

STATEMENT OF INVESTMENT PRINCIPLES

VERSION RECORD

Version	In force	Changes
2.0	01.04.2024	Rewrite from versions 1.0-1.9 (used during 2014-2023)
2.1	07.03.2025	8.5 - Asset allocation limits 10.4 - point (a) amended; point (d) added;

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GLOSSARY OF TERMS

Term	Definition
Board / Governing Board	The Governing Board of KPST
CBK	Central Bank of the Republic of Kosovo
DFI	Director for Finance and IT
DIR	Director for Investments and Reporting
FD	Finance Department
IC	Investment Committee of the Governing Board
ID	Investment Department under the supervision of DIR
KPST	Kosovo Pension Savings Trust
Management Board	A body consisting of: Managing Director; DFI; DIR; and Director of Operations
OECD	Organization for Economic Co-operation and Development
RCD	Reporting and Compliance Department
SAA	Strategic Asset Allocation
SIP	Statement of Investment Principles
The Assets	Pension assets under the management of KPST

1. INTRODUCTION

- 1.1. This *Statement of Investment Principles* (SIP) is drawn up by the Governing Board of Kosovo Pension Savings Trust (KPST), which sets out how pension assets under the management of KPST (hereafter “the Assets”) are invested.
- 1.2. This SIP has been prepared in accordance with all relevant legislative and best-practice guidelines of Kosovo, and in particular to comply with Law No. 04/L-101 on Pension Funds of Kosovo, amended with Law No. 04/L-115, Law No. 04/L-168 and Law No. 05/L-116 (hereafter “the Law”), and relevant Central Bank of the Republic of Kosovo (CBK) rules and regulations.
- 1.3. The SIP establishes a set of guiding principles and policies to provide an objective, effective and transparent framework for a consistent process in decision-making for the investment of the Assets.
- 1.4. The SIP will be reviewed every year by the Governing Board, via the Investment Committee of KPST (hereafter “IC”), and without delay should any significant change take place in the investment approach, objectives, constraints, risk tolerance, investment horizon, or age cohorts of participants.

2. GOVERNANCE

- 2.1. The sole power to invest the Assets is given to the KPST via the Law.
- 2.2. The primary duty of the Governing Board is to ensure that the Assets are invested in a prudent manner consistent with the requirements of the Law, for the sole benefit of participants and their beneficiaries.
- 2.3. The Governing Board recognises that it has a fiduciary responsibility towards the participants and beneficiaries in KPST and will only pursue policies which do not violate this responsibility.
- 2.4. Whilst the Governing Board is ultimately responsible for the governance and investment of the Assets, it may delegate certain tasks to asset management firms or appropriate committees or bodies within KPST. When doing so, the Governing Board must be satisfied that it, and its committees and bodies, as well as the managers in selected asset management firms, have sufficient expertise and adequate resources to carry out their roles effectively.
- 2.5. The Governing Board or other relevant bodies within KPST, can hire investment consultants and/or firms to provide investment advice and services, as set out in the agreement between the KPST and such parties.

3. INVESTMENT COMMITTEE

- 3.1. The Governing Board has established an Investment Committee, whose primary responsibility is to support the Governing Board with decisions related to the investment of the Assets, by providing oversight of the function of investments.
- 3.2. Members of the IC are appointed in accordance with KPST Bylaws and must have sufficient skills, expertise, professional background and experience to carry out their role effectively.
- 3.3. The IC shall continually monitor and review, on the basis of available information: performance, risks, liquidity, diversification and the suitability of investments. These will be reported formally at regular Governing Board meetings.
- 3.4. The IC shall review this SIP at least annually and propose amendments to the Governing Board.
- 3.5. The IC shall monitor compliance with this SIP on a quarterly basis.

4. INVESTMENT UNIVERSE

- 4.1. The Assets are invested in different types of asset classes such as equities, fixed income, commodities, and cash. Investments are made directly or through a variety of legal structures and investment vehicles (e.g. pooled and exchange-traded funds) deemed suitable for KPST as a pension fund and a long-term investor.
- 4.2. Direct investments must be made primarily in securities that are traded publicly on regulated markets. Investments in: (a) securities that are not traded publicly on regulated markets; and (b) non-investment grade fixed incomes; must be kept at a low level. The same shall be true for underlying securities within pooled funds.
- 4.3. Derivatives, if any, can only be used to hedge against risks, and must be undertaken in a prudent and cost-effective manner, taking into consideration potential exposures to a single counterparty or other derivatives.
- 4.4. The Assets must be sufficiently and effectively diversified so as not to be exclusively reliant on any particular asset class, issuer or investment vehicle.
- 4.5. The investment universe and constraints for each Portfolio are provided in the Investment Policy included in this SIP.
- 4.6. An overview of the current asset allocation is published daily on the KPST website for each Portfolio.

5. SELECTING ASSET MANAGERS AND POOLED FUNDS

- 5.1. The appointment of asset managers and pooled funds is the responsibility of the IC, through a competitive selection process in accordance with best international practices followed by a rigorous due diligence process.

- 5.2. The IC is supported in these processes by the Management Board, responsible for setting the selection criteria in compliance with internal acts and making recommendations to the IC from the short-list of bidders. The IC, with the approval of the Governing Board, may also procure external advice to assist in this process.
- 5.3. The IC has opted not to invest any of the Assets via a segregated mandate with an asset manager, favouring instead to fulfil its responsibility to prudently invest the Assets by investing in pooled and exchange-traded funds which offer diversification benefits and directional investments at a lower cost.
- 5.4. The IC invests in several funds but does not rely on any single fund to deliver the investment objectives of KPST as a whole. The pooled funds consist of single or multi-asset classes and must meet investment criteria of KPST in terms of track record, asset size, investment universe and strategy, and diversification.
- 5.5. The management firms of the pooled funds must meet and maintain the highest degree of integrity, ethics and professional standards. They are duly authorised and regulated by the relevant financial supervisory authorities of the Republic of Kosovo or the OECD.
- 5.6. The day-to-day management of assets invested through pooled funds is performed by the respective management firms, which provide regular reports to KPST.
- 5.7. The IC will regularly monitor the investment performance of the pooled funds and evaluate if they are in line with the objectives for which they were appointed. The IC and Management Board members may conduct periodic meetings with managers of active pooled funds to discuss both performance and expectations.

6. INVESTMENT PRINCIPLES AND BELIEFS

- 6.1. KPST shall make investment decisions by acting only in the best interest of participants, adhering to the following priorities:
- (a) The protection of the assets;
 - (b) The diversification of investments;
 - (c) Maximum investment returns consistent with the protection of the assets; and
 - (d) The maintenance of adequate liquidity.
- 6.2. The Governing Board shall strive to ensure that KPST has:
- (a) Effective and efficient investment processes;
 - (b) The adequate level of expertise for analysis and the investment function in general; and
 - (c) A rigorous approach to the management of investment and operational costs.
- 6.3. The Governing Board shall also take into account that:
- (a) KPST is a long-term investor;
 - (b) There is a need to diversify effectively across different asset classes and within asset classes themselves;
 - (c) Although the investment performance shall be measured and proceeds paid out to participants in Euros, this should not limit investments to Euro assets only; and
 - (d) Participants need to maintain their confidence in the institution of KPST, and a prudent investment policy is therefore needed.
- 6.4. The Governing Board has established a set of investment beliefs to provide an objective and transparent framework for consistent investment decision-making. These beliefs act as a guide to enable the effective delivery of all investment functions.
- 6.5. The beliefs of the Governing Board are:
- (a) KPST will need to take investment risk in order to meet the investment objectives.
 - (b) Different asset classes have different characteristics, depending on different market and economic cycles. However, long-term, patient investors, earn better returns by investing in assets with higher expected risk and return, notably equities. KPST is well positioned to take advantage of this, given the age profile of its participants.
 - (c) Long-term performance is far more important than short-term noise; with drawdowns in financial markets (typically) not only recovering over time but also providing an investment opportunity.
 - (d) Asset allocation is a determining factor in the long-term performance.
 - (e) Diversification is an important tool for managing risk and return.
 - (f) Passive index funds generally provide access to an asset class at a lower cost, often with better long-term performance.
 - (g) Active management offers different investment approaches to a given asset class, widening the degree of diversification in that asset class.
 - (h) Active funds, whether comprised of one or more asset classes, through their dynamic selection, market positioning and/or risk management, can achieve steadier and less volatile returns.
 - (i) An expert, well-resourced and well-governed in-house investment function can help achieve better long-term results.

7. INVESTMENT OBJECTIVES

- 7.1. The Governing Board has determined that, to act on the best interest of participants, the level of investment risk needs to be adjusted for participants based on their age, thus requiring the application of different investment strategies for different age cohorts up to the retirement age of 65.
- 7.2. Consistent with its fiduciary duty and the need for prudence, the Governing Board will seek to generate the highest possible return consistent with the acceptable level of risk for each cohort.
- 7.3. To this end, the Governing Board has separated the management of the Assets into the following three investment strategies (“Portfolios”):

- (a) The Standard Portfolio;
- (b) The Intermediate Portfolio; and
- (c) The Conservative Portfolio.

- 7.4. The Portfolios shall have the following composition and profile:

	Standard	Intermediate	Conservative
Participant age	15-57	58-62	63+
Investment Objective¹	Higher asset growth, exceeding by +3% the 10-year average inflation in Kosovo	Medium to high asset growth, exceeding by +2% the 10-year average inflation in Kosovo	Asset protection and stability, matching or exceeding the average Kosovo Treasuries yield for the past 2 years
Investment approach	Tilted towards long-term assets with higher expected returns to provide more growth potential	A more balanced exposure between long-term and low risk assets, to transition the participant from growth to pre-retirement stage	Tilted towards lower risk assets with expected low-to-moderate returns, to reduce the effects of large and short-term fluctuations in markets
Risk tolerance	Moderate to High	Moderate	Low
Liquidity	Low liquidity needs that can easily be met from incoming contributions and/or daily tradable instruments	Low liquidity needs that can easily be met from incoming contributions, transfers into the portfolio or daily tradable instruments	Moderate liquidity needs which should easily be met from the transfers into the portfolio and maintaining adequate levels of cash

1) The Board reserves the right to set additional benchmarks for the performance, risk and liquidity of investments.

- 7.5. The Governing Board’s chosen measure of inflation is Kosovo’s annual Consumer Price Index as published by the Kosovo Agency of Statistics. Having the inflation as a target is crucial to help keep the focus on not only protecting but also increasing the real value of the assets.

8. INVESTMENT POLICY

- 8.1. The Governing Board has determined that the application of the age cycle Portfolios removes the need to fully balance the interests of participants who are close to retirement and those who have many years before withdrawing their pension savings.
- 8.2. The Standard Portfolio, with higher growth objectives and risk tolerance, requires a higher allocation to assets with higher expected returns and risks on the long term, such as equities. To mitigate risk, these investments must be complemented with allocations to instruments diversifying the risk of the portfolio, notably those with lower historical risk and/or steadier expected returns.
- 8.3. The Intermediate Portfolio, with moderate-to-high growth objectives and moderate risk tolerance, requires a reasonable but not excessive percentage allocation of long-term assets with expected high returns and high risk, such as equities, balanced with a comparatively higher allocation than in the Standard Portfolio to instruments with lower historical risk and/or steadier expected returns.
- 8.4. The Conservative Portfolio, with its capital protection objectives and low risk tolerance, requires an overwhelming majority of allocations to instruments providing both lower risk and steadier expected returns. Furthermore, only Euro-denominated instruments shall be used to avoid the adverse effects of foreign exchange risk.
- 8.5. The Governing Board is responsible for reviewing and setting limits for the asset allocation with the recommendation of the IC. The asset allocation limits for each Portfolio are:

Classification	Standard	Intermediate	Conservative
Growth	50-80	40-65%	0-10%
Equities - Passive	40-60%	25-40%	-
Equities - Active	10-40%	15-25%	0-10%
Equities - Thematic / Individual	0-15%	0-12%	-
Real Assets - Growth	0-10%	0-8%	-
Fixed Income - High Yield	0-5%	0-4%	-
Stability	0-50%	20-60%	50-99%
Fixed Income - KS Treasuries	0-25%	20-60%	50-99%
Fixed Income - Investment Grade	0-25%	0-25%	0-30%
Multi assets	0-15%	0-25%	0-10%
Real Assets - Core	0-15%	0-15%	-
Term deposits	0-10%	0-20%	0-20%
Tactical	0-20%	0-10%	0-10%
All asset classes	0-20%	0-10%	0-10%
Liquidity	0-10%	0-40%	1-30%
Money Markets	0-10%	0-40%	0-29%
Cash accounts	0-1%	0-1%	1-10%

Note: Appendix 1 provides a description of the above classifications

INVESTMENT POLICY (CONTINUED)

- 8.6. The Governing Board believes that the set of minimum and maximum ranges established above provides:
- (a) focus on the long-term investment objectives whilst being aware of associated risks;
 - (b) a framework for a balanced diversification and a target mix over time;
 - (c) support for analysis and research-based tactical adjustments;
 - (d) a rebalancing discipline and the sensible deployment of cash.
- 8.7. Any breaches due to over or under performance by certain asset classes and/or instruments shall be rectified within three months of being identified. In times of market turmoil, these limits can be temporarily suspended by a decision of the Governing Board.
- 8.8. The Governing Board acknowledges the risks inherent in the pursuit of a policy heavily weighted towards equities in Standard and Intermediate Portfolios, but believes that, over the long term, equities are likely to generate higher total returns than other assets. Equities are therefore crucial to delivering the long-term objectives of those Portfolios. Irrespective of whether they are long-term or tactical, investments should combine passive and active approaches as needed, across a variety of regions, sectors, factors, and investment strategies. Decisions should be supported by adequate analyses.
- 8.9. During normal market conditions the savings of participants shall be transferred from the Standard to the Intermediate Portfolio and from the Intermediate to the Conservative Portfolio, on the month during which the participants reach their 58th and 63rd birthday, respectively. However, in times of a significant drop in performance¹, transfers can be suspended by the Governing Board until more favourable market conditions prevail.
- 8.10. The Governing Board will be committed to regularly review the investment policy of each Portfolio and the need for additional portfolios, to suit the timelines and risk profile of a given age group. The Governing Board is also committed to regularly review the suitability and seek new investment opportunities within Kosovo.

9. RISKS

- 9.1. The Governing Board considers investment risks from many perspectives. These risks are considered when building and reviewing the overall investment arrangements with an appropriate framework to mitigate and/or address those risks.
- 9.2. The IC will, on a regular basis, evaluate the direct and indirect exposure to investment risks and assess whether they are coherent with the investment policy. The IC will recommend to the Governing Board risk mitigation measures or resolutions, proposals for changes to existing risk limits, targets, or the risk management process itself.
- 9.3. Appendix 2 provides the non-exhaustive list of key risks for the Assets, and the approaches taken for their mitigation.

¹ A drop in excess of 5% for the Standard Portfolio and 3% for the Intermediate Portfolio from respective peak unit prices.

10. IMPLEMENTATION

- 10.1. All policy decisions, allocation targets and limits are the exclusive responsibility of the Governing Board, following recommendations by the IC, whereas the implementation is delegated to the Management Board.
- 10.2. The IC, based on proactive recommendations of the Management Board, in line with this SIP and the SAA:
- (a) Decides on appointment and termination of asset managers, custodians, brokers, and pooled funds;
 - (b) Decides to increase or decrease a position in an approved pooled or exchange-traded fund;
 - (c) Decides to buy or sell individual publicly traded securities or exchange-traded funds;

The Board must be informed by the IC co-ordinator within 24 hours of the decisions being taken.

- 10.3. The Governing Board acknowledges that, when pooled or exchange-traded funds are selected for the investment of the Assets, the fund managers of respective funds have the discretion to buy and sell the underlying securities. However, the IC based on the analysis of the Management Board, is required to continually review whether the mandate, methodology and exposures of respective funds are in line with KPST objectives.
- 10.4. The Management Board, in line with this SIP and the SAA, is delegated the power to:
- (a) initiate calls for bids and award amounts for term deposits with commercial banks licensed by the CBK;
 - (b) enter into repo agreements with commercial banks licensed by the CBK;
 - (c) decides the bidding rate and amount for Kosovo Treasuries in primary auctions, as well as secondary market transactions; and
 - (d) decide on placing excess accumulated cash in money market funds, as needed.

The IC must be informed within 24 hours of the decisions being taken.

- 10.5. Whether a decision is taken by the IC as per 10.2 above, or the Management Board as per 10.4 above, in all the cases the decision must be supported by a rationale, analysis and research, and the ex-post impact in risk, before the implementation can take place.
- 10.6. Cash management for liquidity purposes is delegated to the Management Board.
- 10.7. The IC and/or the Management Board can recommend the initiation of a search for additional pooled funds or the divestment from an approved fund.
- 10.8. The IC reviews the investment decisions and performance on a quarterly basis and reports to the Governing Board whether investments are in line with the policy and of acceptable risk. The IC may instruct the Management Board, based on their convictions, to adjust the risk positioning of investments.
- 10.9. The Investment Implementation Document in Appendix 3 provides a detailed list of duties and responsibilities for the investment process.

11. STRATEGIC ASSET ALLOCATION DOCUMENT

- 11.1. The Strategic Asset Allocation document (SAA) provides a description of the asset classes and their target allocations for each Portfolio, as approved by the IC in compliance with this SIP.
- 11.2. In addition, the SAA provides limits of unhedged currency exposure for direct investments as approved by the IC.
- 11.3. The SAA document shall also contain an annex with the following information as maintained by the Management Board:
- (a) Views (macro and fundamental) on which they are based;
 - (b) Views on industry sectors and asset classes;
 - (c) For individual securities and funds, their universe, asset classes and other exposures, conditions under which they are expected to perform best, and the rationale behind the size of allocation in them; and
 - (d) The evolution of changes in the tactical and long-term allocations.
- 11.4. The IC shall review the SAA as deemed appropriate and shall monitor the compliance of investments with the SAA on quarterly basis.

Appendix 1 – Classifications used in the Investment Policy

The following descriptions explain what type of investments and funds are included in a particular classification used in the Investment Policy.

Growth

Investments in instruments with a long-term horizon (5-7 years), typically redeemed due to rebalancing, profit-taking, maturity, major market turmoil, or continuous underperformance. The asset classes included in the Growth strategy are:

Asset class	Description
Passive Equities	Pooled and exchange-traded funds, where the selection of stocks derives from an investable index (e.g. MSCI World) and/or subgroups within a universe of securities (e.g. market cap, value, dividend-paying); rather than through active selection and/or views
Active Equities	Pooled funds and to a smaller degree exchange-traded funds, which make an active selection from a predefined universe of stocks and/or have an active approach to risk management and/or risk targets
Thematic Equities	Pooled or exchange-traded funds comprised of securities of companies of a particular trend or theme (e.g. silver economy, cybersecurity, megatrends, disruptors) expected to shape the future of the global economy
Individual Equities	The stocks of any publicly listed company in Kosovo or OECD
Growth Real Assets	Long-term investments in natural resources (e.g. farmland, timberland, mineral and mining rights)
High Yield Fixed Income	Direct placements in non-investment-grade debt instruments publicly traded within Kosovo or OECD; pooled or exchange-traded funds predominantly consisting of non-investment-grade debt securities; issued by treasuries, municipalities or corporations. They typically offer a higher yield compared to investment-grade securities

Stability

Investments in instruments with a mid to long-term horizon (typically 2-10 years), which have a lower expected risk. They are primarily redeemed due to maturity, rebalancing, profit-taking, or continuous underperformance. The asset classes included in the Stability strategy are:

Asset class	Description
KS Treasuries	Debt instruments issued by the Treasury of the Republic of Kosovo, typically held to maturity
Investment Grade Fixed Income	Direct placements in investment-grade debt instruments publicly traded within Kosovo or OECD; pooled or exchange-traded funds predominantly consisting of investment-grade debt securities; issued by treasuries, municipalities or corporations
Multi-assets	Pooled or exchange-traded funds consisting of a variety of asset classes (e.g. equities, fixed income, commodities, cash)
Core Real Assets	Long-term investments in real estate and infrastructure
Term Deposits	Term deposits and repurchase agreements with local and international banking institutions, typically held to maturity

Tactical

Investments with a shorter horizon, typically no less than 6 months and no longer than 2 years, based on analyses, views and expectations (for example interest rates and inflation), on a given asset class or industry sector, geopolitical and other factors. They include any asset class and/or investment permitted by law.

Liquidity

Funds retained in cash for liquidity purposes and/or future investment opportunities. The asset classes included in the Liquidity strategy are:

Asset class	Description
Money markets	Highly liquid funds comprising of near-term instruments that yield close to Euribor; used more in times of uncertainty and/or pessimistic outlook for equities, typically yielding more than bank accounts
Cash and cash equivalents	Cash balances at bank accounts with the Central Bank of Kosovo and brokers. The cash balance is kept to a minimum with sufficient liquidity to pay for the withdrawal of savings

Appendix 2 – Key risks

Inflation risk

Since inflation erodes purchasing power in real terms, KPST uses it as a support for its performance targets. The combination of asset classes within each Portfolio is expected to meet the objectives of the respective Portfolio for matching or exceeding inflation.

Higher inflation typically translates into higher interest rates, and a higher inflation will more than likely translate into market risk for bond positions with longer maturities, and the investments would need to be adjusted accordingly. The nominal value of riskier assets tends to rise in periods of inflation, and if this holds true investments in equities could be adjusted accordingly.

Market risk

No investment portfolio can achieve returns without assuming some market risk. And once invested wholly or partly, no portfolio can be fully insulated from market risk and market fluctuations. A pension fund invests for the long-term and, while holding positions, the value of its investments can vary in a positive or negative manner through time.

Diversification will be used as a key factor to mitigate market risk. To this end, KPST will strive to identify funds and other investments that have low correlation with key markets, as well as funds which use risk-targeted or risk-managed positions or apply absolute return strategies.

Foreign exchange risk

Investments made in non-Euro denominated instruments carry the risk of adverse exchange-rate movements. As a way to mitigate this risk, a maximum limit of 25% of the assets is set for all currency risk exposure (without Euro hedging), with the rest being instruments with Euro-only exposure or which hedge back (in part or in full) into Euros.

Counterparty and Credit risk

Counterparty risk is the risk that the other party in an investment, credit, or trading transaction may not fulfil its part of the deal. More specifically, credit risk is the risk of financial loss arising from the failure to meet such contractual obligations.

These risks are managed through a rigorous approach when acquiring pooled and exchange traded funds, as well as the ongoing review of the available information such as underlying holdings of funds, external audits and other fund reports, to help assess the risk.

In relation to fixed income instruments such as Kosovo Treasuries and bank deposits, a review of the public debt and/or metrics indicating the health of banks is carried out continuously.

Liquidity risk

Liquidity risk is the risk that investments may not be readily marketable when required to meet obligations associated with financial liabilities.

Liquidity risk is being managed by evaluating monthly redemptions arising from the withdrawal of savings, as well as refunds, and retaining sufficient cash for this purpose. The liquidity risk of KPST is expected to be very low for the foreseeable future, given that monthly redemptions are far lower than monthly incoming contributions.

Valuation risk

The overwhelming majority of the assets, invested through pooled and exchange traded funds, is invested in liquid quoted assets in order to manage valuation risk. The fixed income exposures that are not marked-to-market are valued at their amortised cost if held to maturity.

Operational and Reputational risk

KPST regularly reviews internal systems of control, and has an appointed risk officer, rigorous internal and external audit processes, to ensure that operational risks are minimised in-so-far as possible.

Transparency, professionalism, efficiency, high standards and prudence are the pillars on which is built the reputation of KPST.

Concentration risk

This is the risk of loss arising from exposure, either directly or indirectly, within or across different risk types such as region, issuer, sector, investment fund or asset class. KPST limits this risk by diversifying holdings within and across these exposures.

Non-financial risk

As a global investor, KPST carefully monitors non-financial risks such as political, geopolitical, trade, and economic risks when investing. As a long-term investor, KPST looks to manage the implications of a variety of risks, whilst aiming to diversify portfolios globally, to improve risk-adjusted returns as well as exploiting global investment opportunities.

Transfer risk

The lifecycle policy of KPST provides that, as participants age, their assets must be transferred to Portfolios with a progressively lower expected risk.

At the moment when the transfer is scheduled to occur adverse market conditions may prevail, and proceeding with the transfer could result in some short-term losses. To minimise this risk, the Governing Board reserves the right to suspend automatic transfers from one Portfolio to the other, and resuming transfers when markets recover, in part or in full.

Hedging

Hedging, when cost-effective, may be used to mitigate the adverse effects of inflation, foreign exchange and other risks.

Appendix 3 – Investment Implementation Document

Assignment	Preparation	Recommending / Reviewing body	Decision-making body	Implements
Annual review of the SIP	Management Board	IC	Governing Board	ID
Quarterly performance and compliance review	ID RCD	DIR	IC	ID RCD
Annual review of the SAA	Management Board	IC	Governing Board	ID
Custodians & brokers:				
Initiation or Termination	DIR	Management Board	IC	
Selection criteria		DIR	Management Board	ID
Shortlist and due diligence		DIR	Management Board	ID
Selection and award		Management Board	IC	ID
Asset managers & pooled funds:				
Initiation or Termination	DIR	Management Board	IC	
Selection criteria		DIR	Management Board	ID
Shortlist and due diligence		DIR	Management Board	ID
Selection and award		Management Board	IC	ID
Increase Decrease	DIR	Management Board	IC	FD
ETF selection:				
Initiation or Termination	DIR	Management Board	IC	
Selection criteria		DIR	Management Board	ID
Shortlist & due diligence		DIR	Management Board	ID
Selection		Management Board	IC	ID
Increase Decrease	DIR	Management Board	IC	ID
Kosovo Treasuries:				
Bid rates and amounts	ID	DIR	Management Board	ID
Sale rates and amounts	ID	DIR	Management Board	ID
Selection of securities:				
Initiation	DIR	Management Board	IC	
Selection criteria	DIR	Management Board	IC	ID
Shortlist & due diligence	DIR	Management Board	IC	ID
Selection		Management Board	IC	ID
Increase Decrease Termination	DIR	Management Board	IC	ID
Bank deposits:				
Selection criteria		DIR	Management Board	ID
Shortlist and due diligence		DIR	Management Board	ID
Selection and award		DIR	Management Board	ID
IC notification				ID
Cash management		FD	DFI	FD
Rebalancing	DIR	Management Board	IC	ID FD
Cross-portfolio transfer of assets for settlement		FD	DFI	FD
Review of investment costs	FD	Budget Committee	Governing Board	FD

Kosovo Pension Savings Trust
Rr. "Agim Ramadani" No. 182-184
10000 Prishtina
Republic of Kosovo

www.trusti.org