

**FUND'S STRATEGY**

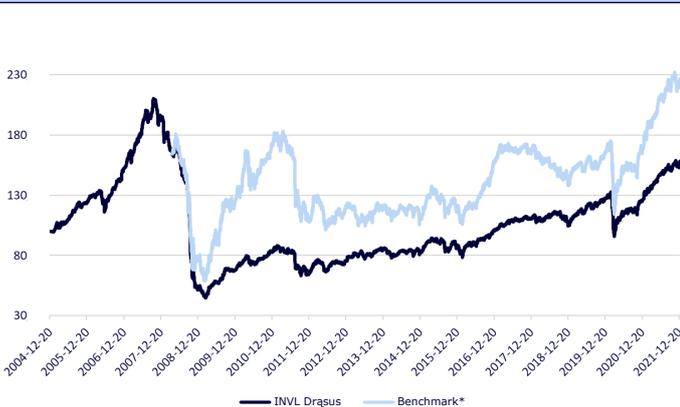
The assets of the Fund are invested in stocks and units of investment funds, the main investment direction of which is stocks. The fund is recommended for people who assume a higher-than-average risk as an additional investment instrument, which provides the possibility to take advantage of the tax benefit and thus effectively manage personal finance. Composition: up to 100% – shares.

**COMMENT**

The last quarter of the year was again marked by strong growth in the developed stock markets. S&P 500, the most popular index tracking US markets, reached new heights at the end of the quarter, fuelled by rising growth prospects and falling unemployment, despite market uncertainty, growing inflation, and increasingly strict statements by the US Federal Reserve. In fact, over 2021, the above-mentioned S&P 500 index earned an impressive return of 27% in USD and 70 times reached new peaks over 252 trading days, which is the second-best result in history after 77 new price records in 1995. Historical analysis of returns on this index shows that investing in shares at record highs yields a better return than on any other day, for example, the average one-year return in such a case is 14.6% when the average annual return on any other day is 11.7%. At the same time, the quarterly return on shares in developing countries was significantly lower, mainly due to the negative return on Chinese shares as a result of high regulatory risk for tech companies and tense relations with the US as well as negative returns on Russian shares due to political tensions and the worsening conflict at the Ukrainian border.

The last quarter of the year was marked by significant fluctuations. At the beginning of the quarter, the markets were dominated by stable stock price increases, but in the second half of the quarter, we observed negative price developments over a few days, which were soon to be reversed by the positive rally. The most sudden drop in prices was due to the new Omicron strain of the COVID-19 virus. First, the news led to a negative reaction from investors, but with studies showing that the new variant is not as dangerous as initially thought, the markets have once again been on an upward trend. 2021 was particularly favourable to stock markets, so our "INVL Drąšus" fund achieved an annual return of as much as 24.5%. Investments in equities and low volatility equities continue to represent a larger share in our funds than in the relevant benchmark, because we believe that these shares are more likely to appear in inflationary and high volatility environments. Also, in this quarter we added investments into the new Genesis Private Equity Fund, which invests in private equity companies in the Czech Republic and other Central and Eastern European countries. It is worth noting that the share of committed alternative investments in the fund increased over the year from 12.9% at the end of 2020 up to 22.1% at the end of 2021. Therefore, we continue to increase the diversification of the funds managed and the resilience to short-term market fluctuations. The pension fund invests half of its assets in the Central and Eastern European region, which in the fourth quarter lags slightly behind the world's main markets, corresponding to slightly lower returns in the last quarter than traditional equity-investing pension funds. The highest growth was the Slovenian stock market, while the share prices of the Baltic companies were the lowest.

**PERFORMANCE SINCE FUND INCEPTION**

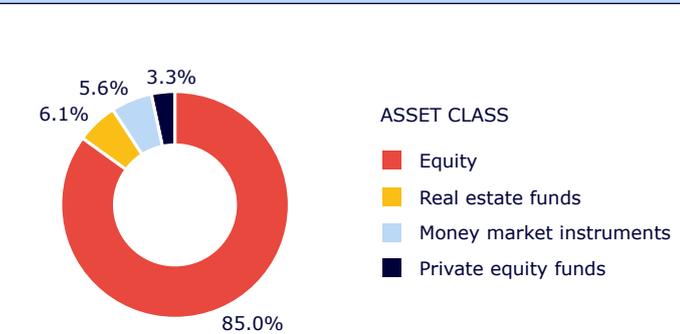


**FUND'S RETURN IN DIFFERENT PERIODS**

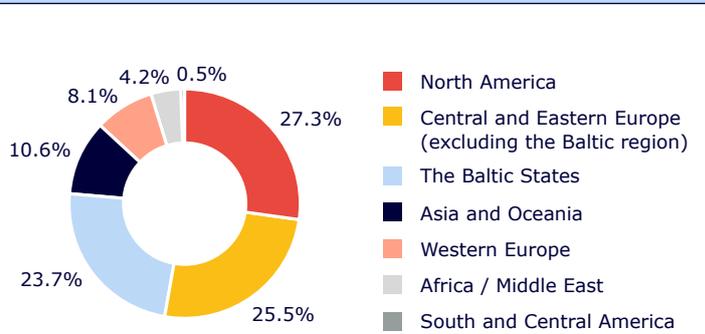
	<b>Fund's return</b>	<b>Benchmark return</b>
IV quarter of 2020	4.68%	3.26%
1 year	24.53%	33.24%
3 years	49.80%	62.53%
5 years	57.53%	44.24%
Since Fund Inception	58.28%	

Please note that the fund's past performance does not guarantee the same results and profitability in the future. Past performance is not a reliable indicator of future results.

**DISTRIBUTION BY ASSET TYPES**



**GEOGRAPHICAL DISTRIBUTION\*\***



**FUND' INFORMATION**

Net Asset Value	7 037 185 EUR
Fund's unit value	0.458 EUR
Number of Participants	2 994
Management fee	1.50 %
Partial withdrawal fee***	10 %

**CONTACTS**

UAB „INVL Asset Management“ +370 700 55959 pensijos@invl.com www.invl.com	Gynėjų g. 14, Vilnius; Jonavos g. 7, Kaunas; Minijos g. 19, Klaipėda.
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\*The pension fund benchmark was applied since 14/04/2008. The composite benchmark has been applied since 01/03/2021: 50% MSCI EM Eastern Europe Small Cap USD Index (converted into EUR) + 45% MSCI World EUR Index + 5% European Central Bank ESTR OIS Index (OISESTR Index).

\*\*Geographical distribution is indicated with regard to the countries of the economic logic of the investment, as well as to the investment components of collective investment undertakings (CIUs) and exchange traded funds (ETFs), according to their reports. If those reports do not provide the investment components of CIUs or ETFs, the country of registration of the CIU or ETF shall be taken into account.

\*\*\*Deduction for the withdrawal of part of the funds accumulated in the Fund (from the amount to be withdrawn) applies when the funds are withdrawn within two calendar years from the last withdrawal. This deduction does not apply to pension fund participants who have acquired the right to a pension benefit in accordance with the procedure established in the Pension Fund Rules.

While participating in a 3rd pillar pension fund, you will be required to pay the fees specified in the rules of the respective fund. The money accumulated in a pension fund is invested according to the investment strategy specified in the rules of the relevant pension fund. When saving in pension funds, you assume the investment and investment-related risk. The value of a pension fund can go both up and down, and you can get back less than you invested. Past performance of a pension fund does not guarantee the same results and profitability in the future. Past performance is not a reliable indicator of future results. When seven or fewer years remain before retirement, consider investing in a conservative investment pension fund (INVL STABILO III 58+/INVL Stable).

Before you make an investment decision, assess all the risks associated with the investment yourself or with a help of investment consultants. Carefully read the rules of the pension fund, which are an integral part of the pension accumulation agreement.

A fund participant may choose from the following forms of pension payment: a lump sum, periodic payments in instalments (conversion of a portion of fund units in the pension account into money to be paid out at regular intervals) or purchase of an annuity from a life insurance company.

All the information presented is of a promotional nature and cannot be construed as a recommendation, offer or invitation to accumulate assets in pension funds managed by INVL Asset Management. The information provided here cannot serve as a basis for any subsequently concluded agreement. Although this information of a promotional nature is based on sources which are considered to be reliable, INVL Asset Management is not responsible for any inaccuracies or changes in the information, or for any losses that may incur when investments are based on this information.