

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 CROSS CREDIT a sub-fund of PARETO SICAV class H-I Dis EUR - LU2023201630

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, relative to the risk taken by the sub-fund.

The sub-fund invests in fixed income and fixed income related securities issued by financial institutions, corporations, agencies, governments and municipalities while incorporating ESG criteria into the Fund's security analysis and selection criteria. These debt securities may include subordinated, hybrids, perpetual, convertible bonds and contingent convertible bonds. The sub-fund may invest up to 20% of its Net Asset Value in CoCos. Some investments of the sub-fund are expected to give it a higher risk and return than traditional securities due to a higher credit risk. The debt securities may be rated or unrated and have credit risk corresponding to investment Grade or High Yield. The sub-fund may hold distressed debt securities or shares as a result of a restructuring. The sub-fund primarily invests in securities issued by companies domiciled or with a presence in the Nordic region.

The average interest rate duration of the sub-fund's portfolio shall be between 0 and 4 years.

The sub-fund may not invest more than 10% of its assets in other investment funds.

The sub-fund invests in derivatives to achieve its investment objective or to reduce risks.

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.

Intended retail investor

This product is available to institutional investors and individual clients investing the minimum subscription amount or subscribing through distributor/pension scheme and Pareto entities or employees who want to assume credit and interest free risks, seek capital appreciation 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 3 years.

Other information

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

Dividend income: This class is a distribution class meaning that income may be distributed.

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 2019 and this unit class in 2021.

The reference currency of the sub-fund is expressed in NOK. The currency of the unit class is expressed in EUR. For this unit class, the foreign-exchange risk of the unit currency is systematically hedged against the sub-fund's reference currency.

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 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to 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, Currency 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: 3 years

Example investment: 10,000 EUR

| | | If you exit after 1 year | If you exit after 3 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 | 7,620 EUR | 8,260 EUR |
| | Average return each year | -23.8 % | -6.2 % |
| Unfavourable | What you might get back after costs | 8,980 EUR | 9,020 EUR |
| | Average return each year | -10.2 % | -3.4 % |
| Moderate | What you might get back after costs | 10,050 EUR | 10,480 EUR |
| | Average return each year | 0.5 % | 1.6 % |
| Favourable | What you might get back after costs | 11,020 EUR | 11,220 EUR |
| | Average return each year | 10.2 % | 3.9 % |

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 be-

tween December 2013 and December 2016, by referring to a benchmark.

Moderate scenario: This type of scenario occurred for an investment between September 2020 and September 2023, by referring to a reference class.

Favourable scenario: This type of scenario occurred for an investment between March 2020 and March 2023, by referring to a reference class.

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
- 10,000 EUR is invested

| | If you exit after 1 year | If you exit after 3 years |
|------------------------|--------------------------|---------------------------|
| Total costs | 168 EUR | 319 EUR |
| Annual cost impact (*) | 1.7 % | 1.0 % 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 2.8% before costs and 1.6% 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 | 0.5% of the amount you pay in when entering this investment. | 50 EUR |
| Exit costs | 0.5% of your investment before it is paid out to you. | 50 EUR |
| Ongoing costs taken each year | | |
| Management fees and other administrative or operating costs | 0.5% of the value of your investment per year. This is an estimate based on actual costs over the last year. | 51 EUR |
| Transaction costs | 0.2% 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. | 17 EUR |
| Incidental costs taken under specific conditions | | |
| Performance fees | There is no performance fee for this product. | 0 EUR |

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: 3 years

You should be prepared to stay invested for 3 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 2 years and previously published performance scenarios, updated on a monthly basis, are available on <https://www.yourpriips.eu/site/74725/en>.