situation on markets, expected rate of return, the level of investment risk, the level of currency risk in the case of investments on foreign markets, and the level of risk associated with investment liquidity;
 - 2) as regards investments in Financial Market Instruments, debt securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, or bonds and financial instruments of a similar type such as, in particular: treasury bills, mortgage bonds, deposit certificates, and other disposable securities incorporating property rights corresponding to rights related to incurring a debt: an assessment of the development prospects of a given issuer taking into account the risk of them becoming insolvent, an assessment of the current and expected level of interest rates and inflation, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, and the liquidity of a given Subfund's Assets;
 - 3) as regards investments in participation units and investment certificates of investment funds whose seat is in Poland and in participation titles issued by foreign funds or joint investment institutions residing abroad: the level of similarity of a given entity's investment policy with the investment policy of a given Subfund, the composition of a given fund's portfolio, analyses of past rates of return, track record of the fund's management team, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, the liquidity of a given Subfund's Assets, and the level of costs to be borne by participants in a given entity,
 - 4) as regards investments in deposits: interest rate on such deposits and the financial standing of the relevant bank or loan institution.
3. The Fund shall make use of the following criteria while choosing the instruments discussed in Article 21(6) of the Fund's Statutes:

- 1) instrument's liquidity and the amount of difference between the purchase and sale proposals related to a given Derivative Instrument associated with it,
- 2) the amount of undervaluation or overvaluation of a given Derivative Instrument in relation to a theoretical appraisal model applicable to a given Derivative Instrument; in the case of undervaluation, the Fund shall take the long position as far as a given Derivative Instrument is concerned and the Fund shall take the short position in the event of overvaluation;
- 3) transaction costs associated with taking and liquidating a position as part of a given Derivative Instrument;
- 4) adjusting the characteristic features of a Derivative Instrument to the investment strategy and financial instruments in the Fund's investment portfolio.

1.3. If a Subfund reflects the composition of a recognised share or debt securities index - indicate the index, the market to which it pertains, and the extent to which the index is reflected by the Subfund

The Subfund does not reflect the composition of a recognised share or debt security index.

1.4. If the net value of assets of the Subfund's investment portfolio may be subject to considerable variation due to the composition of the portfolio and the assumed portfolio management technique, that feature is to be clearly indicated

The Net Value of Assets may be subject to considerable variability in view of the fact that there are shares and other instruments with high variability in its investment portfolio.

1.5. If the Subfund can conclude agreements whose objects are derivative instruments, including Non-Standardised Derivative Instruments, this is to be indicated and the impact of such agreements, including agreements whose subject are Non-Standardised Derivative Instruments, on the risk associated with the investment policy assumed is also to be indicated

The Subfund may conclude agreements whose object are Derivative Instruments, including Non-Standardised Derivative Instruments, both in order to reduce investment risk and to ensure efficient Subfund investment portfolio management. Agreements concluded with a view to limiting investment risk shall be aimed at reducing investment risk, including the risk related to interest rates and currency-related risk, while agreements concluded in order to ensure efficient portfolio management may result in increasing the level of risk.

1.6. If guarantees regarding the payment of a certain amount due to Participation Unit re-purchase were made, indicate the guarantor and the terms and conditions of the guarantee.

Not applicable.

2. A description of investment risk associated with investing in Subfund Participation Units, including risk associated with the Subfund investment policy

2.1. A description of investment risk associated with the Subfund investment policy, taking management strategy and particular investment strategies applied to investments in specific geographic regions, within a specific line of business or economic sector, or to a specific type of investments or in order to reflect an index into account

- 1) market risk - related to the overall economic situation on the securities market,
- 2) loan risk - related to it being possible for an entity with whom the Fund concluded agreements or transactions failing to fulfil their obligations,
- 3) settlement risk - related to business partner risks and them not settling their transactions on time,

- 4) liquidity risk - related to a possible situation where concluding a transaction involving securities without significantly influencing their price is impossible,
- 5) currency risk - related to possible fluctuations of rates of exchange,
- 6) risk connected with storing assets - related to the possibility of the Custodian or sub-custodian ceasing or limiting the scope of their activity consisting in storing Subfund assets,
- 7) risk connected with the concentration of assets or markets - related to the possibility of investing Subfund assets in securities or other financial instruments issued by a small group of issuers or issuers operating within one market,
- 8) legal risk - related to possible changes of the legal system, including taxation, which could have a negative impact on the functioning of economic entities, including issuers of securities,
- 9) macroeconomic risk - related to the impact of the overall economic situation in the country and in the world on the market prices of financial instruments and related to changes of macroeconomic indicators such as the pace of economic growth and inflation rate.

2.2. Description of risk associated with participation in the Subfund, particularly the following types of risk:

- 1) risk of not achieving the expected return on investment in Participation Units, taking factors influencing the level of risk associated with the investment into account

The Subfund shall strive towards achieving the investment objective defined in its Statutes but it cannot guarantee that the same will be achieved. The Subfund, in spite of exercising top-level professional diligence, may not achieve a specific rate of return on investment in Participation Units due to risk factors listed above, including conclusion by the Subfund of certain agreements, and due to detailed terms and conditions of transactions concluded by the Subfund.

- 2) risk associated with the conclusion of specific agreements

The conclusion of agreements whose objects are Derivative Instruments, including Non-Standardized Derivative Instruments, may result in the following types of risk occurring:

- a) market risk - related to possible losses due to changes of market parameters such as the price of securities, interest rates, rates of exchange, and stock exchange indices. Due to the effect of financial leverage, the option to take the short position, and the level of complexity of such instrument's appraisal, this risk is higher than in the case of instruments forming the base of such instruments;
- b) risk of incorrect securing of position as a result of the Subfund using an incorrect cash flow hedge or using one incorrectly (thus the strategy used by the Fund may result in losses);
- c) risk of there being no liquidity necessary for concluding a transaction for both securing and secured positions;
- d) risk of non-matching securing and secured positions (due to an error in assessing the relation between the secured position and the hedging instrument, particularly as a result of a change of size of the secured position);
- e) base risk - related to possible discrepancies between changes of the prices of base assets and the derivative instrument;
- f) risk of insolvency of the clearing house - related to possible losses as a result of the clearing house failing to fulfil its obligations (if the derivative instrument is settled by it);

- g) appraisal model risk - related to using an incorrect non-standardised derivative instrument appraisal model;
- h) business partner risk - related to a business partner failing to fulfil their obligations under derivative instrument transactions; due to the presence of financial leverage, losses may exceed the amount of Assets invested in derivative instruments;
- i) financial leverage risk - related to possible losses exceeding the amount of assets invested in derivative instruments if no margin deposit is presented or if it is established in an amount lower than the value of the derivative instrument base.

3) risk associated with special terms and conditions of transactions concluded by the Subfund

Non-standard transactions concluded by the Subfund may result in additional risks and costs associated with them.

4) risk associated with guarantees made

The Subfund does not make guarantees.

5) risks of special circumstances on which the fund participant has no influence or limited influence:

a) commencement of Fund or Subfund liquidation

The Fund may be dissolved and Subfunds may be liquidated in situations provided for in the Statutes.

b) management of the Fund being taken over by another company

Another investment fund company may take over the management of the Fund without the consent of Fund Participants under an agreement concluded with the Company. The company taking over management of the Fund shall take over the rights and responsibilities of the Company.

c) the management of the fund being taken over by a company or a manager from the EU

Under Polish law, the Company may, under an agreement concluded in writing under pain of nullity, with the consent of the General Meeting of Participants, transfer the management of the Fund and the handling of its affairs to a manager from the EU pursuing business activity in Poland.

d) change of custodian or an entity serving the fund

The Fund may change its custodian or other entities serving the Fund or Subfund without the consent of Participants.

e) merger of the Fund with another fund

The Company may decide to merge the Fund with another investment fund managed by the Company. Such a merger shall take place after the Committee has consented to it. Such a merger shall take place by means of transferring the property of the fund to be taken over to the fund taking it over and assigning participation units in the latter to participants of the former in exchange for participation units of the fund to be taken over.

f) transformation of the Fund into an open investment fund

Not applicable.

g) a change of the investment policy

The Company may change the Statutes as regards the Fund's investment policy. Changes to the Statutes shall become effective after 3 months have passed from their announcement.

6) guarantor's insolvency

Not applicable.

7) inflation

In essence, the impact of this factor is described in the paragraph pertaining to economic risk related to interest rates. It should additionally be emphasized that, from the perspective of a Participant, the level of inflation has a considerable impact on the rate of return on investment in Participation Units. It may so happen that, due to a high level of inflation, the actual rate of return on investment in Participation Units proves to be a negative value in spite of the nominal rate of return on investment in Participation Units being a positive value. Due to this, Participants are at risk of losing the real value of their investment.

8) risk associated with legal regulations pertaining to the Fund, particularly as regards tax regulations

Changes to the legal system may exert a negative influence on investments of Participants who run the risk of having to bear additional fees which could in turn have a negative impact on rates of return on investment in Participation Units achieved by Participants.

9) Operating risk

Operating risk consists in the possibility of there being losses as a result of inadequacy or deficiency of internal processes, failures of people or systems, or the impact of external factors, including occurrences such as natural disasters and terrorist attacks.

3. Definition of investor profile, including the temporal scope of the investment and the level of investment risk associated with the investment policy of the Subfund

The Subfund is meant for people:

- born between 1973 and 1977,
- planning making long-term savings with a view to using funds thus accumulated after they cease to be professionally active,
- expecting that the risk profile of the Subfund will be adjusted according to Participant age - the Subfund's investment risk decreases as the Fixed Date of the Subfund draws nearer,
- accepting medium-level fluctuations of value of Participation Units.

4. Information about the amount of fees and commissions related to participation in the Subfund, the mode of their calculation and collection, and about costs to be borne by the Subfund

4.1. An indication of the provisions of the Statutes defining the types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne

The types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne are defined in Article 50 and Article 51 of the Fund's Statutes.

4.2. An indication of the Total Expense Ratio (TER), including information confirming that it reflects the share of costs not directly associated with the Subfund's activity in the average net value of Subfund's assets for a given year, and an indication of categories of Subfund costs not included in the TER, including transaction fees

Not applicable.

4.3. Handling charges due to disposal or re-purchase of participation units and other fees paid directly by the Participants

The Company charges no handling fees for disposing of and re-purchasing Participation Units. If the third or further Exchange order is performed in a given calendar year, the Company may charge a handling fee amounting to no more than 0.1% of the value of Participation Units covered by such an order.

4.4. An indication of the variable fee constituting a part of the Company's remuneration for handling management, whose amount shall depend on Subfund performance and which is presented as a percentage of the average Net Subfund Asset Value

Pursuant to rules following from the regulation on the mode of calculating the reference rate and detailed rules for calculating remuneration due to performance results to be received by a financial institution registered in the ECP Register issued under Article 49(13) of the ECP Act, the Company may calculate and collect remuneration for performance results achieved; said remuneration shall be calculated by the Company and it shall not amount to more than 0.10% of the Net Subfund Asset Value per annum for every Subfund; said remuneration may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year,
- 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.

Reserves for remuneration for performance results shall be calculated as of every Valuation Day and paid to the Company by the 15th business day after the end of a given year.

4.5. Maximum amount of remuneration for Subfund management

For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the “**Fixed Remuneration**”) whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.

The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.

The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

4.6. An indication of existing agreements or understandings under which the costs of Subfund's operation are directly or indirectly divided between the Subfund and the Company or another entity

The costs of Subfund's operation shall be divided between the Subfund and the Company under the Statutes.

5. Main financial data of the Subfund in historical perspective

5.1. Net Subfund Asset Value as of the end of the last business year, consistent with the value indicated in a financial report reviewed by an auditor

Not applicable.

5.2. Average rate of return on investment in Participation Units of the Subfund over the course of the last 2 years, for Subfunds operating for less than 3 years, or over the course of the last 3, 5, and 10 years for other Subfunds

Not applicable.

5.3. An indication of a benchmark used for assessing the efficiency of investments in the Participation Units of the Subfund, reflecting the behaviour of market variables which best reflect the purpose and investment policy of the Subfund, hereinafter referred to as the “benchmark”; an indication of that benchmark and information about any changes of the benchmark

No benchmark for assessing the efficiency of investments in the Participation Units of the Subfund has been defined for the Subfund.

5.4. Information about average rates of return from the benchmark used by the Subfund appropriately for periods discussed in point 5.2

Not applicable.

5.5. A reservation that a given Participant's individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

The Company hereby makes a reservation that individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

CHAPTER VII. Subfund PFR PPK 2040**1. Brief description of the Subfund's investment policy****1.1. Indication of the main categories of the Subfund's investments and their diversification so as to describe the character of the Subfund and, if the Subfund mostly invests its assets in investments other than securities or instruments of the financial market, a clear indication of that characteristic feature**

1. The Subfund is a Fixed-Date Subfund as per the ECP Act. The Fund manages the investment Policy of the Subfund in line with the rules provided for in the Fund's Statutes.
2. The Fund may invest Subfund Assets in securities, financial instruments, and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object in line with the rules provided for in Article 53 in the 2nd part of the Fund's Statutes.
3. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2019, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - b) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 2) as of 01 January 2020 and until 31 December 2029, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - b) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 3) as of 01 January 2030 and until 31 December 2034, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 4) as of 01 January 2035 and until 31 December 2039, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 5) from 01 January 2040, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
4. The Fund may, as part of the Debt Portion of the Subfund's portfolio, invest:
 - 1) no less than 70% of the value of assets considered the Debt Portion in:
 - a) securities issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government body, or central state authorities, or the central bank of a Member State, the European Union, or the European Investment Bank, or international organisations on condition that such securities issued, backed, or guaranteed by such international organisations have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - b) deposits with a maturity date no longer than 180 days with domestic banks or loan institutions in the meaning of the Banking Law Act of 29 August 1997 provided that such loan institutions have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;

- 2) no more than 30% of the value of assets of the Debt Portion in financial instruments other than indicated in point 1) provided that no more than 10% of the value of assets may be invested in financial instruments which do not have an investment ranking assigned to them by a rating agency approved by the European Central Bank in its operations.
5. While calculating the share of particular investment categories in the Debt Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using Derivative Instruments.
6. The Fund may, as part of the Share Portion of the Subfund's portfolio, invest:
 - 1) no less than 40% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies, as defined in the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, which are included in the WIG20 index or in derivative instruments based on the shares of such companies or the WIG20 index;
 - 2) no more than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies which are included in the mWIG40 index or in derivative instruments based on the shares of such companies or the mWIG40 index;
 - 3) no more than 10% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) other than indicated in points 1) and 2) and by companies listed on the organised market in Poland and in derivative instruments based on shares of such companies or market indices where they are listed and in shares, rights to shares, pre-emptive rights, or other share instruments constituting the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for admission into circulation at the Warsaw Stock Exchange and such admission into circulation is secured within a year from the date when such securities were first offered;
 - 4) no less than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, and other share instruments constituting the object of circulation on the organised market of an OECD state other than Poland or derivative instruments based on such share instruments or their indices.
7. While calculating the share of particular investment categories in the Share Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using derivative instruments.
8. The Fund may invest the Assets of every Subfund in assets expressed in PLN or currencies of EU member states or parties to the European Economic Area agreement or members of the Organisation for Economic Cooperation and Development. The total value of assets of every Subfund invested by the Fund in assets expressed in a currency other than PLN may not exceed 30% of the value of Assets of a given Subfund.
9. The Fund, acting on behalf of a Subfund, may take out loans and bank loans exclusively from domestic bank or loan institutions whose repayment period shall be up to one year and whose total value shall not exceed 10% of the Net Subfund Asset Value as of the conclusion of a given loan or bank loan agreement.

10. The Fund, acting on behalf of a Subfund, may grant loans to other entities whose object may be securities, including dematerialised securities, in line with the rules provided for in the Act.
11. Rules for investment diversification and other investment-related restrictions provided for in the Act shall apply to matters not provided for hereinabove.

1.2. A brief description of criteria for selecting investments for the investment portfolio of Subfunds

1. The proportions of different types of investments for a given Subfund shall depend on the Company's decision and on the amount of time remaining until the Fixed Date of a given Subfund. While taking investment-related decisions regarding the Assets of a given Subfund, the Company shall follow its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act, the ECP Act, and the Statutes into account. Further, the Company shall strive to achieve an investment portfolio structure of a given Subfund consistent with the diversification rules defined for that Subfund.
2. Core criteria for choosing investments used by the Fund while investing Subfund assets shall be fundamental analysis and portfolio analysis. The following criteria shall also be taken into account when making investments in particular types of deposits:
 - 1) as regards investments in shares and similar financial instruments such as, in particular: preemptive rights, rights to shares, subscription warrants, depository notes (or other property rights incorporating rights under shares), as well as other disposable shares incorporating property rights corresponding to rights under shares: an assessment of development prospects for a given issuer, belonging to indices, capitalization and liquidity of the issuer's instruments, the current and expected situation on markets, expected rate of return, the level of investment risk, the level of currency risk in the case of investments on foreign markets, and the level of risk associated with investment liquidity;
 - 2) as regards investments in Financial Market Instruments, debt securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, or bonds and financial instruments of a similar type such as, in particular: treasury bills, mortgage bonds, deposit certificates, and other disposable securities incorporating property rights corresponding to rights related to incurring a debt: an assessment of the development prospects of a given issuer taking into account the risk of them becoming insolvent, an assessment of the current and expected level of interest rates and inflation, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, and the liquidity of a given Subfund's Assets;
 - 3) as regards investments in participation units and investment certificates of investment funds whose seat is in Poland and in participation titles issued by foreign funds or joint investment institutions residing abroad: the level of similarity of a given entity's investment policy with the investment policy of a given Subfund, the composition of a given fund's portfolio, analyses of past rates of return, track record of the fund's management team, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, the liquidity of a given Subfund's Assets, and the level of costs to be borne by participants in a given entity,
 - 4) as regards investments in deposits: interest rate on such deposits and the financial standing of the relevant bank or loan institution.
3. The Fund shall make use of the following criteria while choosing the instruments discussed in Article 21(6) of the Fund's Statutes:

- 1) instrument's liquidity and the amount of difference between the purchase and sale proposals related to a given Derivative Instrument associated with it,
- 2) the amount of undervaluation or overvaluation of a given Derivative Instrument in relation to a theoretical appraisal model applicable to a given Derivative Instrument; in the case of undervaluation, the Fund shall take the long position as far as a given Derivative Instrument is concerned and the Fund shall take the short position in the event of overvaluation;
- 3) transaction costs associated with taking and liquidating a position as part of a given Derivative Instrument;
- 4) adjusting the characteristic features of a Derivative Instrument to the investment strategy and financial instruments in the Fund's investment portfolio.

1.3. If a Subfund reflects the composition of a recognised share or debt securities index - indicate the index, the market to which it pertains, and the extent to which the index is reflected by the Subfund

The Subfund does not reflect the composition of a recognised share or debt security index.

1.4. If the net value of assets of the Subfund's investment portfolio may be subject to considerable variation due to the composition of the portfolio and the assumed portfolio management technique, that feature is to be clearly indicated

The Net Value of Assets may be subject to considerable variability in view of the fact that there are shares and other instruments with high variability in its investment portfolio.

1.5. If the Subfund can conclude agreements whose objects are derivative instruments, including Non-Standardised Derivative Instruments, this is to be indicated and the impact of such agreements, including agreements whose subject are Non-Standardised Derivative Instruments, on the risk associated with the investment policy assumed is also to be indicated

The Subfund may conclude agreements whose object are Derivative Instruments, including Non-Standardised Derivative Instruments, both in order to reduce investment risk and to ensure efficient Subfund investment portfolio management. Agreements concluded with a view to limiting investment risk shall be aimed at reducing investment risk, including the risk related to interest rates and currency-related risk, while agreements concluded in order to ensure efficient portfolio management may result in increasing the level of risk.

1.6. If guarantees regarding the payment of a certain amount due to Participation Unit re-purchase were made, indicate the guarantor and the terms and conditions of the guarantee.

Not applicable.

2. A description of investment risk associated with investing in Subfund Participation Units, including risk associated with the Subfund investment policy

2.1. A description of investment risk associated with the Subfund investment policy, taking management strategy and particular investment strategies applied to investments in specific geographic regions, within a specific line of business or economic sector, or to a specific type of investments or in order to reflect an index into account

- 1) market risk - related to the overall economic situation on the securities market,
- 2) loan risk - related to it being possible for an entity with whom the Fund concluded agreements or transactions failing to fulfil their obligations,

- 3) settlement risk - related to business partner risks and them not settling their transactions on time,
- 4) liquidity risk - related to a possible situation where concluding a transaction involving securities without significantly influencing their price is impossible,
- 5) currency risk - related to possible fluctuations of rates of exchange,
- 6) risk connected with storing assets - related to the possibility of the Custodian or sub-custodian ceasing or limiting the scope of their activity consisting in storing Subfund assets,
- 7) risk connected with the concentration of assets or markets - related to the possibility of investing Subfund assets in securities or other financial instruments issued by a small group of issuers or issuers operating within one market,
- 8) legal risk - related to possible changes of the legal system, including taxation, which could have a negative impact on the functioning of economic entities, including issuers of securities,
- 9) macroeconomic risk - related to the impact of the overall economic situation in the country and in the world on the market prices of financial instruments and related to changes of macroeconomic indicators such as the pace of economic growth and inflation rate.

2.2. Description of risk associated with participation in the Subfund, particularly the following types of risk:

- 1) risk of not achieving the expected return on investment in Participation Units, taking factors influencing the level of risk associated with the investment into account

The Subfund shall strive towards achieving the investment objective defined in its Statutes but it cannot guarantee that the same will be achieved. The Subfund, in spite of exercising top-level professional diligence, may not achieve a specific rate of return on investment in Participation Units due to risk factors listed above, including conclusion by the Subfund of certain agreements, and due to detailed terms and conditions of transactions concluded by the Subfund.

- 2) risk associated with the conclusion of specific agreements

The conclusion of agreements whose objects are Derivative Instruments, including Non-Standardized Derivative Instruments, may result in the following types of risk occurring:

- a) market risk - related to possible losses due to changes of market parameters such as the price of securities, interest rates, rates of exchange, and stock exchange indices. Due to the effect of financial leverage, the option to take the short position, and the level of complexity of such instrument's appraisal, this risk is higher than in the case of instruments forming the base of such instruments;
- b) risk of incorrect securing of position as a result of the Subfund using an incorrect cash flow hedge or using one incorrectly (thus the strategy used by the Fund may result in losses);
- c) risk of there being no liquidity necessary for concluding a transaction for both securing and secured positions;
- d) risk of non-matching securing and secured positions (due to an error in assessing the relation between the secured position and the hedging instrument, particularly as a result of a change of size of the secured position);
- e) base risk - related to possible discrepancies between changes of the prices of base assets and the derivative instrument;

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- f) risk of insolvency of the clearing house - related to possible losses as a result of the clearing house failing to fulfil its obligations (if the derivative instrument is settled by it);
- g) appraisal model risk - related to using an incorrect non-standardised derivative instrument appraisal model;
- h) business partner risk - related to a business partner failing to fulfil their obligations under derivative instrument transactions; due to the presence of financial leverage, losses may exceed the amount of Assets invested in derivative instruments;
- i) financial leverage risk - related to possible losses exceeding the amount of assets invested in derivative instruments if no margin deposit is presented or if it is established in an amount lower than the value of the derivative instrument base.

3) risk associated with special terms and conditions of transactions concluded by the Subfund

Non-standard transactions concluded by the Subfund may result in additional risks and costs associated with them.

4) risk associated with guarantees made

The Subfund does not make guarantees.

5) risks of special circumstances on which the fund participant has no influence or limited influence:

a) commencement of Fund or Subfund liquidation

The Fund may be dissolved and Subfunds may be liquidated in situations provided for in the Statutes.

b) management of the Fund being taken over by another company

Another investment fund company may take over the management of the Fund without the consent of Fund Participants under an agreement concluded with the Company. The company taking over management of the Fund shall take over the rights and responsibilities of the Company.

c) the management of the fund being taken over by a company or a manager from the EU

Under Polish law, the Company may, under an agreement concluded in writing under pain of nullity, with the consent of the General Meeting of Participants, transfer the management of the Fund and the handling of its affairs to a manager from the EU pursuing business activity in Poland.

d) change of custodian or an entity serving the fund

The Fund may change its custodian or other entities serving the Fund or Subfund without the consent of Participants.

e) merger of the Fund with another fund

The Company may decide to merge the Fund with another investment fund managed by the Company. Such a merger shall take place after the Committee has consented to it. Such a merger shall take place by means of transferring the property of the fund to be taken over to the fund taking it over and assigning participation units in the latter to participants of the former in exchange for participation units of the fund to be taken over.

f) transformation of the Fund into an open investment fund

Not applicable.

g) a change of the investment policy

The Company may change the Statutes as regards the Fund's investment policy. Changes to the Statutes shall become effective after 3 months have passed from their announcement.

- 6) guarantor's insolvency

Not applicable.

- 7) inflation

In essence, the impact of this factor is described in the paragraph pertaining to economic risk related to interest rates. It should additionally be emphasized that, from the perspective of a Participant, the level of inflation has a considerable impact on the rate of return on investment in Participation Units. It may so happen that, due to a high level of inflation, the actual rate of return on investment in Participation Units proves to be a negative value in spite of the nominal rate of return on investment in Participation Units being a positive value. Due to this, Participants are at risk of losing the real value of their investment.

- 8) risk associated with legal regulations pertaining to the Fund, particularly as regards tax regulations

Changes to the legal system may exert a negative influence on investments of Participants who run the risk of having to bear additional fees which could in turn have a negative impact on rates of return on investment in Participation Units achieved by Participants.

- 9) Operating risk

Operating risk consists in the possibility of there being losses as a result of inadequacy or deficiency of internal processes, failures of people or systems, or the impact of external factors, including occurrences such as natural disasters and terrorist attacks.

3. Definition of investor profile, including the temporal scope of the investment and the level of investment risk associated with the investment policy of the Subfund

The Subfund is meant for people:

- born between 1978 and 1982,
- planning making long-term savings with a view to using funds thus accumulated after they cease to be professionally active,
- expecting that the risk profile of the Subfund will be adjusted according to Participant age - the Subfund's investment risk decreases as the Fixed Date of the Subfund draws nearer,
- accepting medium-level fluctuations of value of Participation Units.

4. Information about the amount of fees and commissions related to participation in the Subfund, the mode of their calculation and collection, and about costs to be borne by the Subfund

4.1. An indication of the provisions of the Statutes defining the types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne

The types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne are defined in Article 55 and Article 56 of the Fund's Statutes.

4.2. An indication of the Total Expense Ratio (TER), including information confirming that it reflects the share of costs not directly associated with the Subfund's activity in the average net value of Subfund's assets for a given year, and an indication of categories of Subfund costs not included in the TER, including transaction fees

Not applicable.

4.3. Handling charges due to disposal or re-purchase of participation units and other fees paid directly by the Participants

The Company charges no handling fees for disposing of and re-purchasing Participation Units. If the third or further Exchange order is performed in a given calendar year, the Company may charge a handling fee amounting to no more than 0.1% of the value of Participation Units covered by such an order.

4.4. An indication of the variable fee constituting a part of the Company's remuneration for handling management, whose amount shall depend on Subfund performance and which is presented as a percentage of the average Net Subfund Asset Value

Pursuant to rules following from the regulation on the mode of calculating the reference rate and detailed rules for calculating remuneration due to performance results to be received by a financial institution registered in the ECP Register issued under Article 49(13) of the ECP Act, the Company may calculate and collect remuneration for performance results achieved; said remuneration shall be calculated by the Company and it shall not amount to more than 0.10% of the Net Subfund Asset Value per annum for every Subfund; said remuneration may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year,
- 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.

Reserves for remuneration for performance results shall be calculated as of every Valuation Day and paid to the Company by the 15th business day after the end of a given year.

4.5. Maximum amount of remuneration for Subfund management

For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the “**Fixed Remuneration**”) whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.

The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.

The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

4.6. An indication of existing agreements or understandings under which the costs of Subfund's operation are directly or indirectly divided between the Subfund and the Company or another entity

The costs of Subfund's operation shall be divided between the Subfund and the Company under the Statutes.

5. Main financial data of the Subfund in historical perspective

5.1. Net Subfund Asset Value as of the end of the last business year, consistent with the value indicated in a financial report reviewed by an auditor

Not applicable.

5.2. Average rate of return on investment in Participation Units of the Subfund over the course of the last 2 years, for Subfunds operating for less than 3 years, or over the course of the last 3, 5, and 10 years for other Subfunds

Not applicable.

5.3. An indication of a benchmark used for assessing the efficiency of investments in the Participation Units of the Subfund, reflecting the behaviour of market variables which best

reflect the purpose and investment policy of the Subfund, hereinafter referred to as the “benchmark”; an indication of that benchmark and information about any changes of the benchmark

No benchmark for assessing the efficiency of investments in the Participation Units of the Subfund has been defined for the Subfund.

5.4. Information about average rates of return from the benchmark used by the Subfund appropriately for periods discussed in point 5.2

Not applicable.

5.5. A reservation that a given Participant’s individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

The Company hereby makes a reservation that individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

CHAPTER VIII. Subfund PFR PPK 2045**1. Brief description of the Subfund's investment policy****1.1. Indication of the main categories of the Subfund's investments and their diversification so as to describe the character of the Subfund and, if the Subfund mostly invests its assets in investments other than securities or instruments of the financial market, a clear indication of that characteristic feature**

1. The Subfund is a Fixed-Date Subfund as per the ECP Act. The Fund manages the investment Policy of the Subfund in line with the rules provided for in the Fund's Statutes.
2. The Fund may invest Subfund Assets in securities, financial instruments, and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object in line with the rules provided for in Article 58 in the 2nd part of the Fund's Statutes.
3. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2024, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - b) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 2) as of 1 January 2025 and until 31 December 2034, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - b) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 3) as of 01 January 2035 and until 31 December 2039, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 4) as of 01 January 2040 and until 31 December 2044, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 5) from 01 January 2045, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
4. The Fund may, as part of the Debt Portion of the Subfund's portfolio, invest:
 - 1) no less than 70% of the value of assets considered the Debt Portion in:
 - a) securities issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government body, or central state authorities, or the central bank of a Member State, the European Union, or the European Investment Bank, or international organisations on condition that such securities issued, backed, or guaranteed by such international organisations have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;

- b) deposits with a maturity date no longer than 180 days with domestic banks or loan institutions in the meaning of the Banking Law Act of 29 August 1997 provided that such loan institutions have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - 2) no more than 30% of the value of assets of the Debt Portion in financial instruments other than indicated in point 1) provided that no more than 10% of the value of assets may be invested in financial instruments which do not have an investment ranking assigned to them by a rating agency approved by the European Central Bank in its operations.
5. While calculating the share of particular investment categories in the Debt Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using Derivative Instruments.
6. The Fund may, as part of the Share Portion of the Subfund's portfolio, invest:
 - 1) no less than 40% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies, as defined in the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, which are included in the WIG20 index or in derivative instruments based on the shares of such companies or the WIG20 index;
 - 2) no more than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies which are included in the mWIG40 index or in derivative instruments based on the shares of such companies or the mWIG40 index;
 - 3) no more than 10% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) other than indicated in points 1) and 2) and by companies listed on the organised market in Poland and in derivative instruments based on shares of such companies or market indices where they are listed and in shares, rights to shares, pre-emptive rights, or other share instruments constituting the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for admission into circulation at the Warsaw Stock Exchange and such admission into circulation is secured within a year from the date when such securities were first offered;
 - 4) no less than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, and other share instruments constituting the object of circulation on the organised market of an OECD state other than Poland or derivative instruments based on such share instruments or their indices.
7. While calculating the share of particular investment categories in the Share Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using derivative instruments.
8. The Fund may invest the Assets of every Subfund in assets expressed in PLN or currencies of EU member states or parties to the European Economic Area agreement or members of the Organisation for Economic Cooperation and Development. The total value of assets of every Subfund invested by the Fund in assets expressed in a currency other than PLN may not exceed 30% of the value of Assets of a given Subfund.

9. The Fund, acting on behalf of a Subfund, may take out loans and bank loans exclusively from domestic bank or loan institutions whose repayment period shall be up to one year and whose total value shall not exceed 10% of the Net Subfund Asset Value as of the conclusion of a given loan or bank loan agreement.
10. The Fund, acting on behalf of a Subfund, may grant loans to other entities whose object may be securities, including dematerialised securities, in line with the rules provided for in the Act.
11. Rules for investment diversification and other investment-related restrictions provided for in the Act shall apply to matters not provided for hereinabove.

1.2. A brief description of criteria for selecting investments for the investment portfolio of Subfunds

1. The proportions of different types of investments for a given Subfund shall depend on the Company's decision and on the amount of time remaining until the Fixed Date of a given Subfund. While taking investment-related decisions regarding the Assets of a given Subfund, the Company shall follow its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act, the ECP Act, and the Statutes into account. Further, the Company shall strive to achieve an investment portfolio structure of a given Subfund consistent with the diversification rules defined for that Subfund.
2. Core criteria for choosing investments used by the Fund while investing Subfund assets shall be fundamental analysis and portfolio analysis. The following criteria shall also be taken into account when making investments in particular types of deposits:
 - 1) as regards investments in shares and similar financial instruments such as, in particular: pre-emptive rights, rights to shares, subscription warrants, depository notes (or other property rights incorporating rights under shares), as well as other disposable shares incorporating property rights corresponding to rights under shares: an assessment of development prospects for a given issuer, belonging to indices, capitalization and liquidity of the issuer's instruments, the current and expected situation on markets, expected rate of return, the level of investment risk, the level of currency risk in the case of investments on foreign markets, and the level of risk associated with investment liquidity;
 - 2) as regards investments in Financial Market Instruments, debt securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, or bonds and financial instruments of a similar type such as, in particular: treasury bills, mortgage bonds, deposit certificates, and other disposable securities incorporating property rights corresponding to rights related to incurring a debt: an assessment of the development prospects of a given issuer taking into account the risk of them becoming insolvent, an assessment of the current and expected level of interest rates and inflation, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, and the liquidity of a given Subfund's Assets;
 - 3) as regards investments in participation units and investment certificates of investment funds whose seat is in Poland and in participation titles issued by foreign funds or joint investment institutions residing abroad: the level of similarity of a given entity's investment policy with the investment policy of a given Subfund, the composition of a given fund's portfolio, analyses of past rates of return, track record of the fund's management team, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, the liquidity of a given Subfund's Assets, and the level of costs to be borne by participants in a given entity,

- 4) as regards investments in deposits: interest rate on such deposits and the financial standing of the relevant bank or loan institution.
3. The Fund shall make use of the following criteria while choosing the instruments discussed in Article 21(6) of the Fund's Statutes:
 - 1) instrument's liquidity and the amount of difference between the purchase and sale proposals related to a given Derivative Instrument associated with it,
 - 2) the amount of undervaluation or overvaluation of a given Derivative Instrument in relation to a theoretical appraisal model applicable to a given Derivative Instrument; in the case of undervaluation, the Fund shall take the long position as far as a given Derivative Instrument is concerned and the Fund shall take the short position in the event of overvaluation;
 - 3) transaction costs associated with taking and liquidating a position as part of a given Derivative Instrument;
 - 4) adjusting the characteristic features of a Derivative Instrument to the investment strategy and financial instruments in the Fund's investment portfolio.

1.3. If a Subfund reflects the composition of a recognised share or debt securities index - indicate the index, the market to which it pertains, and the extent to which the index is reflected by the Subfund

The Subfund does not reflect the composition of a recognised share or debt security index.

1.4. If the net value of assets of the Subfund's investment portfolio may be subject to considerable variation due to the composition of the portfolio and the assumed portfolio management technique, that feature is to be clearly indicated

The Net Value of Assets may be subject to considerable variability in view of the fact that there are shares and other instruments with high variability in its investment portfolio.

1.5. If the Subfund can conclude agreements whose objects are derivative instruments, including Non-Standardised Derivative Instruments, this is to be indicated and the impact of such agreements, including agreements whose subject are Non-Standardised Derivative Instruments, on the risk associated with the investment policy assumed is also to be indicated

The Subfund may conclude agreements whose object are Derivative Instruments, including Non-Standardised Derivative Instruments, both in order to reduce investment risk and to ensure efficient Subfund investment portfolio management. Agreements concluded with a view to limiting investment risk shall be aimed at reducing investment risk, including the risk related to interest rates and currency-related risk, while agreements concluded in order to ensure efficient portfolio management may result in increasing the level of risk.

1.6. If guarantees regarding the payment of a certain amount due to Participation Unit re-purchase were made, indicate the guarantor and the terms and conditions of the guarantee.

Not applicable.

2. A description of investment risk associated with investing in Subfund Participation Units, including risk associated with the Subfund investment policy

2.1. A description of investment risk associated with the Subfund investment policy, taking management strategy and particular investment strategies applied to investments in specific geographic regions, within a specific line of business or economic sector, or to a specific type of investments or in order to reflect an index into account

- 1) market risk - related to the overall economic situation on the securities market,
- 2) loan risk - related to it being possible for an entity with whom the Fund concluded agreements or transactions failing to fulfil their obligations,
- 3) settlement risk - related to business partner risks and them not settling their transactions on time,
- 4) liquidity risk - related to a possible situation where concluding a transaction involving securities without significantly influencing their price is impossible,
- 5) currency risk - related to possible fluctuations of rates of exchange,
- 6) risk connected with storing assets - related to the possibility of the Custodian or sub-custodian ceasing or limiting the scope of their activity consisting in storing Subfund assets,
- 7) risk connected with the concentration of assets or markets - related to the possibility of investing Subfund assets in securities or other financial instruments issued by a small group of issuers or issuers operating within one market,
- 8) legal risk - related to possible changes of the legal system, including taxation, which could have a negative impact on the functioning of economic entities, including issuers of securities,
- 9) macroeconomic risk - related to the impact of the overall economic situation in the country and in the world on the market prices of financial instruments and related to changes of macroeconomic indicators such as the pace of economic growth and inflation rate.

2.2. Description of risk associated with participation in the Subfund, particularly the following types of risk:

- 1) risk of not achieving the expected return on investment in Participation Units, taking factors influencing the level of risk associated with the investment into account

The Subfund shall strive towards achieving the investment objective defined in its Statutes but it cannot guarantee that the same will be achieved. The Subfund, in spite of exercising top-level professional diligence, may not achieve a specific rate of return on investment in Participation Units due to risk factors listed above, including conclusion by the Subfund of certain agreements, and due to detailed terms and conditions of transactions concluded by the Subfund.

- 2) risk associated with the conclusion of specific agreements

The conclusion of agreements whose objects are Derivative Instruments, including Non-Standardized Derivative Instruments, may result in the following types of risk occurring:

- a) market risk - related to possible losses due to changes of market parameters such as the price of securities, interest rates, rates of exchange, and stock exchange indices. Due to the effect of financial leverage, the option to take the short position, and the level of complexity of such instrument's appraisal, this risk is higher than in the case of instruments forming the base of such instruments;

- b) risk of incorrect securing of position as a result of the Subfund using an incorrect cash flow hedge or using one incorrectly (thus the strategy used by the Fund may result in losses);
- c) risk of there being no liquidity necessary for concluding a transaction for both securing and secured positions;
- d) risk of non-matching securing and secured positions (due to an error in assessing the relation between the secured position and the hedging instrument, particularly as a result of a change of size of the secured position);
- e) base risk - related to possible discrepancies between changes of the prices of base assets and the derivative instrument;
- f) risk of insolvency of the clearing house - related to possible losses as a result of the clearing house failing to fulfil its obligations (if the derivative instrument is settled by it);
- g) appraisal model risk - related to using an incorrect non-standardised derivative instrument appraisal model;
- h) business partner risk - related to a business partner failing to fulfil their obligations under derivative instrument transactions; due to the presence of financial leverage, losses may exceed the amount of Assets invested in derivative instruments;
- i) financial leverage risk - related to possible losses exceeding the amount of assets invested in derivative instruments if no margin deposit is presented or if it is established in an amount lower than the value of the derivative instrument base.

- 3) risk associated with special terms and conditions of transactions concluded by the Subfund

Non-standard transactions concluded by the Subfund may result in additional risks and costs associated with them.

- 4) risk associated with guarantees made

The Subfund does not make guarantees.

- 5) risks of special circumstances on which the fund participant has no influence or limited influence:

- a) commencement of Fund or Subfund liquidation

The Fund may be dissolved and Subfunds may be liquidated in situations provided for in the Statutes.

- b) management of the Fund being taken over by another company

Another investment fund company may take over the management of the Fund without the consent of Fund Participants under an agreement concluded with the Company. The company taking over management of the Fund shall take over the rights and responsibilities of the Company.

- c) the management of the fund being taken over by a company or a manager from the EU

Under Polish law, the Company may, under an agreement concluded in writing under pain of nullity, with the consent of the General Meeting of Participants, transfer the management of the Fund and the handling of its affairs to a manager from the EU pursuing business activity in Poland.

- d) change of custodian or an entity serving the fund

The Fund may change its custodian or other entities serving the Fund or Subfund without the consent of Participants.

- e) merger of the Fund with another fund

The Company may decide to merge the Fund with another investment fund managed by the Company. Such a merger shall take place after the Committee has consented to it. Such a merger shall take place by means of transferring the property of the fund to be taken over to the fund taking it over and assigning participation units in the latter to participants of the former in exchange for participation units of the fund to be taken over.

f) transformation of the Fund into an open investment fund

Not applicable.

g) a change of the investment policy

The Company may change the Statutes as regards the Fund's investment policy. Changes to the Statutes shall become effective after 3 months have passed from their announcement.

6) guarantor's insolvency

Not applicable.

7) inflation

In essence, the impact of this factor is described in the paragraph pertaining to economic risk related to interest rates. It should additionally be emphasized that, from the perspective of a Participant, the level of inflation has a considerable impact on the rate of return on investment in Participation Units. It may so happen that, due to a high level of inflation, the actual rate of return on investment in Participation Units proves to be a negative value in spite of the nominal rate of return on investment in Participation Units being a positive value. Due to this, Participants are at risk of losing the real value of their investment.

8) risk associated with legal regulations pertaining to the Fund, particularly as regards tax regulations

Changes to the legal system may exert a negative influence on investments of Participants who run the risk of having to bear additional fees which could in turn have a negative impact on rates of return on investment in Participation Units achieved by Participants.

9) Operating risk

Operating risk consists in the possibility of there being losses as a result of inadequacy or deficiency of internal processes, failures of people or systems, or the impact of external factors, including occurrences such as natural disasters and terrorist attacks.

3. Definition of investor profile, including the temporal scope of the investment and the level of investment risk associated with the investment policy of the Subfund

The Subfund is meant for people:

- born between 1983 and 1987,
- planning making long-term savings with a view to using funds thus accumulated after they cease to be professionally active,
- expecting that the risk profile of the Subfund will be adjusted according to Participant age - the Subfund's investment risk decreases as the Fixed Date of the Subfund draws nearer,
- accepting medium-level fluctuations of value of Participation Units.

4. Information about the amount of fees and commissions related to participation in the Subfund, the mode of their calculation and collection, and about costs to be borne by the Subfund

4.1. An indication of the provisions of the Statutes defining the types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne

The types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne are defined in Article 60 and Article 61 of the Fund's Statutes.

4.2. An indication of the Total Expense Ratio (TER), including information confirming that it reflects the share of costs not directly associated with the Subfund's activity in the average net value of Subfund's assets for a given year, and an indication of categories of Subfund costs not included in the TER, including transaction fees

Not applicable.

4.3. Handling charges due to disposal or re-purchase of participation units and other fees paid directly by the Participants

The Company charges no handling fees for disposing of and re-purchasing Participation Units. If the third or further Exchange order is performed in a given calendar year, the Company may charge a handling fee amounting to no more than 0.1% of the value of Participation Units covered by such an order.

4.4. An indication of the variable fee constituting a part of the Company's remuneration for handling management, whose amount shall depend on Subfund performance and which is presented as a percentage of the average Net Subfund Asset Value

Pursuant to rules following from the regulation on the mode of calculating the reference rate and detailed rules for calculating remuneration due to performance results to be received by a financial institution registered in the ECP Register issued under Article 49(13) of the ECP Act, the Company may calculate and collect remuneration for performance results achieved; said remuneration shall be calculated by the Company and it shall not amount to more than 0.10% of the Net Subfund Asset Value per annum for every Subfund; said remuneration may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year,
- 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.

Reserves for remuneration for performance results shall be calculated as of every Valuation Day and paid to the Company by the 15th business day after the end of a given year.

4.5. Maximum amount of remuneration for Subfund management

For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.

The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.

The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

4.6. An indication of existing agreements or understandings under which the costs of Subfund's

operation are directly or indirectly divided between the Subfund and the Company or another entity

The costs of Subfund's operation shall be divided between the Subfund and the Company under the Statutes.

5. Main financial data of the Subfund in historical perspective

5.1. Net Subfund Asset Value as of the end of the last business year, consistent with the value indicated in a financial report reviewed by an auditor

Not applicable.

5.2. Average rate of return on investment in Participation Units of the Subfund over the course of the last 2 years, for Subfunds operating for less than 3 years, or over the course of the last 3, 5, and 10 years for other Subfunds

Not applicable.

5.3. An indication of a benchmark used for assessing the efficiency of investments in the Participation Units of the Subfund, reflecting the behaviour of market variables which best reflect the purpose and investment policy of the Subfund, hereinafter referred to as the "benchmark"; an indication of that benchmark and information about any changes of the benchmark

No benchmark for assessing the efficiency of investments in the Participation Units of the Subfund has been defined for the Subfund.

5.4. Information about average rates of return from the benchmark used by the Subfund appropriately for periods discussed in point 5.2

Not applicable.

5.5. A reservation that a given Participant's individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

The Company hereby makes a reservation that individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

CHAPTER IX. Subfund PFR PPK 2050**1. Brief description of the Subfund's investment policy****1.1. Indication of the main categories of the Subfund's investments and their diversification so as to describe the character of the Subfund and, if the Subfund mostly invests its assets in investments other than securities or instruments of the financial market, a clear indication of that characteristic feature**

1. The Subfund is a Fixed-Date Subfund as per the ECP Act. The Fund manages the investment Policy of the Subfund in line with the rules provided for in the Fund's Statutes.
2. The Fund may invest Subfund Assets in securities, financial instruments, and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object in line with the rules provided for in Article 63 in the 2nd part of the Fund's Statutes.
3. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2029, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - b) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 2) as of 01 January 2030 and until 31 December 2039, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - b) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 3) as of 01 January 2040 and until 31 December 2044, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 4) as of 01 January 2045 and until 31 December 2049, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 5) from 01 January 2050, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
4. The Fund may, as part of the Debt Portion of the Subfund's portfolio, invest:
 - 1) no less than 70% of the value of assets considered the Debt Portion in:
 - a) securities issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government body, or central state authorities, or the central bank of a Member State, the European Union, or the European Investment Bank, or international organisations on condition that such securities issued, backed, or guaranteed by such international organisations have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - b) deposits with a maturity date no longer than 180 days with domestic banks or loan institutions in the meaning of the Banking Law Act of 29 August 1997 provided that such loan

institutions have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;

- 2) no more than 30% of the value of assets of the Debt Portion in financial instruments other than indicated in point 1) provided that no more than 10% of the value of assets may be invested in financial instruments which do not have an investment ranking assigned to them by a rating agency approved by the European Central Bank in its operations.
5. While calculating the share of particular investment categories in the Debt Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using Derivative Instruments.
6. The Fund may, as part of the Share Portion of the Subfund's portfolio, invest:
 - 1) no less than 40% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies, as defined in the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, which are included in the WIG20 index or in derivative instruments based on the shares of such companies or the WIG20 index;
 - 2) no more than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies which are included in the mWIG40 index or in derivative instruments based on the shares of such companies or the mWIG40 index;
 - 3) no more than 10% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) other than indicated in points 1) and 2) and by companies listed on the organised market in Poland and in derivative instruments based on shares of such companies or market indices where they are listed and in shares, rights to shares, pre-emptive rights, or other share instruments constituting the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for admission into circulation at the Warsaw Stock Exchange and such admission into circulation is secured within a year from the date when such securities were first offered;
 - 4) no less than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, and other share instruments constituting the object of circulation on the organised market of an OECD state other than Poland or derivative instruments based on such share instruments or their indices.
7. While calculating the share of particular investment categories in the Share Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using derivative instruments.
8. The Fund may invest the Assets of every Subfund in assets expressed in PLN or currencies of EU member states or parties to the European Economic Area agreement or members of the Organisation for Economic Cooperation and Development. The total value of assets of every Subfund invested by the Fund in assets expressed in a currency other than PLN may not exceed 30% of the value of Assets of a given Subfund.
9. The Fund, acting on behalf of a Subfund, may take out loans and bank loans exclusively from domestic bank or loan institutions whose repayment period shall be up to one year and whose total

value shall not exceed 10% of the Net Subfund Asset Value as of the conclusion of a given loan or bank loan agreement.

10. The Fund, acting on behalf of a Subfund, may grant loans to other entities whose object may be securities, including dematerialised securities, in line with the rules provided for in the Act.
11. Rules for investment diversification and other investment-related restrictions provided for in the Act shall apply to matters not provided for hereinabove.

1.2. A brief description of criteria for selecting investments for the investment portfolio of Subfunds

1. The proportions of different types of investments for a given Subfund shall depend on the Company's decision and on the amount of time remaining until the Fixed Date of a given Subfund. While taking investment-related decisions regarding the Assets of a given Subfund, the Company shall follow its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act, the ECP Act, and the Statutes into account. Further, the Company shall strive to achieve an investment portfolio structure of a given Subfund consistent with the diversification rules defined for that Subfund.
2. Core criteria for choosing investments used by the Fund while investing Subfund assets shall be fundamental analysis and portfolio analysis. The following criteria shall also be taken into account when making investments in particular types of deposits:
 - 1) as regards investments in shares and similar financial instruments such as, in particular: pre-emptive rights, rights to shares, subscription warrants, depository notes (or other property rights incorporating rights under shares), as well as other disposable shares incorporating property rights corresponding to rights under shares: an assessment of development prospects for a given issuer, belonging to indices, capitalization and liquidity of the issuer's instruments, the current and expected situation on markets, expected rate of return, the level of investment risk, the level of currency risk in the case of investments on foreign markets, and the level of risk associated with investment liquidity;
 - 2) as regards investments in Financial Market Instruments, debt securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, or bonds and financial instruments of a similar type such as, in particular: treasury bills, mortgage bonds, deposit certificates, and other disposable securities incorporating property rights corresponding to rights related to incurring a debt: an assessment of the development prospects of a given issuer taking into account the risk of them becoming insolvent, an assessment of the current and expected level of interest rates and inflation, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, and the liquidity of a given Subfund's Assets;
 - 3) as regards investments in participation units and investment certificates of investment funds whose seat is in Poland and in participation titles issued by foreign funds or joint investment institutions residing abroad: the level of similarity of a given entity's investment policy with the investment policy of a given Subfund, the composition of a given fund's portfolio, analyses of past rates of return, track record of the fund's management team, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, the liquidity of a given Subfund's Assets, and the level of costs to be borne by participants in a given entity,

- 4) as regards investments in deposits: interest rate on such deposits and the financial standing of the relevant bank or loan institution.
3. The Fund shall make use of the following criteria while choosing the instruments discussed in Article 21(6) of the Fund's Statutes:
 - 1) instrument's liquidity and the amount of difference between the purchase and sale proposals related to a given Derivative Instrument associated with it,
 - 2) the amount of undervaluation or overvaluation of a given Derivative Instrument in relation to a theoretical appraisal model applicable to a given Derivative Instrument; in the case of undervaluation, the Fund shall take the long position as far as a given Derivative Instrument is concerned and the Fund shall take the short position in the event of overvaluation;
 - 3) transaction costs associated with taking and liquidating a position as part of a given Derivative Instrument;
 - 4) adjusting the characteristic features of a Derivative Instrument to the investment strategy and financial instruments in the Fund's investment portfolio.

1.3. If a Subfund reflects the composition of a recognised share or debt securities index - indicate the index, the market to which it pertains, and the extent to which the index is reflected by the Subfund

The Subfund does not reflect the composition of a recognised share or debt security index.

1.4. If the net value of assets of the Subfund's investment portfolio may be subject to considerable variation due to the composition of the portfolio and the assumed portfolio management technique, that feature is to be clearly indicated

The Net Value of Assets may be subject to considerable variability in view of the fact that there are shares and other instruments with high variability in its investment portfolio.

1.5. If the Subfund can conclude agreements whose objects are derivative instruments, including Non-Standardised Derivative Instruments, this is to be indicated and the impact of such agreements, including agreements whose subject are Non-Standardised Derivative Instruments, on the risk associated with the investment policy assumed is also to be indicated

The Subfund may conclude agreements whose object are Derivative Instruments, including Non-Standardised Derivative Instruments, both in order to reduce investment risk and to ensure efficient Subfund investment portfolio management. Agreements concluded with a view to limiting investment risk shall be aimed at reducing investment risk, including the risk related to interest rates and currency-related risk, while agreements concluded in order to ensure efficient portfolio management may result in increasing the level of risk.

1.6. If guarantees regarding the payment of a certain amount due to Participation Unit re-purchase were made, indicate the guarantor and the terms and conditions of the guarantee.

Not applicable.

2. A description of investment risk associated with investing in Subfund Participation Units, including risk associated with the Subfund investment policy

2.1. A description of investment risk associated with the Subfund investment policy, taking management strategy and particular investment strategies applied to investments in specific geographic regions, within a specific line of business or economic sector, or to a specific type of

investments or in order to reflect an index into account

- 1) market risk - related to the overall economic situation on the securities market,
- 2) loan risk - related to it being possible for an entity with whom the Fund concluded agreements or transactions failing to fulfil their obligations,
- 3) settlement risk - related to business partner risks and them not settling their transactions on time,
- 4) liquidity risk - related to a possible situation where concluding a transaction involving securities without significantly influencing their price is impossible,
- 5) currency risk - related to possible fluctuations of rates of exchange,
- 6) risk connected with storing assets - related to the possibility of the Custodian or sub-custodian ceasing or limiting the scope of their activity consisting in storing Subfund assets,
- 7) risk connected with the concentration of assets or markets - related to the possibility of investing Subfund assets in securities or other financial instruments issued by a small group of issuers or issuers operating within one market,
- 8) legal risk - related to possible changes of the legal system, including taxation, which could have a negative impact on the functioning of economic entities, including issuers of securities,
- 9) macroeconomic risk - related to the impact of the overall economic situation in the country and in the world on the market prices of financial instruments and related to changes of macroeconomic indicators such as the pace of economic growth and inflation rate.

2.2. Description of risk associated with participation in the Subfund, particularly the following types of risk:

- 1) risk of not achieving the expected return on investment in Participation Units, taking factors influencing the level of risk associated with the investment into account

The Subfund shall strive towards achieving the investment objective defined in its Statutes but it cannot guarantee that the same will be achieved. The Subfund, in spite of exercising top-level professional diligence, may not achieve a specific rate of return on investment in Participation Units due to risk factors listed above, including conclusion by the Subfund of certain agreements, and due to detailed terms and conditions of transactions concluded by the Subfund.

- 2) risk associated with the conclusion of specific agreements

The conclusion of agreements whose objects are Derivative Instruments, including Non-Standardized Derivative Instruments, may result in the following types of risk occurring:

- a) market risk - related to possible losses due to changes of market parameters such as the price of securities, interest rates, rates of exchange, and stock exchange indices. Due to the effect of financial leverage, the option to take the short position, and the level of complexity of such instrument's appraisal, this risk is higher than in the case of instruments forming the base of such instruments;
- b) risk of incorrect securing of position as a result of the Subfund using an incorrect cash flow hedge or using one incorrectly (thus the strategy used by the Fund may result in losses);
- c) risk of there being no liquidity necessary for concluding a transaction for both securing and secured positions;

- d) risk of non-matching securing and secured positions (due to an error in assessing the relation between the secured position and the hedging instrument, particularly as a result of a change of size of the secured position);
- e) base risk - related to possible discrepancies between changes of the prices of base assets and the derivative instrument;
- f) risk of insolvency of the clearing house - related to possible losses as a result of the clearing house failing to fulfil its obligations (if the derivative instrument is settled by it);
- g) appraisal model risk - related to using an incorrect non-standardised derivative instrument appraisal model;
- h) business partner risk - related to a business partner failing to fulfil their obligations under derivative instrument transactions; due to the presence of financial leverage, losses may exceed the amount of Assets invested in derivative instruments;
- i) financial leverage risk - related to possible losses exceeding the amount of assets invested in derivative instruments if no margin deposit is presented or if it is established in an amount lower than the value of the derivative instrument base.

3) risk associated with special terms and conditions of transactions concluded by the Subfund

Non-standard transactions concluded by the Subfund may result in additional risks and costs associated with them.

4) risk associated with guarantees made

The Subfund does not make guarantees.

5) risks of special circumstances on which the fund participant has no influence or limited influence:

- a) commencement of Fund or Subfund liquidation

The Fund may be dissolved and Subfunds may be liquidated in situations provided for in the Statutes.

- b) management of the Fund being taken over by another company

Another investment fund company may take over the management of the Fund without the consent of Fund Participants under an agreement concluded with the Company. The company taking over management of the Fund shall take over the rights and responsibilities of the Company.

- c) the management of the fund being taken over by a company or a manager from the EU

Under Polish law, the Company may, under an agreement concluded in writing under pain of nullity, with the consent of the General Meeting of Participants, transfer the management of the Fund and the handling of its affairs to a manager from the EU pursuing business activity in Poland.

- d) change of custodian or an entity serving the fund

The Fund may change its custodian or other entities serving the Fund or Subfund without the consent of Participants.

- e) merger of the Fund with another fund

The Company may decide to merge the Fund with another investment fund managed by the Company. Such a merger shall take place after the Committee has consented to it. Such a merger shall take place by means of transferring the property of the fund to be taken over to the fund taking it over and assigning participation units in the latter to participants of the former in exchange for participation units of the fund to be taken over.

- f) transformation of the Fund into an open investment fund

Not applicable.

- g) a change of the investment policy

The Company may change the Statutes as regards the Fund's investment policy. Changes to the Statutes shall become effective after 3 months have passed from their announcement.

- 6) guarantor's insolvency

Not applicable.

- 7) inflation

In essence, the impact of this factor is described in the paragraph pertaining to economic risk related to interest rates. It should additionally be emphasized that, from the perspective of a Participant, the level of inflation has a considerable impact on the rate of return on investment in Participation Units. It may so happen that, due to a high level of inflation, the actual rate of return on investment in Participation Units proves to be a negative value in spite of the nominal rate of return on investment in Participation Units being a positive value. Due to this, Participants are at risk of losing the real value of their investment.

- 8) risk associated with legal regulations pertaining to the Fund, particularly as regards tax regulations

Changes to the legal system may exert a negative influence on investments of Participants who run the risk of having to bear additional fees which could in turn have a negative impact on rates of return on investment in Participation Units achieved by Participants.

- 9) Operating risk

Operating risk consists in the possibility of there being losses as a result of inadequacy or deficiency of internal processes, failures of people or systems, or the impact of external factors, including occurrences such as natural disasters and terrorist attacks.

3. Definition of investor profile, including the temporal scope of the investment and the level of investment risk associated with the investment policy of the Subfund

The Subfund is meant for people:

- born between 1988 and 1992,
- planning making long-term savings with a view to using funds thus accumulated after they cease to be professionally active,
- expecting that the risk profile of the Subfund will be adjusted according to Participant age - the Subfund's investment risk decreases as the Fixed Date of the Subfund draws nearer,
- accepting medium-level fluctuations of value of Participation Units.

4. Information about the amount of fees and commissions related to participation in the Subfund, the mode of their calculation and collection, and about costs to be borne by the Subfund

4.1. An indication of the provisions of the Statutes defining the types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne

The types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne are defined in Article 65 and Article 66 of the Fund's Statutes.

- 4.2. An indication of the Total Expense Ratio (TER), including information confirming that it reflects the share of costs not directly associated with the Subfund's activity in the average net value of Subfund's assets for a given year, and an indication of categories of Subfund costs not included in the TER, including transaction fees**

Not applicable.

- 4.3. Handling charges due to disposal or re-purchase of participation units and other fees paid directly by the Participants**

The Company charges no handling fees for disposing of and re-purchasing Participation Units. If the third or further Exchange order is performed in a given calendar year, the Company may charge a handling fee amounting to no more than 0.1% of the value of Participation Units covered by such an order.

- 4.4. An indication of the variable fee constituting a part of the Company's remuneration for handling management, whose amount shall depend on Subfund performance and which is presented as a percentage of the average Net Subfund Asset Value**

Pursuant to rules following from the regulation on the mode of calculating the reference rate and detailed rules for calculating remuneration due to performance results to be received by a financial institution registered in the ECP Register issued under Article 49(13) of the ECP Act, the Company may calculate and collect remuneration for performance results achieved; said remuneration shall be calculated by the Company and it shall not amount to more than 0.10% of the Net Subfund Asset Value per annum for every Subfund; said remuneration may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year,
- 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.

Reserves for remuneration for performance results shall be calculated as of every Valuation Day and paid to the Company by the 15th business day after the end of a given year.

- 4.5. Maximum amount of remuneration for Subfund management**

For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.

The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.

The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

- 4.6. An indication of existing agreements or understandings under which the costs of Subfund's operation are directly or indirectly divided between the Subfund and the Company or another entity**

The costs of Subfund's operation shall be divided between the Subfund and the Company under the Statutes.

- 5. Main financial data of the Subfund in historical perspective**

- 5.1. Net Subfund Asset Value as of the end of the last business year, consistent with the value indicated in a financial report reviewed by an auditor**

Not applicable.

5.2. Average rate of return on investment in Participation Units of the Subfund over the course of the last 2 years, for Subfunds operating for less than 3 years, or over the course of the last 3, 5, and 10 years for other Subfunds

Not applicable.

5.3. An indication of a benchmark used for assessing the efficiency of investments in the Participation Units of the Subfund, reflecting the behaviour of market variables which best reflect the purpose and investment policy of the Subfund, hereinafter referred to as the “benchmark”; an indication of that benchmark and information about any changes of the benchmark

No benchmark for assessing the efficiency of investments in the Participation Units of the Subfund has been defined for the Subfund.

5.4. Information about average rates of return from the benchmark used by the Subfund appropriately for periods discussed in point 5.2

Not applicable.

5.5. A reservation that a given Participant’s individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

The Company hereby makes a reservation that individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

CHAPTER X. Subfund PFR PPK 2055**1. Brief description of the Subfund's investment policy****1.1. Indication of the main categories of the Subfund's investments and their diversification so as to describe the character of the Subfund and, if the Subfund mostly invests its assets in investments other than securities or instruments of the financial market, a clear indication of that characteristic feature**

1. The Subfund is a Fixed-Date Subfund as per the ECP Act. The Fund manages the investment Policy of the Subfund in line with the rules provided for in the Fund's Statutes.
2. The Fund may invest Subfund Assets in securities, financial instruments, and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object in line with the rules provided for in Article 68 in the 2nd part of the Fund's Statutes.
3. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2034, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - b) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 2) as of 01 January 2035 and until 31 December 2044, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - b) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 3) as of 01 January 2045 and until 31 December 2049, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 4) as of 1 January 2050 and until 31 December 2054, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 5) from 01 January 2055, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
4. The Fund may, as part of the Debt Portion of the Subfund's portfolio, invest:
 - 1) no less than 70% of the value of assets considered the Debt Portion in:
 - a) securities issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government body, or central state authorities, or the central bank of a Member State, the European Union, or the European Investment Bank, or international organisations on condition that such securities issued, backed, or guaranteed by such international organisations have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - b) deposits with a maturity date no longer than 180 days with domestic banks or loan institutions in the meaning of the Banking Law Act of 29 August 1997 provided that such loan

institutions have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;

- 2) no more than 30% of the value of assets of the Debt Portion in financial instruments other than indicated in point 1) provided that no more than 10% of the value of assets may be invested in financial instruments which do not have an investment ranking assigned to them by a rating agency approved by the European Central Bank in its operations.
5. While calculating the share of particular investment categories in the Debt Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using Derivative Instruments.
6. The Fund may, as part of the Share Portion of the Subfund's portfolio, invest:
 - 1) no less than 40% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies, as defined in the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, which are included in the WIG20 index or in derivative instruments based on the shares of such companies or the WIG20 index;
 - 2) no more than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies which are included in the mWIG40 index or in derivative instruments based on the shares of such companies or the mWIG40 index;
 - 3) no more than 10% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) other than indicated in points 1) and 2) and by companies listed on the organised market in Poland and in derivative instruments based on shares of such companies or market indices where they are listed and in shares, rights to shares, pre-emptive rights, or other share instruments constituting the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for admission into circulation at the Warsaw Stock Exchange and such admission into circulation is secured within a year from the date when such securities were first offered;
 - 4) no less than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, and other share instruments constituting the object of circulation on the organised market of an OECD state other than Poland or derivative instruments based on such share instruments or their indices.
7. While calculating the share of particular investment categories in the Share Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using derivative instruments.
8. The Fund may invest the Assets of every Subfund in assets expressed in PLN or currencies of EU member states or parties to the European Economic Area agreement or members of the Organisation for Economic Cooperation and Development. The total value of assets of every Subfund invested by the Fund in assets expressed in a currency other than PLN may not exceed 30% of the value of Assets of a given Subfund.
9. The Fund, acting on behalf of a Subfund, may take out loans and bank loans exclusively from domestic bank or loan institutions whose repayment period shall be up to one year and whose total

value shall not exceed 10% of the Net Subfund Asset Value as of the conclusion of a given loan or bank loan agreement.

10. The Fund, acting on behalf of a Subfund, may grant loans to other entities whose object may be securities, including dematerialised securities, in line with the rules provided for in the Act.
11. Rules for investment diversification and other investment-related restrictions provided for in the Act shall apply to matters not provided for hereinabove.

1.2. A brief description of criteria for selecting investments for the investment portfolio of Subfunds

1. The proportions of different types of investments for a given Subfund shall depend on the Company's decision and on the amount of time remaining until the Fixed Date of a given Subfund. While taking investment-related decisions regarding the Assets of a given Subfund, the Company shall follow its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act, the ECP Act, and the Statutes into account. Further, the Company shall strive to achieve an investment portfolio structure of a given Subfund consistent with the diversification rules defined for that Subfund.
2. Core criteria for choosing investments used by the Fund while investing Subfund assets shall be fundamental analysis and portfolio analysis. The following criteria shall also be taken into account when making investments in particular types of deposits:
 - 1) as regards investments in shares and similar financial instruments such as, in particular: pre-emptive rights, rights to shares, subscription warrants, depository notes (or other property rights incorporating rights under shares), as well as other disposable shares incorporating property rights corresponding to rights under shares: an assessment of development prospects for a given issuer, belonging to indices, capitalization and liquidity of the issuer's instruments, the current and expected situation on markets, expected rate of return, the level of investment risk, the level of currency risk in the case of investments on foreign markets, and the level of risk associated with investment liquidity;
 - 2) as regards investments in Financial Market Instruments, debt securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, or bonds and financial instruments of a similar type such as, in particular: treasury bills, mortgage bonds, deposit certificates, and other disposable securities incorporating property rights corresponding to rights related to incurring a debt: an assessment of the development prospects of a given issuer taking into account the risk of them becoming insolvent, an assessment of the current and expected level of interest rates and inflation, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, and the liquidity of a given Subfund's Assets;
 - 3) as regards investments in participation units and investment certificates of investment funds whose seat is in Poland and in participation titles issued by foreign funds or joint investment institutions residing abroad: the level of similarity of a given entity's investment policy with the investment policy of a given Subfund, the composition of a given fund's portfolio, analyses of past rates of return, track record of the fund's management team, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, the liquidity of a given Subfund's Assets, and the level of costs to be borne by participants in a given entity,
 - 4) as regards investments in deposits: interest rate on such deposits and the financial standing of the relevant bank or loan institution.

3. The Fund shall make use of the following criteria while choosing the instruments discussed in Article 21(6) of the Fund's Statutes:
 - 1) instrument's liquidity and the amount of difference between the purchase and sale proposals related to a given Derivative Instrument associated with it,
 - 2) the amount of undervaluation or overvaluation of a given Derivative Instrument in relation to a theoretical appraisal model applicable to a given Derivative Instrument; in the case of undervaluation, the Fund shall take the long position as far as a given Derivative Instrument is concerned and the Fund shall take the short position in the event of overvaluation;
 - 3) transaction costs associated with taking and liquidating a position as part of a given Derivative Instrument;
 - 4) adjusting the characteristic features of a Derivative Instrument to the investment strategy and financial instruments in the Fund's investment portfolio.

1.3. If a Subfund reflects the composition of a recognised share or debt securities index - indicate the index, the market to which it pertains, and the extent to which the index is reflected by the Subfund

The Subfund does not reflect the composition of a recognised share or debt security index.

1.4. If the net value of assets of the Subfund's investment portfolio may be subject to considerable variation due to the composition of the portfolio and the assumed portfolio management technique, that feature is to be clearly indicated

The Net Value of Assets may be subject to considerable variability in view of the fact that there are shares and other instruments with high variability in its investment portfolio.

1.5. If the Subfund can conclude agreements whose objects are derivative instruments, including Non-Standardised Derivative Instruments, this is to be indicated and the impact of such agreements, including agreements whose subject are Non-Standardised Derivative Instruments, on the risk associated with the investment policy assumed is also to be indicated

The Subfund may conclude agreements whose object are Derivative Instruments, including Non-Standardised Derivative Instruments, both in order to reduce investment risk and to ensure efficient Subfund investment portfolio management. Agreements concluded with a view to limiting investment risk shall be aimed at reducing investment risk, including the risk related to interest rates and currency-related risk, while agreements concluded in order to ensure efficient portfolio management may result in increasing the level of risk.

1.6. If guarantees regarding the payment of a certain amount due to Participation Unit re-purchase were made, indicate the guarantor and the terms and conditions of the guarantee.

Not applicable.

2. A description of investment risk associated with investing in Subfund Participation Units, including risk associated with the Subfund investment policy

2.1. A description of investment risk associated with the Subfund investment policy, taking management strategy and particular investment strategies applied to investments in specific geographic regions, within a specific line of business or economic sector, or to a specific type of investments or in order to reflect an index into account

- 1) market risk - related to the overall economic situation on the securities market,

- 2) loan risk - related to it being possible for an entity with whom the Fund concluded agreements or transactions failing to fulfil their obligations,
- 3) settlement risk - related to business partner risks and them not settling their transactions on time,
- 4) liquidity risk - related to a possible situation where concluding a transaction involving securities without significantly influencing their price is impossible,
- 5) currency risk - related to possible fluctuations of rates of exchange,
- 6) risk connected with storing assets - related to the possibility of the Custodian or sub-custodian ceasing or limiting the scope of their activity consisting in storing Subfund assets,
- 7) risk connected with the concentration of assets or markets - related to the possibility of investing Subfund assets in securities or other financial instruments issued by a small group of issuers or issuers operating within one market,
- 8) legal risk - related to possible changes of the legal system, including taxation, which could have a negative impact on the functioning of economic entities, including issuers of securities,
- 9) macroeconomic risk - related to the impact of the overall economic situation in the country and in the world on the market prices of financial instruments and related to changes of macroeconomic indicators such as the pace of economic growth and inflation rate.

2.2. Description of risk associated with participation in the Subfund, particularly the following types of risk:

- 1) risk of not achieving the expected return on investment in Participation Units, taking factors influencing the level of risk associated with the investment into account

The Subfund shall strive towards achieving the investment objective defined in its Statutes but it cannot guarantee that the same will be achieved. The Subfund, in spite of exercising top-level professional diligence, may not achieve a specific rate of return on investment in Participation Units due to risk factors listed above, including conclusion by the Subfund of certain agreements, and due to detailed terms and conditions of transactions concluded by the Subfund.

- 2) risk associated with the conclusion of specific agreements

The conclusion of agreements whose objects are Derivative Instruments, including Non-Standardized Derivative Instruments, may result in the following types of risk occurring:

- a) market risk - related to possible losses due to changes of market parameters such as the price of securities, interest rates, rates of exchange, and stock exchange indices. Due to the effect of financial leverage, the option to take the short position, and the level of complexity of such instrument's appraisal, this risk is higher than in the case of instruments forming the base of such instruments;
- b) risk of incorrect securing of position as a result of the Subfund using an incorrect cash flow hedge or using one incorrectly (thus the strategy used by the Fund may result in losses);
- c) risk of there being no liquidity necessary for concluding a transaction for both securing and secured positions;
- d) risk of non-matching securing and secured positions (due to an error in assessing the relation between the secured position and the hedging instrument, particularly as a result of a change of size of the secured position);

- e) base risk - related to possible discrepancies between changes of the prices of base assets and the derivative instrument;
- f) risk of insolvency of the clearing house - related to possible losses as a result of the clearing house failing to fulfil its obligations (if the derivative instrument is settled by it);
- g) appraisal model risk - related to using an incorrect non-standardised derivative instrument appraisal model;
- h) business partner risk - related to a business partner failing to fulfil their obligations under derivative instrument transactions; due to the presence of financial leverage, losses may exceed the amount of Assets invested in derivative instruments;
- i) financial leverage risk - related to possible losses exceeding the amount of assets invested in derivative instruments if no margin deposit is presented or if it is established in an amount lower than the value of the derivative instrument base.

3) risk associated with special terms and conditions of transactions concluded by the Subfund

Non-standard transactions concluded by the Subfund may result in additional risks and costs associated with them.

4) risk associated with guarantees made

The Subfund does not make guarantees.

5) risks of special circumstances on which the fund participant has no influence or limited influence:

a) commencement of Fund or Subfund liquidation

The Fund may be dissolved and Subfunds may be liquidated in situations provided for in the Statutes.

b) management of the Fund being taken over by another company

Another investment fund company may take over the management of the Fund without the consent of Fund Participants under an agreement concluded with the Company. The company taking over management of the Fund shall take over the rights and responsibilities of the Company.

c) the management of the fund being taken over by a company or a manager from the EU

Under Polish law, the Company may, under an agreement concluded in writing under pain of nullity, with the consent of the General Meeting of Participants, transfer the management of the Fund and the handling of its affairs to a manager from the EU pursuing business activity in Poland.

d) change of custodian or an entity serving the fund

The Fund may change its custodian or other entities serving the Fund or Subfund without the consent of Participants.

e) merger of the Fund with another fund

The Company may decide to merge the Fund with another investment fund managed by the Company. Such a merger shall take place after the Committee has consented to it. Such a merger shall take place by means of transferring the property of the fund to be taken over to the fund taking it over and assigning participation units in the latter to participants of the former in exchange for participation units of the fund to be taken over.

f) transformation of the Fund into an open investment fund

Not applicable.

g) a change of the investment policy

The Company may change the Statutes as regards the Fund's investment policy. Changes to the Statutes shall become effective after 3 months have passed from their announcement.

- 6) guarantor's insolvency

Not applicable.

- 7) inflation

In essence, the impact of this factor is described in the paragraph pertaining to economic risk related to interest rates. It should additionally be emphasized that, from the perspective of a Participant, the level of inflation has a considerable impact on the rate of return on investment in Participation Units. It may so happen that, due to a high level of inflation, the actual rate of return on investment in Participation Units proves to be a negative value in spite of the nominal rate of return on investment in Participation Units being a positive value. Due to this, Participants are at risk of losing the real value of their investment.

- 8) risk associated with legal regulations pertaining to the Fund, particularly as regards tax regulations

Changes to the legal system may exert a negative influence on investments of Participants who run the risk of having to bear additional fees which could in turn have a negative impact on rates of return on investment in Participation Units achieved by Participants.

- 9) Operating risk

Operating risk consists in the possibility of there being losses as a result of inadequacy or deficiency of internal processes, failures of people or systems, or the impact of external factors, including occurrences such as natural disasters and terrorist attacks.

3. Definition of investor profile, including the temporal scope of the investment and the level of investment risk associated with the investment policy of the Subfund

The Subfund is meant for people:

- born between 1993 and 1997,
- planning making long-term savings with a view to using funds thus accumulated after they cease to be professionally active,
- expecting that the risk profile of the Subfund will be adjusted according to Participant age - the Subfund's investment risk decreases as the Fixed Date of the Subfund draws nearer,
- accepting medium-level fluctuations of value of Participation Units.

4. Information about the amount of fees and commissions related to participation in the Subfund, the mode of their calculation and collection, and about costs to be borne by the Subfund

4.1. An indication of the provisions of the Statutes defining the types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne

The types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne are defined in Article 70 and Article 71 of the Fund's Statutes.

4.2. An indication of the Total Expense Ratio (TER), including information confirming that it reflects the share of costs not directly associated with the Subfund's activity in the average net value of Subfund's assets for a given year, and an indication of categories of Subfund costs not included in the TER, including transaction fees

Not applicable.

4.3. Handling charges due to disposal or re-purchase of participation units and other fees paid

directly by the Participants

The Company charges no handling fees for disposing of and re-purchasing Participation Units. If the third or further Exchange order is performed in a given calendar year, the Company may charge a handling fee amounting to no more than 0.1% of the value of Participation Units covered by such an order.

4.4. An indication of the variable fee constituting a part of the Company's remuneration for handling management, whose amount shall depend on Subfund performance and which is presented as a percentage of the average Net Subfund Asset Value

Pursuant to rules following from the regulation on the mode of calculating the reference rate and detailed rules for calculating remuneration due to performance results to be received by a financial institution registered in the ECP Register issued under Article 49(13) of the ECP Act, the Company may calculate and collect remuneration for performance results achieved; said remuneration shall be calculated by the Company and it shall not amount to more than 0.10% of the Net Subfund Asset Value per annum for every Subfund; said remuneration may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year,
- 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.

Reserves for remuneration for performance results shall be calculated as of every Valuation Day and paid to the Company by the 15th business day after the end of a given year.

4.5. Maximum amount of remuneration for Subfund management

For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the “**Fixed Remuneration**”) whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.

The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.

The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

4.6. An indication of existing agreements or understandings under which the costs of Subfund's operation are directly or indirectly divided between the Subfund and the Company or another entity

The costs of Subfund's operation shall be divided between the Subfund and the Company under the Statutes.

5. Main financial data of the Subfund in historical perspective

5.1. Net Subfund Asset Value as of the end of the last business year, consistent with the value indicated in a financial report reviewed by an auditor

Not applicable.

5.2. Average rate of return on investment in Participation Units of the Subfund over the course of the last 2 years, for Subfunds operating for less than 3 years, or over the course of the last 3, 5, and 10 years for other Subfunds

Not applicable.

5.3. An indication of a benchmark used for assessing the efficiency of investments in the Participation Units of the Subfund, reflecting the behaviour of market variables which best reflect the purpose and investment policy of the Subfund, hereinafter referred to as the

“benchmark”; an indication of that benchmark and information about any changes of the benchmark

No benchmark for assessing the efficiency of investments in the Participation Units of the Subfund has been defined for the Subfund.

5.4. Information about average rates of return from the benchmark used by the Subfund appropriately for periods discussed in point 5.2

Not applicable.

5.5. A reservation that a given Participant’s individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

The Company hereby makes a reservation that individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

CHAPTER XI. Subfund PFR PPK 2060**1. Brief description of the Subfund's investment policy****1.1. Indication of the main categories of the Subfund's investments and their diversification so as to describe the character of the Subfund and, if the Subfund mostly invests its assets in investments other than securities or instruments of the financial market, a clear indication of that characteristic feature**

1. The Subfund is a Fixed-Date Subfund as per the ECP Act. The Fund manages the investment Policy of the Subfund in line with the rules provided for in the Fund's Statutes.
2. The Fund may invest Subfund Assets in securities, financial instruments, and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object in line with the rules provided for in Article 73 in the 2nd part of the Fund's Statutes.
3. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2039, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - b) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 2) as of 01 January 2040 and until 31 December 2049, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - b) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 3) as of 01 January 2050 and until 31 December 2054, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 4) as of 01 January 2055 and until 31 December 2059, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 5) from 01 January 2060, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
4. The Fund may, as part of the Debt Portion of the Subfund's portfolio, invest:
 - 1) no less than 70% of the value of assets considered the Debt Portion in:
 - a) securities issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government body, or central state authorities, or the central bank of a Member State, the European Union, or the European Investment Bank, or international organisations on condition that such securities issued, backed, or guaranteed by such international organisations have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - b) deposits with a maturity date no longer than 180 days with domestic banks or loan institutions in the meaning of the Banking Law Act of 29 August 1997 provided that such loan

institutions have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;

- 2) no more than 30% of the value of assets of the Debt Portion in financial instruments other than indicated in point 1) provided that no more than 10% of the value of assets may be invested in financial instruments which do not have an investment ranking assigned to them by a rating agency approved by the European Central Bank in its operations.
5. While calculating the share of particular investment categories in the Debt Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using Derivative Instruments.
6. The Fund may, as part of the Share Portion of the Subfund's portfolio, invest:
 - 1) no less than 40% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies, as defined in the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, which are included in the WIG20 index or in derivative instruments based on the shares of such companies or the WIG20 index;
 - 2) no more than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies which are included in the mWIG40 index or in derivative instruments based on the shares of such companies or the mWIG40 index;
 - 3) no more than 10% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) other than indicated in points 1) and 2) and by companies listed on the organised market in Poland and in derivative instruments based on shares of such companies or market indices where they are listed and in shares, rights to shares, pre-emptive rights, or other share instruments constituting the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for admission into circulation at the Warsaw Stock Exchange and such admission into circulation is secured within a year from the date when such securities were first offered;
 - 4) no less than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, and other share instruments constituting the object of circulation on the organised market of an OECD state other than Poland or derivative instruments based on such share instruments or their indices.
7. While calculating the share of particular investment categories in the Share Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using derivative instruments.
8. The Fund may invest the Assets of every Subfund in assets expressed in PLN or currencies of EU member states or parties to the European Economic Area agreement or members of the Organisation for Economic Cooperation and Development. The total value of assets of every Subfund invested by the Fund in assets expressed in a currency other than PLN may not exceed 30% of the value of Assets of a given Subfund.
9. The Fund, acting on behalf of a Subfund, may take out loans and bank loans exclusively from domestic bank or loan institutions whose repayment period shall be up to one year and whose total

value shall not exceed 10% of the Net Subfund Asset Value as of the conclusion of a given loan or bank loan agreement.

10. The Fund, acting on behalf of a Subfund, may grant loans to other entities whose object may be securities, including dematerialised securities, in line with the rules provided for in the Act.
11. Rules for investment diversification and other investment-related restrictions provided for in the Act shall apply to matters not provided for hereinabove.

1.2. A brief description of criteria for selecting investments for the investment portfolio of Subfunds

1. The proportions of different types of investments for a given Subfund shall depend on the Company's decision and on the amount of time remaining until the Fixed Date of a given Subfund. While taking investment-related decisions regarding the Assets of a given Subfund, the Company shall follow its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act, the ECP Act, and the Statutes into account. Further, the Company shall strive to achieve an investment portfolio structure of a given Subfund consistent with the diversification rules defined for that Subfund.
2. Core criteria for choosing investments used by the Fund while investing Subfund assets shall be fundamental analysis and portfolio analysis. The following criteria shall also be taken into account when making investments in particular types of deposits:
 - 1) as regards investments in shares and similar financial instruments such as, in particular: pre-emptive rights, rights to shares, subscription warrants, depository notes (or other property rights incorporating rights under shares), as well as other disposable shares incorporating property rights corresponding to rights under shares: an assessment of development prospects for a given issuer, belonging to indices, capitalization and liquidity of the issuer's instruments, the current and expected situation on markets, expected rate of return, the level of investment risk, the level of currency risk in the case of investments on foreign markets, and the level of risk associated with investment liquidity;
 - 2) as regards investments in Financial Market Instruments, debt securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, or bonds and financial instruments of a similar type such as, in particular: treasury bills, mortgage bonds, deposit certificates, and other disposable securities incorporating property rights corresponding to rights related to incurring a debt: an assessment of the development prospects of a given issuer taking into account the risk of them becoming insolvent, an assessment of the current and expected level of interest rates and inflation, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, and the liquidity of a given Subfund's Assets;
 - 3) as regards investments in participation units and investment certificates of investment funds whose seat is in Poland and in participation titles issued by foreign funds or joint investment institutions residing abroad: the level of similarity of a given entity's investment policy with the investment policy of a given Subfund, the composition of a given fund's portfolio, analyses of past rates of return, track record of the fund's management team, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, the liquidity of a given Subfund's Assets, and the level of costs to be borne by participants in a given entity,
 - 4) as regards investments in deposits: interest rate on such deposits and the financial standing of the relevant bank or loan institution.

3. The Fund shall make use of the following criteria while choosing the instruments discussed in Article 21(6) of the Fund's Statutes:
 - 1) instrument's liquidity and the amount of difference between the purchase and sale proposals related to a given Derivative Instrument associated with it,
 - 2) the amount of undervaluation or overvaluation of a given Derivative Instrument in relation to a theoretical appraisal model applicable to a given Derivative Instrument; in the case of undervaluation, the Fund shall take the long position as far as a given Derivative Instrument is concerned and the Fund shall take the short position in the event of overvaluation;
 - 3) transaction costs associated with taking and liquidating a position as part of a given Derivative Instrument;
 - 4) adjusting the characteristic features of a Derivative Instrument to the investment strategy and financial instruments in the Fund's investment portfolio.

1.3. If a Subfund reflects the composition of a recognised share or debt securities index - indicate the index, the market to which it pertains, and the extent to which the index is reflected by the Subfund

The Subfund does not reflect the composition of a recognised share or debt security index.

1.4. If the net value of assets of the Subfund's investment portfolio may be subject to considerable variation due to the composition of the portfolio and the assumed portfolio management technique, that feature is to be clearly indicated

The Net Value of Assets may be subject to considerable variability in view of the fact that there are shares and other instruments with high variability in its investment portfolio.

1.5. If the Subfund can conclude agreements whose objects are derivative instruments, including Non-Standardised Derivative Instruments, this is to be indicated and the impact of such agreements, including agreements whose subject are Non-Standardised Derivative Instruments, on the risk associated with the investment policy assumed is also to be indicated

The Subfund may conclude agreements whose object are Derivative Instruments, including Non-Standardised Derivative Instruments, both in order to reduce investment risk and to ensure efficient Subfund investment portfolio management. Agreements concluded with a view to limiting investment risk shall be aimed at reducing investment risk, including the risk related to interest rates and currency-related risk, while agreements concluded in order to ensure efficient portfolio management may result in increasing the level of risk.

1.6. If guarantees regarding the payment of a certain amount due to Participation Unit re-purchase were made, indicate the guarantor and the terms and conditions of the guarantee.

Not applicable.

2. A description of investment risk associated with investing in Subfund Participation Units, including risk associated with the Subfund investment policy

2.1. A description of investment risk associated with the Subfund investment policy, taking management strategy and particular investment strategies applied to investments in specific geographic regions, within a specific line of business or economic sector, or to a specific type of investments or in order to reflect an index into account

- 1) market risk - related to the overall economic situation on the securities market,

- 2) loan risk - related to it being possible for an entity with whom the Fund concluded agreements or transactions failing to fulfil their obligations,
- 3) settlement risk - related to business partner risks and them not settling their transactions on time,
- 4) liquidity risk - related to a possible situation where concluding a transaction involving securities without significantly influencing their price is impossible,
- 5) currency risk - related to possible fluctuations of rates of exchange,
- 6) risk connected with storing assets - related to the possibility of the Custodian or sub-custodian ceasing or limiting the scope of their activity consisting in storing Subfund assets,
- 7) risk connected with the concentration of assets or markets - related to the possibility of investing Subfund assets in securities or other financial instruments issued by a small group of issuers or issuers operating within one market,
- 8) legal risk - related to possible changes of the legal system, including taxation, which could have a negative impact on the functioning of economic entities, including issuers of securities,
- 9) macroeconomic risk - related to the impact of the overall economic situation in the country and in the world on the market prices of financial instruments and related to changes of macroeconomic indicators such as the pace of economic growth and inflation rate.

2.2. Description of risk associated with participation in the Subfund, particularly the following types of risk:

- 1) risk of not achieving the expected return on investment in Participation Units, taking factors influencing the level of risk associated with the investment into account

The Subfund shall strive towards achieving the investment objective defined in its Statutes but it cannot guarantee that the same will be achieved. The Subfund, in spite of exercising top-level professional diligence, may not achieve a specific rate of return on investment in Participation Units due to risk factors listed above, including conclusion by the Subfund of certain agreements, and due to detailed terms and conditions of transactions concluded by the Subfund.

- 2) risk associated with the conclusion of specific agreements

The conclusion of agreements whose objects are Derivative Instruments, including Non-Standardized Derivative Instruments, may result in the following types of risk occurring:

- a) market risk - related to possible losses due to changes of market parameters such as the price of securities, interest rates, rates of exchange, and stock exchange indices. Due to the effect of financial leverage, the option to take the short position, and the level of complexity of such instrument's appraisal, this risk is higher than in the case of instruments forming the base of such instruments;
- b) risk of incorrect securing of position as a result of the Subfund using an incorrect cash flow hedge or using one incorrectly (thus the strategy used by the Fund may result in losses);
- c) risk of there being no liquidity necessary for concluding a transaction for both securing and secured positions;
- d) risk of non-matching securing and secured positions (due to an error in assessing the relation between the secured position and the hedging instrument, particularly as a result of a change of size of the secured position);

- e) base risk - related to possible discrepancies between changes of the prices of base assets and the derivative instrument;
- f) risk of insolvency of the clearing house - related to possible losses as a result of the clearing house failing to fulfil its obligations (if the derivative instrument is settled by it);
- g) appraisal model risk - related to using an incorrect non-standardised derivative instrument appraisal model;
- h) business partner risk - related to a business partner failing to fulfil their obligations under derivative instrument transactions; due to the presence of financial leverage, losses may exceed the amount of Assets invested in derivative instruments;
- i) financial leverage risk - related to possible losses exceeding the amount of assets invested in derivative instruments if no margin deposit is presented or if it is established in an amount lower than the value of the derivative instrument base.

3) risk associated with special terms and conditions of transactions concluded by the Subfund

Non-standard transactions concluded by the Subfund may result in additional risks and costs associated with them.

4) risk associated with guarantees made

The Subfund does not make guarantees.

5) risks of special circumstances on which the fund participant has no influence or limited influence:

a) commencement of Fund or Subfund liquidation

The Fund may be dissolved and Subfunds may be liquidated in situations provided for in the Statutes.

b) management of the Fund being taken over by another company

Another investment fund company may take over the management of the Fund without the consent of Fund Participants under an agreement concluded with the Company. The company taking over management of the Fund shall take over the rights and responsibilities of the Company.

c) the management of the fund being taken over by a company or a manager from the EU

Under Polish law, the Company may, under an agreement concluded in writing under pain of nullity, with the consent of the General Meeting of Participants, transfer the management of the Fund and the handling of its affairs to a manager from the EU pursuing business activity in Poland.

d) change of custodian or an entity serving the fund

The Fund may change its custodian or other entities serving the Fund or Subfund without the consent of Participants.

e) merger of the Fund with another fund

The Company may decide to merge the Fund with another investment fund managed by the Company. Such a merger shall take place after the Committee has consented to it. Such a merger shall take place by means of transferring the property of the fund to be taken over to the fund taking it over and assigning participation units in the latter to participants of the former in exchange for participation units of the fund to be taken over.

f) transformation of the Fund into an open investment fund

Not applicable.

g) a change of the investment policy

The Company may change the Statutes as regards the Fund's investment policy. Changes to the Statutes shall become effective after 3 months have passed from their announcement.

- 6) guarantor's insolvency

Not applicable.

- 7) inflation

In essence, the impact of this factor is described in the paragraph pertaining to economic risk related to interest rates. It should additionally be emphasized that, from the perspective of a Participant, the level of inflation has a considerable impact on the rate of return on investment in Participation Units. It may so happen that, due to a high level of inflation, the actual rate of return on investment in Participation Units proves to be a negative value in spite of the nominal rate of return on investment in Participation Units being a positive value. Due to this, Participants are at risk of losing the real value of their investment.

- 8) risk associated with legal regulations pertaining to the Fund, particularly as regards tax regulations

Changes to the legal system may exert a negative influence on investments of Participants who run the risk of having to bear additional fees which could in turn have a negative impact on rates of return on investment in Participation Units achieved by Participants.

- 9) Operating risk

Operating risk consists in the possibility of there being losses as a result of inadequacy or deficiency of internal processes, failures of people or systems, or the impact of external factors, including occurrences such as natural disasters and terrorist attacks.

3. Definition of investor profile, including the temporal scope of the investment and the level of investment risk associated with the investment policy of the Subfund

The Subfund is meant for people:

- born between 1998 and 2002,
- planning making long-term savings with a view to using funds thus accumulated after they cease to be professionally active,
- expecting that the risk profile of the Subfund will be adjusted according to Participant age - the Subfund's investment risk decreases as the Fixed Date of the Subfund draws nearer,
- accepting medium-level fluctuations of value of Participation Units.

4. Information about the amount of fees and commissions related to participation in the Subfund, the mode of their calculation and collection, and about costs to be borne by the Subfund

4.1. An indication of the provisions of the Statutes defining the types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne

The types, maximum amount, mode of calculation and charging of costs to be borne by the Subfund, including, in particular, the remuneration of the Company and earliest possible dates when particular types of costs may be borne are defined in Article 75 and Article 76 of the Fund's Statutes.

4.2. An indication of the Total Expense Ratio (TER), including information confirming that it reflects the share of costs not directly associated with the Subfund's activity in the average net value of Subfund's assets for a given year, and an indication of categories of Subfund costs not included in the TER, including transaction fees

Not applicable.

4.3. Handling charges due to disposal or re-purchase of participation units and other fees paid

directly by the Participants

The Company charges no handling fees for disposing of and re-purchasing Participation Units. If the third or further Exchange order is performed in a given calendar year, the Company may charge a handling fee amounting to no more than 0.1% of the value of Participation Units covered by such an order.

4.4. An indication of the variable fee constituting a part of the Company's remuneration for handling management, whose amount shall depend on Subfund performance and which is presented as a percentage of the average Net Subfund Asset Value

Pursuant to rules following from the regulation on the mode of calculating the reference rate and detailed rules for calculating remuneration due to performance results to be received by a financial institution registered in the ECP Register issued under Article 49(13) of the ECP Act, the Company may calculate and collect remuneration for performance results achieved; said remuneration shall be calculated by the Company and it shall not amount to more than 0.10% of the Net Subfund Asset Value per annum for every Subfund; said remuneration may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year,
- 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.

Reserves for remuneration for performance results shall be calculated as of every Valuation Day and paid to the Company by the 15th business day after the end of a given year.

4.5. Maximum amount of remuneration for Subfund management

For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the “**Fixed Remuneration**”) whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.

The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.

The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

4.6. An indication of existing agreements or understandings under which the costs of Subfund's operation are directly or indirectly divided between the Subfund and the Company or another entity

The costs of Subfund's operation shall be divided between the Subfund and the Company under the Statutes.

5. Main financial data of the Subfund in historical perspective

5.1. Net Subfund Asset Value as of the end of the last business year, consistent with the value indicated in a financial report reviewed by an auditor

Not applicable.

5.2. Average rate of return on investment in Participation Units of the Subfund over the course of the last 2 years, for Subfunds operating for less than 3 years, or over the course of the last 3, 5, and 10 years for other Subfunds

Not applicable.

5.3. An indication of a benchmark used for assessing the efficiency of investments in the Participation Units of the Subfund, reflecting the behaviour of market variables which best reflect the purpose and investment policy of the Subfund, hereinafter referred to as the

“benchmark”; an indication of that benchmark and information about any changes of the benchmark

No benchmark for assessing the efficiency of investments in the Participation Units of the Subfund has been defined for the Subfund.

5.4. Information about average rates of return from the benchmark used by the Subfund appropriately for periods discussed in point 5.2

Not applicable.

5.5. A reservation that a given Participant’s individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

The Company hereby makes a reservation that individual rate of return on investment depends on the value of a Participation Unit when it is disposed of and re-purchased by the Fund and on the value of handling fees collected by the Fund and that past results do not guarantee similar results in the future

CHAPTER XII. Data regarding the Custodian

1. Business name, seat, and address of the Custodian, including contact numbers

Powszechna Kasa Oszczędności Bank Polski S.A. residing in Warsaw at ul. Puławska 15, 02-515 Warszawa, phone no. 22 521 97 52, fax no. 22 521 91 83.

2. Custodian's range of responsibilities

The obligations of the Custodian towards the Fund shall include:

- 1) storing the Fund's Assets;
- 2) keeping a register of Fund Assets;
- 3) making sure that the funds of the Fund are stored on cash accounts and bank accounts operated by entities authorised to operate such accounts under Polish law or meeting the relevant requirements defined by EU law or requirements equivalent to the same;
- 4) ensuring the monitoring of the Fund's cash flows;
- 5) ensuring that the disposal and re-purchase of Participation Units takes place in line with the law and the Fund's Statutes;
- 6) making sure that agreements related to the Fund's Assets are settled without unjustified delays or supervising deadlines for settling agreements with Fund Participants;
- 7) making sure that the Net Asset Value and Net Asset Value per Participation Unit of the Fund are calculated in line with the law and the Fund's Statutes;
- 8) ensuring that income of the Fund is used in line with the law and the Fund's Statutes;
- 9) following orders from the Fund unless they violate the law or the Fund's Statutes;
- 10) checking whether or not the activity of the Fund is consistent with legal regulations pertaining to the operation of investment funds or the Statutes as regards matters other than indicated in point v-viii and taking the interests of participants into account.

The Custodian's obligations towards Fund Participants as far as representing their interests in relation to the Company is concerned shall include:

- 1) The Custodian shall immediately notify KNF Financial Supervision Authority if they conclude in the course of performing their duties that the Fund acts in violation of the law or the Fund's Statutes or has failed to properly take the interests of Fund Participants into account.
- 2) The Custodian shall be obliged to represent the Fund in the event of the Company's permit to do business expiring or being revoked.
- 3) The Custodian shall ensure constant supervision over activities of the Fund performed for the benefit of its Participants, particularly control over promptness of settlement of agreements with Fund Participants.
- 4) The Custodian is, under the Act, the liquidator of the Fund unless KNF Financial Supervision Authority appoints another liquidator.
- 5) The Custodian shall file a lawsuit against the Company on behalf of Fund Participants for damage caused due to a failure to fulfil or improper fulfilment by the Company of obligations related to managing and representing the Fund in line with the rules provided for in Article 72a of the Act.

3. Rules for and scope of concluding the agreements discussed in Article 107(2)(1) of the Act whose

objects are investments and agreements discussed in Article 107(2)(3) of the Act with the Custodian

The Fund may, without having to procure the consent of KNF Financial Supervision Authority, conclude the following with the Custodian:

- 1) fixed-term deposit account agreements for a period of no more than 7 days and settlement account agreements, including current and auxiliary accounts, and such agreements shall always be concluded exclusively for purposes of managing current liquidity and to the extent necessary to meet the current obligations of the Fund,
- 2) currency exchange agreements related to purchasing or disposing of investment portfolio elements expressed in a foreign currency, both in connection with accepting payments to and making payments from the Fund and in connection with the investment policy followed which assumes, in particular, purchasing and disposing of participation titles issued by foreign funds and joint investment institutions residing abroad with the proviso that:
 - a) the object of such agreements shall be currencies in which the Fund's investments are expressed,
 - b) The Fund shall conclude the following currency exchange agreements: immediate transactions, forward transactions, currency swap transactions.
 - c) agreements shall be concluded as part of performing the investment objective and in line with the accepted investment policy of the Fund; in particular: the acquisition and disposal of investment portfolio components expressed in a foreign currency,
 - d) the Fund shall conclude transactions with the Custodian in line with the best interests of the Participants and according to terms and conditions no less favourable than those offered by other banks; in particular, when assessing the competitiveness of transaction terms and condition, the following assessment criteria shall be taken into account (in order of their importance): price and costs of the transaction, settlement date of the transaction, limitation regarding transaction volume, credibility of the business partner being the other party to the transaction,
 - e) a transaction with the Custodian may only be concluded if the price and costs of such a transaction proposed by the Custodian are not worse than the same proposed by competing banks or the price and costs of such a transaction proposed by the Custodian may be worse than those proposed by a competing bank provided that the proposals of competing banks do not meet requirements related to at least one of the three remaining criteria: settlement date of the transaction, limitation regarding transaction volume, credibility of the business partner being the other party to the transaction,
- 3) due to the requirements indicated in point 2(d) and 2(e), the Company shall be obliged to procure and document proposals from at least three typical entities operation on the inter-bank market; the term "typical entities" shall mean banks with an investment rating at least acknowledged by a reputable rating institution,
- 4) a loan agreement or an overdraft limit agreement of the Intra Day type under the following terms and conditions:
 - a) agreements shall be concluded with a view to ensure prompt fulfilment of the Fund's obligations under transactions concluded for the benefit of Subfunds or current settlements with Participants,
 - b) if overdraft on the account of the Fund related to the conclusion of the agreement indicated in point a is not cleared by the end of the business day, late payment interest shall be calculated according to market conditions, taking the interests of Fund Participants into account, and it shall not exceed the statutory interest rate in effect as of the day when the overdraft is cleared,

- 5) agreements having securities as their object if their conclusion is to the best interests of Fund Participants and would not cause a conflict of interests. The Fund shall store documents making it possible to confirm that the conditions discussed in the first sentence were met, particularly as regards the rules for calculating price and other material terms and conditions of the relevant transaction,
- 6) agreements having as their object securities issued by the State Treasury or the National Bank of Poland - without any restrictions.

4. A description of conflicts of interests which may occur in connection with the Custodian being the Custodian of the Fund and, at the same time, pursuing other activity

The Company has so far not identified any instances of conflicts of interests occurring in connection with the Custodian being the Fund's Custodian and pursuing other activity.

5. Information about the entity discussed in Article 81(i) of the Act to whom the Custodian entrusted the performance of activities related to its duty to store the Fund's Assets

Not applicable.

6. Information about the entity discussed in Article 81(j) of the Act to whom the Custodian assigned the performance of activities related to its duty to store the Fund's assets

Not applicable.

7. The scope and rules of the Custodian's liability and the liability of entities discussed in Article 81(i) and Article 81(j) for damage caused due to a failure to fulfil or improper fulfilment of obligations indicated in Article 72(1) and Article 72a of the Act and in the agreement for appointing the Fund's Custodian

The Custodian shall be liable for damage resulting from a failure to perform or improper performance of obligations defined under the Act.

The Custodian shall be liable towards the Fund for losing securities constituting assets of the Fund and recorded on securities account operated by the Custodian and for losing other assets of the Fund, including financial instruments which it was impossible to record on the securities account and which are stored by the Custodian. If the securities or other assets of the Fund discussed above are lost, the Custodian shall immediately return to the Fund an identical financial instrument or asset or an amount of money corresponding to the value of the financial instrument or asset lost.

Under the Act, the Custodian's above-indicated liability may not be limited or excluded under the agreement under which the function of the Fund's custodian is entrusted to them. The Custodian may be released from such liability only if they demonstrate that the loss of the relevant financial instruments or asset of the Fund took place for reasons independent from them, in particular by means of proving that all of the following requirements are met:

- 1) the event which led to the loss of the relevant financial instrument was not the consequence of any act or omission on the part of the Custodian or a third party to whom tasks related to storing financial instruments were assigned;
- 2) the Custodian could not reasonably have prevented the occurrence of the event which led to the loss in spite of having taken any and all precautions expected of a diligent custodian in line with industry standards;
- 3) the Custodian was not able to prevent the loss in spite of having exercised strict and comprehensive diligence.

Detailed rules pertaining to releasing the Custodian from their liability are outlined in Article 101 of the Commission Delegated Regulation (EU) no. 231/2013 of 19 December 2012 supplementing Directive

PFR TFI S.A.

Informational Brochure of PFR PPK Specjalistyczny Fundusz Inwestycyjny Otwarty [PFR PPK Specialised Open Investment Fund]

2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.

Fund Participants may seek to enforce their claims against the Custodian directly or via the Company after granting the relevant power of attorney to it.

CHAPTER XIII. Data of entities serving the Fund

1. Business name, seat, address, and contact numbers of the Transfer Agent

Not applicable. As of the approval date of this document, the Company has concluded no agreement with a Transfer Agent.

2. Entities taking part in the disposal and re-purchase of Participation Units by the Fund

Not applicable. As of the approval date of this document, the Company has not concluded any agreements pertaining to the disposal and re-purchase of Participation Units by the Fund.

3. An indication of the place where information about points selling and re-purchasing participation units can be found

Information about point handling subscription for and selling or re-purchasing Participation Units is available on the Internet website of the Company www.pfrtfi.pl.

4. Data of the entity to which the Company commissioned the management of the Fund's investment portfolio or a part thereof

Not applicable. The Company manages the investment portfolios of Subfunds on its own.

5. Data of the entity to which the Company commissioned the management of Fund's risk

Not applicable. The Company manages risk associated with the Fund on its own.

6. Data of entities rendering services consisting in providing investment-related advice connected with financial instruments

Not applicable.

7. Business name, seat, and address of the entity authorised to review the Fund's financial statements

Not applicable. As of the approval date of this document, the Company has concluded no agreement with any entity authorised to review the financial statements of the Fund.

8. Business name, seat, and address of the entity to which the Company has entrusted the keeping of the Fund's accounting books

Not applicable. The Company has not commissioned the keeping of the Fund's accounting books to any third party.

9. Data of the entity to which the Company commissioned the appraisal of the Fund's assets

Not applicable. The Company did not entrust the appraisal of the Fund's assets to any third party.

CHAPTER XIV. Additional information

1. Other information whose publication is, in the Company's assessment, necessary for investors to correctly gauge the risk associated with investing in the Fund

As far as investment-related risks are concerned, there is no other information not indicated in the Brochure which is necessary for correctly gauge the level of investment-related risk associated with the Fund.

Every person intending to purchase Participation Units should read the Brochure and familiarize themselves with key information for investors and consult a legal or tax adviser of their own with regard to legal regulations pertaining to, in particular, tax-related matters connected with purchasing or holding Participation Units.

Participation Units shall be disposed of exclusively in Poland. The distribution of the Brochure, as well as the offering of Participation Units for sale and their sale, may be subject to restrictions following from relevant regulations in effect in some countries. People intending to purchase Participation Units should make sure that they are not subject to such restrictions.

2. An indication of places where the Brochure, annual and half-year financial statements of the Fund, including combined financial statements of the Fund with particular Subfunds and financial statements of particular Subfunds, will be made available

Key information for investors shall be made available at the seat of the Company in Warsaw at ul. Krucza 50 and published on the Internet websites of the Company at www.pfrtfi.pl.

The Fund shall provide Participants, free-of-charge and at their request, the annual and half-year financial statements of the Fund and financial statements of particular Subfunds, as well as the Informational Brochure.

Additional information referred to in Article 222b of the Act shall be made available as part of the annual financial statement of the Fund on the Internet website of the Company: www.pfrtfi.pl.

3. Places where additional information about Funds can be obtained

Additional information about Funds can be found at the seat of the Company in Warsaw at ul. Krucza 50, phone no.: +48 22 341 70 00, e-mail: sekretariat@pfrtfi.pl, and on the websites of the Company www.pfrtfi.pl.

4. Rules for filing complaints with PFR TFI S.A. and for complaint handling by PFR TFI S.A.

Rules for filing complaints with PFR TFI S.A. and for the review of complaints by PFR TFI S.A. are defined in the Procedure for processing the complaints of PFR TFI S.A. clients and of participants of investment funds managed by PFR TFI S.A. (hereinafter referred to as the "Procedure"). The Procedure was introduced in connection with Article § 88(2) of the Regulation of the Minister of Economic Development and Finances of 20 July 2017 on the mode, manner, and conditions regarding the pursuit of business activity by investment fund companies (Journal of Laws of 2017, item 1444) and in line with the provisions of the act of 5 August 2015 on the handling of complaints by financial market organisations and on the Financial Ombudsman. The Procedure is aimed at defining the line of action to be taken by employees of the Company and entities cooperating with the Company as far as complaint handling is concerned.

4.1. Definitions

Certain words and phrases used in this point 4 shall have the following meaning:

- 1) Fund - shall mean the PFR PPK Specialised Open Investment Fund (PFR PPK SFIO), managed by the Company;
- 2) Client - shall mean a Participant or possible Participant in the Fund;
- 3) Company - shall mean PFR Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna, a company residing in Warsaw, address: ul. Krucza 50, 00-025 Warszawa;

- 4) Participant - shall mean a natural person, a legal entity, or a structural unit without legal personality who/which purchases at least a portion of a Participation Unit associated with a Subfund in exchange for a payment made to the Fund;
- 5) Complaint - shall mean a complaint submitted by a Client to the Company pertaining to services rendered by the Fund or the Company, particularly as regards irregularities related to participation in the Fund, as well as any negligence related to the same connected with acts or omissions of the Fund, the Company, or third parties commissioned by the them to act.

4.2. Complaint

1. In order to make it possible for the Company to reliably review and handle complaints, they are to be made immediately after a given Client obtains information about the occurrence of circumstances which gave rise to the Complaint.
2. A Complaint shall include:
 - 1) data making it possible to identify the Client and data of their attorney-in-fact or statutory representative if the Client is acting via an attorney-in-fact or a statutory representative,
 - 2) date when the Complaint was made,
 - 3) a description of the circumstances which resulted in given reservations,
 - 4) an indication of complaints/reservations.
3. If the contents of a complaint do not make it possible to determine the data indicated in section 2, the Company (if possible) shall immediately prompt the Client or their attorney-in-fact/statutory representative to provide missing information.
4. Complaints may be made free of charge.

4.3. Complaint submission and acceptance

1. A Complaint may be filed directly by the Client, by a person authorised to do so by the Client, personally or via a messenger, in the following way:
 - 1) at the seat of the Company in writing,
 - 2) in writing to the address of the Company: ul. Krucza 50, 00-025 Warszawa,
 - 3) in electronic form to the Company's Internet website www.pfrtfi.pl,
 - 4) by phone at 48 22 539 26 11
2. If the Client so requests, the Company shall provide them with a confirmation of complaint acceptance in an agreed-upon form.
3. If the complaint is made via an attorney-in-fact, a written power of attorney shall be required under pain of nullity - it shall be presented together with the complaint.

4.4. Complaint review/handling

1. Complaints shall be reviewed without undue delay and within 30 days from their receipt by the Company. The above-indicated deadline shall be considered met if a reply is sent before it passes.
2. If a given situation is particularly complex or if reviewing a Complaint and sending a reply to it is impossible by the deadline provided for in section 1 above, the Company shall notify the Client who made the Complaint of this in writing via registered mail with confirmation of receipt, stating:
 - 1) the underlying cause of such a delay,

- 2) circumstances which need to be defined to make reviewing a given case possible,
 - 3) an expected date by which the Complaint will have been investigated and a reply will have been given which shall be no more than 60 days from Complaint receipt date.
3. If the deadline provided for in section 1 above or the deadline provided for in section 2 above, as the case may be, is not met, the Complaint shall be considered reviewed in favour of the Client's wishes.

4.5. Reply to a Complaint

1. A reply to a Complaint shall be given in writing and sent via registered mail to the mailing address (contact address) indicated by the Client, confirmation of receipt requested. The Fund may deliver replies to complaints via electronic mail if the Client so requests.
2. People other than the Client may receive information about the decision taken with regard to their Complaint only if the Client expressly allowed this.
3. A reply to a Complaint shall include:
 - 1) full information above the Company's opinion with regard to the relevant complaints, quoting the relevant fragment's of the Fund's statutes and legal regulations unless this is not required in view of the nature of complaints made,
 - 2) factual and legal justification for the decision taken with regard to the Complaint unless the decision is in line with the Client's wishes,
 - 3) an indication of the person sending the reply, including their full name and job title,
 - 4) a designation of a deadline by which the claim voiced in the Client's Complaint will be satisfied in line with the Client's wishes - said period shall be no more than 30 days from the drawing-up of the reply.
4. If claims expressed as part of a Client's Complaint are not accepted, the reply to the Complaint shall also include:
 - 1) a description of the mode of appealing against the decision in line with section 5 below,
 - 2) information about it being possible to file an application for the case to be reviewed by the Financial Ombudsman,
 - 3) information about it being possible to file a lawsuit with a court of general jurisdiction.
5. If a Complaint is acknowledged by means of the Company choosing a different line of action to be taken than that requested by the Client, the reply shall also include the elements indicated in section 4.

4.6. Appeals

1. Depending on the way in which their Complaint is handled, the Client may appeal against the decision taken to the Management Board of the Company within 14 days of the Client receiving a reply to their Complaint.
2. The appeal proceedings shall be handled by the member of the Company's Management Board in charge of the area of services rendered by the Company to which the Complaint pertained and appeals shall be reviewed by the Management Board within 30 days from receiving them.
3. A reply to a Client's appeal shall be sent to them in the mode provided for in point 4.5(1) above. A reply to a Complaint shall include the elements listed in point 4.5(3) above.
4. If an appeal is dismissed by the Management Board of the Company, the reply to it shall also include the information discussed in point 4.5(4)(2) and 4.5(4)(3) above.

5. Information about the entity authorised to resolve disputes with consumers out of court

Pursuant to Article 31 of the Act of 23 September 2016 on Out-Of-Court Resolution Of Consumer Disputes, the Company hereby states that the entity authorised to handle proceedings aimed at settling customer complaints out of court shall be the Financial Ombudsman (seat address: aleje Jerozolimskie 87, 02-001 Warszawa, website www.rf.gov.pl).

6. Information for Clients of alternative investment funds provided under Article 222a(6) of the Act

6.1. Business name / name, seat, and address of the fund.

PFR PPK Specjalistyczny Fundusz Inwestycyjny Otwarty with subfunds, residing in Warsaw. Address: ul. Krucza 50, 00-025 Warszawa, Polska.

Names of all subfunds distinguished as part of PFR PPK SFIO:

PFR PPK 2025,
PFR PPK 2030,
PFR PPK 2035,
PFR PPK 2040,
PFR PPK 2045,
PFR PPK 2050,
PFR PPK 2055,
PFR PPK 2060.

6.2. Business name / name, seat, and address of the entity managing the Fund, as well as of the Custodian, the entity authorised to review financial statements, and other entities rendering services to the Fund, including a description of their duties and rights of Fund participants

The business name, seat, and address of the Company are indicated in Chapter II of the Brochure.

PFR Towarzystwo Funduszy Inwestycyjnych S.A. created PFR PPK Specjalistyczny Fundusz Inwestycyjny Otwarty, manages it, and represents the funds before third parties. The Company shall be liable towards Participants for any and all damage or loss caused as a result of it failing to fulfil or improperly fulfilling its obligations related to managing and representing the Funds unless such a failure to fulfil or improper fulfilment of obligations is caused by circumstances for which the Company cannot be held accountable. While performing its duties, the Company shall act to the benefit of participants of the investment fund. The obligations of the Company shall also include reviewing complaints from participants of investment funds.

The business name, seat, and address of the Custodian and a description of their obligations can be found in Chapter XII of the Brochure. Participants shall, in particular, have the right to request that the Custodian file a lawsuit on their behalf against the Company for damage or loss caused due to a failure to fulfil or improper fulfilment by the Company of obligations related to managing and representing the Fund in line with the rules provided for in Article 72a of the Act.

The business name, seat, and address of the Transfer Agent are indicated in Chapter XIII, point 1 of the Brochure.

The obligations of the Transfer Agent shall include keeping a Register of Fund Participants and performing other tasks for the benefit of the Fund, i.e. handling settlements related to payment and disbursements to and from the Fund, converting money paid by Participants into Participation Units purchased, converting re-purchased/sold participation units, accepting and carrying out other instructions and orders from Fund participants (e.g. accepting powers of attorney, blocking, changing data), accepting and reviewing Fund participant complaints pertaining to the actions of the Transfer Agent, and issuing written confirmation of disposal or re-purchase of Participation Units for Participants.

The business name, seat, and address of the entity authorised to review the Fund's financial statements are indicated in Chapter XIII, point 7 of the Brochure.

The obligations of the entity authorised to review financial statements shall include, in particular: reviewing annual financial statements of the Fund in line with the provisions of the Accounting Act, domestic financial review standards issued by the National Council of Auditors in Poland (Krajowa Rada Biegłych Rewidentów) and International Financial Review Standards, reviewing mid-year financial statements of the Fund in line with domestic standards issued by the National Council of Auditors and the International Standard of Review Services 2410, preparing opinions and reports from reviewing the financial statements of the Fund, assessing the compliance of methods and rules of appraisal of Fund's assets to the extent presented in the Fund's Brochure with regulations pertaining to the accounting of investment funds, and assessing the completeness of said rules and their compliance with the investment policy of the Fund.

There is a description of the rights of Fund Participants in Chapter III, point 4 of the Brochure.

6.3. A description of the object of the Fund's business activity, including investment objectives, investment policy, and investment strategy, particularly of the type of assets in which the Fund may invest, techniques which it may use, types of risk associated with investing, investment-related restrictions, situations where the Fund may make use of AFI financial leverage, permitted types and sources of AFI financial leverage, and risk and restrictions related to its use, arrangements regarding collateral and their renewed use, and the maximum level of AFI financial leverage which may be used on their behalf.

The object of the Fund's business activity, including investment objectives, investment policy and investment strategy, particularly as regards the type of assets in which the Fund may invest, techniques which it may use, types of risk associated with investing, investment-related restrictions, is described in detail for every Subfund in the Informational Brochure and the Fund's Statutes.

An indication of the main categories of Subfund investments and their diversification typical of a given Subfund's structure in the Informational Brochure:

- a. for PFR PPK 2025 - Chapter IV, point 1.1 and point 1.2.
- b. for PFR PPK 2030 - Chapter V, point 1.1 and point 1.2.
- c. for PFR PPK 2035 - Chapter VI, point 1.1 and point 1.2.
- d. for PFR PPK 2040 - Chapter VII, point 1.1 and point 1.2.
- e. for PFR PPK 2045 - Chapter VIII, point 1.1 and point 1.2.
- f. for PFR PPK 2050 - Chapter IX, point 1.1 and point 1.2.
- g. for PFR PPK 2055 - Chapter X, point 1.1 and point 1.2.
- h. for PFR PPK 2060 - Chapter XI, point 1.1 and point 1.2.

As far as the investment policy of particular Subfunds is concerned, the Fund may effect transactions resulting in financial leverage occurring, i.e. a situation where the Subfund's exposure (the value of its involvement in financial instruments, including derivative instruments and other transactions increasing the level of AFI exposure) exceeds the net value of the Subfund's assets. The effect of financial leverage may occur both as a result of investing loaned funds and in connection with making use of the structure of the financial instrument itself. When applying financial leverage, the Fund may invest in both standardized and non-standardized derivative instruments, particularly options, warrants, futures, exchange rate difference contracts, and swaps. The Fund may also conclude loan agreements, as well as agreements for granting or receiving a promise of re-purchase of financial instruments in order to improve the efficiency level of financial leverage. The Fund may, as part of the investment policy of particular Subfunds, use collateral (financial or non-financial) following from relevant agreements in order to conclude further transactions impacting the amount of financial leverage. The maximum level of AFI financial leverage which may be applied as part of particular Subfunds may not exceed 200% of the net assets of a given Subfund (making use of the involvement method). The Fund shall follow rules and abide by investment-related restrictions defined for open investment funds.

6.4. A description of procedures under which the fund may change its investment policy or strategy

The investment strategy of every Subfund has to be consistent with the Investment Policy of the Fund and that Subfund indicated in the Fund's Statutes. The Investment Strategy shall be approved by the Management Board of the Company on the basis of a recommendation from the Investment Committee and may be reviewed from time to time. Changing the investment strategy shall be possible if key observable overall macroeconomic conditions or geopolitical conditions change or if there has been a change of the Fund's Investment Policy.

6.5. A description of the way in which the Company meets requirements pertaining to increasing own equity or concluding an insurance agreement in connection with liability for improper fulfilment or non-fulfilment of duties related to managing the fund

The Company keeps equity at levels following from the Act, taking into account additional capitals for covering the risk of claims due to failure to fulfil or improper fulfilment of obligations as per the requirements following from Articles 12-15 of the Commission Delegated Regulation (EU) no. 231/2013 of 19 December 2012. The Company has not concluded an insurance agreement in connection with liability for improper fulfilment or non-fulfilment of duties related to managing the fund.

The Company shall systematically monitor the level of equity in order to meet the relevant legal requirements. The Company's equity consists of, without limitation, share capital, other supplementary capitals, profit or loss from preceding periods, performance in the current period. The Company shall, in line with the provisions of the Act, make sure that the amount of equity also takes into account requirements regarding its amount dependent on the value of assets of investment funds managed by the Company. The Company shall submit, on a monthly basis, financial data, including information about the amount of its equity, to KNF Financial Supervision Authority.

6.6. Information about the Company entrusting the performance of activities related to investment portfolio or risk management and about the custodian entrusting activities consisting in storing assets, indicating entities to whom such activities were entrusted and a description of such activities, including a description of conflicts of interests which may result due to such entrusting.

The Company has not entrusted the management of the Fund's investment portfolio to another party and has not entrusted any risk management activities. The Custodian has not concluded any agreements for entrusting the storage of Fund assets.

6.7. Information about the scope of the Custodian's liability and circumstances releasing them from such liability or resulting in a change of its scope.

The Custodian shall be liable for damage resulting from a failure to perform or improper performance of obligations defined under Article 72(1) and Article 72a of the Act.

Article 72 of the Act outlines the obligations of the Custodian resulting from the agreement for appointing them a custodian of an investment fund. Such obligations shall include:

- 1) storing investment fund's assets;
- 2) keeping a register of all activities of the investment fund;
- 3) making sure that the funds of the Investment Fund are stored on cash accounts and bank accounts operated by entities authorised to operate such accounts under Polish law or meeting the relevant requirements defined by EU law or requirements equivalent to the same;
- 4) ensuring the monitoring of the investment fund's cash flows;
- 5) making sure that the sale and re-purchase of participation units, as well as the issuance, handing over, and re-purchase of investment certificates takes place in line with the law and the statutes of the investment fund;
- 6) making sure that agreements related to the investment fund's assets are settled without unjustified delays or supervising deadlines for settling agreements with fund participants;

- 7) making sure that the net value of investment fund's assets and the net asset value per participation unit or investment certificate is calculated in line with the law and the investment fund's statutes;
- 8) ensuring that income of the investment fund is used in line with the law and the investment fund's statutes;
- 9) following orders from the investment fund unless they violate the law or the investment fund's statutes;
- 10) checking whether or not the activity of the investment fund is consistent with legal regulations pertaining to the operation of investment funds or the statutes as regards matters other than indicated in point 5-8 and taking the interests of participants into account.

Article 72a of the Act stipulates that the Custodian is obliged to file a lawsuit on behalf of Fund participants against the Company for damage or loss caused due to a failure to fulfil or improper fulfilment by the Company of obligations related to managing and representing the Fund if the Custodian concludes that such infringements did indeed take place.

The Custodian shall be liable towards the Fund for losing securities constituting assets of the Fund discussed in Article 5 and Article 5a of the Act on Trading in Financial Instruments which recorded on securities account operated by the Custodian. The Custodian shall also be liable for Fund Assets, including financial instruments which it was impossible to recorded on the securities account and which are stored by the Custodian in their physical form. If the securities or other assets of the Fund discussed above are lost, the Custodian shall immediately return to the Fund an identical financial instrument or asset or an amount of money corresponding to the value of the financial instrument or asset lost. The above-indicated liability of the Custodian may not be excluded or limited in the agreement for appointing them the custodian of an investment fund.

The Custodian may be released from liability for the Local Entity losing financial instruments discussed in Article 5 and Article 5a of the Act on trading in financial instruments and constituting assets of the Fund only if they demonstrate that the requirements indicated in Article 81l, section 2, point 2)-5) of the Act have been met or if they demonstrate, taking into account Article 101 and 102 of the Commission Delegated Regulation (EU) no. 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision that the loss of the relevant financial instrument or Fund asset was for reasons independent from them.

Fund Participants may seek to enforce their claims against the Custodian directly or via the Company after granting the relevant power of attorney to it.

6.8. A description of methods and rules of asset appraisal.

The methods and rules of asset appraisal are described in Chapter III, point 11.1 of the Brochure.

6.9. A description of liquidity management.

Liquidity management is a continuous process and takes place at every stage of the investment process. Liquidity management pertains to Subfund assets and liabilities. As far as assets are concerned, liquidity management involves assessing liquidity-related risk associated with both particular investments and groups of investments and the entire portfolio. The liquidity-related parameters of assets should be consistent with the liquidity risk profile of the Subfund and the profile itself is periodically reviewed, particularly on the basis of market parameters and results of analyses into the liquidity of liabilities.

As far as Subfund liabilities are concerned, liquidity management pertains to continuously analysing the maturity dates of Subfund liabilities, including, first and foremost, possible redemption of participation units.

As part of the continuous process of liquidity management, changes to the structure of secondary financial asset markets and changes to parameters of expected maturity of liabilities due to issued participation units of the subfund are monitored and, if need be, taken into account in liquidity risk limits defined for the Subfund.

A necessary elements of liquidity-related risk management process is keeping the right part of fund assets in liquid assets such as short-term deposits and financial market instruments of high liquidity and relatively short re-purchase period. Additionally, as far as operating matters are concerned, subfund liquidity management pertains to adjusting the fund's liquidity (the volume of liquid assets) to planned transactions involving purchasing investment components for the portfolio so as to make it possible to settle such transactions without issues.

6.10. Information about using the same rules for all Fund participants or a description of preferential treatment of particular participants, taking into account their legal and economic ties to the Fund or the Company, if any.

The Fund only sells one category of Participation Units in Subfunds. The Fund does not differentiate the property rights of Participants holding the Participation Units of the same Subfund. All Participants holding Participation Unit of the same Subfund are treated the same way.

6.11. Information about payments and fees borne/paid directly or indirectly by Fund participants and their maximum amount.

Information about payments and fees borne/paid directly or indirectly by Fund participants and their maximum amount can be found in the Informational Brochure:

- a. for PFR PPK 2025 - Chapter IV, point 4.
- b. for PFR PPK 2030 - Chapter V, point 4.
- c. for PFR PPK 2035 - Chapter VI, point 4.
- d. for PFR PPK 2040 - Chapter VII, point 4.
- e. for PFR PPK 2045 - Chapter VIII, point 4.
- f. for PFR PPK 2050 - Chapter IX, point 4.
- g. for PFR PPK 2055 - Chapter X, point 4.
- h. for PFR PPK 2060 - Chapter XI, point 4.

6.12. The latest annual financial statement of the Fund.

Not applicable. The Fund has not drawn up any annual financial statements yet.

6.13. Information about the most recent value of net Subfund asset value or information about the last sale and re-purchase price of a participation unit and information about prior such values or prices or information about where such data may be found.

Not applicable. Information about the most recent value of net Fund and Subfund asset value or information about the last sale and re-purchase price of a participation unit and information about prior such values will be published at www.pfrtfi.pl.

6.14. Business name / name, seat and address of the prime broker who is the Fund's business partner, an alternative investment company or a EU AFI and basic information about the way in which they render their services and about how conflicts of interests and its liability are managed.

Not applicable. The Fund has not appointed a prime broker as its business partner.

6.15. An indication of the way in which information discussed in Article 222b of the Act is made available.

Information discussed in Article 222b of the Act is made available by the Fund in line with Chapter XIV point 2 of the Brochure no later than upon making the annual financial statement of the Fund available.

Information about changes related to management of the Fund's liquidity, changes of the maximum level of the Fund's financial leverage, and the right to use collateral or guarantee provided for in the relevant understanding pertaining to the Fund's financial leverage again shall be made available in the above-indicated way without undue delay.

Other information shall be made available periodically, after the relevant financial statement of the Fund has been approved.

7. Information disclosed under the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (SFTR)

7.1. A general description of securities financing transactions (SFT) and a general description of total return swaps used by the joint investment enterprise and a justification of their use

While investing assets, the Fund may conclude the following securities financing transactions (SFT):

- 1) granting loans of securities;
- 2) buy-sell back transactions and sell-buy back transactions with securities as their object;
- 3) repo and reverse repo transactions with securities as their object.

The Fund shall not conclude total return swap transactions or margin lending transactions.

Securities loan transactions shall be understood to mean transactions where a party to the transactions transfers securities and a condition for concluding the transaction is that the borrower is obliged to return equivalent securities at a future date or at the request of the lender; for the party transferring securities, such a transaction is a transaction for lending securities while for the party receiving securities, it is a transaction for borrowing securities.

A buy-sell back or a sell-buy back transaction is a transaction where a party buys or sells securities and consents, respectively, to sell or buy back securities of the same type at a specific price at a later date; for the buyer of securities, such a transaction is a buy-sell back transaction, while for the party selling securities it is a sell-buy back transaction.

A repo transaction (a transaction with a promise of buy back) shall mean a transaction governed by an agreement under which a party transfers securities to the other party and the agreement forbids the party from pledging securities to or transferring them to more than one business partner at any given time and the transaction may be concluded on condition that there is an obligation to buy back such securities or replacement securities at a specific price at a future date which was defined or will be defined by the transferring party; for the party transferring securities, such a transaction is an agreement with a promise of buy back, while for the party buying securities it is an agreement with a received promise of buy back (a reverse repo transaction).

The purpose of the above-indicated transactions is the management of the Fund's liquid assets and increasing the rate of return on investment.

7.2. General data pertaining to SFT

7.2.1. Types of assets which may be the object of such transactions:

Debt securities and shares may be the object of SFT.

7.2.2. Maximum percentage of managed assets which may be the object of such transactions:

The maximum percentage of a given Subfund's assets which may become the object of SFT shall be 200% of the value of such a Subfund's assets.

7.2.3. Estimated percentage of managed assets which will be the object of particular types of such transactions:

Estimated percentage of assets which will be the object of:

- 1) loans of securities - up to 20% of the value of a given Subfund's assets
- 2) buy-sell back and sell-buy back transactions – up to 100% of the value of a given Subfund's assets
- 3) reverse repo transactions - up to 100% of the value of a given Subfund's assets

7.2.4. Criteria for choosing business partners (including their legal status, country of origin, minimum credit rating)

While concluding SFT, the Fund shall take into account such criteria for choosing investments as are appropriate for a given type of securities being the object of such a transaction, paying particular attention to the liquidity of a given security and to assessing the credit rating of the prospective business partner for a given transaction (particularly: analysing ratings given by rating institutions) and their financial standing. SFT may be concluded only with banking institutions or financial institutions seated in Poland, countries belonging to OECD, and EU Member States not belonging to OECD but subject to the supervision of the relevant body supervising the financial market or the capital market in the country of its origin.

7.2.5. Acceptable collateral: a description of acceptable collateral as regards particular types of assets, issuer, maturity date, liquidity, and rules for diversification and correlation of collateral

Collateral for SFT accepted by the Fund: money or debt securities issued by the State Treasury or governments of countries belonging to OECD. The Fund shall accept securities with a maturity date up to 15 years distant as collateral. There are no special rules for collateral diversification in addition to general investment diversification rules and investment-related restrictions provided for in the Fund's Statutes. Correlation of collateral may take place exclusively with regard to shares due to the fact that, in practice, capital markets sometimes show a correlation between share prices due to investors within a given market, on markets in a given region, or even on the global market acting in a similar way.

7.2.6. Appraisal of securities: a description of the collateral appraisal method used and its justification and information about whether or not daily appraisal is performed according to market value and whether or not variable daily collateral deposits are used

Appraisal of collateral in the form of securities purchased with the other party being obliged to buy them back shall be effected using the method of adjusted purchase price which shall be estimated using the effective percentile rate.

Liabilities due to disposal of securities with the Fund undertaking to buy them back shall be appraised, as of the conclusion date of the sale agreement, using the method of adjusted difference between the re-purchase price and sale price, applying the effective interest rate.

As part of business partner risk management, the Fund shall every day appraise the object of collateral according to its fair value and compare its value with the settlement amount of a given SFT.

7.2.7. Risk management: a description of risks associated with SFT, as well as risk associated with collateral management, such as: operating risk, liquidity risk, business partner risk, storage risk, and legal risks, as well as, as the case may be, risks connected with using such collateral again.

The following risks are associated with concluding SFT and managing collateral of such transactions:

Operating risk - the possibility of there being losses as a result of ill-adjustment or deficiency of internal processes, failures of people or systems, or the impact of external factors. In particular, the consequences of such risk may include incorrectly settled transactions, delays in delivery of funds or collateral, or incorrect transaction amounts.

Liquidity risk - risk consisting in an impossibility to sell, liquidate, or close one's position within the assets of a given Subfund with limited costs and in sufficiently short time; in particular for SFT, it being impossible to buy back invested collateral and deliver them to the business partner as of their due date. The liquidity risk of a given Subfund is managed on the level of asset liquidity and on the level of collateral presented;

Loan risk, including business partner risk - the risk of there being losses due to the business partner failing to perform the agreement concluded with them, particularly of them failing to pay for their liabilities under a loan taken out or failing to meet similar obligations, e.g. in connection with principal instalments, interests, and other fees (including commission) by deadlines provided for in the agreement with the Fund and the risk of the value of Subfund assets decreasing as a result of changes to the quality and value of such obligations. Loan risk is managed by means of exchanging variable collateral if the agreement with the business partner so stipulates; if not, it is managed by means of daily monitoring of the level of discrepancies between the value of the transaction and the amount of collateral for a given business partner.

Market risk - risk of incurring losses due to fluctuations of the value of market positions forming a part of a given Subfund's assets as a result of fluctuations of market variables, particularly of interest rates and rates of exchange. Market risk following from SFT is aggregated to global vulnerability to particular risk factors for a given Subfund;

Storage risk - risk associated with transferring securities in order to establish collateral for a transaction manifests itself if the entity receiving such collateral fail to store it on a separate account excluded from the bankruptcy estate of the institution storing such securities.

Legal risk (including risk of non-compliance) - risk associated with possible changes of the legal environment within which the Fund operates on which the Fund has no impact, including laws of other countries defining the rights and obligations of parties to a transaction in a different way than Polish law does;

Risk following from using collateral multiple times - such risk manifests itself when a business partner of the Fund uses securities forming collateral for a transaction again and there is a situation where the business partner fails to retrieve such securities by a date making it possible for them to fulfil their obligations following from the transactions they concluded with the Fund.

7.2.8. A description of the way in which assets involved in SFT and collateral received are stored

Assets involved in SFT and collateral received in connection with them shall be stored on the accounts of the Fund operated by the Custodian.

7.2.9. A description of any and all limitations (regulatory or voluntary) regarding multiple uses of collateral

Subject to the provisions of the SFTR Regulation and provisions of the law restricting the amount of financial leverage for particular Subfunds, there are no legal restrictions related to using collateral multiple times. Agreements to which the Fund is a party contain no provisions which would limit using collateral multiple times.

7.2.10. Rules for dividing profits from SFT: a description of the percentage of income generated via SFT is transferred to the joint investment enterprise and a description of the costs and fees assigned to the manager or third parties (e.g. agent lender). The prospectus or information disclosed to investors also indicate whether or not such units are associated with the manager

All revenue from SFT shall be added to the assets of a given Subfund. Costs and fees associated with SFT concluded, particularly charges and commissions, are collected from the assets of a given Subfund.

8. Information under the Regulation of the European Parliament and of the Council (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation).

- 8.1.** The Collector of the personal data of Participants, their attorneys-in-fact, the spouses or former of Participants, children of Participants, and Authorised Persons shall be the Fund, managed by PFR TFI S.A., residing in Warsaw at ul. Krucza 50, 00-025 Warszawa; phone no.: +48 22 341 70 00, e-mail: sekretariat@pfrtfi.pl.
- 8.2.** Contact details of the Company as regards data protection: e-mail: dane.osobowe@pfrtfi.pl, phone no.: +48 22 341 70 00.
- 8.3.** Personal data shall be processed:
- in order to exercise rights connected with a Participant's participation in the Fund in line with Article 6(1)(b) of the Regulation of the European Parliament and of the Council (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation - hereinafter referred to as GDPR).
 - to meet legal obligations binding the Collector pursuant to Article 6(1)(c) of GDPR, including ones following from the Employee Capital Plans Act of 4 October 2018, the act of 27 May 2004 on investment funds and on managing alternative investment funds; the act of 1 March 2018 on counteracting money laundering and terrorist financing; the act of 9 October 2015 on the performance of the Agreement between the government of the Republic of Poland and the government of the United States of America on improving the fulfilment of international tax duties and implementing FATCA legislation, and the act of 9 March 2017 on exchange of tax-related information with other countries (CRS), and the Accounting Act of 29 September 1994, and tax acts;
 - for purposes following from legitimate interests of the Collector or third parties under Article 6(1)(f) of GDPR, which the Collector deems to include: direct marketing, seeking to enforce and defending against claims, fraud prevention, transfer of data within a group of companies, preparing statistical data and analyses, ensuring ICT environment safety, and using internal inspection systems.
- 8.4.** Categories of personal data processed by the Collector: full name, PESEL, date of birth, series and number of ID card, address of residence, contact address, phone number, and e-mail address.
- 8.5.** Recipients of personal data shall be: the Transfer Agent, the Custodian, Polski Fundusz Rozwoju S.A., entities providing advice, audit, bookkeeping, IT, archiving, document destruction, and marketing services, as well as Fund's auditors.
- 8.6.** Personal data shall be stored for a period of time: participation of the Participant in the Fund and as long as is necessary for fulfilling legal obligations binding the Collector and seeking to enforce or defend against any possible claims for a period of time following from commonly applicable provisions regarding statute of limitations, counting from the cessation of participation.

8.7. People indicated in point 8.1. shall have the right to:

- object to the processing of personal data for direct marketing to the extent in which processing is related to direct marketing,
- object to the processing of their personal data if such processing is necessary in connection with legitimate interests pursued by the Collector and this shall have no impact whatsoever on the lawfulness of processing to-date,
- access their personal data and correct them, delete them, restrict their processing, transfer them,
- or file a complaint with the President of the Data Protection Office.

8.8. Personal data are provided voluntarily but their provision is necessary for exercising rights related to a Participant's participation in the Fund.

8.9. If a person has not provided their personal data to the Collector directly, they are delivered to the Collector by a Fund Participant or the Employer of a Fund Participant.

CHAPTER XV. Appendices

1. Definitions and explanations of abbreviations

The following definitions and abbreviations are used in the Brochure:

- 1) **Transfer Agent** - the entity which, requested to do so by the Fund, keeps a Register of Fund Participants and Subregisters and takes other steps for the Fund under an agreement concluded with the Fund or the Company;
- 2) **Fund Assets** - shall mean property of the Fund, including cash due to Payments, money, rights acquired by the Fund, and benefits of such rights;
- 3) **Subfund Assets** - shall mean the assets of every Subfund including money due to Payments to a given Subfund, funds, rights acquired as part of the Subfund and benefits reaped from such rights; the Assets of all Subfunds together form Fund Assets;
- 4) **Active Market** - shall mean a market meeting all of the following criteria:
 - a) instruments traded on the market are uniform,
 - b) there are usually interested buyers and sellers at any given time,
 - c) prices are announced to the general public;
- 5) **Base of Derivative Instruments, Base Instrument** - shall mean securities, Financial Market Instruments, or other property rights, as well as certain indices, currency rates of exchange, and interest rates, which are used for calculating the price of a Derivative Instrument or a Non-Standardized Derivative Instrument;
- 6) **Debt Portion** - shall mean the portion of a given Subfund's assets which is invested in the following instruments:
 - a) Financial Market Instruments,
 - b) bonds, treasury bills, mortgage bonds, deposit certificates,
 - c) other disposable securities incorporating property rights corresponding to rights due to incurring debt,
 - d) bank deposits,
 - e) Derivative Instruments, including Non-Standardized Derivative Instruments, discussed in the Investment Fund Act, whose base are securities or property rights listed in points a)-c) or indices of debt securities, interest rates, or credit indices,
 - f) participation units in open investment funds or specialised open investment funds, investment certificates of closed investment funds seated in Poland, participation titles issued by foreign funds, and participation titles issued by joint investment institutions residing abroad - if, under their statutes or regulations, they invest at least 50% of their assets in the categories of investments indicated in points a)-e);
- 7) **Share Portion** - shall mean the portion of a given Subfund's assets which is invested in the following financial instruments:
 - a) shares, pre-emptive rights, rights to shares, subscription warrants, depository notes,
 - b) other disposable securities incorporating property rights corresponding to rights due to shares,
 - c) derivative instruments, including Non-Standardized Derivative Instruments, discussed in the

Investment Fund Act, whose base are securities listed in points a)-b) or share indices,

- d) participation units in open investment funds or specialised open investment funds, investment certificates of closed investment funds seated in Poland, participation titles issued by foreign funds as defined by the Act, and participation titles issued by joint investment institutions residing abroad - if, under their statutes or regulations, they invest at least 50% of their assets in the categories of investments indicated in points a)-c);
- 8) **Custodian** - Powszechna Kasa Oszczędności Bank Polski S.A. residing in Warsaw at ul. Puławska 15, 02-515 Warszawa, recorded with the District Court for the capital city of Warsaw, XIII Commercial Division of the National Court Register, under number 0000026438, keeping the Fund Asset Register, including Subfund Assets, and performing other activities defined in the Statutes and the Act;
- 9) **Business Day** – any day from Monday to Friday (inclusive), excluding public holidays,
- 10) **Valuation Day** - a day on which the Fund's Assets are appraised and the Net Value of Fund Assets, Net Subfund Asset Value and Net Asset Value per Participation Unit for Subfunds are defined. Valuation Day shall be every day on which there is a regular session of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.);
- 11) **AFI Exposure** – calculated with taking Articles 6–11 of Regulation 231/2013 into account, expressed in the currency in which Fund assets are appraised, this is the value of the Fund's involvement, including all assets and liabilities of the Fund, derivative instruments or property rights, as discussed in Article 145(1)(6) of the Act, or derivative instruments relevant to AFI as per the Act, loans whose objects are money or securities, and other agreements associated with increasing the Fund's level of involvement when the risk and benefits following from such agreements pertain to the Fund;
- 12) **ECP Records** - shall mean records pertaining to employee capital plans, as discussed in chapter 10 of the ECP Act, kept in an ICT system by Polski Fundusz Rozwoju S.A.
- 13) **Fund** - shall mean PFR PPK Specjalistyczny Fundusz Inwestycyjny Otwarty [PFR PPK Specialised Open Investment Fund]
- 14) **IRA** - an individual retirement account in the meaning of the Act on Individual Retirement Accounts of 20 April 2004;
- 15) **Summary Information** - information submitted in electronic form to the Transfer Agent by the Employer on the day of making Payments and including at least the List of Participants for whose benefit that Payment is made and defining payments made as particular types of Payments.
- 16) **Derivative Instruments** - shall mean property rights whose market price depends directly or indirectly on the price or value of securities discussed in Article 3(1)(a) of the Act on trading, as well as other property rights whose market price directly or indirectly depends on the market price of foreign currencies or changes of interest rates;
- 17) **Financial Market Instruments** - shall mean securities or property rights incorporating exclusively financial liabilities discussed in the Act,
- 18) **Participation Unit** - legal title representing property rights to a share of a given Subfund's Net Assets defined in the Statutes and the Act;
- 19) **Key Investor Information** - shall mean information crucial for investors discussed in Article 220a of the Act; as far as investment funds operating as funds with subfunds are concerned - drawn up separately for particular Subfunds;
- 20) **Civil Code** - the act of 23 April 1964 - Civil Code;

- 21) **Committee** - KNF Financial Supervision Authority;
- 22) **Non-Standardized Derivative Instruments** - Derivative Instruments which are the object of trading outside of the organised market and whose contents is or may be the object of negotiations between parties;
- 23) **OECD** – Organisation for Economic Cooperation and Development;
- 24) **Authorised Person** - a natural person designated by an ECP Participant or an heir of an ECP Participant who, pursuant to rules provided for in the ECP Act, is to receive funds collected on that ECP Participant's ECP Account in the event of that ECP Participant's death;
- 25) **Employee** - shall mean:
- a) employees, as defined in Article 2 of the Labour Code Act of 26 June 1974, except for employees on miner's leave or leave for employees of mechanical coal processing plants discussed in Article 11b of the act of 7 September 2007 on the functioning of hard coal mining and young employees, as defined in Article 190 § 1 of the Labour Code Act of 26 June 1974,
 - b) natural persons doing outwork / working in a cottage industry who are over 18 years of age and are discussed in the executive regulations issued on the basis of Article 303 § 1 of the Labour Code Act of 26 June 1974,
 - c) members of agricultural production cooperatives or cooperatives formed by farmers' associations, as discussed in Articles 138 and 180 of the act of 16 September 1982 - Cooperative Law,
 - d) natural persons who are over 18 years of age and work under an agency agreement or a contract of mandate or another type of service provision agreement to which provisions regarding contracts of mandate are applied under Article 750 of the Civil Code of 23 April 1964,
 - e) members of supervisory board remunerated on account of holding such functions - subject to mandatory old age pension and disability pension insurance for the above-indicated reasons in Poland, as defined in the Social Insurance System Act of 13 October 1998;
- 26) **Member State** - shall mean a country other than Poland which is member of the European Union;
- 27) **Local Entity** - shall mean a foreign entrepreneur to whom the Custodian entrusts the performance of activities related to storing Fund Assets being financial instruments being securities, as discussed in Article 5 and Article 5a of the Act on Trading, and who does not have the permission of the relevant supervisory body to perform the object of such entrusting and is not supervised by that body to that extent and also does not meet corresponding equivalent requirements defined in EU law;
- 28) **Employer** - shall mean:
- a) employer as per Article 3 of the Labour Code of 26 June 1974 - for employees discussed in point a of the Employee definition,
 - b) outwork employer - for employees discussed in point b of the Employee definition,
 - c) agricultural production cooperative or farmers' association cooperatives - for employees discussed in point c of the Employee definition,
 - d) employer / mandator - for employees discussed in point d of the Employee definition,

Informational Brochure of PFR PPK Specjalistyczny Fundusz Inwestycyjny Otwarty [PFR PPK Specialised Open Investment Fund]

- e) the entity whose part a given supervisory board is - for employees discussed in point e of the Employee definition - who has concluded the ECP Management Agreement with the Fund.
- who has concluded an ECP Management Agreement with the Fund.
- 29) **ECP Website** - shall mean the ICT system discussed in chapter 11 of the ECP Act whose purpose is to gather and provide information about the operation of employee capital plans;
- 30) **Major Illness** - shall mean major illness as defined in the ECP Act;
- 31) **EPS** - employee pension scheme, as defined in the Occupational Pension Schemes Act of 20 April 2004;
- 32) **ECP** - employee capital plans, as defined in the ECP Act;
- 33) **Brochure** - shall mean the informational brochure of the Fund;
- 34) **Spousal Account** - shall mean a joint Register for a Participant and their Spouse created in line with the Act;
- 35) **ECP Account** - shall mean an entry in the Register of Participants of the Fund kept in connection with participation in ECP in line with rules provided for in the ECP Act; the ECP Account shall be operated under one ECP Operation Agreement concluded by the Employer with the Fund for and on behalf of the Participant.
- 36) **Participant Record** - shall mean electronic records pertaining to a Participant made separate within the Register of Fund Participants;
- 37) **Register of Fund Participants** - shall mean electronic records of Fund Participant data; the Fund creates Subregisters for every Subfund as part of the Register of Fund Participants;
- 38) **Regulation** - shall mean the Regulation of the Minister of Economic Development and Finances of 20 July 2017 on conclusion by specialised investment funds of agreements having derivative instruments, including non-standardized derivative instruments, as their objects;
- 39) **Regulation 231/2013** - shall mean Commission Delegated Regulation (EU) no. 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision;
- 40) **Organised OECD Markets** - shall mean the following organised markets in countries belonging to OECD other than Poland and Member States where Subfund assets may be invested and where agreements having derivative instruments as their objects may be concluded: Australia: Australian Securities Exchange, National Stock Exchange of Australia; Iceland: NASDAQ OMX Iceland, Israel: Tel Aviv Stock Exchange; Japan: Nagoya Stock Exchange, Osaka Securities Exchange, Tokyo Stock Exchange; Canada: TMX Group; South Korea: Korea Exchange (KRX); Mexico: Mexican Stock Exchange (Bolsa Mexicana de Valores); New Zealand: New Zealand Exchange (NZX); Norway: Oslo Stock Exchange (Oslo Bors); Chile: Santiago Stock Exchange; Turkey: Borsa Istanbul; the USA: New York Stock Exchange (NYSE), Nasdaq Stock Market, Nasdaq ISE; Switzerland: SIX Swiss Exchange, BX Berne eXchange; Great Britain: London Stock Exchange Group – if Great Britain loses its status of a Member State;
- 41) **Statutes** - shall mean the Statutes of Specjalistyczny Fundusz Inwestycyjny Otwarty;
- 42) **Reference Rate** - shall mean the reference rate calculated in line with the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to

be collected by a financial institution recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act;

- 43) **Subfund** - a portion of the Fund's assets and liabilities made legally distinct but without a legal personality of its own whose characteristic feature is, in particular, its own distinct investment policy; a Subfund has Participation Units associated with it which are separate from Participation Units associated with other Subfunds;
- 44) **Subregister** - shall mean electronic records, distinguished as part of the Register of Participants, pertaining to Participants and Participation Unit disposed of by the Fund as part of a given Subfund;
- 45) **Spousal Benefit** - one of the ways of disbursing funds accumulated as part of ECP consisting in the Fund buying back Participation Units recorded on the Spousal Account and disbursing money due to such re-purchase pursuant to the rules provided for in Article 100 of the ECP Act;
- 46) **Company** - shall mean Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna;
- 47) **Participant, ECP Participant** - shall mean a natural person for whose benefit Participation Units or fractions thereof are recorded in a Subregister;
- 48) **ECP Operation Agreement** - shall mean an agreement concluded with the Fund by the Employer for and on behalf of employees employed by a given Employer, as discussed in Article 14 of the ECP Act;
- 49) **ECP Management Agreement** - shall mean an agreement for the management of ECP, as discussed in Chapter 7 of the ECP Act, concluded by and between the Fund and the Employer;
- 50) **Act** - shall mean the act of 27 May 2004 on investment funds and on managing alternative investment funds;
- 51) **ECP Act** - shall mean the Employee Capital Plans Act of 4 October 2018;
- 52) **Act on Trading** - shall mean the Act on Trading in Financial Instruments of 29 July 2005;
- 53) **Act on Insurance and Re-Insurance Activity** - shall mean the Act on Insurance and Re-Insurance Activity of 11 September 2015;
- 54) **Net Fund Asset Value** - shall mean the sum of funds due to Participant payments to the Fund and rights acquired by the Funds and benefits thereof less the Funds liabilities as of the Valuation Day;
- 55) **Net Value of Subfund Assets** - the value of Subfund Assets less the value of liabilities associated with the functioning of the Subfund and a portion of liabilities of a given Subfund associated with the functioning of the Fund proportionate to the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets;
- 56) **Net Value of Subfund Assets per Participation Unit** - the value of one Participation Unit calculated as of a given Valuation Day as the Net Subfund Asset Value divided by the number of Participation Units of a given Subfund held by its Participants as of the Valuation Day;
- 57) **Own Contribution** – required funds which are to be used for covering the costs connected with building or converting residential premises or a portion thereof, paying a portion of the purchase price of a title of ownership to residential premises, residential premises constituting separate real estate, or cooperative title of ownership to residential premises, purchasing the title of ownership to predial real estate or a portion thereof, purchasing units of participation in a title of co-ownership to a residential building or residential premises constituting separate real estate, or shares in predial real estate which the party applying for a loan undertakes to contribute using their own money in order to be granted the loan as per Article 3(1) of the Act of 23 March 2017 Mortgage Loan and Supervision over Mortgage Brokers and Agents;

- 58) **Payment** - shall mean payments made to the Fund for acquiring Participation Units pursuant to rules and in the amount provided for by the law;
- 59) **Disbursement** – shall mean payment, effected at the request of the relevant Participant, of money collected within ECP as re-purchase of Participation Units pursuant to the terms and conditions of the ECP Act;
- 60) **Transfer Disbursement** - shall mean a transfer of funds in line with the provisions of the ECP Act from one ECP Account to another ECP Account, to the IRA of the spouse of a deceased ECP Participant, or to the IRA of an authorised person, to the EPS of the spouse of a deceased ECP participant or to the EPS of an authorised person, to the account of a fixed-term savings account of the ECP participant discussed in Article 49(1)(3) of the Act of 29 August 1997 - Banking Law, to the account of fixed-term deposit of the ECP participant in a savings and credit union, to the account of fixed-term savings account indicated by the spouse or former spouse of a deceased ECP participant, to the account of fixed-term deposit operated within a savings and credit union indicated by the spouse or former spouse of a deceased ECP participant, or to the Insurance Institution pursuing business activity classified as group 3 in Section I of the appendix to the insurance and re-insurance activity act;
- 61) **Insurance Institution** - shall mean a domestic insurance institution, a foreign insurance institution with its seat in a Member State, the main branch office of a foreign social insurance institution residing in a country not being a Member State, as indicated in the Act on insurance and reinsurance activity, authorised to engage in the activity defined in section I of group 3 of appendix to said act as regards offering insurance with a capital insurance fund;
- 62) **Exchange** – shall mean simultaneous buy-back of Participation Units in one Subfund within the Fund and purchase, for money thus acquired, of Participation Units in another Subfund within the Fund;
- 63) **Fixed Date** – shall mean a year when people born in the year in the middle of the year range for which a given Subfund is relevant reach the age of 60;
- 64) **General Meeting of Participants** - shall mean a body of the Fund whose scope of authority shall be as defined in the Statutes and the Act;
- 65) **Return** – shall mean a situation where a Participant withdraws funds collected as part of ECP before the Participant reaches the age of 60 at the request of the Participant, the spouse or former spouse of the Participant, the spouse of a deceased Participant, or an Authorised Person.

2. Statutes

STATUTES

OF PFR PPK

SPECJALISTYCZNY FUNDUSZ INWESTYCYJNY OTWARTY

PART I. Fund

Chapter I - General provisions

Art. 1. Fund

1. The Fund shall be a legal entity and it shall operate under the business name of: PFR PPK Specjalistyczny Fundusz Inwestycyjny Otwarty. The Fund may use the following abbreviated name: PFR PPK SFIO.
2. The Fund is a specialist investment fund created with subfunds within it, every such subfund being a fixed-date subfund as per the Act of 4 October 2018 on employee capital plans.
3. The Fund shall act on its own behalf and for its own benefit.

4. The Fund shall be organised and shall operate in line with the rules provided for in the Act, the ECP Act, and these Statutes issued by PFR Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna.
5. The seat and address of the Fund shall be the same as for PFR Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna: ul. Krucza 50, 00-025 Warszawa.
6. The Fund was created for an open-ended period of time.

Art. 2. Definitions

Certain words and phrases used in these statutes shall have the following meaning:

- 2) **Transfer Agent** - the entity which, requested to do so by the Fund, keeps a Register of Fund Participants and Subregisters and takes other steps for the Fund under an agreement concluded with the Fund or the Company;
- 3) **Fund Assets** - shall mean property of the Fund, including cash due to Payments, money, rights acquired by the Fund, and benefits of such rights;
- 4) **Subfund Assets** - shall mean the assets of every Subfund including money due to Payments to a given Subfund, funds, rights acquired as part of the Subfund and benefits reaped from such rights; the Assets of all Subfunds together form Fund Assets;
- 5) **Active Market** - shall mean a market meeting all of the following criteria:
 - g) instruments traded on the market are uniform,
 - h) there are usually interested buyers and sellers at any given time,
 - i) prices are announced to the general public;
- 6) **Base of Derivative Instruments, Base Instrument** - shall mean securities, Financial Market Instruments, or other property rights, as well as certain indices, currency rates of exchange, and interest rates, which are used for calculating the price of a Derivative Instrument or a Non-Standardized Derivative Instrument;
- 7) **Debt Portion** - shall mean the portion of a given Subfund's assets which is invested in the following instruments:
 - a) Financial Market Instruments,
 - b) bonds, treasury bills, mortgage bonds, deposit certificates,
 - c) other disposable securities incorporating property rights corresponding to rights due to incurring debt,
 - d) bank deposits,
 - e) Derivative Instruments, including Non-Standardized Derivative Instruments, discussed in the Investment Fund Act, whose base are securities or property rights listed in points a)-c) or indices of debt securities, interest rates, or credit indices,
 - f) participation units in open investment funds or specialised open investment funds, investment certificates of closed investment funds seated in Poland, participation titles issued by foreign funds, and participation titles issued by joint investment institutions residing abroad - if, under their statutes or regulations, they invest at least 50% of their assets in the categories of investments indicated in points a)-e);
- 8) **Share Portion** - shall mean the portion of a given Subfund's assets which is invested in the following financial instruments:
 - a) shares, pre-emptive rights, rights to shares, subscription warrants, depository notes,
 - b) other disposable securities incorporating property rights corresponding to rights due to shares,
 - c) derivative instruments, including Non-Standardized Derivative Instruments, discussed in the Investment Fund Act, whose base are securities listed in points a)-c) or share indices,
 - d) participation units in open investment funds or specialised open investment funds, investment certificates of closed investment funds seated in Poland, participation titles issued by foreign funds as defined by the Act, and participation titles issued by joint investment institutions residing abroad - if, under their statutes or regulations, they invest at least 50% of their assets in the categories of investments indicated in points a)-c);
- 9) **Custodian** - Powszechna Kasa Oszczędności Bank Polski S.A. residing in Warsaw at ul. Puławska 15, 02-515 Warszawa, recorded with the District Court for the capital city of Warsaw, XIII Commercial Division of the National Court Register, under number 0000026438, keeping the Fund Asset Register, including Subfund Assets, and performing other activities defined in the Statutes and the Act;
- 10) **Business Day** – any day from Monday to Friday (inclusive), excluding public holidays,

- 11) **Valuation Day** - a day on which the Fund's Assets are appraised and the Net Value of Fund Assets, Net Subfund Asset Value and Net Asset Value per Participation Unit for Subfunds are defined. Valuation Day shall be every day on which there is a regular session of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.);
- 12) **AFI Exposure** – calculated with taking Articles 6–11 of Regulation 231/2013 into account, expressed in the currency in which Fund assets are appraised, this is the value of the Fund's involvement, including all assets and liabilities of the Fund, derivative instruments or property rights, as discussed in Article 145(1)(6) of the Act, or derivative instruments relevant to AFI as per the Act, loans whose objects are money or securities, and other agreements associated with increasing the Fund's level of involvement when the risk and benefits following from such agreements pertain to the Fund;
- 13) **ECP Records** - shall mean records pertaining to employee capital plans, as discussed in chapter 10 of the ECP Act, kept in an ICT system by Polski Fundusz Rozwoju S.A.
- 14) **Fund** - shall mean PFR PPK Specjalistyczny Fundusz Inwestycyjny Otwarty [PFR PPK Specialised Open Investment Fund]
- 15) **IRA** - an individual retirement account in the meaning of the Act on Individual Retirement Accounts of 20 April 2004;
- 16) **Summary Information** - information submitted in electronic form to the Transfer Agent by the Employer on the day of making Payments and including at least the List of Participants for whose benefit that Payment is made and defining payments made as particular types of Payments.
- 17) **Derivative Instruments** - shall mean property rights whose market price depends directly or indirectly on the price or value of securities discussed in Article 3(1)(a) of the Act on trading, as well as other property rights whose market price directly or indirectly depends on the market price of foreign currencies or changes of interest rates;
- 18) **Financial Market Instruments** - shall mean securities or property rights incorporating exclusively financial liabilities discussed in the Act,
- 19) **Participation Unit** - legal title representing property rights to a share of a given Subfund's Net Assets defined in the Statutes and the Act;
- 20) **Key Investor Information** - shall mean information crucial for investors discussed in Article 220a of the Act; as far as investment funds operating as funds with subfunds are concerned - drawn up separately for particular Subfunds;
- 21) **Civil Code** - the act of 23 April 1964 - Civil Code;
- 22) **Committee** - KNF Financial Supervision Authority;
- 23) **Non-Standardized Derivative Instruments** - Derivative Instruments which are the object of trading outside of the organised market and whose contents is or may be the object of negotiations between parties;
- 24) **OECD** – Organisation for Economic Cooperation and Development;
- 25) **Authorised Person** - a natural person designated by an ECP Participant or an heir of an ECP Participant who, pursuant to rules provided for in the ECP Act, is to receive funds collected on that ECP Participant's ECP Account in the event of that ECP Participant's death;
- 26) **Employee** - shall mean:
 - a) employees, as defined in Article 2 of the Labour Code Act of 26 June 1974, except for employees on miner's leave or leave for employees of mechanical coal processing plants discussed in Article 11b of the act of 7 September 2007 on the functioning of hard coal mining and young employees, as defined in Article 190 § 1 of the Labour Code Act of 26 June 1974,
 - b) natural persons doing outwork / working in a cottage industry who are over 18 years of age and are discussed in the executive regulations issued on the basis of Article 303 § 1 of the Labour Code Act of 26 June 1974,
 - c) members of agricultural production cooperatives or cooperatives formed by farmers' associations, as discussed in Articles 138 and 180 of the act of 16 September 1982 - Cooperative Law,
 - d) natural persons who are over 18 years of age and work under an agency agreement or a contract of mandate or another type of service provision agreement to which provisions regarding contracts of mandate are applied under Article 750 of the Civil Code of 23 April 1964,
 - e) members of supervisory board remunerated on account of holding such functions - subject to mandatory old age pension and disability pension insurance for the above-indicated reasons in Poland, as defined in the Social Insurance System Act of 13 October 1998;

- 27) **Member State** - shall mean a country other than Poland which is member of the European Union;
- 28) **Local Entity** - shall mean a foreign entrepreneur to whom the Custodian entrusts the performance of activities related to storing Fund Assets being financial instruments being securities, as discussed in Article 5 and Article 5a of the Act on Trading, and who does not have the permission of the relevant supervisory body to perform the object of such entrusting and is not supervised by that body to that extent and also does not meet corresponding equivalent requirements defined in EU law;
- 29) **Employer** - shall mean:
- a) employer as per Article 3 of the Labour Code of 26 June 1974 - for employees discussed in point a of the Employee definition,
 - b) outwork employer - for employees discussed in point b of the Employee definition,
 - c) agricultural production cooperative or farmers' association cooperatives - for employees discussed in point c of the Employee definition,
 - d) employer / mandator - for employees discussed in point d of the Employee definition,
 - e) the entity whose part a given supervisory board is - for employees discussed in point e of the Employee definition - who has concluded the ECP Management Agreement with the Fund.
- who has concluded an ECP Management Agreement with the Fund.
- 30) **ECP Website** - shall mean the ICT system discussed in chapter 11 of the ECP Act whose purpose is to gather and provide information about the operation of employee capital plans;
- 31) **Major Illness** - shall mean major illness as defined in the ECP Act;
- 32) **EPS** - employee pension scheme, as defined in the Occupational Pension Schemes Act of 20 April 2004;
- 33) **ECP** - employee capital plans, as defined in the ECP Act;
- 34) **Brochure** - shall mean the informational brochure of the Fund;
- 35) **Spousal Account** - shall mean a joint Register for a Participant and their Spouse created in line with the Act;
- 36) **ECP Account** - shall mean an entry in the Register of Participants of the Fund kept in connection with participation in ECP in line with rules provided for in the ECP Act; the ECP Account shall be operated under one ECP Operation Agreement concluded by the Employer with the Fund for and on behalf of the Participant.
- 37) **Participant Record** - shall mean electronic records pertaining to a Participant made separate within the Register of Fund Participants;
- 38) **Register of Fund Participants** - shall mean electronic records of Fund Participant data; the Fund creates Subregisters for every Subfund as part of the Register of Fund Participants;
- 39) **Regulation** - shall mean the Regulation of the Minister of Economic Development and Finances of 20 July 2017 on conclusion by specialised investment funds of agreements having derivative instruments, including non-standardized derivative instruments, as their objects;
- 40) **Regulation 231/2013** - shall mean Commission Delegated Regulation (EU) no. 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision;
- 41) **Organised OECD Markets** - shall mean the following organised markets in countries belonging to OECD other than Poland and Member States where Subfund assets may be invested and where agreements having derivative instruments as their objects may be concluded: Australia: Australian Securities Exchange, National Stock Exchange of Australia; Iceland: NASDAQ OMX Iceland, Israel: Tel Aviv Stock Exchange; Japan: Nagoya Stock Exchange, Osaka Securities Exchange, Tokyo Stock Exchange; Canada: TMX Group; South Korea: Korea Exchange (KRX); Mexico: Mexican Stock Exchange (Bolsa Mexicana de Valores); New Zealand: New Zealand Exchange (NZX); Norway: Oslo Stock Exchange (Oslo Bors); Chile: Santiago Stock Exchange; Turkey: Borsa Istanbul; the USA: New York Stock Exchange (NYSE), Nasdaq Stock Market, Nasdaq ISE; Switzerland: SIX Swiss Exchange, BX Berne eXchange; Great Britain: London Stock Exchange Group – if Great Britain loses its status of a Member State;
- 42) **Statutes** - shall mean the Statutes of Specjalistyczny Fundusz Inwestycyjny Otwarty;
- 43) **Reference Rate** - shall mean the reference rate calculated in line with the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to be collected by a financial institution recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act;

- 44) **Subfund** - a portion of the Fund's assets and liabilities made legally distinct but without a legal personality of its own whose characteristic feature is, in particular, its own distinct investment policy; a Subfund has Participation Units associated with it which are separate from Participation Units associated with other Subfunds;
- 45) **Subregister** - shall mean electronic records, distinguished as part of the Register of Participants, pertaining to Participants and Participation Unit disposed of by the Fund as part of a given Subfund;
- 46) **Spousal Benefit** - one of the ways of disbursing funds accumulated as part of ECP consisting in the Fund buying back Participation Units recorded on the Spousal Account and disbursing money due to such re-purchase pursuant to the rules provided for in Article 100 of the ECP Act;
- 47) **Company** - shall mean Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna;
- 48) **Participant, ECP Participant** - shall mean a natural person for whose benefit Participation Units or fractions thereof are recorded in a Subregister;
- 49) **ECP Operation Agreement** - shall mean an agreement concluded with the Fund by the Employer for and on behalf of employees employed by a given Employer, as discussed in Article 14 of the ECP Act;
- 50) **ECP Management Agreement** - shall mean an agreement for the management of ECP, as discussed in Chapter 7 of the ECP Act, concluded by and between the Fund and the Employer;
- 51) **Act** - shall mean the act of 27 May 2004 on investment funds and on managing alternative investment funds;
- 52) **ECP Act** - shall mean the Employee Capital Plans Act of 4 October 2018;
- 53) **Act on Trading** - shall mean the Act on Trading in Financial Instruments of 29 July 2005;
- 54) **Act on Insurance and Re-Insurance Activity** - shall mean the Act on Insurance and Re-Insurance Activity of 11 September 2015;
- 55) **Net Fund Asset Value** - shall mean the sum of funds due to Participant payments to the Fund and rights acquired by the Funds and benefits thereof less the Funds liabilities as of the Valuation Day;
- 56) **Net Value of Subfund Assets** - the value of Subfund Assets less the value of liabilities associated with the functioning of the Subfund and a portion of liabilities of a given Subfund associated with the functioning of the Fund proportionate to the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets;
- 57) **Net Value of Subfund Assets per Participation Unit** - the value of one Participation Unit calculated as of a given Valuation Day as the Net Subfund Asset Value divided by the number of Participation Units of a given Subfund held by its Participants as of the Valuation Day;
- 58) **Own Contribution** – required funds which are to be used for covering the costs connected with building or converting residential premises or a portion thereof, paying a portion of the purchase price of a title of ownership to residential premises, residential premises constituting separate real estate, or cooperative title of ownership to residential premises, purchasing the title of ownership to predial real estate or a portion thereof, purchasing units of participation in a title of co-ownership to a residential building or residential premises constituting separate real estate, or shares in predial real estate which the party applying for a loan undertakes to contribute using their own money in order to be granted the loan as per Article 3(1) of the Act of 23 March 2017 Mortgage Loan and Supervision over Mortgage Brokers and Agents;
- 59) **Payment** - shall mean payments made to the Fund for acquiring Participation Units pursuant to rules and in the amount provided for by the law;
- 60) **Disbursement** – shall mean payment, effected at the request of the relevant Participant, of money collected within ECP as re-purchase of Participation Units pursuant to the terms and conditions of the ECP Act;
- 61) **Transfer Disbursement** - shall mean a transfer of funds in line with the provisions of the ECP Act from one ECP Account to another ECP Account, to the IRA of the spouse of a deceased ECP Participant, or to the IRA of an authorised person, to the EPS of the spouse of a deceased ECP participant or to the EPS of an authorised person, to the account of a fixed-term savings account of the ECP participant discussed in Article 49(1)(3) of the Act of 29 August 1997 - Banking Law, to the account of fixed-term deposit of the ECP participant in a savings and credit union, to the account of fixed-term savings account indicated by the spouse or former spouse of a deceased ECP participant, to the account of fixed-term deposit operated within a savings and credit union indicated by the spouse or former spouse of a deceased ECP participant, or to the Insurance Institution pursuing business activity classified as group 3 in Section I of the appendix to the insurance and re-insurance activity act;

- 62) **Insurance Institution** - shall mean a domestic insurance institution, a foreign insurance institution with its seat in a Member State, the main branch office of a foreign social insurance institution residing in a country not being a Member State, as indicated in the Act on insurance and reinsurance activity, authorised to engage in the activity defined in section I of group 3 of appendix to said act as regards offering insurance with a capital insurance fund;
- 63) **Exchange** – shall mean simultaneous buy-back of Participation Units in one Subfund within the Fund and purchase, for money thus acquired, of Participation Units in another Subfund within the Fund;
- 64) **Fixed Date** – shall mean a year when people born in the year in the middle of the year range for which a given Subfund is relevant reach the age of 60;
- 65) **General Meeting of Participants** - shall mean a body of the Fund whose scope of authority shall be as defined in the Statutes and the Act;
- 66) **Return** – shall mean a situation where a Participant withdraws funds collected as part of ECP before the Participant reaches the age of 60 at the request of the Participant, the spouse or former spouse of the Participant, the spouse of a deceased Participant, or an Authorised Person.

Art. 3. Subfunds

1. The Fund shall consist of Subfunds subdivided within it which shall have their own investment policy.
2. The Fund shall consist of the following Subfunds:
 - 1) PFR PPK 2025;
 - 2) PFR PPK 2030;
 - 3) PFR PPK 2035;
 - 4) PFR PPK 2040;
 - 5) PFR PPK 2045;
 - 6) PFR PPK 2050;
 - 7) PFR PPK 2055;
 - 8) PFR PPK 2060.
3. The Fund shall have legal personality. Subfunds shall not have legal personality. Whenever these Statutes mention Subfunds concluding agreements or acquiring rights and responsibilities, all relevant legal steps shall be taken by the Fund for and on behalf of Subfunds.
4. Every Subfund shall be a fixed-date subfund, as defined in the ECP Act, and its name shall define the Fixed-Date applicable to it, relevant to the age of Participants.
5. Subfunds shall have different investment policies reflecting the level of possible investment risk depending on the age range of Participants for which a given Subfund is relevant due to its Fixed Date.
6. The Fund may create new Subfunds with a Fixed Date every 5 years for subsequent dates of birth. The creation of a new Subfund shall not require the permission of the Committee and shall be effected by means of changing the Statutes and announcing such a change in the mode provided for in Article 35 and by means of such changes becoming effective.

Art. 4. Company

1. The Company shall be a body of the Fund.
2. The Company shall manage the Fund for a fee and shall represent it as part of relations with third parties.
3. Two members of the Company's Management Board acting jointly or one member of the Company's Management Board acting jointly with the commercial proxy shall have the right to make declarations of intent on behalf of the Fund.
4. The Supervisory Board of the Company shall choose an entity authorised to review the financial statements which shall also be authorised to review the financial statements of the Fund and Subfunds.

Art. 5. General Meeting of Participants

1. A General Meeting of Participants shall be convened for the Fund in order to give consent to:
 - 1) management of the Fund being taken over by another investment fund company;
 - 2) management of the Fund and the handling of its affairs being taken over by a manager from the European Union.
2. The mode of operation of the General Meeting of Participants and the mode in which it passes resolutions are defined in the Statutes and the regulations approved by the General Meeting.
3. The General Meeting shall take place at the venue of the Fund's seat or at another venue defined by the Company in a notification on convening the General Meeting of Participants.

4. Costs connected with holding a General Meeting shall be borne by the Company.
5. A General Meeting of Participants shall be convened by the Company by means of notifying Participants of it via registered mail or using a permanent information carrier at least 21 days before the planned date of such a General Meeting of Participants. Such a notification shall include information about the date and venue of the General Meeting of Participants, an indication of the event to which the General Meeting is to give its consent, information about suspension of sale and re-purchase of Participation Units, information about the day as of which the list of Participants authorised to take part in the General Meeting is defined.
6. Before transferring the notification indicated in section 5, the Company shall publish an announcement that a General Meeting of Participants is to be convened on the www.pfrtfi.pl website.
7. A Participant shall be authorised to take part in a General Meeting of Participants provided that they are recorded in the Register of Fund Participants as of the end of the second Business Day preceding the date of the General Meeting of Participants. As far as matters pertaining only to a specific Subfund are concerned, only Participants of that Fund shall have the right to take part in the relevant General Meeting.
8. A Participant may take part in a General Meeting personally or by proxy.
9. The relevant power of attorney shall be granted in writing under pain of nullity.
10. During a General Meeting of Participants, in addition to the Company's Management Board, employees of the Company and other people designated by the Company's Management Board may be present.
11. The purchase and re-purchase of Participation Units shall be suspended from the day preceding the General Meeting until its date.
12. The General Meetings shall pass resolutions during sessions minuted by a notary.
13. A General Meeting shall be valid if at least 50% of the Participation Units of the Fund, as of the situation two Business Days before the date of the General Meeting, are represented on it.
14. Each whole Participation Unit held shall entitle a Participant to cast one vote.
15. The General Meeting shall be opened and presided over by a person designated by the Management Board of the Company.
16. Before a resolution is passed by the General Meeting of Participants, the Management Board of the Company shall present its recommendations to Participants and provide them with explanations related to matters of interest to them pertaining to the event/circumstances for which the General Meeting is to give its consent - this shall include answering questions asked by Participants.
17. Before a resolution is passed, a Participant may request to hold a discussion related to whether or not giving the consent discussed in section 1 is reasonable.
18. Resolutions shall be passed by the General Meeting with a majority of 2/3 votes cast by Participants present or represented at a given General Meeting.

Art. 6. Custodian

1. The entity acting as the custodian under an agreement for appointing a custodian for the Fund shall be Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna, residing in Warsaw at ul. Puławska 15, 02-515 Warszawa:
2. The Custodian shall act, independently from the Company, to the benefit of Fund Participants.
3. The agreement for acting as the Fund's custodian may not exclude or limit the Custodian's obligations defined in the Act and Regulation 231/2013.
4. Obligations of the Custodian under the agreement for appointing a custodian for the Fund are indicated in the Fund's informational brochure.
5. Detailed scope of the Custodian's obligations shall be defined in an agreement concluded by and between the Fund and the Custodian.
6. The Custodian may, by means of concluding a written agreement, entrust the performance of activities related to storing Fund Assets to the extent and in line with rules provided for in the Act and Regulation 231/2013 to an entrepreneur or a foreign entrepreneur.
7. The Custodian may be released from liability for the Local Entity losing financial instruments discussed in Article 5 and Article 5a of the Act on trading in financial instruments and constituting assets of the Fund only if they demonstrate that the requirements indicated in Article 811, section 2, point 2)-5) of the Act.

Chapter II. Fund Participant

Art. 7. Participation in the Fund

1. Only natural persons who have turned 18 for whom and on whose behalf the Employer concluded an ECP Operation Agreement with the Fund or who became Participants of the Fund in another way provided for by commonly applicable provisions of the law may become Fund Participants.
2. The Employer shall conclude an ECP Operation Agreement for and on behalf of an Employee pursuant to the rules and according to deadlines provided for in the ECP Act unless the Employee declares before the passing of the relevant deadline that they do not wish to make Payments to ECP or ceases to be an Employee of that Employer.
3. The Employer shall conclude the ECP Operation Agreement for and on behalf of its Employees.
4. The Employer shall not conclude the ECP Operation Agreement for and on behalf of an Employee who has turned 70.
5. The Employer shall conclude the ECP Operation Agreement for and on behalf of Employees who have turned 55 and who have not turned 70 only at their request and if, as of the first day of their employment with the Employer, such an Employee was employed by the Employer for at least 3 months over the course of the preceding 12 months.

Art. 8. Powers of Attorney

1. Activities related to participation in the Fund may be performed via attorneys-in-fact in line with the general rules provided for in the Civil Code unless the law requires that a given legal step be taken by a Participant personally.
2. A power of attorney granted or revoked outside of Poland shall have to be notarized in line with the provisions of the law in force.
3. A power of attorney granted in a language other than Polish shall have to be translated into Polish by a sworn translator.

Art. 9. Payments to the Fund

1. The Fund shall dispose of Participation Units in Subfunds exclusively for base payments, additional payments, initial payments, annual additional payments, payments to Subfunds as part of Transfer Disbursement or Exchange discussed in the ECP Act, or for funds transferred by the liquidator, as indicated in Article 87(21) of the ECP Act.
2. The Employer and ECP Participant shall finance base payments with their own money.
3. The Employer and ECP Participant may declare their intention to make additional payments.
4. The Employer and ECP Participant may declare their intention to make additional payments in line with the rules provided for in the ECP Operation Agreement and ECP Management Agreement.
5. The amount of such base payments and additional payments shall be defined as a percentile part of the relevant ECP Participant's remuneration.
6. An ECP Participant may benefit from an initial payment or annual additional payment in line with the rules provided for in Chapter 5 of the ECP Act.
7. If disbursement of funds accumulated on a Participant's ECP Account commences after they have turned 60, ECP Payments shall not be made and annual additional payments shall not be transferred.
8. If a Participant has resigned from saving as part of ECP or if their employment by the Employer who concluded the ECP Operation Agreement has ceased, funds shall remain on the Participant's ECP Account until Disbursement, Transfer Disbursement, or Return.

Chapter III. Register of Fund Participant

Art. 10. Register of Fund Participant

1. The Fund may entrust the keeping of the Register of Fund Participants to the Transfer Agent. The Transfer Agent, at the request of and on behalf of the Fund, shall keep the Register of Fund Participants and Subregisters.
2. The Register of Fund Participants shall include, in particular:
 - 1) a designation of the Fund and Subfund,
 - 2) identification data of the Participant (name, surname, address of residence, contact address, phone number, e-mail address, personal state registration number (PESEL) or date of birth - for people

who do not have a PESEL, the series and number of their ID card or passport or another document confirming their identity - for people who are not citizens of Poland),

- 3) the number of Participation Units held by the Participant,
 - 4) date, number, and purchase price of Participation Units,
 - 5) date of re-purchase, number of Participation Units re-purchased, and amount disbursed to the Fund Participant for re-purchased Participation Units,
 - 6) information about powers of attorney granted or revoked by the Participant,
 - 7) information about Authorised Persons,
 - 8) information about pledge on Participation Units, if any.
3. A Fund Participant may have Subregisters for every Subfund.
 4. The Participant shall immediately and not later than 30 days from the occurrence of any changes notify the Fund of any changes to the identification data of the Participant (name, surname, address of residence, contact address, phone number, e-mail address, personal state registration number (PESEL) or date of birth - for people who do not have a PESEL, the series and number of their ID card or passport or another document confirming their identity - for people who are not citizens of Poland). Neither the Fund nor the Company shall be liable for the consequences of failing to fulfil the obligation indicated in the preceding sentence and for the consequences of activities performed by the Company in good faith using the identification data of a Participant last available to it.

Art. 11. Opening of ECP Account

1. An ECP Account may be opened on condition that the Employer of a given Participant concludes an ECP Management Agreement with the Fund and then the Fund concludes an ECP Operation Agreement with the Employer acting for and on behalf of the relevant Employee.
2. An Employee may be a party to more than one ECP Operation Agreement simultaneously.

Art. 12. Information about the conclusion of an ECP Operation Agreement and annual information about funds accumulated within ECP

1. Immediately after concluding an ECP Operation Agreement, the Fund shall make available to the Participant, in an electronic form enabling recording the contents on a permanent data carrier, information about the conclusion of an ECP Operation Agreement which shall include, in particular, data discussed in Article 22(2) of the ECP Act.
2. The Fund shall, by the last day of every year, deliver to the Participant, in an electronic form enabling recording the contents on a permanent data carrier or, at the request of the Participant, as hard copy, information about the funds accumulated on their ECP Account, the amount of payments to that account in the preceding calendar years, and about other transactions involving the Participant's ECP Account in the preceding calendar year.
3. After receiving the information discussed in section 2, it is to the best interests of the Participant to make sure that such information is correct and immediately notify the Fund of any irregularities.

Art. 13. Blocking Participation Units and pledge on Participation Units

1. The Fund may block an ECP Account in order to secure the fulfilment of obligations aimed at satisfying spousal/child support claims, particularly as regards state treasury amounts due to benefits paid in the event of ineffective enforcement of spousal/child support. For as long as such lock is maintained, it shall not be possible to comply with Participant instructions for reducing the number of Participation Units recorded on their ECP Account.
2. Participation Units may be the object of a pledge. Satisfying the claims of a pledgor using the object of the pledge shall take place exclusively by means of re-purchase of Participation Units by the Fund at a request submitted as part of enforcement proceedings. Satisfaction of the pledgor's claims shall not require carrying out enforcement proceedings if it is to be effected under a pledge agreement consistent with the provisions of the act of 2 April 2004 on certain financial collateral types (Journal of Laws of 2016, item 891). If this is the case, the Fund shall disburse to the pledgor's account the amount due to them in connection with Participation Unit re-purchase.
3. A pledge established on Participation Units shall become effective upon the relevant entry being made in the Register of Fund Participants at the request of the pledgor or pledgee, after presentation of the pledge agreement to the Fund.

4. Before the due date of the liability secured with such a pledge, the pledgor may, without the pledgee's consent, request that the Fund re-purchase Participation Units encumbered with the pledge.
5. If the liability secured with a pledge became due and payable, the pledgor may request that the Fund re-purchase Participation Units encumbered with the pledge; however, payment of money to the pledgor due to such re-purchase of said Participation Units by the Fund may only take place after presentation of a creditor's statement confirming that the liability secured with the pledge has been extinguished.
6. Satisfaction of a liability secured with a pledge shall be considered Return or Disbursement - if it pertains to pledge on Participation Units recorded in the Subregister of a Participant who has turned 60.
7. The provisions of the Civil Code shall apply to pledge on Participation Units to the extent not provided for in sections 2-6.

Chapter IV. Rules for disposal and re-purchase of Participation Units

Art. 14. Participation Units

1. A Participation Unit is a portion of a Participant's property right defined in the Statutes, the Act, and the ECP Act.
2. Participation Units may be sold and re-purchased directly by the Fund.
3. Participation Units in a given Subfund represent the same property rights connected with that Subfund.
4. Participation Units may be divided into fractions thereof.
5. Participation Units may not be disposed of by the Participant for the benefit of third parties but may be the object of Exchange, Disbursement, Transfer Disbursement, or Return.
6. Participation Units shall not bear interest.
7. Participation Units may be inherited and passed on pursuant to the rules provided for in the ECP Act.
8. Participation Units may be the object of a pledge.
9. The Fund may divide Participation Units into equal portions.
10. Such a division, as discussed in section 9, shall be effected by means of dividing every Participation Unit by a certain number into equal portions in such way that the total value of Participation Units held by a Participant after such division is effected equalled the value of Participation Units before such division.
11. The Fund shall notify the relevant Participants of its intention to divide Participation Units at least 14 days before such division in the way provided for in Article 34(1) of the Statutes.
12. The initial value of a Participation Unit for every Subfund shall be PLN 100 (one hundred zloty).

Art. 15. Rules for disposal and re-purchase of Participation Units

1. Subject to the provisions of Article 17, the Fund shall sell and re-purchase Participation Units on every Valuation Day. The sale and re-purchase of Participation Units shall take place only in PLN, pursuant to rules defined in the Act, the ECP Act, the Statutes, and the Informational Brochure.
2. Participation Units shall be redeemed by virtue of the law as of their redemption by the Fund.
3. As far as the purchase of Participation Units is concerned, the Fund shall only accept Payments made to a bank account especially designated by the Fund and only as part of ECP.
4. Funds accumulated within ECP due to Payments shall be directed to the Subfund relevant to the Participant's age in line with the Fixed-Date unless the Participant makes a request for dividing Payments made to ECP. A Participant shall have the right to request a new division of Payments to the Fund with the proviso that no less than 10% of the amount of every Payment (the amount of such Payment to be divided shall be accurate to 1%) is to be transferred to each of Subfunds selected and that the percentiles add up to 100%.
5. Participation Units in Subfunds may only be disposed of for the benefit of a natural person who has turned 18 years of age for whom and on whose behalf the Employer, who has concluded an ECP Management Agreement with the Fund at an earlier date, concluded an ECP Operation Agreement.
6. The Fund shall dispose of Participation Units after a Payment for their purchase has been made on the Valuation Day when the Transfer Agent records the number of Participation Units purchased for such a Payment in the Subregister of Participants of a given Subfund and this shall be done within 7 calendar days from the day when the Fund has received Summary Information from the Employer and when the relevant amount of Payment has been credited to the bank account of the Fund unless there is a delay due to circumstances for which the Fund is not responsible.

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7. The Fund shall sell Participation Units at a price corresponding to the Net Asset Value per Participation Unit of a given Subfund in effect as of a given Valuation Day when funds transferred for purchasing such Participation Units were credited for that purpose on the bank account of the Fund operated by the Custodian.
8. The Fund shall re-purchase Participation Units recorded on the ECP Account at a price equal NAVPU determined as of the Valuation Day.
9. Participation Units shall be re-purchased upon recording in the Register of Fund Participants of the number of Participation Units re-purchased and the amount due to the Fund Participant on account of such Participation Unit re-purchase.
10. The Fund shall re-purchase Participation Units at a price effective as of the second Valuation Day following the day when the relevant re-purchase request was received.
11. The period in which Participation Units are to be re-purchased shall not exceed 7 calendar days from receiving the re-purchase request unless there is a delay due to circumstances for which the Fund is not responsible.
12. If re-purchase is effected in connection with the payment of a monthly instalment of Payment, the Participation Unit re-purchase deadline shall be as indicated in the Informational Brochure.
13. The provisions of this article shall not apply to the purchase and re-purchase of Participation Units effected in connection with an Exchange request taking place in line with deadlines and rules provided for in article 16.

Art. 16. Exchange of Participation Units

1. The Participant shall have the right to, under one order, effect an Exchange of Participation Units between different Subfunds.
2. An Exchange shall be effected by means of simultaneously re-purchasing Participation Units in one Subfund (source Subfund) and purchasing, using funds obtained due to such re-purchase, Participation Units in another Subfund (target Subfund). Participation Units in the target Subfund may be purchased as part of such an exchange only after funds acquired as a result of re-purchase of Participation Units in the source Subfund have been credited to the bank account of the target Subfund. Performing the third and further Exchange requests in a given calendar year may be subject to a fee calculated in line with the rules indicated in section 4.
3. When making an Exchange request, the Participant shall indicate a percentile division of funds accumulated as part of ECP within particular Subfunds; a payment made to a Subfund shall amount to at least 10% of funds accumulated as part of ECP, accurate down to 1% (one percentile point). The division of funds accumulated as part of ECP shall be defined as of the Valuation Day when the Exchange request is processed. If a Participant makes an Exchange order pertaining to a smaller portion of Participation Units accumulated as part of ECP than was indicated, such an Exchange request shall not be performed.
4. re-purchase of Participation Units in the source Subfund in connection with performing an Exchange may be subject to a handling fee whose amount shall be defined by the Company and which shall not be more than 0.1% of the value of Participation Units covered by a given Exchange request. The handling fee for effecting an Exchange shall reduce the amount which Participation Units of the target fund are sold for and shall be due to the Company from the Participant.
5. The Fund shall perform an Exchange request related to Participation Units using a price in effect as of the second Valuation Day following the day when the Exchange request is received and within 7 calendar days from the day when the Participant makes such a request unless there is a delay for reasons not attributable to the Fund.
6. Regulations pertaining to selling and re-purchasing Participation Units defined in the Statutes and the Informational Brochure shall apply to exchanging Participation Units to the extent not provided for in this article.

Art. 17. Rules for sale and re-purchase of Participation Units

1. The Fund may suspend re-purchasing Participation Units of a given Subfund for 2 weeks if:
 - 1) in the preceding 2 weeks the total value of Participation Units re-purchased by the Subfund and Participation Units whose re-purchase was requested exceeds 10% of the value of that Subfund's Assets or

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- 2) it is impossible to reliably appraise a material portion of Subfund Assets for reasons not attributable to the Fund.
2. If the situation is as indicated in section 1, then, with the consent of the Committee and subject to conditions defined thereby:
 - 1) the re-purchase of Participation Units may be suspended for a period exceeding 2 weeks and not exceeding 2 months,
 - 2) the Fund may re-purchase Participation Units in instalments over the course of a period not exceeding 6 months, applying proportionate reduction or when effecting disbursements due to Participation Unit re-purchase.
3. Throughout such suspension of Subfund Participation Unit re-purchase, the Fund shall not effect Exchanges, Disbursements, Transfer Disbursements, or Returns.
4. Information about suspension of Participation Unit sale or re-purchase shall be made available in places where Participation Units are sold indicated in the informational brochure of the Fund and shall also be communicated to the general public by means of being announced in line with Article 34(1) of the Statutes.

Art. 18. Disbursement, Transfer Disbursement, and Return

1. A Participant may manage funds accumulated on the ECP Account in line with the rules provided for in chapter 15 of the ECP Act, i.e. exclusively by means of making a request for Disbursement, Transfer Disbursement, or Return.
2. Detailed rules for effecting Disbursements, Transfer Disbursements, and Returns are defined in the Informational Brochure.
3. Disbursement at the request of a Participant who has reached the age of 60 shall take place according to the following deadlines:
 - 1) one-time disbursement - immediately and not later than within 14 days from the submission of the application for such disbursement;
 - 2) disbursement in monthly instalments - deadlines and mode of effecting those are defined in the Informational Brochure.
4. Disbursement as part of the Spousal Benefit, as defined in the ECP Act, shall be effected in monthly instalments and such disbursement shall take place on dates and in the mode provided for in the Informational Brochure.
5. If a Disbursement aimed at covering Own Contribution is to be made, its date shall be as indicated in the agreement discussed in Article 98(1) of the ECP Act.
6. Disbursements at the request of the Participant related to an instance of Serious Illness shall be effected according to following deadlines:
 - 3) one-time disbursement - immediately and not later than within 14 calendar days from the submission by the Participant of the application for such disbursement;
 - 4) disbursement effected in monthly instalments - the first instalment shall be paid immediately and not later than within 14 calendar days from the submission by the Participant of the application for such disbursement and subsequent payments shall be made on dates indicated in the application.
7. For Transfer Disbursement, payment shall be effected within 14 calendar days from the Participant or another entity indicated in Article 102(2) of the ECP Act has requested Transfer Disbursement, subject to section 9 below.
8. In the event of a Return, disbursement shall take place within 14 calendar days from the day when the Participant makes the relevant Return request, subject to section 10 below.
9. Transfer Disbursement may be effected:
 - 1) in the event of the Participant divorcing or their marriage being annulled, the Transfer Disbursement shall be effected within 3 months from the submission of the relevant application and presentation of evidence confirming that funds accumulated on the Participant's ECP Account are due to their former spouse;
 - 2) if the Participant who, as of the date of their death, was married, the Transfer Disbursement shall be effected within 3 months after presentation by the spouse of the deceased Participant of a copy of the death certificate, marriage certificate, and a statement of their marital financial relations, as well as documents describing the way in which such financial relations were settled if there was no statutory marital property between the spouses;

- 3) to the extent in which funds accumulated on the ECP Account of a deceased Participant were transferred to Authorised Persons, the Transfer Disbursement shall be effected within 3 months from the submission of a request for Transfer Disbursement together with a copy of the Participant's death certificate and a document confirming the identity of the authorised person or a copy of a valid and binding court decision confirming the acquisition of inheritance or a certified deed confirming inheritance, as well as a joint statement made by all heirs regarding the way in which funds accumulated on the ECP Account of the deceased Participant are to be divided or a valid and binding court decision regarding the division of inheritance, and documents confirming the identity of heirs - unless the Authorised Person requests that the Transfer Disbursement or Return be effected at a later date.
10. Return may be effected:
- 1) if the marriage of a Participant is terminated by means of a divorce or annulled - within 3 months from presentation by their former spouse of evidence confirming that funds on their ECP Account are due to the former spouse;
 - 2) if a Participant was married upon their death - within 3 months from presentation by the spouse of such a deceased Participant of evidence confirming that funds on their ECP Account are due to their spouse;
 - 3) if funds accumulated on the ECP Account of a deceased Participant are due to Authorised Persons - within 3 months from the submission of a request for such Return by the Authorised Person together with a copy of the Participant's death certificate and a document confirming the identity of the Authorised Person or a copy of a valid and binding court decision confirming the acquisition of inheritance or a certified deed confirming inheritance, as well as a joint statement made by all heirs regarding the way in which funds accumulated by the deceased Participant are to be divided or a valid and binding court decision regarding the division of inheritance, and documents confirming the identity of heirs.

Chapter V. Investment policy of the Fund

Art. 19. Investment objectives of Subfunds

1. The investment objectives of particular Subfunds are defined in Part II of the Statutes. Unless otherwise provided for in Part II of the Statutes, the provisions of this chapter shall apply to all Subfunds.
2. The Fund does not guarantee that the investment objective defined in Part II of the Statutes for every Subfund will be achieved.

Art. 20. The object of Subfund Asset investments

1. The Fund may invest Subfund Assets in line with rules and investment limitations defined for open investment funds in:
 - 1) securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, securities and Financial Market Instruments approved for circulation on the regulated market in Poland or a Member State, as well as on organised markets which are not regulated markets in Poland or another Member State and on the Organised Market of OECD;
 - 2) securities and Financial Market Instruments being the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for approval for circulation discussed in point 1 and if approval for circulation is assured within one year from the day when such securities or instruments were first offered;
 - 3) deposits in domestic banks or loan institutions whose maturity date is no more than one year, payable on demand, or which can be withdrawn before their maturity date;
 - 4) Financial Market Instruments if they or their issuer are subject to regulations aimed at protecting investors and savings and are:
 - a) issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government unit, the relevant central, regional, or local public authorities of a Member State, the central bank of a Member State, European Central Bank, the European Union or European Investment Bank, a country other than a Member State, or, in the case of a federal country, by a member of the federation, or by an international organisation to which at least one Member State belongs, or

- b) issued, backed, or guaranteed by an entity subject to the supervision of the relevant financial market supervision authority in line with criteria defined under Community law or an entity subject to rules at least as strict as those following from Community law and following such rules, or
 - c) issued by an entity whose securities are already circulating on the regulated market indicated in point 1);
 - 5) securities and Financial Market Instruments other than indicated in points 1), 2), and 4) - the total value of such investments may not exceed 10% of the Net Value of Subfund Assets;
 - 6) participation units of other open investment funds or specialised open investment funds residing in Poland, participation titles issued by foreign fund (as defined in the Act), and participation titles issued by joint investment institutions residing abroad and meeting the criteria provided for in the Act;
 - 7) investment certificates of closed investment funds residing in Poland and participation titles issued by joint investment institutions residing abroad which do not meet the requirements provided for in Article 93(4)(2) and section 6 and Article 101(1)(3) of the Act, particularly by means of applying investment-related restrictions other than defined in section V, chapter I of the Act for protecting investors.
2. The proportions of different types of investments for a given Subfund shall depend on the Company's decision and on the amount of time remaining until the Fixed Date of a given Subfund. While taking investment-related decisions regarding the Assets of a given Subfund, the Company shall follow its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act, the ECP Act, and the Statutes into account. Further, the Company shall strive to achieve an investment portfolio structure of a given Subfund consistent with the diversification rules defined for that Subfund separately in Part II of the Statutes, taking general diversification rules defined in Part I of the Statutes into account.
3. The Assets of every Subfund may be invested in securities incorporating Derivative Instruments.
4. The Fund may purchase Financial Market Instruments incorporating Derivative Instruments.
5. The Fund may, on behalf of a Subfund, make investments indicated in section 1(7) provided that:
 - 1) the remuneration for closed investment fund management or joint investment institution does not exceed 1.5% of the value of assets per annum and that remuneration for results achieved do not exceed 20% of profits generated,
 - 2) the mode of calculating remuneration for performance results achieved, as indicated in point 1), ensures that in subsequent periods remuneration for performance results achieved is collected from surplus money in excess of the results from which remuneration for performance results was collected in preceding periods (the high water mark rule),
 - 3) the closed investment fund or joint investment institution publish information about the fair value of investment certificates or participation titles no less often than once per three months,
 - 4) the investment certificates of closed investment funds or participation titles issued by joint investment institutions shall be disposable and it shall be possible to redeem them in line with the provisions of the relevant closed investment fund statutes or joint investment institution regulations.
6. The provisions of Article 94 and 94a of the Act, as well as executive provisions based on Article 94(7) of the Act shall not apply to the Fund.

Art. 21. Derivative Instruments

1. The Fund may conclude for the benefit of every Subfund agreements having Derivative Instruments as their object provided that:
 - 1) they are traded on the regulated market in Poland or a Member State, on organised markets which are not regulated markets in Poland or another Member State and on the Organised Markets of OECD or on other organised markets of countries not belonging to OECD other than Poland and Member States, as listed below: Chicago Mercantile Exchange (CME), Chicago Board of Trade (CBOT);
 - 2) such an agreement is aimed at ensuring efficient management of the Fund's investment portfolio or reducing the level of risk related to changes of:
 - a) rates of exchange, prices, or value of securities and Financial Market Instruments held by the Fund, or securities and Financial Market Instruments which the Fund intends to purchase in the future, including agreements for transferring loan risk associated with such financial instruments,
 - b) rates of exchange related to the Fund's investments,

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- c) interest rates associated with investments in deposits, debt securities, and Financial Market Instruments, and Assets kept to meet the current liabilities of the Fund;
 - 3) the conclusion of such an agreement is in line with the investment objective of the Subfund;
 - 4) The Derivative Instrument Base are financial instruments discussed in Article 20(1), points 1), 2), 4), and 6), interest rates, currency rates of exchange, or indices;
 - 5) performance shall take place by means of delivering financial instruments discussed in Article 20(1), points 1), 2), 4), and 6) or by means of pecuniary settlement.
2. The Fund may conclude transactions having Derivative Instruments, including Non-Standardized Derivative Instruments, as their object provided that the Fund shall keep the asset portion at a level ensuring that such transactions could be performed and such assets shall include:
 - 1) securities, financial market instruments, and other property rights - if the Fund is obliged to physically deliver such securities, financial market instruments, or other property rights;
 - 2) cash, liquid securities issued by the State Treasury, the National Bank of Poland, a Member State or a country belonging to OECD - if settling such liabilities takes place using currency.
3. The Fund may conclude agreements having Non-Standardized Derivative Instruments as their object provided that:
 - 1) the relevant business partner is an entity residing in Poland, a member State, or a country belonging to OECD other than a Member State subject to supervision by the relevant supervisory body supervising financial or capital markets in that country;
 - 2) such instruments are subject to a verifiable and reliable appraisal on every business day according to reliably estimated fair value;
 - 3) such instruments may be disposed of by the Fund at any time or the position taken within them may be at any time liquidated or closed by means of a balancing transaction;
 - 4) the conclusion of such an agreement is in line with the investment objective of the Subfund;
 - 5) such an agreement is aimed at ensuring efficient management of the Fund's investment portfolio or reducing the level of risk related to changes of:
 - a) rates of exchange, prices, or value of securities and Financial Market Instruments held by the Fund, or securities and Financial Market Instruments which the Fund intends to purchase in the future, including agreements for transferring loan risk associated with such financial instruments,
 - b) rates of exchange related to the Fund's investments,
 - c) interest rates associated with investments in deposits, debt securities, and Financial Market Instruments, and Assets kept to meet the current liabilities of the Fund;
 - 6) the base of such instruments are securities or Financial Market Instruments which could be the object of Subfund investments, interest rates, rates of exchange, or indices;
 - 7) performance shall be effected by means of delivering financial instruments constituting the objects of agreements or by means of a pecuniary settlement;
 - 8) effects transactions as part of agreements:
 - a) futures, forward,
 - b) variant,
 - c) swap contracts.
4. The Fund, while concluding transactions with Non-Standardized Derivative Instruments as their object, shall have to define the level of business partner risk. The level of business partner risk shall be subject to the following restrictions:
 - 1) it may not exceed 5% of the Net Value of Subfund Assets or, if a party to it is a loan institution, a domestic bank, or a foreign bank - 10% of the Net Value of Subfund Assets with the proviso that said value may be subject to a reduction if the business partner fails to establish collateral for the Subfund consisting of money, disposable securities, or Financial Market Instruments;
 - 2) the total value of business partner risk following from concluded agreements and absolute values of positions taken with regard to every Derivative Instrument may not exceed the Net Value of Fund or Subfund Assets.
5. The value of business partner risk may be reduced by a value corresponding to the value of business partner risk in a given transaction if all of the following conditions are met:
 - 1) the business partner has established for the benefit of the Fund collateral in money, disposable securities, or Financial Market Instruments as part of a given transaction;

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- 2) the sum of market value of securities disposed, financial market instruments, and money accepted by the Fund as collateral is to be defined on every Business Day and amounts to at least the same amount as the value of business partner risk as part of a given transaction;
 - 3) money constituting collateral is invested only in securities or financial market instruments issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a Member State, a country belonging to OECD, the central bank of a Member State, or the European Central Bank or deposits indicated in Article 93(1)(3) of the Act.
6. If under the investment policy of the Subfund the Fund shall conclude agreements having Derivative Instruments (including Non-Standardized Derivative Instruments) as their object in order to ensure efficient management of the Fund's investment portfolio, the Fund may conclude agreements stipulating physical delivery of Base Instruments, as well as a pecuniary settlement, with only Derivative Instruments as their object, whose Base shall be the following instruments:
- 1) stock exchange indices;
 - 2) debt securities or Financial Market Instruments;
 - 3) currency rates of exchange;
 - 4) interest rates.
7. The Fund shall make use of the following criteria while choosing the instruments discussed in section 6:
- 1) instrument's liquidity and the amount of difference between the purchase and sale proposals related to a given Derivative Instrument associated with it,
 - 2) the amount of undervaluation or overvaluation of a given Derivative Instrument in relation to a theoretical appraisal model applicable to a given Derivative Instrument; in the case of undervaluation, the Fund shall take the long position as far as a given Derivative Instrument is concerned and the Fund shall take the short position in the event of overvaluation;
 - 3) transaction costs associated with taking and liquidating a position as part of a given Derivative Instrument;
 - 4) adjusting the characteristic features of a Derivative Instrument to the investment strategy and financial instruments in the Fund's investment portfolio.
8. The Fund shall make use of the following criteria of instrument application discussed in section 6:
- 1) the Fund may purchase Derivative Instruments in order to ensure effective management of Subfund investment portfolio in the following situations:
 - a) for decisions related to changing allocation in a given Base Instrument, if from the point of view of derivative instrument appraisal or transaction costs or liquidity it would be more efficient to take a position in the Derivative Instrument than to change allocation in the Base Instrument,
 - b) for significant purchases or redemptions of Participation Units, in order to effectively adjust the structure of Assets to the target structure of Assets following from an assessment of the current situation on the market.
 - 2) The Fund shall keep the asset portion at a level guaranteeing performance of such transactions; such assets shall include, in particular:
 - a) securities, Financial Market Instruments, and other property rights - if the transaction involves physically delivering such securities, Financial Market Instruments, or other property rights;
 - b) cash, liquid securities issued by the State Treasury, the National Bank of Poland, a Member State or a country belonging to OECD - if settling such liabilities takes place using currency.
 - 3) The Fund shall be obliged to measure risks associated with such instruments, particularly:
 - a) market risk associated with unfavourable changes of the level or variability of rates of exchange, prices, or value of elements forming Base Derivative Instruments,
 - b) transaction settlement risk,
 - c) Derivative Instrument liquidity risk.
9. While applying the investment restrictions provided for in Article 23, the Fund shall take the value of securities or Financial Market Instruments forming the Base of Derivative Instruments into account.
10. The provision of section 9 shall not apply to Derivative Instruments whose Base are indices.
11. The maximum involvement of every Subfund in Derivative Instruments shall be calculated by means of calculating the total exposure of the Subfund in line with regulations issued on the basis of Article 48a(3) of the Act.
12. The Fund may conclude for the benefit of a given Subfund agreements having securities and property rights as their object with another fund managed by the Company.

Art. 22. Criteria for choosing Subfund investments

Subject to the provisions of Part II of the Statutes pertaining to particular Subfunds core criteria which the Fund uses while choosing investments for Subfund assets are fundamental analysis and portfolio analysis. The following criteria shall also be taken into account when making investments in particular types of deposits:

- as regards investments in shares and similar financial instruments such as, in particular: pre-emptive rights, rights to shares, subscription warrants, depository notes (or other property rights incorporating rights under shares), as well as other disposable shares incorporating property rights corresponding to rights under shares: an assessment of development prospects for a given issuer, belonging to indices, capitalization and liquidity of the issuer's instruments, the current and expected situation on markets, expected rate of return, the level of investment risk, the level of currency risk in the case of investments on foreign markets, and the level of risk associated with investment liquidity;
- 2) as regards investments in Financial Market Instruments, debt securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland, bonds and similar financial instruments such as, in particular: treasury bills, mortgage bonds, deposit certificates, and other disposable securities incorporating property rights corresponding to rights related to incurring a debt: an assessment of the development prospects of a given issuer taking into account the risk of them becoming insolvent, an assessment of the current and expected level of interest rates and inflation, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, and the liquidity of a given Subfund's Assets;
- 3) as regards investments in participation units and investment certificates of investment funds whose seat is in Poland and in participation titles issued by foreign funds or joint investment institutions residing abroad: the level of similarity of a given entity's investment policy with the investment policy of a given Subfund, the composition of a given fund's portfolio, analyses of past rates of return, track record of the fund's management team, expected rate of return on the investment, the level of investment risk, the level of currency risk for investments on foreign markets, the liquidity of a given Subfund's Assets, and the level of costs to be borne by participants in a given entity,
- 4) as regards investments in deposits: interest rate on such deposits and the financial standing of the relevant bank or loan institution.

Art. 23. Investment limit applicable to all Subfunds

1. The Fund may, as part of the Debt Portion of the Subfund's portfolio, invest:
 - 1) no less than 70% of the value of assets considered the Debt Portion in:
 - a) securities issued, backed, or guaranteed by the State Treasury, the National Bank of Poland, a local government body, or central state authorities, or the central bank of a Member State, the European Union, or the European Investment Bank, or international organisations on condition that such securities issued, backed, or guaranteed by such international organisations have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - b) deposits with a maturity date no longer than 180 days with domestic banks or loan institutions in the meaning of the Banking Law Act of 29 August 1997 provided that such loan institutions have a ranking at an investment level assigned to them by a rating agency approved by the European Central Bank in its operations;
 - 2) no more than 30% of the value of assets of the Debt Portion in financial instruments other than indicated in point 1) provided that no more than 10% of the value of assets may be invested in financial instruments which do not have an investment ranking assigned to them by a rating agency approved by the European Central Bank in its operations.
2. While calculating the share of particular investment categories in the Debt Portion of the Subfund's portfolio, as discussed in section 1, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using Derivative Instruments.
3. The Fund may, as part of the Share Portion of the Subfund's portfolio, invest:
 - 1) no less than 40% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies, as defined in the Act of 29

July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, which are included in the WIG20 index or in derivative instruments based on the shares of such companies or the WIG20 index;

- 2) no more than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies which are included in the mWIG40 index or in derivative instruments based on the shares of such companies or the mWIG40 index;
 - 3) no more than 10% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, or other share instruments issued by public companies listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) other than indicated in points 1) and 2) and by companies listed on the organised market in Poland and in derivative instruments based on shares of such companies or market indices where they are listed and in shares, rights under shares, pre-emptive rights, or other share instruments constituting the object of public offering if the terms and conditions of their issuance or initial public offering assume filing an application for admission into circulation at the Warsaw Stock Exchange and such admission into circulation is secured within a year from the date when such securities were first offered;
 - 4) no less than 20% of the value of assets forming the Share Portion in shares, rights to shares, pre-emptive rights, and other share instruments constituting the object of circulation on the organised market of an OECD state other than Poland or derivative instruments based on such share instruments or their indices.
4. While calculating the share of particular investment categories in the Share Portion of the Subfund's portfolio, exposure achieved via investment funds, as defined in Article 3 of the Act, and joint investment institutions whose participation units, investment certificates, and participation titles are the object of the Subfund's investments, as well as exposure achieved using derivative instruments.
5. Investment limits pertaining to securities, Financial Market Instruments, and Derivative Instruments:
- 1) subject to the following sections, the Fund may not invest more than 5% of the value of Subfund Assets in securities or Financial Market Instruments issued by one entity;
 - 2) The Fund may not invest more than 20% of the value of Subfund Assets in deposits in one domestic bank or one loan institution;
 - 3) If Subfund investments fail to meet the condition indicated in point 1, then the Fund may invest up to 10% of the value of Subfund Assets in securities or Financial Market Instruments issued by one entity if the total value of investments in securities and Financial Market Instruments of entities in which the Fund investment more than 5% of the value of Subfund Assets does not exceed 40% of the value of Subfund Assets;
 - 4) The provisions of points 1) and 3) shall not apply to deposits and transactions having Non-Standardized Derivative Instruments as their object concluded with entities subject to supervision of the relevant financial market supervision authority;
 - 5) The total value of investments in securities and Financial Market Instruments issued by one entity, deposits in that entity, and the value of business partner risk following from transactions having Non-Standardized Derivative Instruments as their object concluded with that entity may not exceed 20% of the value of a given Subfund's Assets.
6. Investment limits pertaining to mortgage bonds:
- 1) The Fund may not invest more than 25% of the value of Subfund Assets in mortgage bonds issued by one mortgage bank as per the act of 29 August 1997 on mortgage bonds and mortgage banks or in debt securities issued by one loan institution subject to particular public supervision aimed at protecting the holders of such securities on condition that amounts obtained due to issuance of such securities are invested by the issuer in assets which, throughout the entire period from the day of their re-purchase, guarantee fulfilment of all financial considerations under such securities and, in the event of the issuer becoming insolvent, grant priority rights in reclaiming all financial considerations under such securities;
 - 2) The total amount of investments in securities discussed in point 1) may not exceed 80% of the value of Subfund Assets;
 - 3) The total value of investments in securities or Financial Market Instruments issued by one mortgage bank, deposits in that entity, and the value of business partner risk following from transactions having Non-Standardized Derivative Instruments as their object concluded with the same bank may not exceed 35% of the value of a given Subfund's Assets.

- 4) Investments in mortgage bonds shall not be taken into account when calculating the limit provided for in section 4(3).
7. Investment limits related to investing in instruments of entities belonging to one capital group:
 - 1) Entities belonging to one capital group as per the accounting act for which a consolidated financial statement is drawn up shall be considered one entity for purposes of applying investment limits.
 - 2) The Fund may invest up to 20% of the value of Subfund Assets in total in securities or Financial Market Instruments issued by entities belonging to the capital group discussed in point 1);
 - 3) In the situation discussed in point 2), the Fund, subject to point 4), may not invest more than 5% of the value of Subfund Assets in securities or Financial Market Instruments issued by one entity belonging to the capital group discussed in point 1);
 - 4) The total value of Subfund investments in securities and Financial Market Instruments, in which the Fund has invested more than 5% of the Subfund Assets and no more than 10% of them, issued by entities belonging to the capital group indicated in point 1) and other entities may not exceed 40% of the value of Subfund Assets.
8. Investment limits related to certain securities:
 - 1) The Fund may invest up to 35% of the value of Subfund Assets in securities issued by the State Treasury, the National Bank of Poland, a local government unit, a Member State, a local government unit of a Member State, a country belonging to OECD or an international financial institutions to which Poland or at least one Member State belongs;
 - 2) The Fund may invest up to 35% of the value of Subfund Assets in securities backed or guaranteed by entities indicated in point 1) and the total value of investments in securities or Financial Market Instruments issued by an entity whose securities are backed or guaranteed, deposits in such an entity, and the value of business partner risk following from transactions which have Non-Standardized Derivative Instruments as their object concluded with that entity may not exceed 35% of the value of Subfund Assets;
 - 3) The Fund, acting on behalf of a Subfund, may not apply the restrictions indicated in points 1) and 2) to securities issued, backed, or guaranteed by the State Treasury or the National Bank of Poland;
 - 4) If the situation is as discussed in point 3), the Fund, acting on behalf of a Subfund, shall be obliged to make investments in securities of at least six different issues and the value of investment in none of such issues may exceed 30% of the value of Subfund Assets.
9. Investment limits associated with participation units, investment certificates, and participation titles of joint investment institutions residing abroad:
 - 1) The Fund, acting on behalf of a Subfund, may not invest more than 20% of the value of Subfund Assets in participation units of one open investment fund or participation titles of a foreign fund or participation titles of a joint investment institution residing abroad and if that open investment fund, foreign fund, or joint investment institution is a fund with subdivided subfunds or a fund or institution consisting of subfunds and every such subfund has a different investment policy - more than 20% of the value of Subfund Assets in the participation units or participation title of one subfund.
 - 2) The Fund, acting on behalf of a Subfund, may invest Subfund Assets in the participation units of other open investment funds, participation titles issued by foreign funds, or participation titles issued by joint investment institutions residing abroad and meeting the requirements indicated in Article 101(1)(3) of the Act which, according to their statutes or regulations, invest more than 10% of their assets in the participation units of open investment funds and participation titles of foreign funds and joint investment institutions.
 - 3) The Fund, acting on behalf of a Subfund, may not invest more than 1% of Subfund Assets in investment certificates or participation titles discussed in Article 20(1)(7) of the Statutes, participation titles of specialised open investment fund applying rules and investment restrictions defined for closed investment funds, or investments discussed in Article 93(1)(5) of the Act which are disposed of or issued by one entity.
 - 4) The limit discussed in point 2) shall not include investments in investment certificates of closed investment funds residing in Poland, participation titles issued by foreign funds or joint investment institutions residing abroad approved for trading on the regulated market in Poland or in a Member State, as well as on an organised market not being a regulated market in Poland or a Member State and on an organised market in a country belonging to OECD other than Poland or another Member

State if, according to the investment policy of those funds or joint investment institutions defined in their statutes or regulations, those reflect the composition of the regulated market index.

- 5) The total value of investments discussed in Article 20(1)(7) of the Statutes and investments discussed in Article 93(1)(5) of the Act may not exceed 10% of the value of Subfund Assets.
- 6) The Fund, acting on behalf of a Subfund, may not acquire more than 20% of the total value of all investment certificates or participation titles issued, as the case may be, by one closed investment fund or one joint investment institution discussed in Article 20(1)(7) of the Statutes.
- 7) The Fund, acting on behalf of a Subfund, may invest Subfund Assets in participation units of open investment funds or specialised open investment funds, participation titles of foreign funds or joint investment institutions discussed in Article 101 of the Act if the ratio of overall costs burdening the assets of such an open investment fund, foreign fund, or joint investment institution does not exceed 0.3% per annum and the share of such investments does not exceed 30% of the value of fixed-date investment fund.
- 8) The total value of investments in participation titles of joint investment institutions other than participation units of open investment funds or participation titles of foreign funds may not exceed 30% of Subfund Assets.
10. The Fund may invest the Assets of every Subfund in assets expressed in PLN or currencies of EU member states or parties to the European Economic Area agreement or members of the Organisation for Economic Cooperation and Development.
11. The total value of assets of every Subfund invested by the Fund in assets expressed in a currency other than PLN may not exceed 30% of the value of Assets of a given Subfund.
12. Rules for investment diversification and other investment-related restrictions provided for in the Act shall apply to matters not provided for in the Statutes.

Art. 24. Diversification rules shared by all Subfunds following from the Fixed Date of Subfunds

1. Investing Subfund Assets, the Fund strives towards limiting the level of investment risk depending on the age of the Participant in such way as to shape the proportion of Share Portion and Debt Portion in the value of that Subfund's Assets in the following way:
 - 1) starting with the year when the fund has reached its Fixed Date, the ratio of the Share Portion shall not be greater than 15% and the ratio of the Debt Portion shall not be less than 85% of the Value of a given Subfund's Assets;
 - 2) within the period of 5 years before the date indicated in point 1, the ratio of the Share Portion shall not be less than 10% and shall not be greater than 30% of the value of Subfund Assets and the ratio of the Debt Portion may not be less than 70% and more than 90% of the value of a given Subfund's Assets; throughout that period, the ratio of the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 3) within the period of 5 years before the date indicated in point 2), the ratio of the Share Portion shall not be less than 25% and shall not be greater than 50% of the value of a given Subfund's Assets and the ratio of the Debt Portion may not be less than 50% and more than 75% of the value of Subfund Assets;
 - 4) within the period of 10 years before the date indicated in point 3), the ratio of the Share Portion shall not be less than 40% and shall not be greater than 70% of the value of a given Subfund's Assets and the ratio of the Debt Portion may not be less than 30% and more than 60% of the value of Subfund Assets;
 - 5) within the period from the creation of a new Subfund until the commencement of the period indicated in point 4), the ratio of the Share Portion shall not be less than 60% and shall not be greater than 80% of the value of Subfund Assets and the ratio of the Debt Portion may not be less than 20% and more than 40% of the value of Subfund Assets.
2. While calculating the ratio of the Share Portion and Debt Portion in the Assets of a given Subfund, the actual indirect exposure obtained via funds and joint investment institutions in whose participation units, investment certificates, or participation units the Assets of a given Subfund are invested shall be taken into account on the basis of the most recent data available, as well as exposure achieved with the use of derivative instruments.

Art. 25. Bank loans and loans

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1. The Fund, acting on behalf of a Subfund, may take out loans and bank loans exclusively from domestic bank or loan institutions whose repayment period shall be up to one year and whose total value shall not exceed 10% of the Net Subfund Asset Value as of the conclusion of a given loan or bank loan agreement.
2. The Fund, acting on behalf of a Subfund, may grant loans to other entities whose object may be securities, including dematerialised securities, in line with the rules provided for in the Act.
3. The total value of loaned securities discussed in section 2 and securities of the same issuer in the investment portfolio of a given Subfund may not exceed the limits indicated in Article 102, sections 2 and 3 of the Act.

Chapter VI. Rules for bearing costs by the Fund

Art. 26. Costs of the Fund and Subfunds

1. The Fund may use Subfund assets to cover costs and fees indicated in Article 40, 45, 50, 55, 60, 65, 70, and 75 with regard to every Subfund.
2. Obligations related to the activity of a given Subfund shall be binding only for that Subfund.
3. Obligations pertaining to the entire Fund shall be binding for particular Subfunds proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets unless otherwise provided for by the law.

Art. 27. Remuneration of the Company for managing Subfunds

1. Subject to Articles 41, 46, 51, 56, 61, 66, 71, and 76, as the case may be, the Company shall calculate and collect a fixed remuneration for managing the Fund which shall not be more than 0.5% of the Net Value of Subfund Assets per annum for every Subfund, taking rules following from the ECP Act into account.
2. Reserves for the remuneration discussed in section 1 shall be calculated as of every Valuation Day.
3. The remuneration discussed in section 1 shall be disbursed monthly. The remuneration shall be paid within 15 Business Days after the end of every calendar month.
4. Pursuant to rules following from the regulation on the mode of calculating the reference rate and detailed rules for calculating remuneration due to performance results to be received by a financial institution registered in the ECP Register issued under Article 49(13) of the ECP Act, the Company may calculate and collect remuneration for performance results achieved; said remuneration shall be calculated by the Company and it shall not amount to more than 0.10% of the Net Subfund Asset Value per annum for every Subfund; said remuneration may be collected provided that:
 - 1) the Subfund has achieved a positive rate of return in a given year,
 - 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.
5. Reserves for remuneration for performance results shall be calculated as of every Valuation Day and paid to the Company by the 15th business day after the end of a given year.

Chapter VII. Creation of new Subfunds and liquidation of Subfunds

Art. 28. Creation of a new Subfund

1. The Fund may create new Subfunds with a fixed date every 5 years for subsequent dates of birth by means of changing the Statutes.
2. The investment portfolio of such a new Subfund shall be created using Payments.
3. The creation of a new Subfund shall not require the permission of KNF Financial Supervision Authority and shall be effected by means of changing the Statutes and announcing such a change in the mode provided for in Article 34 and by means of such changes becoming effective.
4. Detailed information on creating new Subfunds shall be announced by the Company in the mode provided for in Article 34(2) and published in the Informational Brochure.

Art. 29. Merging Subfunds

1. Subfunds may be merged. The Company shall merge Subfunds if all of the following conditions are met:
 - 1) the Subfund has reached its Fixed Date,

- 2) the Net Value of Subfund Assets has dropped below PLN 2 000 000.
2. The Subfund which is taken over shall be the one for which the conditions indicated in section 1 have been met.
3. If the merger discussed in section 1 is not possible, the liquidation of the relevant Subfund shall not commence as per section 1 if the Company submits an application within 7 days from the occurrence of circumstances discussed in section 1 to the Committee and the Committee consents to that Subfund being merged with another Subfund within the Fund which is to reach its Fixed Date within 5 years from the occurrence of the circumstances indicated in section 1.
4. The Company shall have the right to merge the Subfund to be taken over with another Subfund which has reached its Fixed Date or with another Subfund which is to reach its Fixed Date within 5 years from the occurrence of circumstances indicated in section 1.
5. The Company shall, within 7 days from the occurrence of the second condition discussed in section 1, announce its intention to merge Subfunds in the mode provided for in Article 33 of the Statutes, indicating the following information in the announcement:
 - 1) the Subfund to be taken over and the Subfund taking over,
 - 2) a date as of which payments made to the Subfund to be taken over, orders for purchase or re-purchase of Participation Units connected with the Subfund to be taken over, and applications for Disbursement, Transfer Disbursement, or Return of funds accumulated within the Subfund to be taken over shall be considered payments made to the Subfund which is taking over, orders for purchase or re-purchase of Participation Units connected with the Subfund which is taking over, and applications for Disbursement, Transfer Disbursement, or Return of funds accumulated within the Subfund which is taking over;
 - 3) a date after which the Subfund to be taken over shall not sell or re-purchase Participation Units.
6. Such a merger shall take place by means of transferring the Assets of the Subfund which is to be taken over to the Subfund taking it over and assigning to Participants of the Subfund to be taken over Participation Units of the Subfund which is to take over in exchange for participation units of the Subfund to be taken over.
7. If the Subfund merger discussed in section 1 is not possible due to:
 - 1) no other Subfund within the Fund has reached its Fixed Date,
 - 2) no other Subfund within the Fund is to reach its Fixed Date within 5 years from the occurrence of the circumstances discussed in section 1- the liquidation of the relevant Subfund shall commence as of the occurrence of the circumstances discussed in section 1.
8. If the Subfund merger discussed in section 1 is not possible due to the Committee having refused to consent to it, as per section 3, the liquidation of the relevant Subfund shall commence as of the day when the negative decision of the Committee indicated in section 3 becomes final and binding.
9. The relevant provisions of the Act pertaining to internal mergers of investment funds, taking the ECP Act into account, shall apply to merging Subfunds.

Art. 30. Subfund liquidation

1. The Fund may liquidate a Subfund.
2. A Subfund may be liquidated if the merger indicated in Article 29(1) is not possible.
3. All Subfunds shall be liquidated if the Fund is dissolved.
4. If a Subfund is liquidated not in connection with the Fund's dissolution, the Company shall be the Subfund's liquidator.
5. If a Subfund is liquidated in connection with the Fund's dissolution, its liquidation shall be carried out in line with the following rules:
 - 1) the liquidation of a Subfund shall consist in disposing of its assets, collecting its liabilities, satisfying the claims of its creditors, and redeeming its Participation Units by means of disbursing the relevant funds collected to Participants of that Subfund proportionately to the number of Participation Units of that Subfund they held.
 - 2) the disposal of the Subfund's assets shall take place with due regard for the interests of Subfund Participants and Fund Participants.
6. The Company shall, in connection with liquidating a Subfund and by means of an announcement at www.pfrtfi.pl, ask creditors towards whom the Subfund to be liquidated has liabilities to voice their claims by a deadline indicated in the announcement.

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7. The Company shall announce the commencement of liquidation on the Company's website (www.pfrtfi.pl) and in a Polish nationwide newspaper.

Art. 31. Dissolution and liquidation of the Fund

1. The Fund shall be dissolved if:
 - 1) the Custodian has ceased to fulfil their obligations and no agreement for appointing another custodian for the Fund has been concluded at the latest by the end of the Business Day following the day when the Custodian ceased to fulfil their obligations,
 - 2) the notice period of the agreement for appointing the Custodian has expired and the Fund has failed to conclude an agreement for appointing another custodian by the last day of such period.
2. The Fund shall be dissolved after it has been liquidated.
3. As of the commencement date of liquidation, the Fund shall cease to sell and re-purchase Participation Units.
4. The Custodian shall be the liquidator of the Fund unless the Committee designates a different liquidator.
5. The liquidator shall immediately record the commencement of the Fund's liquidation and liquidator's details in the register of funds.
6. The liquidation of Fund shall consist in disposing of its assets, collecting its liabilities, satisfying the claims of its creditors, and redeeming its Participation Units by means of disbursing the relevant funds collected to Participants proportionately to the number of Participation Units they held.
7. The Company shall publish information about the commencement of Subfund or Fund liquidation once by means of publishing the relevant announcement at www.pfrtfi.pl. The announcement on commencement of liquidation shall include information about the liquidator of the Fund or Subfund, indicate the underlying causes of liquidation, and include a call for creditors of the Fund or Subfund to be liquidated to voice their claims by a deadline indicated in the announcement.

Chapter VIII. Appraisal of the Fund's Assets;

Art. 32. Calculation of the Net Value of Assets and NAVPU

1. The Fund shall keep separate accounting books for every Subfund.
2. As of every Valuation Day, the Fund shall appraise Subfund Assets and Fund Assets and determine:
 - 1) Net Value of Fund Assets;
 - 2) Net Value of Subfund Assets;
 - 3) Net Value of Subfund Assets per Participation Unit
3. Net Value of Fund Assets, Net Value of Subfund Assets, and Net Value of Subfund Assets per Participation Unit shall be defined in PLN.
4. Net Value of Subfund Assets; shall be calculated by means of reducing the Value of Subfund Assets by:
 - 1) liabilities which are related exclusively to the functioning of a given Subfund;
 - 2) the portion of liabilities associated with a given Subfund which are connected with the functioning of the Fund proportionately to the ratio of Net Value of Subfund Assets to the Net Value of Fund Assets.
5. Net Value of Subfund Assets per Participation Unit shall be calculated by means of dividing Net Value of Subfund Assets by the number of Participation Units defined on the basis of the Register of a given Subfund Participants as of the relevant Valuation Day. As far as calculating NAVPU is concerned, changes to paid-in capital and paid-out capital recorded in the Register of Participants of a given Subfund as of a given Valuation Day shall not be taken into account as of the Valuation Day.
6. The fair value of investment components listed on the Active Market shall be defined on the basis of last rates available as of the Valuation Day on 23:30.
7. Obligations pertaining to the entire Fund shall be binding for each of the Subfunds proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.
8. The frequency and rules for appraising Fund Assets are the same for all Subfunds.

Art. 33. General rules for Fund Asset appraisal

The methods and rules for Fund Asset appraisal are described in the Informational Brochure and are consistent with regulations pertaining to investment fund accounting.

Chapter IX. Information-related obligations of the Fund

Art. 34. Scope and mode of publishing information by the Fund

1. www.pfrtfi.pl shall be the website used for publishing Fund information and announcements.
2. The Fund shall publish the following information on the website of the Company indicated in section 1 and, to the extent to which it is required to do so under the ECP Act, also on the ECP Website:
 - 1) the Informational Brochure,
 - 2) Key Investor Information,
 - 3) information referred to in sections 8 and 9,
 - 4) annual and half-year financial statement of the Fund and Subfunds,
 - 5) Net Value of Subfund Assets per Participation Unit,
 - 6) selling price of Participation Units of particular Subfunds
 - 7) other announcements required under the Statutes or the law.
3. The annual financial statement of the Fund shall be published in the mode provided for in regulations pertaining to investment fund accounting.
4. The Informational Brochure, Key Investor Information, and annual and half-year financial statement of the Fund shall be made available at the registered office of the Company and the website of the Company.
5. At the request of a Participant, the Fund shall deliver the Informational Brochure together with up-to-date information about changes and annual and half-year financial statement of the Fund to them at no cost.
6. Key Investor Information and the Informational Brochure, together with up-to-date information about changes to the brochure, may be made available on a permanent data carrier, as defined in the Act, other than paper or via the website indicated in section 1. At the request of a Participant, those shall be delivered to them on paper at no cost.
7. The Fund shall publish information about the Net Value of Subfund Assets per Participation Unit and the selling price of Participation Units in the mode indicated in section 2 immediately after the same are determined. Such information shall also be available by phone.
8. When disposing of Participation Units, the Company shall make the client information discussed in Article 222a(1) of the Act available in the form of a consolidated document supplementing the Informational Brochure and shall make it possible to examine its contents before the purchase of Participation Units. Important changes to information mentioned in the preceding sentence shall also be made available.
9. Additional information delivered from time to time and referred to in Article 222b of the Act shall be made available as part of the annual financial statement of the Fund. Additional information which is to be systematically delivered and is referred to in Article 222b of the Act shall be made available in the mode indicated in section 2.
10. If the Fund is obliged to publish written announcements, the Fund shall publish those in *Rzeczpospolita*, a nationwide Polish daily newspaper, or, if the same ceases to be published, in another nationwide Polish daily newspaper.

CHAPTER X. Final provisions

Art. 35. Mode of announcing changes to the Statutes

1. The Company, being a body of the Fund, may effect changes to the Statutes.
2. Changes to the Statutes shall not require the consent of Fund Participants.
3. Changes to the Statutes shall be effected in the mode provided for in the Act and shall become effective as of deadlines provided for therein.
4. Change to the Statutes shall be announced by means of a one-time announcement on the website of the Company indicated in Article 34(1).

Art. 36. Final provisions

1. The provisions of the Statutes shall be binding for all Participants.
2. Provisions of Polish law shall apply to matters not provided for herein.

PART II. Subfunds**CHAPTER XI. PFR PPK 2025****Art. 37. Investment objective of the Subfund**

1. The objective of the Subfund is to increase Subfund Asset Value by means of increasing the value of Subfund investments.
2. The Fund does not guarantee that the investment objective of the Subfund will be achieved.
3. The Subfund shall be a Fixed-Date Subfund as per the ECP Act, i.e. a subfund whose investment policy assumes striving to limit investment risk on the basis of the age of Participants and whose investment policy changes appropriately as the age of its Participant changes.
4. The Fixed Date of the Subfund shall be the year 2025.
5. The Subfund is meant for people born between 1963 and 1967 or earlier.

Art. 38. Investment policy of the Subfund

1. The Fund may invest Subfund Assets in types of securities and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object consistent with the rules provided for in Article 20 and Article 21.
2. The Fund shall invest Subfund Assets using the criteria for choosing investments provided for in Article 22.
3. Subject to section 4, the Fund shall invest Subfund Assets in line with investment diversification rules indicated in Article 23 and Article 24.
4. The proportions of different types of investments shall depend on the decision of the Company. The Company shall make use of its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2019, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 2) as of 01 January 2020 and until 31 December 2024, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
 - throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 3) from 1 January 2025, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
5. While calculating the ratio of the Share Portion and Debt Portion in the Assets of the Subfund, the actual indirect exposure obtained via funds and joint investment institutions in whose participation units, investment certificates, or participation units the Assets of the Subfund are invested shall be taken into account on the basis of the most recent data available to the Subfund, as well as exposure achieved with the use of Derivative Instruments.
6. The permitted amount of loans and bank loans which may be taken out by the Fund for the benefit of the Subfund is defined in Article 25.

Art. 39. Minimum payment to the Subfund

The minimum payment to the Subfund shall be 1 (one) grosh.

Art. 40. Bearing of Subfund costs

1. Subject to sections 2-8, costs shall be covered using Subfund Assets and calculated as follows:
 - 1) for costs applicable to the entire Fund - on the basis of the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets as of the Valuation Date preceding the payment date,
 - 2) for costs associated exclusively with the functioning of the Subfund - those shall be covered using only Subfund Assets,

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- 3) costs discussed in section 2, points 1), 2), 4), and 7) associated with transactions for selling or purchasing components of Subfund Assets - those shall be borne by the Subfund to the extent in which they pertain proportionately to components of Subfund Assets,
- 4) costs discussed associated with the functioning of the Subfund which are not costs indicated in points 1) to 3) - those shall be covered on the basis of the ratio of the Net Value of given Subfund Assets to the total Value of Net Subfund Assets of all Subfunds to which such costs pertain.
2. In addition to the Company's remuneration for managing the Subfund discussed in Article 41, the Subfund may also cover the following costs associated with its functioning from Subfund Assets:
 - 1) commission and payments due to investment companies and banks used by the Fund for concluding transactions as part of investing the Subfund Assets;
 - 2) commissions and payments related to agreements and transactions of the Fund concluded as part of investing the Subfund Assets,
 - 3) commissions and payments related to safekeeping the Subfund Assets,
 - 4) commissions and payments due to deposit and settlement companies whose services the Fund uses for investing the Subfund Assets,
 - 5) remuneration of the Custodian;
 - 6) costs connected with keeping a Register of Fund Participants or Subregister of the Participants of a given Subfund,
 - 7) fees and taxes required in connection with the Subfund's activity, including fees for permits if the obligation to make such payments follows from the law;
 - 8) costs of announcements required in connection with the Subfund's activity, provisions of the Fund's statutes, or legal regulations;
 - 9) costs of printing and publishing informational materials of the Subfund required under the law,
 - 10) costs of liquidating the Subfund,
 - 11) remuneration for the liquidator of a given Subfund.
3. The costs indicated in section 2, points 5) and 6) above may be covered using the Subfund Assets up to:
 - 1) 0.5% of the average Net Value of Subfund Assets in a given calendar year - if the Net Value of that Subfund's Assets is lower than or equal to PLN 10 000 000;
 - 2) the sum of PLN 50 000 and 0.05% of the average Net Value of Subfund Assets, in excess of PLN 10 000 000 - if the Net Value of that Subfund Assets is greater than PLN 10 000 000.
4. The costs indicated in section 2(11) may be covered using the Subfund Assets up to 0.5% of the Net Value of that Fund's Assets per annum.
5. In periods where the Net Value of Subfund Assets is lower than PLN 2 000 000, the Company shall use its own funds to cover the costs of the Subfund indicated in points 5), 6), 8), and 9) of section 2 above.
6. The costs of the Subfund's functioning not indicated in section 2 and Article 41 shall be borne by the Company using own funds.
7. Obligations pertaining to only a single Subfund shall be binding only for that Subfund.
8. Obligations pertaining to the entire Fund shall be binding for the Subfund proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.

Art. 41. Remuneration of the Company for managing the Subfund

- 1st For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.
- 2nd The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.
- 3rd The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.
- 4th The Company may calculate and collect remuneration for performance results of up to 0.10% of the Net Value of Subfund Assets per annum (hereinafter referred to as: "**Remuneration for Performance**") pursuant to rules defined in the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to be collected by a financial institution recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act which may be collected provided that:

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- 1) the Subfund has achieved a positive rate of return in a given year and
 - 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.
- 5th Reserves for Remuneration for Performance shall be calculated as of every Valuation Day and paid to the Company by the 15th Business Day after the end of a given year.

CHAPTER XII. PFR PPK 2030**Art. 42. Investment objective of the Subfund**

1. The objective of the Subfund is to increase Subfund Asset Value by means of increasing the value of Subfund investments.
2. The Fund does not guarantee that the investment objective of the Subfund will be achieved.
3. The Subfund shall be a Fixed-Date Subfund as per the ECP Act, i.e. a subfund whose investment policy assumes striving to limit investment risk on the basis of the age of Participants and whose investment policy changes appropriately as the age of its Participant changes.
4. The Fixed Date of the Subfund shall be the year 2030.
5. The Subfund is meant for people born between 1968 and 1972.

Art. 43. Investment policy of the Subfund

1. The Fund may invest Subfund Assets in types of securities and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object consistent with the rules provided for in Article 20 and Article 21.
2. The Fund shall invest Subfund Assets using the criteria for choosing investments provided for in Article 22.
3. Subject to section 4, the Fund shall invest Subfund Assets in line with investment diversification rules indicated in Article 23 and Article 24.
4. The proportions of different types of investments shall depend on the decision of the Company. The Company shall make use of its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 1) until 31 December 2019, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - b) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 2) as of 01 January 2020 and until 31 December 2024, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - b) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 3) as of 1 January 2025 and until 31 December 2029, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - b) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
 - throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 4) from 01 January 2030, the total value of Subfund's investments shall be:
 - a) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - b) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
5. While calculating the ratio of the Share Portion and Debt Portion in the Assets of the Subfund, the actual indirect exposure obtained via funds and joint investment institutions in whose participation units, investment certificates, or participation units the Assets of the Subfund are invested shall be taken into account on the basis of the most recent data available to the Subfund, as well as exposure achieved with the use of Derivative Instruments.
6. The permitted amount of loans and bank loans which may be taken out by the Fund for the benefit of the Subfund is defined in Article 25.

Art. 44. Minimum payment to the Subfund

The minimum payment to the Subfund shall be 1 (one) grosh.

Art. 45. Bearing of Subfund costs

1. Subject to sections 2-8, costs shall be covered using Subfund Assets and calculated as follows:
 - 1) for costs applicable to the entire Fund - on the basis of the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets as of the Valuation Date preceding the payment date,
 - 2) for costs associated exclusively with the functioning of the Subfund - those shall be covered using

- only Subfund Assets,
- 3) costs discussed in section 2, points 1), 2), 4), and 7) associated with transactions for selling or purchasing components of Subfund Assets - those shall be borne by the Subfund to the extent in which they pertain proportionately to components of Subfund Assets,
 - 4) costs discussed associated with the functioning of the Subfund which are not costs indicated in points 1) to 3) - those shall be covered on the basis of the ratio of the Net Value of given Subfund Assets to the total Value of Net Subfund Assets of all Subfunds to which such costs pertain.
2. In addition to the Company's remuneration for managing the Subfund discussed in Article 46, the Fund may also cover the following costs associated with operation from Subfund Assets:
- 1) commissions and payments due to investment companies and banks used by the Fund for concluding transactions as part of investing the Subfund Assets;
 - 2) commissions and payments related to agreements and transactions of the Fund concluded as part of investing the Subfund Assets,
 - 3) commissions and payments related to safekeeping the Subfund Assets,
 - 4) commissions and payments due to deposit and settlement companies whose services the Fund uses for investing the Subfund Assets,
 - 5) remuneration of the Custodian;
 - 6) costs connected with keeping a Register of Fund Participants or Subregister of the Participants of a given Subfund,
 - 7) fees and taxes required in connection with the Subfund's activity, including fees for permits if the obligation to make such payments follows from the law;
 - 8) costs of announcements required in connection with the Subfund's activity, provisions of the Fund's statutes, or legal regulations;
 - 9) costs of printing and publishing informational materials of the Subfund required under the law,
 - 10) costs of liquidating the Subfund,
 - 11) remuneration for the liquidator of a given Subfund.
2. The costs indicated in section 2, points 5) and 6) above may be covered using the Subfund Assets up to:
- 1) 0.5% of the average Net Value of Subfund Assets in a given calendar year - if the Net Value of that Subfund's Assets is lower than or equal to PLN 10 000 000;
 - 2) the sum of PLN 50 000 and 0.05% of the average Net Value of Subfund Assets, in excess of PLN 10 000 000 - if the Net Value of that Subfund Assets is greater than PLN 10 000 000.
4. The costs indicated in section 2(11) may be covered using the Subfund Assets up to 0.5% of the Net Value of that Fund's Assets per annum.
 5. In periods where the Net Value of Subfund Assets is lower than PLN 2 000 000, the Company shall use its own funds to cover the costs of the Subfund indicated in points 5), 6), 8), and 9) of section 2 above.
 6. The costs of the Subfund's functioning not indicated in section 2 and Article 46 shall be borne by the Company using own funds.
 7. Obligations pertaining to only a single Subfund shall be binding only for that Subfund.
 8. Obligations pertaining to the entire Fund shall be binding for the Subfund proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.

Art. 46. Remuneration of the Company for managing the Subfund

1. For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.
2. The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.
3. The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.
4. The Company may calculate and collect remuneration for performance results of up to 0.10% of the Net Value of Subfund Assets per annum (hereinafter referred to as: "**Remuneration for Performance**") pursuant to rules defined in the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to be collected by a financial institution

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recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act which may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year and
 - 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.
5. Reserves for Remuneration for Performance shall be calculated as of every Valuation Day and paid to the Company by the 15th Business Day after the end of a given year.

CHAPTER XIII. PFR PPK 2035

Art. 47. Investment objective of the Subfund

1. The objective of the Subfund is to increase Subfund Asset Value by means of increasing the value of Subfund investments.
2. The Fund does not guarantee that the investment objective of the Subfund will be achieved.
3. The Subfund shall be a Fixed-Date Subfund as per the ECP Act, i.e. a fund whose investment policy assumes striving to limit investment risk on the basis of the age of Participants and whose investment policy changes appropriately as the age of its Participant changes.
4. The Fixed Date of the Subfund shall be the year 2035.
5. The Subfund is meant for people born between 1973 and 1977.

Art. 48. Investment policy of the Subfund

1. The Fund may invest Subfund Assets in types of securities and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object consistent with the rules provided for in Article 20 and Article 21.
2. The Fund shall invest Subfund Assets using the criteria for choosing investments provided for in Article 22.
3. Subject to section 4, the Fund shall invest Subfund Assets in line with investment diversification rules indicated in Article 23 and Article 24.
4. The proportions of different types of investments shall depend on the decision of the Company. The Company shall make use of its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 5) until 31 December 2024, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - d) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 6) as of 1 January 2025 and until 31 December 2029, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - d) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 7) as of 01 January 2030 and until 31 December 2034, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - d) Debt Portion may constitute from 70% to 90% of Subfund Asset Value- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 8) from 01 January 2035, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - d) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
5. While calculating the ratio of the Share Portion and Debt Portion in the Assets of the Subfund, the actual indirect exposure obtained via funds and joint investment institutions in whose participation units, investment certificates, or participation units the Assets of the Subfund are invested shall be taken into account on the basis of the most recent data available to the Subfund, as well as exposure achieved with the use of Derivative Instruments.
6. The permitted amount of loans and bank loans which may be taken out by the Fund for the benefit of the Subfund is defined in Article 25.

Art. 49. Minimum payment to the Subfund

The minimum payment to the Subfund shall be 1 (one) grosh.

Art. 50. Bearing of Subfund costs

1. Subject to sections 2-8, costs shall be covered using Subfund Assets and calculated as follows:
 - 1) for costs applicable to the entire Fund - on the basis of the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets as of the Valuation Date preceding the payment date,
 - 2) for costs associated exclusively with the functioning of the Subfund - those shall be covered using

- only Subfund Assets,
- 3) costs discussed in section 2, points 1), 2), 4), and 7) associated with transactions for selling or purchasing components of Subfund Assets - those shall be borne by the Subfund to the extent in which they pertain proportionately to components of Subfund Assets,
 - 4) costs discussed associated with the functioning of the Subfund which are not costs indicated in points 1) to 3) - those shall be covered on the basis of the ratio of the Net Value of given Subfund Assets to the total Value of Net Subfund Assets of all Subfunds to which such costs pertain.
2. In addition to the Company's remuneration for managing the Subfund discussed in Article 51, the Fund may also cover the following costs associated with operation from Subfund Assets:
- 1) commissions and payments due to investment companies and banks used by the Fund for concluding transactions as part of investing the Subfund Assets;
 - 2) commissions and payments related to agreements and transactions of the Fund concluded as part of investing the Subfund Assets,
 - 3) commissions and payments related to safekeeping the Subfund Assets,
 - 4) commissions and payments due to deposit and settlement companies whose services the Fund uses for investing the Subfund Assets,
 - 5) remuneration of the Custodian;
 - 6) costs connected with keeping a Register of Fund Participants or Subregister of the Participants of a given Subfund,
 - 7) fees and taxes required in connection with the Subfund's activity, including fees for permits if the obligation to make such payments follows from the law;
 - 8) costs of announcements required in connection with the Subfund's activity, provisions of the Fund's statutes, or legal regulations;
 - 9) costs of printing and publishing informational materials of the Subfund required under the law,
 - 10) costs of liquidating the Subfund,
 - 11) remuneration for the liquidator of a given Subfund.
3. The costs indicated in section 2, points 5) and 6) above may be covered using the Subfund Assets up to:
- 1) 0.5% of the average Net Value of Subfund Assets in a given calendar year - if the Net Value of that Subfund's Assets is lower than or equal to PLN 10 000 000;
 - 2) the sum of PLN 50 000 and 0.05% of the average Net Value of Subfund Assets, in excess of PLN 10 000 000 - if the Net Value of that Subfund Assets is greater than PLN 10 000 000.
4. The costs indicated in section 2(11) may be covered using the Subfund Assets up to 0.5% of the Net Value of that Fund's Assets per annum.
5. In periods where the Net Value of Subfund Assets is lower than PLN 2 000 000, the Company shall use its own funds to cover the costs of the Subfund indicated in points 5), 6), 8), and 9) of section 2 above.
6. The costs of the Subfund's functioning not indicated in section 2 and Article 51 shall be borne by the Company using own funds.
7. Obligations pertaining to only a single Subfund shall be binding only for that Subfund.
8. Obligations pertaining to the entire Fund shall be binding for the Subfund proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.

Art. 51. Remuneration of the Company for managing the Subfund

1. For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.
2. The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.
3. The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.
4. The Company may calculate and collect remuneration for performance results of up to 0.10% of the Net Value of Subfund Assets per annum (hereinafter referred to as: "**Remuneration for Performance**") pursuant to rules defined in the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to be collected by a financial institution

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recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act which may be collected provided that:

- 1) the Subfund has achieved a positive rate of return in a given year and
 - 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.
5. Reserves for Remuneration for Performance shall be calculated as of every Valuation Day and paid to the Company by the 15th Business Day after the end of a given year.

CHAPTER XIV. PFR PPK 2040**Art. 52. Investment objective of the Subfund**

1. The objective of the Subfund is to increase Subfund Asset Value by means of increasing the value of Subfund investments.
2. The Fund does not guarantee that the investment objective of the Subfund will be achieved.
3. The Subfund shall be a Fixed-Date Subfund as per the ECP Act, i.e. a fund whose investment policy assumes striving to limit investment risk on the basis of the age of Participants and whose investment policy changes appropriately as the age of its Participant changes.
4. The Fixed Date of the Subfund shall be the year 2040.
5. The Subfund is meant for people born between 1978 and 1982.

Art. 53. Investment policy of the Subfund

1. The Fund may invest Subfund Assets in types of securities and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object consistent with the rules provided for in Article 20 and Article 21.
2. The Fund shall invest Subfund Assets using the criteria for choosing investments provided for in Article 22.
3. Subject to section 4, the Fund shall invest Subfund Assets in line with investment diversification rules indicated in Article 23 and Article 24.
4. The proportions of different types of investments shall depend on the decision of the Company. The Company shall make use of its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 6) until 31 December 2019, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - d) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 7) as of 01 January 2020 and until 31 December 2029, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - d) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 8) as of 01 January 2030 and until 31 December 2034, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - d) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 9) as of 01 January 2035 and until 31 December 2039, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - d) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
 - throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 10) from 01 January 2040, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - d) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
5. While calculating the ratio of the Share Portion and Debt Portion in the Assets of the Subfund, the actual indirect exposure obtained via funds and joint investment institutions in whose participation units, investment certificates, or participation units the Assets of the Subfund are invested shall be taken into account on the basis of the most recent data available to the Subfund, as well as exposure achieved with the use of Derivative Instruments.
6. The permitted amount of loans and bank loans which may be taken out by the Fund for the benefit of the Subfund is defined in Article 25.

Art. 54. Minimum payment to the Subfund

The minimum payment to the Subfund shall be 1 (one) grosh.

Art. 55. Bearing of Subfund costs

1. Subject to sections 2-8, costs shall be covered using Subfund Assets and calculated as follows:
 - 1) for costs applicable to the entire Fund - on the basis of the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets as of the Valuation Date preceding the payment date,
 - 2) for costs associated exclusively with the functioning of the Subfund - those shall be covered using only Subfund Assets,
 - 3) costs discussed in section 2, points 1), 2), 4), and 7) associated with transactions for selling or purchasing components of Subfund Assets - those shall be borne by the Subfund to the extent in which they pertain proportionately to components of Subfund Assets,
 - 4) costs discussed associated with the functioning of the Subfund which are not costs indicated in points 1) to 3) - those shall be covered on the basis of the ratio of the Net Value of given Subfund Assets to the total Value of Net Subfund Assets of all Subfunds to which such costs pertain.
2. In addition to the Company's remuneration for managing the Subfund discussed in Article 56, the Fund may also cover the following costs associated with operation from Subfund Assets:
 - 1) commissions and payments due to investment companies and banks used by the Fund for concluding transactions as part of investing the Subfund Assets;
 - 2) commissions and payments related to agreements and transactions of the Fund concluded as part of investing the Subfund Assets,
 - 3) commissions and payments related to safekeeping the Subfund Assets,
 - 4) commissions and payments due to deposit and settlement companies whose services the Fund uses for investing the Subfund Assets,
 - 5) remuneration of the Custodian;
 - 6) costs connected with keeping a Register of Fund Participants or Subregister of the Participants of a given Subfund,
 - 7) fees and taxes required in connection with the Subfund's activity, including fees for permits if the obligation to make such payments follows from the law;
 - 8) costs of announcements required in connection with the Subfund's activity, provisions of the Fund's statutes, or legal regulations;
 - 9) costs of printing and publishing informational materials of the Subfund required under the law,
 - 10) costs of liquidating the Subfund,
 - 11) remuneration for the liquidator of a given Subfund.
3. The costs indicated in section 2, points 5) and 6) above may be covered using the Subfund Assets up to:
 - 1) 0.5% of the average Net Value of Subfund Assets in a given calendar year - if the Net Value of that Subfund's Assets is lower than or equal to PLN 10 000 000;
 - 2) the sum of PLN 50 000 and 0.05% of the average Net Value of Subfund Assets, in excess of PLN 10 000 000 - if the Net Value of that Subfund Assets is greater than PLN 10 000 000.
4. The costs indicated in section 2(11) may be covered using the Subfund Assets up to 0.5% of the Net Value of that Fund's Assets per annum.
5. In periods where the Net Value of Subfund Assets is lower than PLN 2 000 000, the Company shall use its own funds to cover the costs of the Subfund indicated in points 5), 6), 8), and 9) of section 2 above.
6. The costs of the Subfund's functioning not indicated in section 2 and Article 56 shall be borne by the Company using own funds.
7. Obligations pertaining to only a single Subfund shall be binding only for that Subfund.
8. Obligations pertaining to the entire Fund shall be binding for the Subfund proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.

Art. 56. Remuneration of the Company for managing the Subfund

1. For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.
2. The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.
3. The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

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4. The Company may calculate and collect remuneration for performance results of up to 0.10% of the Net Value of Subfund Assets per annum (hereinafter referred to as: “**Remuneration for Performance**”) pursuant to rules defined in the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to be collected by a financial institution recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act which may be collected provided that:
 - 1) the Subfund has achieved a positive rate of return in a given year and
 - 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.
5. Reserves for Remuneration for Performance shall be calculated as of every Valuation Day and paid to the Company by the 15th Business Day after the end of a given year.

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Art. 57. Investment objective of the Subfund

1. The objective of the Subfund is to increase Subfund Asset Value by means of increasing the value of Subfund investments.
2. The Fund does not guarantee that the investment objective of the Subfund will be achieved.
3. The Subfund shall be a Fixed-Date Subfund as per the ECP Act, i.e. a subfund whose investment policy assumes striving to limit investment risk on the basis of the age of Participants and whose investment policy changes appropriately as the age of its Participant changes.
4. The Fixed Date of the Subfund shall be the year 2045.
5. The Subfund is meant for people born between 1983 and 1987.

Art. 58. Investment policy of the Subfund

1. The Fund may invest Subfund Assets in types of securities and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object consistent with the rules provided for in Article 20 and Article 21.
2. The Fund shall invest Subfund Assets using the criteria for choosing investments provided for in Article 22.
3. Subject to section 4, the Fund shall invest Subfund Assets in line with investment diversification rules indicated in Article 23 and Article 24.
4. The proportions of different types of investments shall depend on the decision of the Company. The Company shall make use of its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 6) until 31 December 2024, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - d) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 7) as of 1 January 2025 and until 31 December 2034, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - d) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 8) as of 01 January 2035 and until 31 December 2039, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - d) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 9) as of 01 January 2040 and until 31 December 2044, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - d) Debt Portion may constitute from 70% to 90% of Subfund Asset Value- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 10) from 01 January 2045, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - d) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
5. While calculating the ratio of the Share Portion and Debt Portion in the Assets of the Subfund, the actual indirect exposure obtained via funds and joint investment institutions in whose participation units, investment certificates, or participation units the Assets of the Subfund are invested shall be taken into account on the basis of the most recent data available to the Subfund, as well as exposure achieved with the use of Derivative Instruments.
6. The permitted amount of loans and bank loans which may be taken out by the Fund for the benefit of the Subfund is defined in Article 25.

Art. 59. Minimum payment to the Subfund

The minimum payment to the Subfund shall be 1 (one) grosh.

Art. 60. Bearing of Subfund costs

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1. Subject to sections 2-8, costs shall be covered using Subfund Assets and calculated as follows:
 - 1) for costs applicable to the entire Fund - on the basis of the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets as of the Valuation Date preceding the payment date,
 - 2) for costs associated exclusively with the functioning of the Subfund - those shall be covered using only Subfund Assets,
 - 3) costs discussed in section 2, points 1), 2), 4), and 7) associated with transactions for selling or purchasing components of Subfund Assets - those shall be borne by the Subfund to the extent in which they pertain proportionately to components of Subfund Assets,
 - 4) costs discussed associated with the functioning of the Subfund which are not costs indicated in points 1) to 3) - those shall be covered on the basis of the ratio of the Net Value of given Subfund Assets to the total Value of Net Subfund Assets of all Subfunds to which such costs pertain.
2. In addition to the Company's remuneration for managing the Subfund discussed in Article 61, the Fund may also cover the following costs associated with operation from Subfund Assets:
 - 1) commissions and payments due to investment companies and banks used by the Fund for concluding transactions as part of investing the Subfund Assets;
 - 2) commissions and payments related to agreements and transactions of the Fund concluded as part of investing the Subfund Assets,
 - 3) commissions and payments related to safekeeping the Subfund Assets,
 - 4) commissions and payments due to deposit and settlement companies whose services the Fund uses for investing the Subfund Assets,
 - 5) remuneration of the Custodian;
 - 6) costs connected with keeping a Register of Fund Participants or Subregister of the Participants of a given Subfund,
 - 7) fees and taxes required in connection with the Subfund's activity, including fees for permits if the obligation to make such payments follows from the law;
 - 8) costs of announcements required in connection with the Subfund's activity, provisions of the Fund's statutes, or legal regulations;
 - 9) costs of printing and publishing informational materials of the Subfund required under the law,
 - 10) costs of liquidating the Subfund,
 - 11) remuneration for the liquidator of a given Subfund.
3. The costs indicated in section 2, points 5) and 6) above may be covered using the Subfund Assets up to:
 - 1) 0.5% of the average Net Value of Subfund Assets in a given calendar year - if the Net Value of that Subfund's Assets is lower than or equal to PLN 10 000 000;
 - 2) the sum of PLN 50 000 and 0.05% of the average Net Value of Subfund Assets, in excess of PLN 10 000 000 - if the Net Value of that Subfund Assets is greater than PLN 10 000 000.
4. The costs indicated in section 2(11) may be covered using the Subfund Assets up to 0.5% of the Net Value of that Fund's Assets per annum.
5. In periods where the Net Value of Subfund Assets is lower than PLN 2 000 000, the Company shall use its own funds to cover the costs of the Subfund indicated in points 5), 6), 8), and 9) of section 2 above.
6. The costs of the Subfund's functioning not indicated in section 2 and Article 61 shall be borne by the Company using own funds.
7. Obligations pertaining to only a single Subfund shall be binding only for that Subfund.
8. Obligations pertaining to the entire Fund shall be binding for the Subfund proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.

Art. 61. Remuneration of the Company for managing the Subfund

1. For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.
2. The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.
3. The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

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4. The Company may calculate and collect remuneration for performance results of up to 0.10% of the Net Value of Subfund Assets per annum (hereinafter referred to as: “**Remuneration for Performance**”) pursuant to rules defined in the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to be collected by a financial institution recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act which may be collected provided that:
 - 1) the Subfund has achieved a positive rate of return in a given year and
 - 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.
5. Reserves for Remuneration for Performance shall be calculated as of every Valuation Day and paid to the Company by the 15th Business Day after the end of a given year.

CHAPTER XVI. PFR PPK 2050**Art. 62. Investment objective of the Subfund**

1. The objective of the Subfund is to increase Subfund Asset Value by means of increasing the value of Subfund investments.
2. The Fund does not guarantee that the investment objective of the Subfund will be achieved.
3. The Subfund shall be a Fixed-Date Subfund as per the ECP Act, i.e. a subfund whose investment policy assumes striving to limit investment risk on the basis of the age of Participants and whose investment policy changes appropriately as the age of its Participant changes.
4. The Fixed Date of the Subfund shall be the year 2050.
5. The Subfund is meant for people born between 1988 and 1992.

Art. 63. Investment policy of the Subfund

1. The Fund may invest Subfund Assets in types of securities and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object consistent with the rules provided for in Article 20 and Article 21.
2. The Fund shall invest Subfund Assets using the criteria for choosing investments provided for in Article 22.
3. Subject to section 4, the Fund shall invest Subfund Assets in line with investment diversification rules indicated in Article 23 and Article 24.
4. The proportions of different types of investments shall depend on the decision of the Company. The Company shall make use of its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 6) until 31 December 2029, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - d) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 7) as of 01 January 2030 and until 31 December 2039, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - d) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 8) as of 01 January 2040 and until 31 December 2044, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - d) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 9) as of 01 January 2045 and until 31 December 2049, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - d) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
 - throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 10) from 01 January 2050, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - d) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
5. While calculating the ratio of the Share Portion and Debt Portion in the Assets of the Subfund, the actual indirect exposure obtained via funds and joint investment institutions in whose participation units, investment certificates, or participation units the Assets of the Subfund are invested shall be taken into account on the basis of the most recent data available to the Subfund, as well as exposure achieved with the use of Derivative Instruments.
6. The permitted amount of loans and bank loans which may be taken out by the Fund for the benefit of the Subfund is defined in Article 25.

Art. 64. Minimum payment to the Subfund

The minimum payment to the Subfund shall be 1 (one) grosh.

Art. 65. Bearing of Subfund costs

1. Subject to sections 2-8, costs shall be covered using Subfund Assets and calculated as follows:
 - 1) for costs applicable to the entire Fund - on the basis of the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets as of the Valuation Date preceding the payment date,
 - 2) for costs associated exclusively with the functioning of the Subfund - those shall be covered using only Subfund Assets,
 - 3) costs discussed in section 2, points 1), 2), 4), and 7) associated with transactions for selling or purchasing components of Subfund Assets - those shall be borne by the Subfund to the extent in which they pertain proportionately to components of Subfund Assets,
 - 4) costs discussed associated with the functioning of the Subfund which are not costs indicated in points 1) to 3) - those shall be covered on the basis of the ratio of the Net Value of given Subfund Assets to the total Value of Net Subfund Assets of all Subfunds to which such costs pertain.
2. In addition to the Company's remuneration for managing the Subfund discussed in Article 66, the Fund may also cover the following costs associated with operation from Subfund Assets:
 - 1) commissions and payments due to investment companies and banks used by the Fund for concluding transactions as part of investing the Subfund Assets;
 - 2) commissions and payments related to agreements and transactions of the Fund concluded as part of investing the Subfund Assets,
 - 3) commissions and payments related to safekeeping the Subfund Assets,
 - 4) commissions and payments due to deposit and settlement companies whose services the Fund uses for investing the Subfund Assets,
 - 5) remuneration of the Custodian;
 - 6) costs connected with keeping a Register of Fund Participants or Subregister of the Participants of a given Subfund,
 - 7) fees and taxes required in connection with the Subfund's activity, including fees for permits if the obligation to make such payments follows from the law;
 - 8) costs of announcements required in connection with the Subfund's activity, provisions of the Fund's statutes, or legal regulations;
 - 9) costs of printing and publishing informational materials of the Subfund required under the law,
 - 10) costs of liquidating the Subfund,
 - 11) remuneration for the liquidator of a given Subfund.
3. The costs indicated in section 2, points 5) and 6) above may be covered using the Subfund Assets up to:
 - 1) 0.5% of the average Net Value of Subfund Assets in a given calendar year - if the Net Value of that Subfund's Assets is lower than or equal to PLN 10 000 000;
 - 2) the sum of PLN 50 000 and 0.05% of the average Net Value of Subfund Assets, in excess of PLN 10 000 000 - if the Net Value of that Subfund Assets is greater than PLN 10 000 000.
4. The costs indicated in section 2(11) may be covered using the Subfund Assets up to 0.5% of the Net Value of that Fund's Assets per annum.
5. In periods where the Net Value of Subfund Assets is lower than PLN 2 000 000, the Company shall use its own funds to cover the costs of the Subfund indicated in points 5), 6), 8), and 9) of section 2 above.
6. The costs of the Subfund's functioning not indicated in section 2 and Article 66 shall be borne by the Company using own funds.
7. Obligations pertaining to only a single Subfund shall be binding only for that Subfund.
8. Obligations pertaining to the entire Fund shall be binding for the Subfund proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.

Art. 66. Remuneration of the Company for managing the Subfund

1. For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.
2. The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.
3. The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

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4. The Company may calculate and collect remuneration for performance results of up to 0.10% of the Net Value of Subfund Assets per annum (hereinafter referred to as: “**Remuneration for Performance**”) pursuant to rules defined in the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to be collected by a financial institution recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act which may be collected provided that:
 - 1) the Subfund has achieved a positive rate of return in a given year and
 - 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.
5. Reserves for Remuneration for Performance shall be calculated as of every Valuation Day and paid to the Company by the 15th Business Day after the end of a given year.

CHAPTER XVII. PFR PPK 2055**Art. 67. Investment objective of the Subfund**

1. The objective of the Subfund is to increase Subfund Asset Value by means of increasing the value of Subfund investments.
2. The Fund does not guarantee that the investment objective of the Subfund will be achieved.
3. The Subfund shall be a Fixed-Date Subfund as per the ECP Act, i.e. a subfund whose investment policy assumes striving to limit investment risk on the basis of the age of Participants and whose investment policy changes appropriately as the age of its Participant changes.
4. The Fixed Date of the Subfund shall be the year 2055.
5. The Subfund is meant for people born between 1993 and 1997.

Art. 68. Investment policy of the Subfund

1. The Fund may invest Subfund Assets in types of securities and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object consistent with the rules provided for in Article 20 and Article 21.
2. The Fund shall invest Subfund Assets using the criteria for choosing investments provided for in Article 22.
3. Subject to section 4, the Fund shall invest Subfund Assets in line with investment diversification rules indicated in Article 23 and Article 24.
4. The proportions of different types of investments shall depend on the decision of the Company. The Company shall make use of its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 6) until 31 December 2034, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - d) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 7) as of 01 January 2035 and until 31 December 2044, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - d) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 8) as of 01 January 2045 and until 31 December 2049, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - d) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 9) as of 1 January 2050 and until 31 December 2054, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - d) Debt Portion may constitute from 70% to 90% of Subfund Asset Value
 - throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 10) from 01 January 2055, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - d) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
5. While calculating the ratio of the Share Portion and Debt Portion in the Assets of the Subfund, the actual indirect exposure obtained via funds and joint investment institutions in whose participation units, investment certificates, or participation units the Assets of the Subfund are invested shall be taken into account on the basis of the most recent data available to the Subfund, as well as exposure achieved with the use of Derivative Instruments.
6. The permitted amount of loans and bank loans which may be taken out by the Fund for the benefit of the Subfund is defined in Article 25.

Art. 69. Minimum payment to the Subfund

The minimum payment to the Subfund shall be 1 (one) grosh.

Art. 70. Bearing of Subfund costs

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1. Subject to sections 2-8, costs shall be covered using Subfund Assets and calculated as follows:
 - 1) for costs applicable to the entire Fund - on the basis of the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets as of the Valuation Date preceding the payment date,
 - 2) for costs associated exclusively with the functioning of the Subfund - those shall be covered using only Subfund Assets,
 - 3) costs discussed in section 2, points 1), 2), 4), and 7) associated with transactions for selling or purchasing components of Subfund Assets - those shall be borne by the Subfund to the extent in which they pertain proportionately to components of Subfund Assets,
 - 4) costs discussed associated with the functioning of the Subfund which are not costs indicated in points 1) to 3) - those shall be covered on the basis of the ratio of the Net Value of given Subfund Assets to the total Value of Net Subfund Assets of all Subfunds to which such costs pertain.
2. In addition to the Company's remuneration for managing the Subfund discussed in Article 71, the Fund may also cover the following costs associated with operation from Subfund Assets:
 - 1) commissions and payments due to investment companies and banks used by the Fund for concluding transactions as part of investing the Subfund Assets;
 - 2) commissions and payments related to agreements and transactions of the Fund concluded as part of investing the Subfund Assets,
 - 3) commissions and payments related to safekeeping the Subfund Assets,
 - 4) commissions and payments due to deposit and settlement companies whose services the Fund uses for investing the Subfund Assets,
 - 5) remuneration of the Custodian;
 - 6) costs connected with keeping a Register of Fund Participants or Subregister of the Participants of a given Subfund,
 - 7) fees and taxes required in connection with the Subfund's activity, including fees for permits if the obligation to make such payments follows from the law;
 - 8) costs of announcements required in connection with the Subfund's activity, provisions of the Fund's statutes, or legal regulations;
 - 9) costs of printing and publishing informational materials of the Subfund required under the law,
 - 10) costs of liquidating the Subfund,
 - 11) remuneration for the liquidator of a given Subfund.
3. The costs indicated in section 2, points 5) and 6) above may be covered using the Subfund Assets up to:
 - 1) 0.5% of the average Net Value of Subfund Assets in a given calendar year - if the Net Value of that Subfund's Assets is lower than or equal to PLN 10 000 000;
 - 2) the sum of PLN 50 000 and 0.05% of the average Net Value of Subfund Assets, in excess of PLN 10 000 000 - if the Net Value of that Subfund Assets is greater than PLN 10 000 000.
4. The costs indicated in section 2(11) may be covered using the Subfund Assets up to 0.5% of the Net Value of that Fund's Assets per annum.
5. In periods where the Net Value of Subfund Assets is lower than PLN 2 000 000, the Company shall use its own funds to cover the costs of the Subfund indicated in points 5), 6), 8), and 9) of section 2 above.
6. The costs of the Subfund's functioning not indicated in section 2 and Article 71 shall be borne by the Company using own funds.
7. Obligations pertaining to only a single Subfund shall be binding only for that Subfund.
8. Obligations pertaining to the entire Fund shall be binding for the Subfund proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.

Art. 71. Remuneration of the Company for managing the Subfund

1. For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.
2. The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.
3. The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

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4. The Company may calculate and collect remuneration for performance results of up to 0.10% of the Net Value of Subfund Assets per annum (hereinafter referred to as: “**Remuneration for Performance**”) pursuant to rules defined in the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to be collected by a financial institution recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act which may be collected provided that:
 - 1) the Subfund has achieved a positive rate of return in a given year and
 - 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.
5. Reserves for Remuneration for Performance shall be calculated as of every Valuation Day and paid to the Company by the 15th Business Day after the end of a given year.

CHAPTER XVIII. PFR PPK 2060**Art. 72. Investment objective of the Subfund**

1. The objective of the Subfund is to increase Subfund Asset Value by means of increasing the value of Subfund investments.
2. The Fund does not guarantee that the investment objective of the Subfund will be achieved.
3. The Subfund shall be a Fixed-Date Subfund as per the ECP Act, i.e. a subfund whose investment policy assumes striving to limit investment risk on the basis of the age of Participants and whose investment policy changes appropriately as the age of its Participant changes.
4. The Fixed Date of the Subfund shall be the year 2060.
5. The Subfund is meant for people born between 1998 and 2002.

Art. 73. Investment policy of the Subfund

1. The Fund may invest Subfund Assets in types of securities and other property rights and conclude agreements with derivatives or non-standardised derivatives as their object consistent with the rules provided for in Article 20 and Article 21.
2. The Fund shall invest Subfund Assets using the criteria for choosing investments provided for in Article 22.
3. Subject to section 4, the Fund shall invest Subfund Assets in line with investment diversification rules indicated in Article 23 and Article 24.
4. The proportions of different types of investments shall depend on the decision of the Company. The Company shall make use of its own analyses and data from external sources. The Company shall make investments taking diversification rules and other investment-related restrictions defined in the Act and the Statutes into account and in line with the following diversification rules:
 - 6) until 31 December 2039, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 60% to 80% of Subfund Asset Value;
 - d) Debt Portion may constitute from 20% to 40% of Subfund Asset Value;
 - 7) as of 01 January 2040 and until 31 December 2049, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 40% to 70% of Subfund Asset Value;
 - d) Debt Portion may constitute from 30% to 60% of Subfund Asset Value;
 - 8) as of 01 January 2050 and until 31 December 2054, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 25% to 50% of Subfund Asset Value;
 - d) Debt Portion may constitute from 50% to 75% of Subfund Asset Value;
 - 9) as of 01 January 2055 and until 31 December 2059, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 10% to 30% of Subfund Asset Value;
 - d) Debt Portion may constitute from 70% to 90% of Subfund Asset Value- throughout said period the Share Portion shall be gradually reduced in favour of the Debt Portion;
 - 10) from 01 January 2060, the total value of Subfund's investments shall be:
 - c) Share Portion may constitute from 0% to 15% of Subfund Asset Value;
 - d) Debt Portion may constitute from 85% to 100% of Subfund Asset Value.
5. While calculating the ratio of the Share Portion and Debt Portion in the Assets of the Subfund, the actual indirect exposure obtained via funds and joint investment institutions in whose participation units, investment certificates, or participation units the Assets of the Subfund are invested shall be taken into account on the basis of the most recent data available to the Subfund, as well as exposure achieved with the use of Derivative Instruments.
6. The permitted amount of loans and bank loans which may be taken out by the Fund for the benefit of the Subfund is defined in Article 25.

Art. 74. Minimum payment to the Subfund

The minimum payment to the Subfund shall be 1 (one) grosh.

Art. 75. Bearing of Subfund costs

1. Subject to sections 2-8, costs shall be covered using Subfund Assets and calculated as follows:
 - 1) for costs applicable to the entire Fund - on the basis of the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets as of the Valuation Date preceding the payment date,
 - 2) for costs associated exclusively with the functioning of the Subfund - those shall be covered using only Subfund Assets,
 - 3) costs discussed in section 2, points 1), 2), 4), and 7) associated with transactions for selling or purchasing components of Subfund Assets - those shall be borne by the Subfund to the extent in which they pertain proportionately to components of Subfund Assets,
 - 4) costs discussed associated with the functioning of the Subfund which are not costs indicated in points 1) to 3) - those shall be covered on the basis of the ratio of the Net Value of given Subfund Assets to the total Value of Net Subfund Assets of all Subfunds to which such costs pertain.
2. In addition to the Company's remuneration for managing the Subfund discussed in Article 76, the Fund may also cover the following costs associated with operation from Subfund Assets:
 - 1) commissions and payments due to investment companies and banks used by the Fund for concluding transactions as part of investing the Subfund Assets;
 - 2) commissions and payments related to agreements and transactions of the Fund concluded as part of investing the Subfund Assets,
 - 3) commissions and payments related to safekeeping the Subfund Assets,
 - 4) commissions and payments due to deposit and settlement companies whose services the Fund uses for investing the Subfund Assets,
 - 5) remuneration of the Custodian;
 - 6) costs connected with keeping a Register of Fund Participants or Subregister of the Participants of a given Subfund,
 - 7) fees and taxes required in connection with the Subfund's activity, including fees for permits if the obligation to make such payments follows from the law;
 - 8) costs of announcements required in connection with the Subfund's activity, provisions of the Fund's statutes, or legal regulations;
 - 9) costs of printing and publishing informational materials of the Subfund required under the law,
 - 10) costs of liquidating the Subfund,
 - 11) remuneration for the liquidator of a given Subfund.
3. The costs indicated in section 2, points 5) and 6) above may be covered using the Subfund Assets up to:
 - 1) 0.5% of the average Net Value of Subfund Assets in a given calendar year - if the Net Value of that Subfund's Assets is lower than or equal to PLN 10 000 000;
 - 2) the sum of PLN 50 000 and 0.05% of the average Net Value of Subfund Assets, in excess of PLN 10 000 000 - if the Net Value of that Subfund Assets is greater than PLN 10 000 000.
4. The costs indicated in section 2(11) may be covered using the Subfund Assets up to 0.5% of the Net Value of that Fund's Assets per annum.
5. In periods where the Net Value of Subfund Assets is lower than PLN 2 000 000, the Company shall use its own funds to cover the costs of the Subfund indicated in points 5), 6), 8), and 9) of section 2 above.
6. The costs of the Subfund's functioning not indicated in section 2 and Article 76 shall be borne by the Company using own funds.
7. Obligations pertaining to only a single Subfund shall be binding only for that Subfund.
8. Obligations pertaining to the entire Fund shall be binding for the Subfund proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.

Art. 76. Remuneration of the Company for managing the Subfund

1. For managing and representing the Subfund, the Company shall collect remuneration from the funds of the Subfund (hereinafter referred to as the "**Fixed Remuneration**") whose fixed rate shall be defined by the Company. The Fixed Remuneration shall be collected at no more than 0.50% of the Net Subfund Asset Value per annum, subject to Article 49, sections 5-7 of the ECP Act.
2. The reserve for Fixed Remuneration shall be calculated as of every Valuation Day for every day of the year based on the Net Subfund Asset Value defined as of the preceding Valuation Day, taking changes to capital paid in and paid out into account, as recorded in the Subfund Register on that Valuation Day.
3. The Fixed Remuneration shall be paid monthly. The Fixed Remuneration shall be paid within 15 Business Days after the end of every calendar month.

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4. The Company may calculate and collect remuneration for performance results of up to 0.10% of the Net Value of Subfund Assets per annum (hereinafter referred to as: “**Remuneration for Performance**”) pursuant to rules defined in the regulation on calculating the reference rate and detailed mode of calculating remuneration for performance results achieved to be collected by a financial institution recorded in the Register of Employee Capital Plans pursuant to Article 49(13) of the ECP Act which may be collected provided that:
 - 1) the Subfund has achieved a positive rate of return in a given year and
 - 2) a given Subfund has, in a given year, achieved a rate of return exceeding the Reference Rate.
5. Reserves for Remuneration for Performance shall be calculated as of every Valuation Day and paid to the Company by the 15th Business Day after the end of a given year.

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