

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

PARETO SICAV - PARETO NORDIC EQUITY a sub-fund of PARETO SICAV

class B NOK - LU1653072675

This product is authorised in Luxembourg.

Manufacturer / Management company

Name: FundRock Management Company S.A.

Contact details: 33, rue de Gasperich, L-5826 Hesperange, Luxembourg
www.fundrock.com/funds/ - Call +352 27 11 13 10 for more information.

Competent Authority: The Commission de Surveillance du Secteur Financier is responsible for supervising the manufacturer in relation to this Key Information Document.

Date of production 15/02/2024

What is this product?

Type

Investment Company (SICAV), Luxembourg

Term

This sub-fund has no maturity date. However, the manufacturer may decide to close the sub-fund under certain circumstances.

Objectives

The sub-fund aims to achieve the best possible return over the long term, relative to the risk taken by the sub-fund.

The sub-fund primarily invests in equities listed on a stock exchange or other regulated market in the Nordic region.

The sub-fund acquires stocks of companies with no particular focus on an industrial sector or the market capitalisation of companies. The sub-fund is actively managed which means decisions are taken on the basis of internal analysis.

The sub-fund may invest up to 20% of its assets in Fixed Income Instruments which consists primarily in Sovereign Bonds and to a lesser extent in Convertible Bonds.

The sub-fund may use financial derivative (FDI's) for both investment and hedging purposes. FDIs may include futures, forwards, options, swaps (except credit default swaps and total return swaps including financial derivative instruments with similar characteristics), warrants as well as other FDIs the Investment Manager considers appropriate for the sub-fund. The purpose of investing in derivatives will not be to achieve leverage however, transactions in FDIs may leverage the sub-fund due to the leverage inherent in such instruments.

The sub-fund may not invest more than 10% of its net asset in UCITS or other UCIs with similar investment policy.

From time to time, a maximum 20% of the sub-fund's net assets might be invested in liquid assets. Those assets might either be cash deposits or money market instruments.

The sub-fund qualifies as an Article 8 financial product under SFDR since its investment policy contains broad environmental, social, and governance consideration. More information on how the Investment Manager implements ESG issues in its investment analysis and decision-making process can be found at its website <http://www.paretoam.com>.

Benchmark: The portfolio is actively managed on a discretionary basis without reference to a benchmark. However, the sub-fund is managed in reference to the VINX Nordic Equity Index (VINX Benchmark Cap Net Index) for the purpose of marketing only.

Intended retail investor

This product may be appropriate for all investors who do not seek current income from their investment, seek capital appreciation over long term and are willing to take on the increased risk associated with the investment. This product may not be appropriate for investors who plan to withdraw their money within 5 years.

Other information

Depositary: Skandinaviska Enskilda Banken. AB (publ) – Luxembourg Branch

Dividend income: This class is a capitalisation class meaning that income is reinvested.

Conversion right: The investor has the right to convert his investment in units in one sub-fund for units in the same sub-fund or in another sub-fund. The investor can obtain information about how to convert in the prospectus of the fund.

Segregation: The assets and liabilities of a sub-fund are segregated pursuant to the law so that the commitments and liabilities of one sub-fund do not affect the other sub-funds.

Additional information: Additional information about the fund, copies of its prospectus, the latest annual and semi-annual report and the latest prices of units may be obtained free of charge from the management company or on www.fundrock.com/funds/. The prospectus and the periodic reports are prepared for the entire fund and are available in English. The management company may inform you about other languages in which these documents are available.

This sub-fund was launched in 2018 and this unit class in 2018.

The reference currency of the sub-fund is expressed in NOK. The currency of the unit class is expressed in NOK.

What are the risks and what could I get in return?

Risk indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact our capacity to pay you.

Be aware of currency risk. You may receive payments in a currency that differs from your reference currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

The sub-fund is also exposed to the following materially relevant risks that are not included in the summary risk indicator: Liquidity risk, derivatives risk, counterparty risk, operational risk.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.

Performance scenarios

Recommended holding period: 5 years

Example investment: 100,000 NOK

		If you exit after 1 year	If you exit after 5 years (recommended holding period)
Scenarios			
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.		
Stress	What you might get back after costs	24,100 NOK	24,860 NOK
	Average return each year	-75.9 %	-24.3 %
Unfavourable	What you might get back after costs	74,020 NOK	93,140 NOK
	Average return each year	-26.0 %	-1.4 %
Moderate	What you might get back after costs	107,890 NOK	141,750 NOK
	Average return each year	7.9 %	7.2 %
Favourable	What you might get back after costs	162,400 NOK	182,180 NOK
	Average return each year	62.4 %	12.8 %

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The unfavourable, moderate and favourable scenarios shown are illustrations using the worst, average, and best performance of the product and of a suitable benchmark over the last 10 years. Markets could develop very differently in the future.

Unfavourable scenario: This type of scenario occurred for an investment between August 2021 and December 2023.

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Moderate scenario: This type of scenario occurred for an investment between June 2014 and June 2019, by referring to a benchmark.

Favourable scenario: This type of scenario occurred for an investment between November 2016 and November 2021, by referring to a benchmark.

The stress scenario shows what you might get back in extreme market circumstances.

What happens if FundRock Management Company S.A. is unable to pay out?

The Management Company is responsible for administration and management of the sub-fund, and does not typically hold assets of the sub-fund (assets that can be held by a depositary are, in line with applicable regulations, held with a depositary in its custody network). The Management Company, as the PRIIPS manufacturer has no obligation to pay out since the product design does not contemplate any such payment being made. However, investors may suffer loss if the sub-fund or the depositary is unable to pay out. There is no compensation or guarantee scheme in place which may offset, all or any, of this loss.

What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- In the first year you would get back the amount that you invested (0% annual return). For the other holding period we have assumed the product performs as shown in the moderate scenario
- 100,000 NOK is invested

	If you exit after 1 year	If you exit after 5 years
Total costs	3,385 NOK	15,276 NOK
Annual cost impact (*)	3.4 %	2.2 % each year

(*) This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 9.6% before costs and 7.2% after costs.

We may share part of the costs with the person selling you the product to cover the services they provide to you. They will inform you of the amount.

Composition of costs

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	1.0% of the amount you pay in when entering this investment.	1,000 NOK
Exit costs	0.5% of your investment before it is paid out to you.	495 NOK
Ongoing costs taken each year		
Management fees and other administrative or operating costs	1.8% of the value of your investment per year. This is an estimate based on actual costs over the last year.	1,760 NOK
Transaction costs	0.1% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.	130 NOK
Incidental costs taken under specific conditions		
Performance fees	There is no performance fee for this product.	0 NOK

The conversion of part or all of the units is free of charge.

How long should I hold it and can I take money out early?

Recommended holding period: 5 years

You should be prepared to stay invested for 5 years. However, you can redeem your investment without penalty at any time during this time, or hold the investment longer. Redemptions are possible on each full bank business day in Luxembourg. In exceptional circumstances, your right to request the redemption of your investment may be limited or suspended.

How can I complain?

Complaints about the behaviour of the person who advised you on the product or sold it to you, should be addressed directly to that person. Complaints about the product or the behaviour of the manufacturer of this product should be directed to the following address:

Postal address: FundRock Management Company S.A., 33 Rue de Gasperich, 5826 Hesperange, Luxembourg.

E-mail: FRMC_qualitycare@fundrock.com

Website: <https://www.fundrock.com/policies-and-compliance/complaints-policy/>

In all cases, the complainant must clearly indicate his/her contact details (name, address, phone number or email address) and provide a brief explanation of the claim.

Other relevant information

The prospectus, the latest version of the Key Information Document as well as the latest annual and semi-annual report, may be obtained free of charge on www.fundrock.com/funds/.

Past performance and previous performance scenarios: Historical returns for the last 5 years and previously published performance scenarios, updated on a monthly basis, are available on <https://www.yourpriips.eu/site/67320/en>.