

Annual report 2023

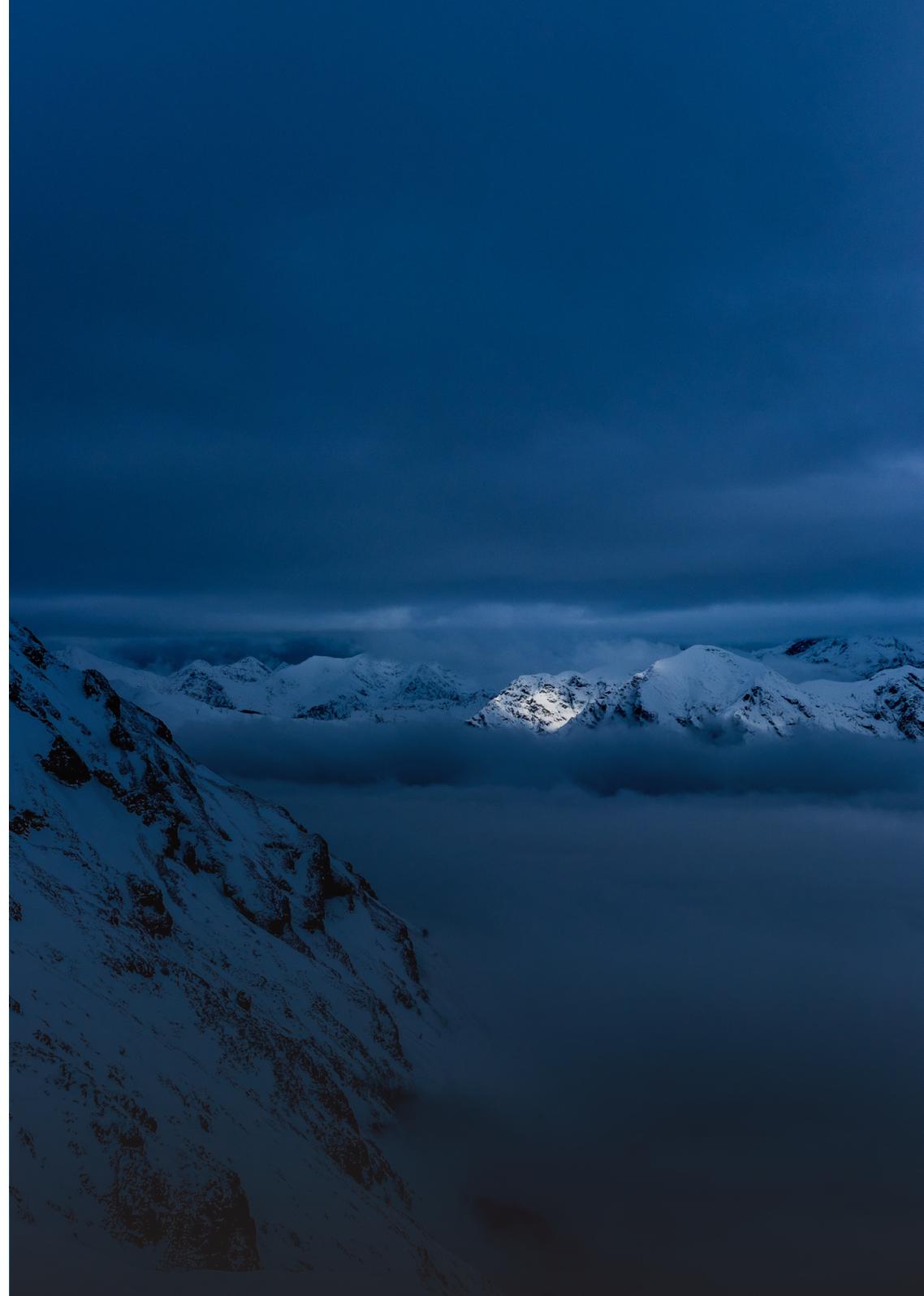
Mutual funds



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Directors' report



Directors' report 2023

Annual report for our Norwegian-registered funds with information on the management company and other financial products.

Current status in the firm

Pareto Asset Management manages mutual funds registered in Norway, Sweden, Luxembourg and Ireland. In addition, the company manages discretionary mandates in Norway.

Including the subsidiary Pareto Asset Management AB in Stockholm, the company had total assets under management of NOK 79 billion at the end of 2023, compared with NOK 66 billion the previous year. Net subscriptions account for roughly NOK 2 billion of the increase, while the remainder is attributable to positive returns on the company's investments.

In 2023, the company continued its work on simplifying the fund structure. The Board of Directors is convinced that concentrating the company's resources on fewer and larger mandates is in the absolute best interests of our unitholders. During the year, two Nordic hedge funds were merged into our Nordic equity fund and our global hedge fund, respectively. In addition, our smallest Norwegian equity fund was merged into our largest Norwegian equity fund.

At the end of the year, Pareto Asset Management had 83 employees at its head office in Oslo, the company's branches in Stockholm and Frankfurt, and the subsidiary Pareto Asset Management AB.

During the year, the company hired three new credit

analysts and one ESG analyst, and strengthened the compliance department with an additional employee. In addition, the company's sales department has made several new appointments.

The company's internship programme for students continues to prove an effective recruitment channel. During 2023, the company hired two additional students who have worked with us during their studies, one of whom started as an ESG analyst in August, while the other will start in the summer of 2024.

Assets under management

In 2023, the assets under management in the Pareto Asset Management group generated a total return of approximately NOK 9.9 billion, of which just over 65 per cent was invested in equity funds or related discretionary mandates.

Just over half of the total assets under management are invested in equities, while the rest is in fixed income instruments. A significant proportion of the capital is owned by investors in other Nordic or European countries.

Combined, companies, employees and active/retired partners in the Pareto group are our largest "customer", with around NOK 8.6 billion of the total assets under management. Extensive investments in our own products demonstrate a strong belief in the company's management philosophy, work processes and ability to make good investments.

What a difference an investor day makes

You never know how long it takes. We buy stocks with a decidedly long-term perspective. Harvesting the anticipated return may take a lot of patience – and faith. There are investment cases which only prove us right after something like ten years. And then there's Adyen.

In October, Pareto Global invested in the Dutch payment solutions provider Adyen. The portfolio managers saw many long-term strengths: The company's system was built from the ground up and covered the entire value chain, from connection and authorisation to processing, as well as risk management. An integrated system was cost-effective, easy to develop further and easy to integrate into the customers' own systems. The company had solid experience with cross-border transactions across various payment infrastructures and, as they saw it, an enormous potential.

The first month in the portfolio, however, the share was the biggest detractor from the fund's return.

The very next month, Adyen organised an investor day in San Francisco to address investor concerns after a lacklustre streak. They also presented quarterly earnings and updated their guiding through 2026. And the market responded with a standing ovation – in the form of a 38 per cent stock price appreciation on the following day.

The stock then continued appreciating, ending the year more than 80 per cent above its October nadir. It's still in the Pareto Global portfolio, as the portfolio managers believe many of the fundamental propositions will indeed play out in the long run. In their opinion, the market just reduced the discount – luckily after they invested in the stock.

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Our Norwegian-registered funds

Of the company's total assets under management, the Norwegian-registered mutual funds account for NOK 19.7 billion, distributed as follows:

- Pareto Aksje Norge, Norwegian equity fund: NOK 11.1 billion
- Pareto Global, global equity fund: NOK 4.8 billion
- Pareto Obligasjon and Pareto Likviditet, Norwegian fixed income funds: NOK 3.8 billion

Pareto Aksje Norge I achieved a return of 11.3 per cent in 2023, compared to 11.2 per cent for the Oslo Børs Mutual Fund Index. Pareto Global I achieved an absolute return of 23.5 per cent. The concentrated return for a few growth stocks in the MSCI World Index made comparison difficult for active global funds, and the fund thus finished well behind the world index's 28.0 per cent measured in Norwegian kroner.

In fixed income, there are two funds registered in Norway, Pareto Obligasjon and Pareto Likviditet, both with investment grade ratings. Of these, only Pareto Obligasjon has a benchmark index. Last year, the fund achieved a return of 6.9 per cent (share class C), compared with 5.0 per cent for the benchmark index. Pareto Likviditet C achieved a return of 5.6 per cent.

Both the Norwegian equity funds and the fixed income funds had positive net subscriptions during the year.

The Board of Directors states that the performance of the Norwegian securities funds in 2023 is in accordance with the funds' risk profiles; the results are within the

range to be expected in a long-term perspective. The Board also wishes to express its satisfaction with the overall return in our mandates.

Discretionary management of Norwegian equities and fixed-income instruments

Discretionary management of Norwegian equities and fixed income instruments for individual customers totalled NOK 9.9 billion, after positive net subscriptions and returns during the year.

Discretionary management of Norwegian equities, which mirrors the portfolio in the fund Pareto Aksje Norge, had a return of 11.1 per cent (for the 0.5 per cent fee level). The benchmark index here is the Oslo Børs Benchmark Index, which ended the year up 9.9 per cent.

Our foreign-registered funds

Inasmuch as many of our Norwegian clients are also invested in our foreign-registered funds, we will provide a brief mention of performance in these funds.

The company managed NOK 47.7 billion* in other funds/ investment companies, of which:

- NOK 8.2 billion* in mutual funds registered in Ireland
- NOK 25.9 billion* in mutual funds registered in Luxembourg
- NOK 13.6 billion* in mutual funds registered in Sweden

Last year, the Irish-registered alternative investment fund Pareto Total achieved its strongest performance in the fund's almost ten-year history: 31.4 per cent for

share class I. The fund is a hedge fund and has no benchmark index.

Of our Luxembourg-registered funds, the equity fund Pareto Nordic Equity achieved a return of 21.4 per cent for share class I, compared with 20.7 per cent for the Nordic benchmark index VINX.

In fixed income, returns were solid this year. Pareto ESG Global Corporate Bond D ended the year with a return of 9.6 per cent, the best year in the fund's history. Pareto Nordic Corporate Bond I reached almost as high, at 9.4 per cent, while Pareto Nordic Cross Credit H returned 7.7 per cent.

Common to the investments in high-yield corporate bonds is that the bonds are largely floating rate notes. This has made it possible to avoid losses due to rising interest rates while benefitting from the new, increased interest rate level.

Our Swedish-registered mutual funds are managed by our subsidiary Pareto Asset Management AB, formerly Enter Fonder AB. The company manages two fixed-income funds and five equity funds. Of these, it is worth highlighting Enter Småbolagsfond, which after three years of solid growth recorded a fall of 43 per cent in 2022. Throughout 2023, the fund recovered some of its losses and ended the year with a return of 13.9 per cent in the share class A. Enter Micro Cap A had the best relative return of the Swedish-registered funds, with 9.5 per cent compared to 4.7 per cent for its benchmark index.

Market summary

At the start of 2023, the market was characterised by

*Avkastningstall er ikke reviderte tall.

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concern. Although the long-predicted recession had yet to materialise, there was worry about inflation, which had soared due to the war in Ukraine and bottlenecks in supply chains. In the US, 12-month inflation had at most exceeded 8.9 per cent, while the US key interest rate had been raised from zero to 4.25 per cent. Europe and the Nordic region gradually followed suit, with a Norwegian key interest rate of 2.75 per cent at the start of 2023.

Through 2022, market rates had also risen sharply. The yield on 10-year US government bonds had risen from 1.51 to 3.88 per cent and reached a new peak in early March 2023 at 4.08 per cent. The price declines were correspondingly sharp. Measured from the beginning of 2022, the S&P U.S. Treasury Bond 10+ Year index was down as much as 25 per cent. The consequence was the collapse of several US regional banks, which had to sell bonds at a loss to finance withdrawals. Shortly thereafter, the turbulence led to the much larger Credit Suisse being unable to survive as an independent bank.

The turmoil in the banking industry subsided, but the market did not become less sensitive to interest rates. The correlation between monthly changes in the US 10-year yield and the S&P 500 was a whopping -0.78 this year, meaning that stocks systematically fell in months when interest rates rose, and vice versa. In 2022, it was -0.53 and in 2021 only -0.18. Even the STOXX Europe 600, logically somewhat more independent of US interest rates, had a similar correlation of -0.63 last year. In a fascinating twist of fate, however, the US 10-year yield ended the year exactly where it started: 3.88%.

Still, the year ended with an increase of 26.3 per cent for the S&P 500, after an exceptionally strong end to the year. The MSCI Nordic countries index ended the year up 18.8 per cent, while the fall in oil prices from USD 86 to 77 per barrel contributed to a more modest increase in the Norwegian benchmark index of 9.9 per cent. We also saw a not insignificant reduction in credit margins for corporate bonds on both sides of the Atlantic, in the order of 1-1.5 percentage points.

The sharp turnaround in sentiment, despite the unchanged level of what is probably the world's most important interest rate, must be seen in the context of expectations of falling interest rates in 2024. In the US, current inflation fell from 6.4 to 3.3 per cent, while the euro area saw a reduction from 9.2 to 2.9 per cent. At one point, the fixed-income market had priced in six quarter points of rate cuts in the US during 2024. At the time of writing, expectations of interest rate cuts have been sharply reduced, but there is little doubt about the direction.

In Norway, the krone was both weak and crucial to the development of interest rates. After a systematic weakening, the effective krone exchange rate had fallen by almost 30 per cent over the past ten years and, even more importantly: Even the real exchange rate, i.e. adjusted for inflation differences at home and abroad, was almost 25 per cent lower.

The positive angle on this is that the competitive sector has significantly strengthened its competitiveness. For unhedged investments in foreign currency, this has also contributed to significantly higher returns and mitigated

declines during stock market downturns.

The negative angle is that it has contributed to keeping current inflation high. When Norges Bank decided to raise its key interest rate to 4.5 per cent at its interest rate meeting in December, the weak krone was an explicit part of the basis for the decision. The market's immediate reaction was to strengthen the krone, but a few weeks after the decision, part of this was reversed. The so-called term spread is still negative in all the markets we follow, meaning that short-term interest rates are higher than long-term rates. This is traditionally considered a classic recession signal, but the frequently signalled recession is still a long time coming. A small exception must be made for Germany, where growth in 2023 appears to have crept below the zero mark. In the US, on the other hand, growth actually picked up in 2023.

In any case, the securities markets in 2023 can be characterised as unusually sensitive to interest rates. For the asset management of Pareto Asset Management, which has a distinctly long-term perspective, much of the interest-rate fluctuations will be perceived as short-term noise. However, they can have a significant impact on our securities markets.

For example, the year saw an unusually strong bifurcation in the stock market. The growth stocks in the MSCI World Index rose by as much as 36.5 per cent, while the related value stocks delivered a much more modest 11.9 per cent. To some extent, this represented a reversal of the previous year's development, but it nevertheless entailed a real headwind for Pareto Asset

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Management's more value-oriented management.

It was also the case that returns were concentrated in a few stocks, exemplified by the stocks labelled "The Magnificent Seven": Alphabet (Google), Amazon, Apple, Meta, Microsoft, Nvidia and Tesla. The concentrated returns meant that an actively managed portfolio without these stocks would struggle to achieve a return in line with the index.

In summary, there is no doubt that 2023 was a good year in the markets where Pareto Asset Management has invested client funds, although not all developments favoured our asset management business.

Outlook

Upon entering 2024, the market is still focussing on the interest rate outlook. But there are no longer questions about how high interest rates can go. The consensus is that policy rate hikes have largely been concluded, so the market has set its sights on future rate cuts. The question everyone seems to be asking is when and how quickly they can be cut. This is a positive starting point for the coming year in our markets.

A relatively rapid, unequivocal decline in interest rates requires greater certainty that inflation is under control. This requires some restraint in wage settlements in several countries, and also that geopolitical events do not disrupt the decline in inflation. Specifically, for example, prolonged disruption of shipping traffic through the Suez Canal could lead to longer shipping routes and associated higher freight costs.

A real point of uncertainty is also the balance between interest rate cuts and economic growth. For the time being, the market seems to be pricing in that the concluded rate increases will only trigger a so-called soft landing, where growth slows without failing completely. On the other hand, the term spread, the difference between the yield on long-term and short-term bonds, is generally negative. This is a classic recession indicator. That, however, does not imply that a recession is a given.

Of course, it needs mentioning that there are two ongoing wars that may have more far-reaching consequences than they have had so far. If, for example, failing support from the West results in Russia regaining more Ukrainian territory, this will create considerable unrest in Europe. And if the war in Gaza were to spread to more players in the region, the oil market in particular could be affected.

However, we have solid experience of the market surviving various crises. Fundamentally, many things look solid. In the latest update from the IMF (from 30 January 2024), growth forecasts for 2024 have been revised upwards, not downwards, for both developed and emerging economies.

At the company level, there are no signs of any real earnings weakness either. The increase in 12 months forward expected earnings ranges from just under 7 per cent for the S&P 500 to well over 9 per cent for Euro STOXX. Adjusted for current inflation, this is a modest

Drab turned out to be the new hit

Pareto Aksje Norge invested in the textile chain Kid Interiør in 2016. The shares were acquired from the holding company of main owner Bjørn Rune Gjelsten, who wanted to improve turnover in the recently listed and quite illiquid share.

Kid seemed like an unexciting investment, with an unprofitable history and products that were unlikely to revolutionise the world. The company was priced at a P/E of around 10, well below more popular consumer goods companies such as XXL and Europris. But it was delivering decent growth and gaining market share, with low fixed costs and a fairly stable gross margin of around 60 per cent. Kid also controlled the entire value chain and brand. Just under three years later, Kid took over the Swedish interior retail chain Hemtex, with more than 140 stores in Sweden, Finland and Estonia. The market was cautiously positive but sent the stock price back down to 2016 levels when the pandemic broke out.

The stock market quickly realised that Kid's products were among the more robust in the new reality. And then things mostly went in the right direction. The company improved Hemtex operations and succeeded in its category development, to growing applause from the stock market. In September 2021, the fund sold a quarter of its holding at around four times the entry price but kept the rest – which had now become a significantly larger holding. At the end of 2023, the original investment had yielded an annual return of close to 30 per cent, or 560 per cent in total, including dividends.

And the other consumer companies?
Don't ask.

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increase, but it is still positive. In this case, the view from above (top down) coincides with the view from below (bottom up).

For Oslo Børs, expected earnings for the next 12 months have been revised downwards by four per cent. This is mainly a consequence of the weak oil price – which, on the other hand, provides support for global growth. Here lies a useful reminder that various market arrows can point in different directions at the same time. If, for example, the stock market performs poorly because interest rates remain higher for longer than most people now expect, our fixed-income funds will benefit from the higher interest rates in the meantime. Similarly, there will also be good opportunities in individual securities regardless of where the general markets go. This will always characterise the outlook for an active manager like Pareto Asset Management.

The Board of Directors of Pareto Asset Management recognises that there is always a significant element of uncertainty in securities management. At the same time, we believe that our portfolios of equities and fixed-income instruments are both well equipped to withstand turbulent markets and well positioned to generate further returns for our clients.

Corporate responsibility and sustainability

Pareto Asset Management has ethical guidelines to ensure that we avoid contributing to human rights abuses, labour rights violations, corruption, environmental damage or other unethical acts. Furthermore, we believe that responsible investments are important for achieving the best possible risk-adjusted return for our

unitholders and customers. Sustainability and sound corporate governance can provide companies with competitive advantages and contribute to long-term value creation.

In practice, this entails, among other things, that we do not invest in companies on the exclusion list of the Norwegian Government Pension Fund Global. In addition, we may exclude companies on our own initiative and engage in dialogue with the companies' management or government bodies if we believe it is necessary to resolve critical issues or change their behaviour.

Pareto Asset Management AS has signed the UN principles for responsible investment (PRI). We are also a member of Norsif, an independent association of asset owners and asset managers, service providers and industry associations with an interest in, and activities related to, responsible and sustainable investments, where the company's chief economist and strategist was a board member from 2018 to 2023.

We continuously follow the European Union's development of the so-called taxonomy (classification of and reporting on sustainable investments) and the implementation of this in Norwegian law. The regulations will specify the expectations for sustainability in all investments. In adapting to the European regulation on sustainability related disclosures in the financial services sector (SFDR), a so-called SFDR Fund Statement has been prepared for each of the funds that we classify as article 8 or article 9 funds.

Pareto ESG Global Corporate Bond is classified as an

article 9 fund. This fund has also received the Nordic Swan Ecolabel. A dedicated ESG analyst monitors the investments in the fund, to ensure that they are in line with the fund's purpose and the Nordic Swan Ecolabel requirements. In 2022, Pareto ESG Global Corporate Bond became the first fixed-income fund to be awarded the new license approval for the Nordic Swan Ecolabel 2.0. In 2023, the fund's ESG analyst was given extended responsibility for the sustainability quality of all the company's mandates, and one of the students who worked with us in the summer was recruited as a new ESG analyst for the fund.

Twice a year Pareto Asset Management AS publishes a separate report on responsible investments. In this report we present our own guidelines as well as our efforts to comply with them, and we highlight investments that have been the object of company discussions on sustainability. We also present our work on engagement and active ownership. The report is available to all our customers and is published on our website, based on the idea that transparency is important for ourselves as well. Similarly, we provide transparency in our PRI reporting through a so-called Transparency Report.

Similarly, the subsidiary Pareto Asset Management AB has long emphasised responsible investments. The fixed income fund Enter Klimatfokus Ränta is classified as article 9. The company produces a sustainability report four times a year. This report deals with their sustainable investment efforts and typically highlights investigations into a couple of companies. The company works systematically on sustainability and integrates such evaluations into all their stock investments. One of

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the employees is dedicated to sustainability work.

Pareto Asset Management AB is a member of Swesif and has signed the UN principles for responsible investment (PRI). This subsidiary also makes its Transparency Report publicly available.

For Pareto Asset Management it is an important point that concentrated, fundamentally oriented securities management provides proximity to the portfolio companies, facilitating responsible investments. The Board of Directors is convinced that active securities management is particularly well suited for working with responsible and sustainable investments.

Risk management in our Norwegian-registered securities funds

To deliver returns in excess of the risk-free interest rate, one must assume some risk. This means that the returns in the individual funds can be both higher and lower than expected; the unitholders may make a loss on their investment. For funds with a benchmark index, there is also a risk that returns may be lower than the returns of the benchmark index. In turn, this entails risk for Pareto Asset Management, placing demands on risk management.

The Board of Directors of Pareto Asset Management has approved the risk profile for each fund we manage. The risk profile for each fund is regulated by its respective prospectus and statutes. The risk classification, as defined in relevant EU regulations, can be found in

the specific pages for each fund in this annual report. The risk indicator is based on weekly fluctuations in the Fund's price over the past five years.

Pareto Asset Management has compliance and risk management functions that control the risk profiles of the funds. These are independent functions that regularly report to management and the board on compliance of the current risk level for each fund to its established risk profile. Regular analyses are made of the correspondence between the funds' risk profiles and actual risk. The company has strengthened its compliance function through several new hires.

Investing in equities is typically characterised by a relatively high risk of fluctuations (volatility). The risk in fixed-income funds will vary, depending on e.g. credit and interest rate risk.

Market risk

Market risk is defined as the risk that the value of a portfolio falls due to changes in financial markets or macroeconomic conditions. Market risk in a portfolio may be absolute (passive) and/or relative (active), provided the portfolio is measured against a benchmark. It may be expressed as risk ex ante (expected) and ex post (realised). Our securities management is governed by the first expression of risk and measured by the second.

Sources of market risk may be changes in e.g. interest rates and exchange rates or general corrections in the

Risk arbitrage

A key part of Pareto Obligasjon's strategy is to exploit differences in credit spreads across sectors and capital structures. If this sounds abstract, an example may illustrate the point. It also shows how active portfolio management is much more than just selecting the right companies.

During the summer of 2023, the fund increased its credit duration in subordinated bonds in banks from 2 to 4. This increased the real exposure to subordinated bonds, as fluctuations in the credit spread would have a greater impact on the portfolio. Subordinated bonds' share of the portfolio, at around 1/3, was not significantly changed.

The rationale was that the yield in these subordinated bonds had increased by about 60 basis points more than senior bonds in the very same banks. The portfolio management team then wanted to reap an excess return without shifting exposure to riskier issuers.

During the fall and towards the end of the year, this difference fell back to previous levels, while the fund again reduced its credit duration. However, absolute priority – the positioning in the capital structure – remained the same throughout.

This created a total excess return for Pareto Obligasjon of roughly 70 basis points, or 0.7 percentage points, in 2023.

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stock market, as well as unique exposure to factors such as oil prices and salmon prices.

Other key risks to which the funds are exposed, and which are not sufficiently taken into account by historical fluctuation risk / market risk, are as follows:

ESG risk

ESG risk is defined as the risk of losses due to changes in ESG factors in the funds' investments and/or changes in the markets' assessment of ESG factors.

Here we define ESG factors as environmental (E), social (S) and governance (G) attributes of the companies in the funds' portfolios. The company has a pronounced ESG profile through its guidelines for responsible investments, with analyses of and reports on ESG factors in the companies in which capital is invested. A further ESG risk may therefore occur if wrongful analyses form the basis of investments and/or are communicated to clients.

As an active manager, we see that ESG risk represents a significant part of the price risk in the securities we manage. We have also been able to see this more specifically in the past, through quantitative studies conducted by summer interns.

Credit risk

The issuer may get into a situation where it cannot meet its payment obligations when the debt matures. Uncertainty about the issuer's solvency may cause temporary

or persistent loss of value in the security. The credit risk in Pareto Likviditet and Pareto Obligasjon is low. Moreover, there will be a counterparty risk in derivatives trading, cf. the section on Financial risk.

Our fixed income management is based on fundamental analysis of the companies we invest in, and the managers spend a lot of time following up existing loans in the portfolio. Good diversification of the portfolios should limit the impact of any credit events that may occur.

Liquidity risk

Insufficient liquidity in a security could make the valuation or sale of such security at a given time difficult.

The company bases its NAV calculations on the daily bond prices set by Nordic Bond Pricing. At times, the price of shares in smaller companies can also be affected by liquidity. This applies to some investments in our Norwegian equity portfolios.

Operational risk

Operational risk is the risk of errors occurring due to inadequate procedures or systems, human error or the fund not being managed in accordance with its investment strategy and risk profile. Pareto Asset Management has developed IT systems and internal procedures to reduce the probability of operational errors, and we focus constantly on quality assurance through communication, training and documentation.

Specific areas of operational risk are the calculation of net asset values, the calculation of performance fees, investment limits, trading errors, information in legal documents, best execution, measures against market abuse and IT risk.

Financial risk

None of our Norwegian-registered stock funds utilise financial leverage. All funds have the opportunity to use financial derivatives.

In 2023, only Pareto Investment Fund (now merged into Pareto Aksje Norge) used derivatives. This was done as currency hedging of a share listed and bought in another currency (USD). The NAV of the fund is calculated in NOK, while the fund's investments can be bought in other currencies.

In order to reduce this type of currency exposure, currency derivatives can be used as part of the risk management in the fund. Currency derivatives can only be used to hedge the fund's investments.

Redemptions

During the period, there have been no extraordinarily large redemptions that have affected the market values and thereby the unit values.

Administration

Our Norwegian-registered mutual funds have no employees of their own. They are managed through contracts with the management company Pareto Asset

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Management, which is also the business manager. DNB Bank ASA is the custodian of all funds. Pareto Asset Management has its head office in Oslo. The business does not materially pollute the external environment.

Going concern

The Board is of the opinion that the accounts for our Norwegian-registered securities funds give a true picture of the mutual funds' assets and liabilities, financial position and results. The funds' statements have been prepared under the going concern assumptions.

Allocation of profits

The Board proposes the allocation of profits from the Norwegian-registered funds as stated in the overview below. The Board believes that the income statements, balance sheets and portfolio reports with accompanying notes offer sufficient information about this year's activities and the mutual funds' positions at year end.

Fund performance 2023

	Return	Net increase
Pareto Aksje Norge A	10.1 %	115 529 838
Pareto Aksje Norge B	9.8 %	484 753 059
Pareto Aksje Norge C	10.4 %	238 747 859
Pareto Aksje Norge D	11.0 %	-9 603 415
Pareto Aksje Norge I	11.3 %	2 370 555 473
Pareto Aksje Norge N	10.6 %	435 382 564
Oslo Børs Fondsindeks	11.2 %	-
Pareto Global A	22.5 %	79 748 849
Pareto Global B	22.1 %	-575 553 357
Pareto Global C	22.6 %	90 224 803
Pareto Global D	23.2 %	45 158 992
Pareto Global I	23.5 %	586 818 240
Pareto Global N	23.1 %	65 823 922
MSCI World NOK	28.0 %	-
Pareto Global B SEK	14.5 %	745 184 934
Pareto Global I SEK	15.8 %	2 458
MSCI World SEK	20.0 %	-
Pareto Obligasjon A	6.7 %	42 403 434
Pareto Obligasjon B	6.8 %	4 182 006
Pareto Obligasjon C	6.9 %	283 212 071
Pareto Obligasjon D	6.9 %	53 919 069
NORM123FRN	5.0 %	-
Pareto Likviditet A	5.4 %	5 548 398
Pareto Likviditet B	5.5 %	-56 466 418
Pareto Likviditet C	5.6 %	766 513 646
Pareto Likviditet D	5.6 %	10 142

Allocation of profit for our Norwegian registered mutual funds

Fund	Profit	Allocation to unitholders	To/from retained earnings	Equity 31.12.23
Pareto Aksje Norge	889 450 852		889 450 852	11 147 791 350
Pareto Global	868 484 642		868 484 642	4 779 126 350
Pareto Obligasjon	89 090 439	65 799 640	23 290 799	1 525 446 9938
Pareto Likviditet	104 630 590	90 513 918	14 116 673	2 238 582 6128

Board of directors Pareto Asset Management AS Oslo, 7 March 2024



Rune Selmar
Chairman



Erik Bartnes
Board member



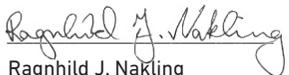
Trine Charlotte Høgås-Ellingsen
Board member



Svein Støle
Board member



Henrik Lindquist
Board member



Ragnhild J. Nakling
Board member
(elected by unitholders)



Karoline Gleditsch
Board member
(elected by unitholders)



Eric von Koss Torkildsen
CEO

Pareto Aksje Norge



The oil service company Subsea 7 has never had a higher order backlog measured in US dollars, which also provides good visibility for the coming years. The company accounted for 4.6% of the portfolio per the end of 2023.

Portfolio manager commentary

The year 2023 ended well for the portfolio, with a solid increase. It is pleasing to note that all four quarters ended in the black, although much of the return came in the first and third quarters. We note that 19 of our 27 investments made a positive contribution to the year's return, while eight companies were negative.

Our financial investments delivered high value creation during the year, which had a positive impact on share prices. Rising key interest rates from Norges Bank throughout the year, together with discipline among Norwegian savings banks, provided a favourable environment for high equity returns. All of our savings banks delivered positive returns in 2023, led by Sparebanken Vest and Sparebank 1 Midt-Norge, with stock market returns of 30 and 17 per cent, respectively.

Several of our consumer companies delivered far stronger results than we could have expected at the start of 2023. Kid in particular surprised on the upside. High sales growth and an increased gross margin resulted in a stock market return of 77 per cent. Not many people expected this at the start of the year. One of our other companies, Orkla, reorganised its business and clarified its direction as a pure consumer investment company. We see signs of im-

provement here, enabling the company to work even more purposefully to increase value creation for us as co-owners. Adjusted for dividends, the Orkla share rose by 16 per cent this year.

SalMar was very active during the year. The company finalised the merger with NTS and NRS and sold the wellboat company Frøy to a US fund. Following this, we took the opportunity to increase our ownership in Norway's (and the world's) best salmon farmer. The share was up just over 50 per cent this year. In contrast, Lerøy Seafood Group had a more difficult time. Biological challenges in West and Central Norway had an impact on earnings and investor confidence. The share price was down around 20 per cent in 2023. We took the opportunity to increase our ownership in Lerøy, a company that we believe is attractively priced with good prospects for operational improvements and associated earnings growth in the coming years.

For our energy investments, there was a positive development for "brown", while "green" had a weaker development. Like other renewable energy companies, Bonheur faced some headwinds with increased interest rates, as their projects have a larger share of debt in their capital structure and lower energy prices than in the record year of 2022.



Several of our consumer companies delivered far stronger results than we could have expected at the start of 2023. Kid in particular surprised on the upside. High sales growth and an increased gross margin resulted in a stock market return of 77 per cent.

Portfolio manager commentary

In the oil and gas sector, the mood is slightly better. Subsea 7 has never had a higher order backlog measured in US dollars, which also provides good visibility for the years to come. The subsea market is tight, and margins will improve significantly. In the seismic industry, TGS is in the final phase of the acquisition of PGS, which will consolidate the subsea seismic market. While Subsea 7 was up as much as 36 per cent, TGS was only up four per cent. Despite generous dividends and buybacks from Equinor, the total return here was three per cent, due to somewhat lower oil and especially gas prices throughout the year.

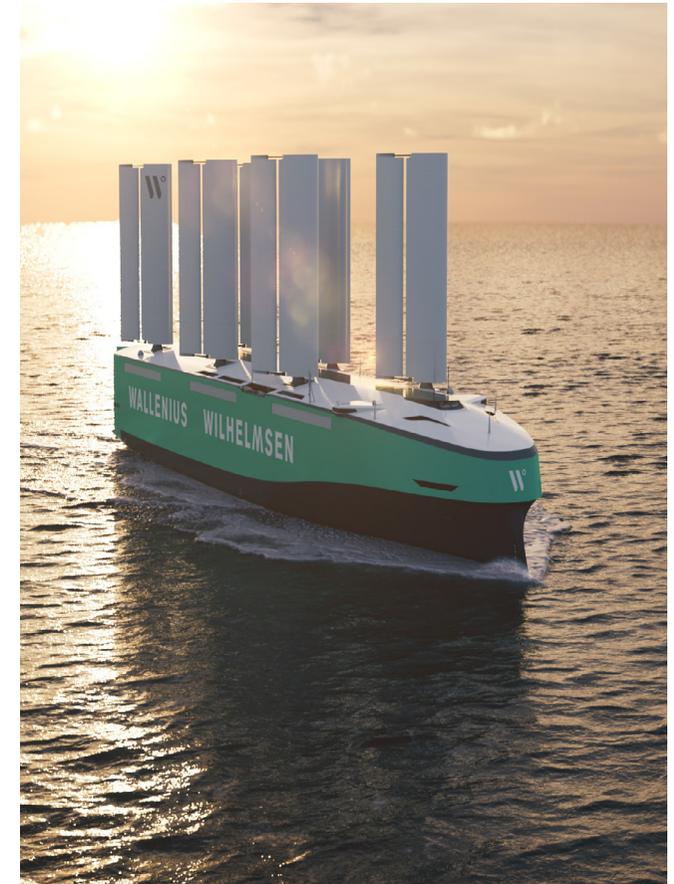
There is wide dispersion within our industrial companies. Veidekke delivered a strong performance despite demanding operating conditions, with an increase of 13 per cent. We believe Veidekke's size, reputation and solid cash position will strengthen the company's position through today's turbulent markets. Borregaard also held up well during the year, but in the last quarter of the year they announced somewhat weaker markets in one of their operating areas, as well as some operational start-up problems. Nevertheless, the share price was up 15 per cent for the year. Industrial powerhouses Hydro, Yara and Elkem had a more challenging 2023 after a record year in 2022.

Both Hydro and Yara handled the headwinds well, ending the year up one per cent and down four per cent, respectively. Elkem was one of our weakest investments, with a decline of 28 per cent. The company has two major factory projects that will come on stream in 2024. This will contribute to an improved cost position and increased earnings.

Our shipping companies are really sailing with the wind! Strong performance, tight market balance and environmental regulations contribute to strong cash flow in both Odjell and Wilh. Wilhelmsen. These companies saw returns of 50 and 38 per cent, respectively.

The portfolio can be purchased at 8.6 times expected 2023 earnings and 7.5 times expected 2024 earnings. Such pricing indicates an earnings yield of just under 12 per cent and just over 13 per cent, respectively. Set against a ten-year government bond yield of just over 3 per cent, the portfolio can be purchased with a significant margin of safety.

Portfolio management team
Einar Løvoll, Besim Zekiri and
Eirik Andresen (analyst)



Wallenius Wilhelmsen believes in sailing ships as a tool towards a greener future and plans to build a ship with six sailing wings where each wing is 50 meters high. The ship will be 220 meters long, 40 meters wide and can load around 7,000 ordinary passenger cars. The sailing ship will be controlled with the help of AI.

Performance history

Typically invest in sectors where Norwegian companies have global competitive advantages. Long term, actively managed, based on fundamental advantages.

Inception date: 06.09.2001

Benchmark: Oslo Børs Mutual Fund Index (OSEFX)

Legal structure: UCITS

Dealing days: all Norwegian banking days except 31.12.



Lower risk
Typically lower rewards

Higher risk
Typically higher rewards

The risk indicator was calculated using historical data and may not be a reliable indication of the future risk profile of the fund.

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the portfolio manager's skill, the fund's risk profile, as well as fees for subscription, management and redemption. Returns may become negative as a result of negative price developments.

Performance by periods

1/2

Name	2023	2022	2021	2020	2019
Pareto Aksje Norge A ¹	10.1 %	1.1 %	25.2 %	1.7 %	12.6 %
Pareto Aksje Norge B ²	9.8 %	1.3 %	26.1 %	1.3 %	13.6 %
Pareto Aksje Norge C ³	10.4 %	1.9 %	27.0 %	2.1 %	14.4 %
Pareto Aksje Norge D ⁴	11.0 %	2.4 %	27.7 %	2.6 %	15.0 %
Pareto Aksje Norge I	11.3 %	2.7 %	28.0 %	2.9 %	15.3 %
Pareto Aksje Norge N ⁵	10.6 %	0.5 %	27.2 %	2.4 %	14.7 %
Oslo Børs Fondsindeks	11.2 %	-7.1 %	21.1 %	7.3 %	19.2 %

Annualised return

Name	Inception	3 years	5 years	10 years	From start
Pareto Aksje Norge A ¹	09.09.2002	11,7 %	9,8 %	8,1 %	10,5 %
Pareto Aksje Norge B ²	31.12.2005	12,0 %	10,1 %	8,1 %	10,6 %
Pareto Aksje Norge C ³	13.07.2015	12,7 %	10,8 %	8,8 %	11,4 %
Pareto Aksje Norge D ⁴	13.07.2015	13,2 %	11,4 %	9,4 %	11,9 %
Pareto Aksje Norge I	06.09.2001	13,5 %	11,6 %	9,6 %	12,2 %
Pareto Aksje Norge N ⁵	21.04.2022	12,2 %	10,7 %	8,9 %	11,0 %
Oslo Børs Fondsindeks		7,8 %	9,9 %	8,7 %	9,1 %

¹Simulated returns from 06.09.2001–09.09.2002 are based on historical returns for unit class I, adjusted for management fees for unit class A. Returns from 09.09.2002–10.07.2015 are achieved in Pareto Aktiv. The fund continues as unit class A in Pareto Aksje Norge.

²Simulated returns from 06.09.2001–31.12.2005 are based on historical returns for unit class I, adjusted for management fees for unit class B. Returns from 31.12.2005–10.07.2015 are achieved in Pareto Verdi. The fund continues as unit class B in Pareto Aksje Norge.

³Simulated returns from 06.09.2001–13.07.2015 are based on historical returns for unit class I, adjusted for management fees for unit class C.

⁴Simulated returns from 06.09.2001–13.07.2015 are based on historical returns for unit class I, adjusted for management fees for unit class D.

⁵Simulated returns from 06.09.2001–13.07.2015 are based on historical returns for unit class I, adjusted for management fees for unit class N.

Performance history

Other information

2/2

Name	Minimum initial subscription amount (NOK)	ISIN	Bloomberg
Pareto Aksje Norge A	500	N00010160575	POAKTNY NO
Pareto Aksje Norge B	500	N00010297898	PRVERDI NO
Pareto Aksje Norge C	20 millioner	N00010740590	PAAKNOC NO
Pareto Aksje Norge D	50 millioner	N00010740608	PAAKNOD NO
Pareto Aksje Norge I	100 millioner	N00010110968	POAKTIV NO
Pareto Aksje Norge N	500	N00012459306	PAAKNON NO

The information on this page is based on unaudited figures.

Pareto Aksje Norge

Income statement	Notes	2023 01.01-31.12	2022 01.01-31.12
Portfolio income and expenses			
Interest received		9 031 519	2 006 049
Dividends		560 410 791	342 620 977
Realised capital gain/loss	2	10 383 803	141 198 762
Net unrealised capital gain/loss	2	383 558 175	-259 674 365
Portfolio profit		963 384 288	226 151 422
Asset management revenue and costs			
Subscription/redemption fees	3	2 912 534	1 694 865
Custodian charges on purchases and sales of securities		-120 590	-75 060
Management fees	4	-76 731 054	-69 214 658
Subscription/redemption fees to the management company	3	0	0
Other income/expenses		5 674	2 135
Asset management revenues		-73 933 435	-67 592 718
Profit before taxation		889 450 852	158 558 704
Income tax	5	0	0
Profit for the financial year		889 450 852	158 558 704
Allocation of profit			
Transferred to/from equity		889 450 852	158 558 704
Total allocations and equity transfers		889 450 852	158 558 704
Balance sheet			
		31.12.2023	31.12.2022
Assets			
Securities at market value	6,7,9	10 956 850 842	7 466 077 598
Cash and cash equivalents		238 315 237	85 849 580
Other assets		16 307 836	0
Total assets		11 211 473 916	7 551 927 178
Equity and liabilities			
Equity			
Unit capital at par value		2 077 691 495	1 333 493 221
Premium		-1 161 790 600	-3 106 693 932
Retained earnings		10 231 890 454	9 285 626 634
Total equity	3,8	11 147 791 350	7 512 425 922
Liabilities			
Accrued management fees		7 769 866	6 733 723
Other liabilities		55 912 700	32 767 533
Total liabilities		63 682 566	39 501 256
TOTAL EQUITY AND LIABILITIES		11 211 473 916	7 551 927 178

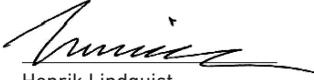
Board of directors Pareto Asset Management AS Oslo, 7 March 2024

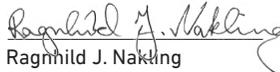

Rune Selmar
Chairman


Erik Bartnes
Board member

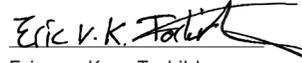

Svein Støle
Board member


Trine Charlotte Høgås-Ellingsen
Board member


Henrik Lindquist
Board member


Ragnhild J. Nakling
Styremedlem
(elected by unitholders)


Karoline Gleditsch
Board member
(elected by unitholders)


Eric von Koss Torkildsen
CEO

Pareto Aksje Norge

Notes 2023

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Norwegian Accounting Act and the regulations relating to Annual financial statements for mutual funds.

Financial instruments

Securities are recognised at fair value (market price) as at 31.12.2023. For securities where no exchange rate information from stock exchanges or any other official sources are available, the valuation will be based on either the last trading price, valuations made by leading brokerage houses, and/or internal valuations. Dividends from shares are recognized as income when the share price is quoted exclusive of dividends. Accrued non-accrued interest income is recognized in the accounts. Assets that are valued at market value are recognized in the accounts on a continuous basis.

Foreign currency

The funds accounting currency is NOK. Investments in foreign currency is converted into NOK at the market exchange rate as at 31.12.2023.

Transaction fees

Transaction fees to the custodian are expended on a monthly basis. Other expences to the custodian is covered by the management company. Management fees are registered at the time of transaction, and will thus be included in the security cost at acquisition, and selling price at realisation.

Tax related issues

Securities funds are exempt from tax on profit and are not entitled to deduct for loss, upon the realization of shares in companies domestically resident within and outside the EEA. Change in unrealised gain/loss for all inventories is not taxable but may be subject to deferred tax calculation. 3% of

the net dividend on shares in companies domiciled within the EEA is taxable. Other income and expenses are respectively taxable and deductible.

A mutual fund has deductibility rights for the portion of the dividend that is taxed as interest income by the unitholders. The distribution will reduce the NAV equivalent to dividend per unit at the day of distribution. For funds that have distributed taxable income per 31.12.2023, this is distributed in the allocation of the profit for the year.

All dividends to unitholders are treated as surplus exposures in accordance with the regulations on financial statements for mutual funds. Dividends are reinvested as new shares in the fund during the fiscal year and are accounted accordingly.

2 BROKERAGE FEES

Brokerage fees are included in the securities cost price. Total fee in 2023 is NOK 3.529.508.

3 ISSUED UNITS

	31.12.2023	31.12.2022	31.12.2021
Unit class A	103 856.37	101 819.84	109 426.41
Net asset value	10 118.54	9 186.28	9 082.24
Redemption price	10 067.95	9 140.35	9 036.83
Unit class B	438 479.09	321 270.69	215 028.73
Net asset value	3 320.49	3 023.03	2 983.80
Redemption price	3 303.88	3 007.91	2 968.88
Unit class C	325 988.83	246 115.09	211 613.24
Net asset value	2 314.77	2 095.94	2 056.12
Redemption price	2 303.20	2 085.46	2 045.84

	31.12.2023	31.12.2022	31.12.2021
Unit class D	187 820.02	212 876.90	276 239.42
Net asset value	2 414.17	2 175.12	2 123.14
Redemption price	2 402.10	2 164.25	2 112.52
Unit class I	529 913.00	388 221.67	363 007.04
Net asset value	13 097.11	11 771.04	11 460.97
Redemption price	13 031.62	11 712.18	11 403.67
Unit class N	491 634.20	63 189.04	0
Net asset value	1 001.97	905.58	0
Redemption price	996.96	901.05	0

Net asset value (NAV) is the market value per unit after deductions of the fund's costs.

NAV at subscription is NAV including a maximum subscription fee of 1.0 per cent. NAV at redemption is NAV less a maximum redemption fee of 0.5 per cent. A maximum of 0.2 per cent in subscription/redemption fees accrues to the fund.

4 MANAGEMENT FEES

The fund is charged a daily management fee per annum of the total portfolio. Rates apply per unit class.

- Pareto Aksje Norge A: 1.50% per annum + performance fee
- Pareto Aksje Norge N: 0.95% per annum + performance fee

Performance fee is calculated daily as 15.00 per cent of the relative value development in the unit class compared to the benchmark index, Oslo Stock Exchange Mutual Fund Index, (OSEFX). Performance fee is payable (crystallized) annually per 31 December. The performance fee in a given year is payable only if the accumulated relative value development

Pareto Aksje Norge

in the unit class compared to the benchmark index from the previous payment of performance fee, up to and including the given year, is greater than zero. Any underperformance of the unit class compared to the benchmark index is clawed back before any performance fee becomes payable. Underperformance in a given year that is not recovered within five years (the reference period) can be reset. Thus, the total management fee for a given year will never be lower than the fixed management fee.

- Pareto Aksje Norge B: 1.80% per annum
- Pareto Aksje Norge C: 1.25% per annum
- Pareto Aksje Norge D: 0.75% per annum
- Pareto Aksje Norge I: 0.50% per annum

5 TAX	2023
Profit before taxation	889 450 852
Permanent differences	
Realised capital gains	-10 265 699
Unrealised capital gains (change)	-383 558 175
Custodian charges equity fund	120 590
Dividends within EEA (gross)	-560 410 791
3% of dividends within EEA (net)	16 812 324
Withholding tax outside the EEA	0
Total taxable income	-47 850 898
Use of losses carried forward	0
Tax base	0
Assessed tax in Norway	0

Specification of tax expense	
Income tax Norway	0
Withholding tax within the EEA	0
Withholding tax outside the EEA	0
Total recognised tax expense	0

6 FINANCIAL MARKET RISK AND USE OF DERIVATIVES

Verdipapirfond Investments in Norwegian companies are exposed to stock price and liquidity risk. Investments in foreign companies are exposed to stock price, currency and liquidity risk. Investments in fixed income instruments are exposed to interest rate, credit and liquidity risk. If an interestbearing paper is issued in foreign currency, then the fund is also exposed to currency risk, although hedging can be undertaken to reduce this risk. Bank deposits in foreign currency are also exposed to currency and credit risk.

Pareto Aksje Norge has not used any derivatives in 2023.

7 TURNOVER RATIO

The portfolio's turnover ratio is 0.05.

The turnover rate is a measure of the average duration of the fund's investments.

The turnover rate is calculated by dividing the lesser of total purchases or total sales of securities in the portfolio during the year by the average total net assets during the year. The formula is an approximation to calculating the fund's turnover rate.

8 EQUITY

	2023
Equity 1.1.	7 512 425 922
+ subscription/redemption	2 745 914 576
+ profit for the financial year	889 450 852
Equity 31.12.	11 147 791 350

9 SECURITIES PORTFOLIO AS AT 31.12.2023

See next page.

Pareto Aksje Norge

Securities portfolio as at 31 December 2023

Securities	ISIN	Listing	No. of shares	Cost price NOK	Market value NOK	Unrealised gain/loss	Share in % of portfolio	Share in % of company	Currency
COMMON STOCK									
Energy									
Bonheur ASA	N00003110603	Oslo	659 887	114 736 006	159 692 654	44 956 648	1.4	1.6	NOK
Equinor ASA	N00010096985	Oslo	2 604 332	633 700 389	838 985 554	205 285 164	7.5	0.1	NOK
Subsea 7 SA	LU00075646355	Oslo	3 470 046	340 175 100	514 260 817	174 085 718	4.6	1.1	NOK
TGS ASA	N00003078800	Oslo	5 276 895	801 488 851	697 605 519	- 103 883 332	6.3	4.0	NOK
Total energy				1 890 100 346	2 210 544 544	320 444 198	19.8		
Financials									
SpareBank 1 Nord-Norge	N00006000801	Oslo	4 995 989	331 654 334	515 586 065	183 931 731	4.6	5.0	NOK
SpareBank 1 SMN	N00006390301	Oslo	3 881 618	373 229 129	550 413 432	177 184 303	4.9	2.7	NOK
SpareBank 1 SR-Bank ASA	N00010631567	Oslo	3 966 295	335 079 337	511 255 426	176 176 089	4.6	1.5	NOK
Sparebanken Møre	N00012483207	Oslo	1 901 676	106 874 943	159 740 784	52 865 841	1.4	3.8	NOK
Sparebanken Vest	N00006000900	Oslo	2 505 247	181 781 948	274 074 022	92 292 074	2.5	2.3	NOK
Storebrand ASA	N00003053605	Oslo	4 896 571	360 829 875	440 887 253	80 057 378	4.0	1.1	NOK
Total financials				1 689 449 566	2 451 956 982	762 507 416	22.0		

Pareto Aksje Norge

Securities	ISIN	Listing	No. of shares	Cost price NOK	Market value NOK	Unrealised gain/loss	Share in % of portfolio	Share in % of company	Currency
Industrials									
AKVA Group ASA	N00003097503	Oslo	1 906 777	126 623 251	110 593 066	- 16 030 185	1.0	5.2	NOK
Elopak ASA	N00011002586	Oslo	6 493 703	171 309 758	195 135 775	23 826 017	1.8	2.4	NOK
Multiconsult ASA	N00010734338	Oslo	878 276	135 788 741	108 906 224	- 26 882 517	1.0	3.2	NOK
Odfjell SE ser. A	N00003399909	Oslo	2 907 955	179 309 189	338 776 758	159 467 569	3.0	4.8	NOK
Odfjell SE ser. B	N00003399917	Oslo	1 276 076	73 691 054	148 662 854	74 971 800	1.3	6.6	NOK
Veidekke ASA	N00005806802	Oslo	4 639 227	488 962 429	474 128 999	- 14 833 429	4.3	3.4	NOK
Wallenius Wilhelmsen ASA	N00010571680	Oslo	1 898 481	93 546 982	168 964 809	75 417 827	1.5	0.4	NOK
Wilh. Wilhelmsen Holding ASA ser. A	N00010571698	Oslo	1 502 898	284 537 729	547 806 321	263 268 592	4.9	4.4	NOK
Wilh. Wilhelmsen Holding ASA ser. B	N00010576010	Oslo	725 980	117 624 887	256 270 940	138 646 053	2.3	6.9	NOK
Total industrials				1 671 394 020	2 349 245 746	677 851 727	21.1		
Consumer staples									
Arctic Fish Holding AS	N00010917719	Oslo	104 328	6 422 270	6 624 828	202 558	0.1	0.3	NOK
Austevoll Seafood ASA	N00010073489	Oslo	3 730 805	281 234 659	276 639 191	- 4 595 468	2.5	1.8	NOK
GFjord Invest AS	N00010827934	Oslo	257 000	23 570 741	51 400	- 23 519 341	0.0	0.2	NOK
Ice Fish Farm AS	N00010884794	Oslo	550 447	18 243 417	12 880 460	- 5 362 957	0.1	0.5	NOK
Icelandic Salmon AS	N00010724701	Oslo	74 372	5 266 687	10 783 940	5 517 253	0.1	0.2	NOK

Pareto Aksje Norge

Securities	ISIN	Listing	No. of shares	Cost price NOK	Market value NOK	Unrealised gain/loss	Share in % of portfolio	Share in % of company	Currency
Lerøy Seafood Group ASA	N00003096208	Oslo	12 325 309	478 886 236	515 690 929	36 804 693	4.6	2.1	NOK
Orkla ASA	N00003733800	Oslo	3 902 097	277 676 602	307 641 327	29 964 725	2.8	0.4	NOK
SalMar ASA	N00010310956	Oslo	921 500	365 444 204	524 517 800	159 073 596	4.7	0.7	NOK
Total consumer staples				<u>1 456 744 816</u>	<u>1 654 829 875</u>	<u>198 085 059</u>	<u>14.8</u>		
Consumer discretionary									
Kid ASA	N00010743545	Oslo	3 064 059	161 600 580	359 107 715	197 507 134	3.2	7.5	NOK
Lumi Gruppen AS	N00010927288	Oslo Mercur	3 772 937	149 412 429	52 632 471	- 96 779 958	0.5	6.8	NOK
Total consumer discretionary				<u>311 013 009</u>	<u>411 740 186</u>	<u>100 727 176</u>	<u>3.7</u>		
Materials									
Borregaard ASA	N00010657505	Oslo	2 379 371	265 536 422	407 824 189	142 287 767	3.7	2.4	NOK
Elkem ASA	N00010816093	Oslo	15 315 726	361 510 591	324 080 762	- 37 429 829	2.9	2.4	NOK
Norsk Hydro ASA	N00005052605	Oslo	5 910 260	290 139 135	404 261 784	114 122 649	3.6	0.3	NOK
Yara International ASA	N00010208051	Oslo	2 055 279	726 902 726	742 366 775	15 464 049	6.7	0.8	NOK
Total materials				<u>1 644 088 874</u>	<u>1 878 533 510</u>	<u>234 444 636</u>	<u>16.9</u>		
TOTAL COMMON STOCK				<u>8 662 790 631</u>	<u>10 956 850 843</u>	<u>2 294 060 212</u>	<u>98.3</u>		

Pareto Aksje Norge

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Pareto Aksje Norge Legal entity identifier: 254900EDSTO5D115YN84

Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

It made sustainable investments with an environmental objective: ___%

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It made sustainable investments with a social objective: ___%

It promoted **E/S characteristics, but did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promotes environmental and social characteristics by making responsible investments according to Pareto Asset Management's guidelines for responsible investments. When making such investments, the Fund promotes environmental and social standards by:

- Exclusions: excluding investments contributing to violation of human rights, labor rights, corruption, environmental damage and other unethical actions according to the Norwegian Government Pension Fund Global's exclusion list and Pareto Asset Management's guidelines for responsible investments' exclusion list.
- Corporate governance safeguards: see to that companies have features as described in Pareto Asset Management's guidelines for responsible investments.
- International principles: complying with UN's Principles for Responsible Investments

All investments made by the Fund during the reference period, excluding investments as referred to in "2 Other", are made in accordance with the above-mentioned criteria.

- **How did the sustainability indicators perform?**

The Fund applies the principal adverse impact indicators as its sustainability indicators. As of 31 December 2023, the principal adverse impact indicators performed as followed:





Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

- GHG Emissions Scope 1 Value: 122274, Coverage: 92 %
- GHG Emissions Scope 2 Value: 16529, Coverage: 97 %
- GHG Emissions Scope 3 Value: 397668, Coverage: 93 %
- GHG Emissions Total Scope12 Value: 138802, Coverage: 92 %
- GHG Emissions Total Scope123 Value: 536470, Coverage: 92 %
- Carbon Footprint Scope12 Value: 617, Coverage: 97 %
- Carbon Footprint Scope123 Value: 160, Coverage: 97 %
- GHG Intensity Of Investee Companies Scope12 Value: 862, Coverage: 97 %
- GHG Intensity Of Investee Companies Scope123 Value: 158, Coverage: 97 %
- Exposure To Companies Active In The Fossil Fuel Sector Value: 0, Coverage: 98 %
- Share Energy Consumption From Non-Renewable Sources Value: 2, Coverage: 66 %
- Share Energy Production From Non-Renewable Sources Value: 2, Coverage: 48 %
- Activities Negatively Affecting Biodiversity-sensitive Areas Value: 0.127, Coverage: 98 %
- Water Emissions Value: 0,027, Coverage: 17 %
- Hazardous Waste Ratio Value: 2,309, Coverage: 48 %
- Share Of Companies Involved In Violation Of UN Global Compact Principles And OECD Guidelines For Multinational Enterprises Value: 0, Coverage: 97 %
- Share Of Companies Without Policies To Monitor Compliance With UNGCP And OECD Guidelines For Multinational Enterprises Value: 0,354, Coverage: 98 %
- Energy Consumption per high impact climate sector: 0,33, Coverage: 48 %
- Unadjusted Gender Pay Gap Value: 64,758, Coverage: 72 %
- Board Gender Diversity Value: 0,418, Coverage: 97 %
- Share Of Investments Involved In Controversial Weapons Value: 0, Coverage: 98 %
- Carbon Target Value: 37, Coverage: 100 %
- Whistleblower Protection Value: 82, Coverage: 97 %

• **...and compared to previous periods?**

No previous periodic report according to "Template periodic disclosures for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 has been provided.

• **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.

Principal adverse impacts

are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- **How did the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.

- **How were the indicators for adverse impacts on sustainability factors been taken into account?**

N/A

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

N/A

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered the principal adverse impact in its investment strategy where such information was available.



What were the top investments of this financial product?

The sectors are based on BICS (bloomberg classification).

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 31 December 2023

Largest investments

	Sector	% Assets	Country
Equinor ASA	Energy	7,52 %	NO
Yara International ASA	Materials	6,66 %	BR
TGS ASA	Energy	6,25 %	NO
SpareBank 1 SMN	Financials	4,93 %	NO
With. Wilhelmsen Holding ASA ser. A	Industrials	4,91 %	NO
SalMar ASA	Consumer Staples	4,70 %	NO
Lerøy Seafood Group ASA	Consumer Staples	4,62 %	NO
SpareBank 1 Nord-Norge	Financials	4,62 %	NO
Subsea 7 SA	Energy	4,61 %	GB
SpareBank 1 SR-Bank ASA	Financials	4,58 %	NO
Veidekke ASA	Industrials	4,25 %	NO
Storebrand ASA	Financials	3,95 %	NO
Borregaard ASA	Materials	3,66 %	NO
Norsk Hydro ASA	Materials	3,62 %	NO
Kid ASA	Consumer Discretionary	3,22 %	NO



What was the proportion of sustainability-related investments?

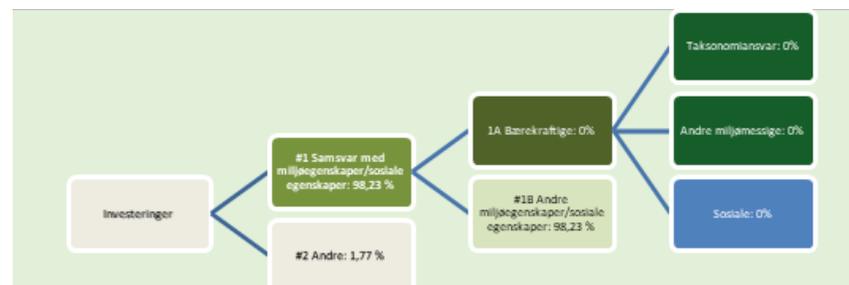
- **What was the asset allocation?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852", the Fund did not commit to making sustainable investments. The Fund did however promote E and S characteristics by making investments aligned with Pareto Asset Management guidelines for responsible investments. The Fund's net asset value is used as denominator for calculating the Fund's asset allocation.

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product. #2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



- **In which economic sectors were the investments made?**

The sectors are based on BICS (bloomberg classification).

Sectors	Proportion
Consumer Discretionary	3,69 %
Consumer Staples	15,83 %
Energy	18,39 %
Financials	21,98 %
Industrials	19,75 %
Materials	18,59 %
Sub-sectors	Proportion
Banking	18,03 %
Consumer Discretionary Services	0,47 %
Consumer Staple Products	15,83 %
Industrial Services	19,75 %
Insurance	3,95 %
Materials	18,59 %
Oil & gas	18,39 %
Retail & Whsle – Discretionary	3,22 %

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies

- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Adjustment activities are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?



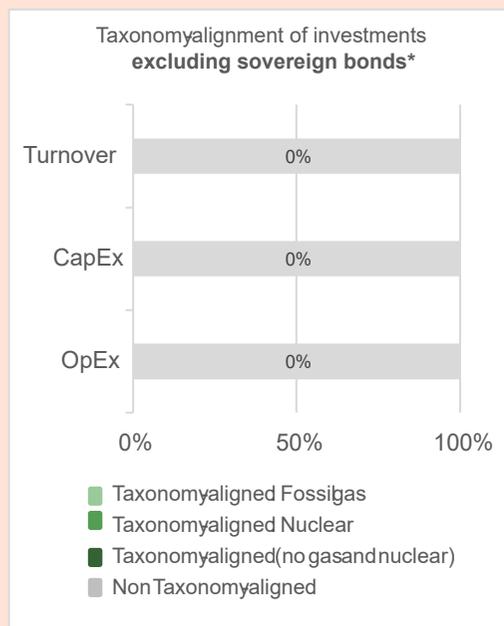
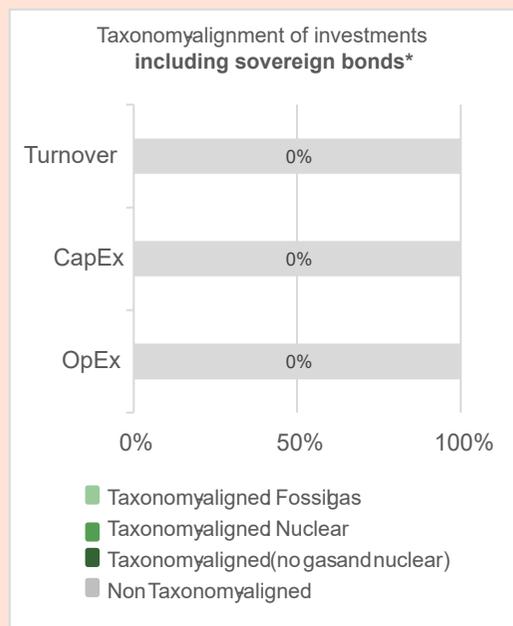
As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

- Yes:
- In fossil gas In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*I disse diagrammene omfatter «statsobligasjoner» alle eksponeringer mot stater.

- **What was the share of investments in transitional and enabling activities?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy. Consequently, there was no share of investments in transitional and / or enabling activities.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

No previous periodic report according to "Template periodic disclosures for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 has been provided.



- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.



- **What was the share of socially sustainable investments?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.



- **What investments are included under "Other", what was their purpose and were there any minimum environmental or social safeguards?**

The Fund's investments under "2 Other" include the use of cash and derivatives. Cash has been held as ancillary liquidity or for risk purposes. In the event of use of derivatives such instruments have been used for the purpose as described in the "Objective and investment strategy" section in the Fund's prospectus.

No minimum environmental or social safeguards were taken into account for the investments included under "Other".



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To meet the environmental and social characteristics during the reference period, the Fund has taken the following actions:

- Exclusions: excluding investments contributing to violation of human rights, labor rights, corruption, environmental damage and other unethical actions according to the Norwegian Government Pension Fund Global's exclusion list and Pareto Asset Management's guidelines for responsible investments' exclusion list.
- Corporate governance safeguards: see to that companies have features as described in Pareto Asset Management's guidelines for responsible investments.
- International principles: complying with UN's Principles for Responsible Investments
- Engagement: During the reference period the fund managers have not observed that any of the portfolio companies have violated the policy of responsible investments. The fund managers have attended numerous presentations and had meetings with each of the companies. In several of these interactions the fund managers have expressed their opinion about what they see as a desired direction for operations and capital allocation. In terms of governance level, the fund managers have met both board directors, CEOs and business area managers.

To ensure that investments comply with the Norwegian Government Pension Fund Global's exclusion list during the holding period, the Head of Risk maintains an exclusion and observation list that is cross-checked against the exclusions list on a monthly basis. In addition, the Head of Risk receives news from NBIM via email alerts and will get a notification if a new company were to be excluded.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" no specific index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

How does the reference benchmark differ from a broad market index?

N/A

- How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

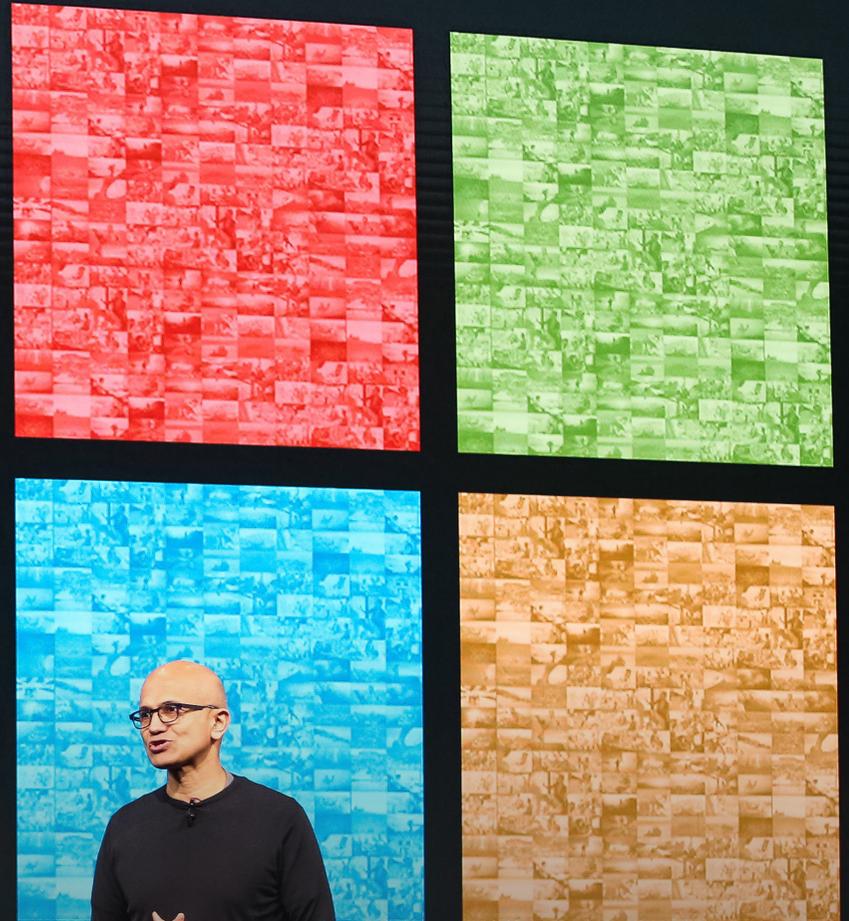
- How did this financial product perform compared with the reference benchmark?

N/A

- How did this financial product perform compared with the broad market index?

N/A

Pareto Global



The magnificent seven

The entire stock market rise in the USA through 2023 can be attributed to The Magnificent Seven, which consists of the technology companies Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla. The stock market value of these companies now makes up a third of the market value of the S&P 500, after an increase of around 100 per cent. At the end of 2023, Microsoft accounted for 8.1% of Pareto Global's portfolio.

Portfolio manager commentary

As in previous years, 2023 turned out very different from consensus expectations at the beginning of the year. It seemed a foregone conclusion that the US would enter into recession. However, the US economy remained strong, even with ever higher interest rates. The Federal Reserve managed the feat of bringing down inflation without the economy falling into recession. In technical terms, this is a soft landing.

At the end of 2022, China surprised everyone by lifting Covid restrictions, and the Chinese economy was thus expected to pick up. However, major challenges in the property sector and a cold economic war with the US meant that the upturn did not materialise. President Xi has attacked anyone in the private sector who has amassed too much power. Foreign direct investment turned negative in 2023, which has not been the case for decades.

As expected, the war between Russia and Ukraine continued. What was perhaps less expected, was that the war no longer had a significant impact on energy prices.

It was assumed that the higher interest rates would give value-orientated investors a better deal. This did not materialise. The entire stock market appreciation in the US can be attributed to The Magnificent

Seven, consisting of technology companies Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla. The market capitalisation of these companies now accounts for a third of the S&P 500 total market cap, after a rise of around 100 per cent. The launch of ChatGPT at the end of 2022 kick-started investor appetite for generative artificial intelligence. Expectations of a rate cut in 2024 contributed to a strong end to the year.

The above examples show how difficult it is to manage a fund based on macro-level assumptions. In Pareto Global, we stick to following companies that have proven over time that they are able to create value for shareholders, and then we wait patiently for a good buying opportunity. The good buys are often made when companies face temporary challenges that cause other shareholders to fold their cards. In such cases, it is important to know the companies well enough to be able to see clearly through long-term glasses.

Not surprisingly, our IT companies Microsoft, Adobe, Alphabet and SAP contributed most to the return in 2023, as well as fashion company Inditex. On the other side, Kering, AMG, Centene, Fortrea and FIS were the biggest detractors.



Inditex is the largest "fast fashion" group in the world. The group operates over 7,200 stores in 93 markets worldwide and owns clothing brands such as Zara, Massimo Dutti, Bershka and Pull&Bear.

Portfolio manager commentary

A striking observation is that the portfolio companies with the lowest earnings multiples were actually the ones with the weakest returns during the year. Health insurance is one example, where the share prices of both Elevance Health and Centene fell. Elevance Health increased earnings per share by 14 per cent in 2023, and growth is expected to continue in double digits for many years to come. The valuation is a modest 13 times current year earnings. Centene delivered the same growth in 2023, and expectations for the future are similar. The valuation here is even lower, at 11 times the current year's earnings.

We used the year to make the portfolio companies' earnings capacity more robust by selling LabCorp, Ralph Lauren, Essity, AMG, Polaris, FIS, EssilorLuxottica, Fortrea, BASF and Goldman Sachs in favour of McCormick, ResMed, Sika, Assa Abloy and Adyen. Market expectations of company earnings have risen, which makes it important to be invested in companies that will not disappoint. For the portfolio as a whole, earnings per share are expected to increase by 10 per cent in 2024. With a valuation in line with the broad market, this bodes well for returns in the coming year.

Portfolio management team
Andreas Sørbye and Andreas Kamvissis



Dutch-based Adyen was founded in 2006. The existing payment technology then consisted of a patchwork of systems built on an outdated infrastructure. Adyen aimed to develop a common financial technology platform that could address the needs of both small and global businesses. The stock ended the year more than 80 percent above the bottom level from October and is still part of the Pareto Global portfolio.

Performance history

Global, well-run companies in developed markets. Actively managed, seeks solid companies with strong earnings power.

Inception date: 12.08.2005

Benchmark: MSCI World (NOK)

Legal structure: UCITS

Dealing days: Norwegian banking days except 31.12 and days when local markets are closed



Lower risk

Typically lower rewards

Higher risk

Typically higher rewards

The risk indicator was calculated using historical data and may not be a reliable indication of the future risk profile of the fund.

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the portfolio manager's skill, the fund's risk profile, as well as fees for subscription, management and redemption. Returns may become negative as a result of negative price developments.

Performance by periods

1/2

Name	2023	2022	2021	2020	2019
Pareto Global A	22.5 %	-4.6 %	25.7 %	8.0 %	29.9 %
Pareto Global B ¹	22.1 %	-4.3 %	27.1 %	9.4 %	31.2 %
Pareto Global C ²	22.6 %	-4.0 %	27.6 %	9.7 %	31.7 %
Pareto Global D	23.2 %	-3.5 %	28.2 %	10.3 %	32.4 %
Pareto Global I ³	23.5 %	-3.3 %	28.5 %	10.6 %	32.7 %
Pareto Global N ⁴	23.1 %	-4.6 %	28.1 %	10.2 %	32.2 %
MSCI World (NOK)	28.0 %	-8.5 %	25.4 %	12.9 %	29.6 %
Pareto Global B SEK ⁵	14.5 %	-11.5 %	38.0 %	-0.5 %	37.7 %
Pareto Global I SEK ⁶	15.8 %	-12.5 %	36.6 %	-1.6 %	36.2 %
MSCI World (SEK)	20.0 %	-5.8 %	34.3 %	1.6 %	34.8 %

Annualised return

Name	Inception	3 years	5 years	10 years	From start
Pareto Global A	12.08.2005	13,7 %	15,6 %	11,1 %	9,6 %
Pareto Global B ¹	01.11.2012	14,1 %	16,3 %	11,6 %	10,1 %
Pareto Global C ²	01.11.2012	14,5 %	16,8 %	12,0 %	10,6 %
Pareto Global D	22.11.2006	15,1 %	17,3 %	12,5 %	11,1 %
Pareto Global I ³	13.07.2015	15,3 %	17,6 %	12,8 %	11,4 %
Pareto Global N ⁴	21.04.2022	14,6 %	17,0 %	12,3 %	10,8 %
MSCI World (NOK)		13,6 %	16,5 %	14,4 %	10,7 %
Pareto Global B SEK ⁵	21.04.2022	15,4 %	15,6 %	10,8 %	8,9 %
Pareto Global I SEK ⁶	21.04.2022	16,7 %	16,9 %	12,1 %	10,1 %
MSCI World (SEK)		15,0 %	15,8 %	13,6 %	9,5 %

¹Simulated returns from 31.12.2007–01.11.2012 are based on historical returns for unit class D (inception date 22.11.2006), adjusted for management fees for unit class B.

²Simulated returns from 31.12.2007–01.11.2012 are based on historical returns for unit class D (inception date 22.11.2006), adjusted for management fees for unit class C.

³Simulated returns from 31.12.2007–01.11.2012 are based on historical returns for unit class D (inception date 22.11.2006), adjusted for management fees for unit class I.

⁴Simulated returns from 31.12.2007–01.11.2012 are based on historical returns for unit class D (inception date 22.11.2006), adjusted for management fees for unit class N.

⁵Simulated returns from 31.12.2007–21.02.2022 are based on historical returns for unit class B (NOK), adjusted for differences in denomination currency between the two share classes.

⁶Simulated returns from 31.12.2007–21.02.2022 are based on historical returns for unit class I (NOK), adjusted for differences in denomination currency between the two share classes.

*From start with current portfolio manager 01.01.2008.

Performance history

Other information

2/2

Name	Minimum initial subscription amount (NOK)	ISIN	Bloomberg
Pareto Global A	500	N00010279979	PAAKTGL NO
Pareto Global B	500	N00010660434	PAAKTGB NO
Pareto Global C	20 million	N00010660459	PAAKTGC NO
Pareto Global D	50 million	N00010342892	PARAKSJ NO
Pareto Global I	100 million	N00010740624	PAAKTGI NO
Pareto Global N	500	N00012459330	PAAKTGN NO
Pareto Global B SEK	500	N00012459314	PAAKTBS NO
Pareto Global I SEK	100 million	N00012459322	PAAKTIS NO

The information on this page is based on unaudited figures.

Pareto Global

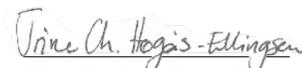
Income statement	Notes	2023 01.01-31.12	2022 01.01-31.12
Portfolio income and expenses			
Interest received		7 109 666	1 514 128
Dividends		62 439 691	51 034 964
Realised capital gain/loss	2	530 160 507	162 739 942
Net unrealised capital gain/loss	2	321 479 585	-313 257 024
Portfolio profit		921 189 449	-97 967 990
Asset management revenue and costs			
Subscription/redemption fees	3	312 624	501 852
Custodian charges on purchases and sales of securities		-52 198	-55 750
Management fees	4	-44 882 076	-40 097 816
Subscription/redemption fees to the management company	3	0	0
Other income/expenses		917	-205 002
Asset management revenues		-44 620 732	-39 856 716
Profit before taxation		876 568 716	-137 824 706
Income tax	5	-8 084 074	-4 609 406
Profit for the financial year		868 484 642	-142 434 113
Allocation of profit			
Transferred to/from equity		868 484 642	-142 434 113
Total allocations and equity transfers		868 484 642	-142 434 113
Balance sheet			
		31.12.2023	31.12.2022
Assets			
Securities at market value	6,7,9	4 334 709 371	3 668 108 457
Accrued dividend		1 039 320	686 440
Cash and cash equivalents		447 492 047	80 232 129
Other assets		0	0
Total assets		4 783 240 738	3 749 027 026
Equity and liabilities			
Equity			
Unit capital at par value		1 921 527 868	1 386 915 208
Premium		-3 096 456 512	-2 730 749 664
Retained earnings		5 954 054 994	5 085 570 352
Total equity	3,8	4 779 126 350	3 741 735 896
Liabilities			
Accrued management fees		4 113 588	7 288 430
Other liabilities		800	2 700
Total liabilities		4 114 388	7 291 130
TOTAL EQUITY AND LIABILITIES		4 783 240 738	3 749 027 026

Board of directors Pareto Asset Management AS Oslo, 7 March 2024

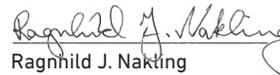

Rune Selmar
Chairman

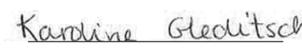

Erik Bartnes
Board member

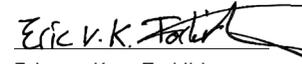

Svein Støle
Board member


Trine Charlotte Høgås-Ellingsen
Board member


Henrik Lindquist
Board member


Ragnhild J. Nakling
Board member
(elected by unitholders)


Karoline Gleditsch
Board member
(elected by unitholders)


Eric von Koss Torkildsen
CEO

Pareto Global

Notes

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Norwegian Accounting Act and the regulations relating to Annual financial statements for mutual funds.

Financial instruments

Securities are recognised at fair value (market price) as at 31.12.2023. For securities where no exchange rate information from stock exchanges or any other official sources are available, the valuation will be based on either the last trading price, valuations made by leading brokerage houses, and/or internal valuations. Dividends from shares are recognized as income when the share price is quoted exclusive of dividends. Accrued non-accrued interest income is recognized in the accounts. Assets that are valued at market value are recognized in the accounts on a continuous basis.

Foreign currency

The funds accounting currency is NOK. Investments in foreign currency is converted into NOK at the market exchange rate as at 31.12.2023.

Transaction fees

Transaction fees to the custodian are expended on a monthly basis. Other expences to the custodian is covered by the management company. Management fees are registered at the time of transaction, and will thus be included in the security cost at acquisition, and selling price at realisation.

Tax related issues

Securities funds are exempt from tax on profit and are not

entitled to deduct for loss, upon the realization of shares in companies domestically resident within and outside the EEA. Change in unrealised gain/loss for all inventories is not taxable but may be subject to deferred tax calculation. 3 % of the net dividend on shares in companies domiciled within the EEA is taxable. Other income and expenses are respectively taxable and deductible.

A mutual fund has deductibility rights for the portion of the dividend that is taxed as interest income by the unitholders. The distribution will reduce the NAV equivalent to dividend per unit at the day of distribution. For funds that have distributed taxable income per 31.12.2023, this is distributed in the allocation of the profit for the year.

All dividends to unitholders are treated as surplus exposures in accordance with the regulations on financial statements for mutual funds. Dividends are reinvested as new shares in the fund during the fiscal year and are accounted accordingly.

2 BROKERAGE FEES

Brokerage fees are included in the securities cost price. Total fee in 2023 is NOK 707.782.

3 ISSUED UNITS

	31.12.2023	31.12.2022	31.12.2021
Unit class A	104 240.50	106 856.27	109 860.84
Net asset value	4 686.50	3 825.46	4 009.67
Redemption price	4 663.07	3 806.33	3 989.62
Unit class B	180 152.66	393 691.72	377 110.37
Net asset value	4 048.45	3 314.50	3 465.13
Redemption price	4 028.20	3 297.93	3 447.81

	31.12.2023	31.12.2022	31.12.2021
Unit class B SEK	622 061.07	10.59	0.00
Net asset value	1 188.44	1 037.67	0.00
Redemption price	1 182.50	1 032.48	0.00

Unit class C	91 049.35	85 593.56	88 633.60
Net asset value	4 252.98	3 469.96	3 615.05
Redemption price	4 231.72	3 452.61	3 596.97

Unit class D	64 858.29	67 571.06	40 239.02
Net asset value	4 515.61	3 666.00	3 800.31
Redemption price	4 493.03	3 647.67	3 781.31

Unit class I	828 648.94	733 172.85	729 938.39
Net asset value	2 498.21	2 023.16	2 092.06
Redemption price	2 485.72	2 013.04	2 081.60

Unit class I SEK	10.59	10.59	0.00
Net asset value	1 210.63	1 045.56	0.00
Redemption price	1 204.57	1 040.33	0.00

Unit class N	51 103.88	10.00	0.00
Net asset value	1 288.25	1 046.90	0.00
Redemption price	1 281.81	1 041.67	0.00

Net asset value (NAV) is the market value per unit after deductions of the fund's costs.

Pareto Global

4 MANAGEMENT FEES

The fund is charged a daily management fee per annum of the total portfolio. Rates apply per unit class.

- Pareto Global A: 1.30% per annum + performance fee
- Pareto Global N: 0.85% per annum + performance fee

Performance fee is calculated daily as 15.00 per cent of excess return of the value development in the unit class compared to the benchmark index, Morgan Stanley Capital International (MSCI) Daily Total Return Net World USD Index, measured in NOK. Performance fee is calculated daily and payable (crystallized) annually per 31 December. The performance fee in a given year is payable only if the accumulated relative value development in the unit class compared to the benchmark index from the previous payment of performance fee, up to and including the given year, is greater than zero. Any underperformance of the unit class compared to the benchmark index is clawed back before any performance fee becomes payable. Underperformance in a given year that is not recovered within five years (the reference period) can be reset. Thus, the total management fee for a given year will never be lower than the fixed management fee.

- Pareto Global B: 1.60% per annum
- Pareto Global B SEK: 1.60% per annum
- Pareto Global C: 1.25% per annum
- Pareto Global D: 0.75% per annum
- Pareto Global I: 0.50% per annum
- Pareto Global I SEK: 0.50% per annum
- Pareto Global I SEK: 0,50 % pr. år

5 TAX

	2023
Profit before taxation	876 568 716
Realised capital gains	-518 504 247
Unrealised capital gains (change)	-321 479 585
Custodian charges equity fund	52 198
Other non-deductible expenses	0
Dividends within EEA (gross)	-24 210 118
3% of dividends within EEA (net)	726 304
Total taxable income	13 153 268
Use of losses carried forward	-13 153 268
Tax base	0
Calculated payable tax	0
Credit deduction withholding tax outside EEA	-6 161 413
Assessed tax in Norway	0
Specification of tax expense	
Income tax Norway	0
Withholding tax within the EEA	1 922 661
Withholding tax outside the EEA	6 161 413
Total recognised tax expense	8 084 074

6 FINANCIAL MARKET RISK AND USE OF DERIVATIVES

Investments in Norwegian companies are exposed to stock price and liquidity risk. Investments in foreign companies are exposed to stock price, currency and liquidity risk. Investments in fixed income instruments are exposed to interest rate, credit and liquidity risk. If an interestbearing paper is issued in foreign currency, then the fund is also exposed to currency risk, although hedging can be undertaken to reduce this risk. Bank deposits in foreign currency are also exposed to currency and credit risk.

Pareto Global has not used any derivatives in 2023.

7 TURNOVER RATIO

The portfolio's turnover ratio is 0.50.

The turnover rate is a measure of the average duration of the fund's investments.

The turnover rate is calculated by dividing the lesser of total purchases or total sales of securities in the portfolio during the year by the average total net assets during the year. The formula is an approximation to calculating the fund's turnover rate.

8 EQUITY

	2023
Equity 1.1	3 741 735 896
+ subscription/redemption	168 905 812
+ profit for the financial year	868 484 642
Equity 31.12	4 779 126 350

9 SECURITIES PORTFOLIO AS AT 31.12.2023

See next page.

Pareto Global

Securities portfolio as at 31 December 2023

Securities	ISIN	Listing	No. of shares	Cost price NOK	Market value NOK	Unrealised gain/loss	Share in % of portfolio	Share in % of company	Currency
COMMON STOCKS									
Communication services									
Alphabet Inc ser. C	US02079K1079	New York Nasdaq GS	124 840	81 902 086	178 658 758	96 756 671	3.7	0	USD
Total communication services				81 902 086	178 658 758	96 756 671	3.7		
Finance									
Adyen NV	NL0012969182	Amsterdam	4 653	40 238 356	60 884 205	20 645 850	1.3	0	EUR
Discover Financial Services Inc	US2547091080	New York	168 950	155 594 245	192 837 550	37 243 305	4.0	0.1	USD
Prudential Plc	GB0007099541	London	1 178 528	151 716 569	135 351 631	- 16 364 938	2.8	0	GBP
Visa Inc	US92826C8394	New York	89 500	186 433 374	236 617 965	50 184 590	4.9	0	USD
Total finance				533 982 544	625 691 351	91 708 807	13.1		
Health care services									
Boston Scientific Corp	US1011371077	New York	382 050	129 805 701	224 279 857	94 474 156	4.7	0	USD
Centene Corp	US15135B1017	New York	262 775	144 480 891	198 022 060	53 541 169	4.1	0	USD
Elevance Health Inc	US0367521038	New York	42 517	130 696 575	203 594 794	72 898 220	4.3	0	USD
ResMed Inc.	US7611521078	New York Nasdaq GS	116 544	195 146 724	203 580 399	8 433 675	4.3	0.1	USD
Total health care services				600 129 891	829 477 110	229 347 220	17.4		

Pareto Global

Securities	ISIN	Listing	No. of shares	Cost price NOK	Market value NOK	Unrealised gain/loss	Share in % of portfolio	Share in % of company	Currency
Industrials									
AFRY AB ser. B	SE0005999836	Stockholm	1 530 979	218 613 189	215 588 788	- 3 024 401	4.5	1.4	SEK
Assa Abloy AB ser. B	SE0007100581	Stockholm	564 300	140 584 667	165 126 820	24 542 153	3.5	0.1	SEK
Otis Worldwide Corp	US68902V1070	New York	201 650	146 914 372	183 207 294	36 292 922	3.8	0	USD
Total industrials				<u>506 112 228</u>	<u>563 922 902</u>	<u>57 810 674</u>	<u>11.8</u>		
Information technology									
Adobe Systems Inc	US00724F1012	New York Nasdaq GS	35 207	142 574 207	213 294 358	70 720 150	4.5	0	USD
Keysight Technologies Inc	US49338L1035	New York	114 818	144 983 668	185 489 768	40 506 100	3.9	0.1	USD
Microsoft Corp	US5949181045	New York Nasdaq GS	101 884	83 764 281	389 051 531	305 287 250	8.1	0	USD
Oracle Corp	US68389X1054	New York	188 405	204 671 721	201 708 281	- 2 963 440	4.2	0	USD
SAP SE	DE0007164600	Xetra	115 190	105 513 420	180 208 941	74 695 521	3.8	0	EUR
Total information technology				<u>681 507 297</u>	<u>1 169 752 879</u>	<u>488 245 581</u>	<u>24.5</u>		
Consumer staples									
McCormick & Company Inc	US5797802064	New York	286 691	211 434 969	199 188 484	- 12 246 485	4.2	0.1	USD
Nestlé SA	CH0038863350	Zürich	77 900	92 456 177	91 662 042	- 794 136	1.9	0	CHF
Total consumer staples				<u>303 891 146</u>	<u>290 850 526</u>	<u>- 13 040 621</u>	<u>6.1</u>		

Pareto Global

Securities	ISIN	Listing	No. of shares	Cost price NOK	Market value NOK	Unrealised gain/loss ¹	Share in % of portfolio	Share in % of company	Currency
Consumer discretionary									
Compass Group plc	GB00BD6K4575	London	661 029	135 814 902	183 633 658	47 818 756	3.8		0 GBP
Industria de Diseno Textil SA	ES0148396007	London	441 452	125 366 067	195 235 992	69 869 924	3.2		0 EUR
Kering SA	FR0000121485	Euronext	30 277	161 437 082	135 498 770	- 25 938 312	2.8		0 EUR
Total consumer discretionary				<u>422 618 051</u>	<u>514 368 420</u>	<u>91 750 368</u>	<u>10.8</u>		
Materials									
Sika AG	CH0418792922	Zürich	49 046	141 695 178	161 987 425	20 292 247	3.4		0 CHF
Total materials				<u>141 695 178</u>	<u>161 987 425</u>	<u>20 292 247</u>	<u>3.4</u>		
TOTAL COMMON STOCKS				<u>3 271 838 421</u>	<u>4 334 709 371</u>	<u>1 062 870 947</u>	<u>90.7</u>		

Pareto Global

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Pareto Global

Legal entity identifier: 2549005JWSZMTED9ST68

Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

It made sustainable investments with an environmental objective: ___%

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made sustainable investments with a social objective: ___%

It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promotes environmental and social characteristics by making responsible investments according to Pareto Asset Management's guidelines for responsible investments. When making such investments, the Fund promotes environmental and social standards by:

- Exclusions: excluding investments contributing to violation of human rights, labor rights, corruption, environmental damage and other unethical actions according to the Norwegian Government Pension Fund Global's exclusion list and Pareto Asset Management's guidelines for responsible investments' exclusion list.
- Corporate governance safeguards: see to that companies have features as described in Pareto Asset Management's guidelines for responsible investments.
- International principles: complying with UN's Principles for Responsible Investments

All investments made by the Fund during the reference period, excluding investments as referred to in "2 Other", are made in accordance with the above-mentioned criteria.

- **How did the sustainability indicators perform?**

The Fund applies the principal adverse impact indicators as its sustainability indicators. As of 31 December 2023, the principal adverse impact indicators performed as followed:





Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- GHG Emissions Scope 1 Value: 394, Coverage: 84%
- GHG Emissions Scope 2 Value: 775, Coverage: 84%
- GHG Emissions Scope 3 Value: 17139, Coverage: 65%
- GHG Emissions Total_Scope12 Value: 1169, Coverage: 84%
- GHG Emissions Total Scope123 Value: 18307, Coverage: 65%
- Carbon Footprint Scope12 Value: 3, Coverage: 80%
- Carbon Footprint Scope123 Value: 47, Coverage: 80%
- GHG Intensity Of Investee Companies Scope12 Value: 14, Coverage: 84%
- GHG Intensity Of Investee Companies Scope123 Value: 180, Coverage: 84%
- Exposure To Companies Active In The Fossil Fuel Sector Value: 0, Coverage: 6%
- Share Energy Consumption From Non-Renewable Sources Value: 1, Coverage: 42%
- Share Energy Production From Non-Renewable Sources Value: 0, Coverage: 41%
- Activities Negatively Affecting Biodiversity-sensitive Areas Value: 0.077, Coverage: 14%
- Water Emissions Value: 0, Coverage: 4%
- Hazardous Waste Ratio Value: 0.078, Coverage: 41%
- Share Of Companies Involved In Violation Of UN Global Compact Principles And OECD Guidelines For Multinational Enterprises Value: 0, Coverage: 86%
- Share Of Companies Without Policies To Monitor Compliance With UNGCP And OECD Guidelines For Multinational Enterprises Value: 0.520, Coverage: 47%
- Energy Consumption per high impact climate sector: 0, Coverage: 4%
- Unadjusted Gender Pay Gap Value: 2.397, Coverage: 11%
- Board Gender Diversity Value: 0.029, Coverage: 6%
- Share Of Investments Involved In Controversial Weapons Value: 0, Coverage: 6%
- Carbon Target Value: 65, Coverage: 100%
- Whistleblower Protection value: 86, Coverage: 86%

- **...and compared to previous periods?**

No previous periodic report according to "Template periodic disclosures for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 has been provided.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- **How did the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.

- **How were the indicators for adverse impacts on sustainability factors been taken into account?**

N/A

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

N/A

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered the principal adverse impact in its investment strategy where such information was available.



What were the top investments of this financial product?

The sectors are based on BICS (bloomberg classification).

Største investeringer	Sektor	% eiendeler	Land
Microsoft Corp	Technology	8,14 %	US
Visa Inc	Technology	4,95 %	US
Boston Scientific Corp	Health Care	4,69 %	US
AFRY AB ser. B	Industrials	4,51 %	SE
Adobe Systems Inc	Technology	4,46 %	US
Elevance Health Inc	Health Care	4,26 %	US
ResMed Inc.	Health Care	4,26 %	US
Oracle Corp	Technology	4,22 %	US
McCormick & Company Inc	Consumer Staples	4,17 %	US
Centene Corp	Health Care	4,14 %	US
Industria de Diseno Textil SA	Consumer Discretionary	4,08 %	ES
Discover Financial Services Inc	Financials	4,03 %	US
Keysight Technologies Inc	Industrials	3,88 %	US
Compass Group plc	Industrials	3,84 %	GB
Otis Worldwide Corp	Industrials	3,83 %	US

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 31 December 2023



What was the proportion of sustainability-related investments?

- What was the asset allocation?**

Asset allocation describes the share of investments in specific assets.

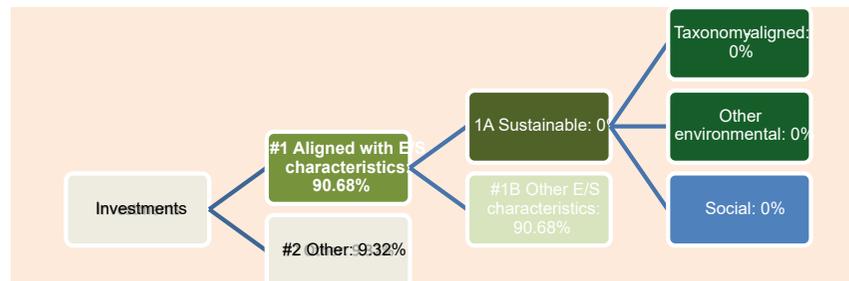
As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852", the Fund did not commit to making sustainable investments. The Fund did however promote E and S characteristics by making investments aligned with Pareto Asset Management guidelines for responsible investments. The Fund's net asset value is used as denominator for calculating the Fund's asset allocation.

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned** with E/S characteristics covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



- In which economic sectors were the investments made?**

The sectors and sub-sectors are based on BICS (bloomberg classification).

Sectors	Proportion
Communications	3,74 %
Consumer Discretionary	6,92 %
Consumer Staples	6,08 %
Financials	6,87 %
Health Care	17,35 %
Industrials	19,52 %
Materials	3,39 %
Technology	26,81 %
Sub-sectors	Proportion
Consumer Discretionary Products	2,83 %
Consumer Staple Products	6,08 %
Financial Services	4,03 %
Health Care	17,35 %
Industrial Products	11,17 %
Industrial Services	8,35 %
Insurance	2,83 %
Materials	3,39 %
Media	3,74 %
Retail & Whsle – Discretionary	4,08 %
Software & Tech Services	26,81 %

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?



As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

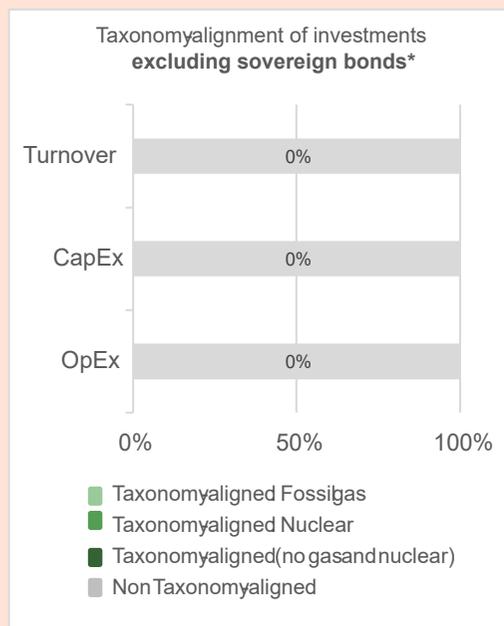
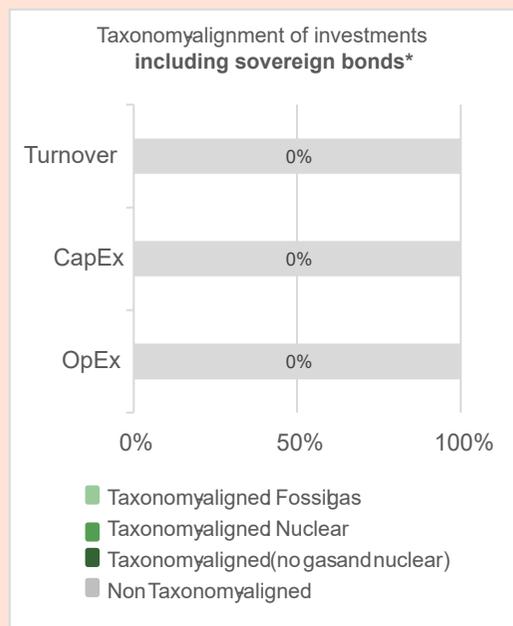
Yes:

In fossil gas

In nuclear energy

No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*I disse diagrammene omfatter «statsobligasjoner» alle eksponeringer mot stater.

- **What was the share of investments in transitional and enabling activities?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy. Consequently, there was no share of investments in transitional and / or enabling activities.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

No previous periodic report according to "Template periodic disclosures for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 has been provided.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.



- **What was the share of socially sustainable investments?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.



- **What investments are included under "Other", what was their purpose and were there any minimum environmental or social safeguards?**

The Fund's investments under "2 Other" include the use of cash and derivatives. Cash has been held as ancillary liquidity or for risk purposes. In the event of use of derivatives such instruments have been used for the purpose as described in the "Objective and investment strategy" section in the Fund's prospectus.

No minimum environmental or social safeguards were taken into account for the investments included under "Other".



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To meet the environmental and social characteristics during the reference period, the Fund has taken the following actions:

- Exclusions: excluding investments contributing to violation of human rights, labor rights, corruption, environmental damage and other unethical actions according to the Norwegian Government Pension Fund Global's exclusion list and Pareto Asset Management's guidelines for responsible investments' exclusion list.
- Corporate governance safeguards: see to that companies have features as described in Pareto Asset Management's guidelines for responsible investments.
- International principles: complying with UN's Principles for Responsible Investments
- Engagement: During the reference period the fund managers have not observed that any of the portfolio companies have violated the policy of responsible investments. The fund managers have attended numerous presentations and had meetings with each of the companies. In several of these interactions the fund managers have expressed their opinion about what they see as a desired direction for operations and capital allocation. In terms of governance level, the fund managers have met both board directors, CEOs and business area managers.

To ensure that investments comply with the Norwegian Government Pension Fund Global's exclusion list during the holding period, the Head of Risk maintains an exclusion and observation list that is cross-checked against the exclusions list on a monthly basis. In addition, the Head of Risk receives news from NBIM via email alerts and will get a notification if a new company were to be excluded.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" no specific index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

- How does the reference benchmark differ from a broad market index?

N/A

- How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

- How did this financial product perform compared with the reference benchmark?

N/A

- How did this financial product perform compared with the broad market index?

N/A

Pareto Obligasjon



The banking sector proved to be resilient when one of the world's largest banks, Credit Suisse, collapsed without taking the world economy down with it. Well helped by the authorities, mind you. Nevertheless, it lowers the probability that a major collapse will stem from a systematic banking failure.

Performance history

Legal structure: UCITS

Dealing days: all Norwegian banking days except 31.12.

Pareto Obligasjon

The fund invests in interest-bearing securities with good credit quality (investment grade) denominated in Norwegian kroner.

Benchmark: NBP Norwegian RM1-RM3 Floating Rate Index (NOK)

Other relevant information: The fund invests in issuers with good credit quality (investment grade). Investments in interest-bearing securities where the issuer is considered to have a lower credit quality than the investment grade after the investment date may represent a maximum of 10 per cent of the fund's total assets.



Lower risk

Typically lower rewards

Higher risk

Typically higher rewards

The risk indicator was calculated using historical data and may not be a reliable indication of the future risk profile of the fund.

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the portfolio manager's skill, the fund's risk profile, as well as fees for subscription, management and redemption. Returns may become negative as a result of negative price developments.

Performance by periods

Name	2023	2022	2021	2020	2019
Pareto Obligasjon A	6.7 %	1.1 %	0.9 %	3.3 %	0.3 %
Pareto Obligasjon B	6.8 %	1.2 %	1.0 %	3.4 %	0.3 %
Pareto Obligasjon C	6.9 %	1.3 %	1.1 %	2.6 %	
Pareto Obligasjon D ¹	6.9 %	1.3 %	1.1 %	2.6 %	
NORM123FRN ²	5.0 %	1.4 %	0.8 %	1.4 %	2.3 %

Annualised return

Name	Inception	3 years	5 years	10 years	From start
Pareto Obligasjon A	11.11.2019	2.9 %			3.0 %
Pareto Obligasjon B	11.11.2019	3.0 %			3.1 %
Pareto Obligasjon C	25.02.2020	3.1 %			3.1 %
Pareto Obligasjon D ¹	18.10.2023	3.1 %			3.1 %
NORM123FRN ²		2.4 %			2.1 %

Other information

Name	Minimum initial subscription amount (NOK)	ISIN	Bloomberg
Pareto Obligasjon A	500	N00010025190	POOBLII NO
Pareto Obligasjon B	10 million	N00010864069	PAOBLIB NO
Pareto Obligasjon C	50 million	N00010864077	PAOBLIC NO
Pareto Obligasjon D	500	N00010864085	PAOBLID NO

¹ Simulated returns from 11.11.2019–18.10.2023 are based on historical returns for unit class A (inception date 27.09.1999), adjusted for management fees for unit class D.

²NBP Norwegian RM1-RM3 Floating Rate Index (NOK)

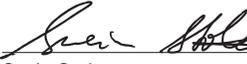
Pareto Obligasjon

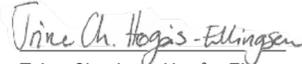
Income statement	Notes	2023 01.01-31.12	2022 01.01-31.12
Portfolio income and expenses			
Interest received		73 078 077	28 131 572
Realised capital gain/loss	2	-4 832 046	-1 966 941
Net unrealised capital gain/loss	2	23 291 078	-10 040 995
Portfolio profit		91 537 109	16 123 637
Asset management revenue and costs			
Custodian charges on purchases and sales of securities		-9 060	-7 545
Management fees	3	-2 437 609	-1 877 906
Other income/expenses		-1	-1
Asset management revenues		-2 446 670	-1 885 452
Profit before taxation		89 090 439	14 238 185
Income tax	4	0	0
Profit for the financial year		89 090 439	14 238 185
Allocation of profit			
Net distributed to unitholders during the year		65 799 640	24 279 424
Allocated for distribution to unitholders		0	0
Transferred to/from equity		23 290 799	-10 041 238
Total allocations and equity transfers		89 090 439	14 238 185
Balance sheet			
		31.12.2023	31.12.2022
Assets			
Securities at market value	5,6,9	1 486 087 484	1 099 695 416
Accrued interests	9	11 120 503	6 500 850
Cash and cash equivalents		28 476 057	35 713 248
Total assets		1 525 684 044	1 141 909 513
Equity and liabilities			
Equity			
Unit capital at par value		1 506 486 561	1 145 724 156
Premium		6 744 968	7 081 537
Retained earnings		12 215 465	-11 075 334
Total equity	7,8	1 525 446 993	1 141 730 358
Liabilities			
Accrued management fees		236 391	178 735
Other liabilities		660	420
Total liabilities		237 051	179 155
Total equity and liabilities		1 525 684 044	1 141 909 513

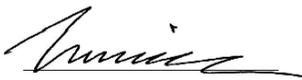
Board of directors Pareto Asset Management AS Oslo, 7 March 2024

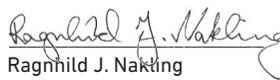

Rune Selmar
Chairman


Erik Bartnes
Board member


Svein Støle
Board member


Trine Charlotte Høgås-Ellingsen
Board member


Henrik Lindquist
Board member


Ragnhild J. Nakting
Board member
(elected by unitholders)


Karoline Gleditsch
Board member
(elected by unitholders)


Eric von Koss Torkildsen
CEO

Pareto Obligasjon

Notes

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Norwegian Accounting Act and the regulations relating to Annual financial statements for mutual funds.

Financial instruments

Securities are recognised at fair value (market price) as at 31.12.2023. For securities where no exchange rate information from stock exchanges or any other official sources are available, the valuation will be based on either the last trading price, valuations made by leading brokerage houses, and/or internal valuations. Dividends from shares are recognized as income when the share price is quoted exclusive of dividends. Accrued non-accrued interest income is recognized in the accounts. Assets that are valued at market value are recognized in the accounts on a continuous basis.

Foreign currency

The funds accounting currency is NOK. Investments in foreign currency is converted into NOK at the market exchange rate as at 31.12.2023.

Transaction fees

Transaction fees to the custodian are expended on a monthly basis. Other expences to the custodian is covered by the management company. Management fees are registered at the time of transaction, and will thus be included in the security cost at acquisition, and selling price at realisation.

Tax related issues

Securities funds are exempt from tax on profit and are not entitled to deduct for loss, upon the realization of shares

in companies domestically resident within and outside the EEA. Change in unrealised gain/loss for all inventories is not taxable but may be subject to deferred tax calculation. 3% of the net dividend on shares in companies domiciled within the EEA is taxable. Other income and expenses are respectively taxable and deductible.

A mutual fund has deductibility rights for the portion of the dividend that is taxed as interest income by the unitholders. The distribution will reduce the NAV equivalent to dividend per unit at the day of distribution. For funds that have distributed taxable income per 31.12.2023, this is distributed in the allocation of the profit for the year.

All dividends to unitholders are treated as surplus exposures in accordance with the regulations on financial statements for mutual funds. Dividends are reinvested as new shares in the fund during the fiscal year and are accounted accordingly.

2 BROKERAGE FEES

Brokerage fees are included in the securities cost price. Total fee in 2022 is NOK 0.

3 MANAGEMENT FEES

The fund is charged a daily management fee per annum of the total portfolio. Rates apply per unit class.

- Pareto Obligasjon A: 0.35% per annum
- Pareto Obligasjon B: 0.25% per annum
- Pareto Obligasjon C: 0.15% per annum
- Pareto Obligasjon D: 0.15% per annum

4 TAX

	2023
Profit before taxation	89 090 439
Permanent differences	
Distribution to unitholders	-65 799 640
Realised capital gains	0
Unrealised capital gains (change)	-23 291 078
Dividends within EEA (gross)	0
3% of dividends within EEA (net)	0
Withholding tax outside the EEA	0
Total taxable income	-279
Use of losses carried forward	0
Tax base	0
Assessed tax in Norway	0

Specification of tax expense

Income tax Norway	0
Withholding tax within the EEA	0
Withholding tax outside the EEA	0
Total recognised tax expense	0

Pareto Obligasjon

5 FINANCIAL MARKET RISK AND USE OF DERIVATIVES

Investments in Norwegian companies are exposed to stock price and liquidity risk. Investments in foreign companies are exposed to stock price, currency and liquidity risk. Investments in fixed income instruments are exposed to interest rate, credit and liquidity risk. If an interestbearing paper is issued in foreign currency, then the fund is also exposed to currency risk, although hedging can be undertaken to reduce this risk. Bank deposits in foreign currency are also exposed to currency and credit risk.

Pareto Obligasjon has not used any derivatives in 2023.

6 TURNOVER RATIO

The portfolio's turnover ratio is 0.76.

The turnover rate is a measure of the average duration of the fund's investments.

The turnover rate is calculated by dividing the lesser of total purchases or total sales of securities in the portfolio during the year by the average total net assets during the year. The formula is an approximation to calculating the fund's turnover rate.

7 EQUITY

	2023
Equity 1.1	1 141 730 358
+ subscription/redemption	294 626 196
- distribution to unitholders	-65 799 640
- allocated for distribution	0
+ reinvested in the fund	65 799 640
+ profit for the financial year	89 090 439
Equity 31.12	1 525 446 993

8 ISSUED UNITS

	31.12.2023	31.12.2022	31.12.2021
Unit class A	117 101.13	77 025.60	95 524.20
Net asset value	1 026.48	1 010.03	1 023.87
Redemption price	1 026.48	1 010.03	1 023.87
Unit class B	292 519.55	293 403.00	262 070.49
Net asset value	1 018.96	1 001.64	1 014.34
Redemption price	1 018.96	1 001.64	1 014.34
Unit class C	1 041 367.36	775 295.52	530 701.09
Net asset value	1 011.42	993.23	1 004.82
Redemption price	1 011.42	993.23	1 004.82
Unit class D	55 498.53	0	0
Net asset value	971.54	0	0
Redemption price	971.54	0	0

Net asset value (NAV) is the market value per unit after deductions of the fund's costs.

Subscription and redemption of units is made at net asset value. No transaction fees are charged when redeeming units.

9 SECURITIES PORTFOLIO AS AT 31.12.2022

See next page.

Pareto Obligasjon

Securities portfolio as at 31 December 2023

Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest. adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Financials													
Agder Spb 22/27 FRN	N00012757717	Nordic ABM	2027-03-18	6.24	2023-03-20	25000000	25 000 000	5.52	25 479 452	418 785	1.7	NOK	20
Arion Banki hf 19/29 FRN NOK C SUB	XS2025568846	Luxembourg	2029-07-09	8.40	2023-01-09	5000000	5 050 000	7.46	5 108 084	- 39 917	0.3	NOK	100
Arion Banki hf 22/25 FRNOK	XS2521227459	Luxembourg	2025-08-18	7.11	2024-02-19	10000000	9 917 600	7.2	10 085 805	85 255	0.7	NOK	20
Bien Spb ASA 23/28 FRN	N00012934647	Nordic ABM	2028-06-06	6.12	2024-03-06	25000000	25 000 000	5.47	25 420 685	310 185	1.7	NOK	20
BN Bank ASA 19/29 FRN C SUB	N00010871445	Nordic ABM	2029-12-18	6.12	2023-03-20	16000000	16 204 800	5.6	15 998 555	- 244 325	1.1	NOK	100
BN Bank ASA 23/34 FRN C SUB	N00013100594	Nordic ABM	2034-03-19	6.68	2024-03-19	15000000	15 000 000	5.41	15 038 144	1 960	1.0	NOK	100
Brage Finans AS 19/29 FRN C SUB	N00010851736	Nordic ABM	2029-05-16	7.03	2023-02-16	10000000	10 161 000	6.38	10 084 440	- 166 388	0.7	NOK	100
Brage Finans AS 22/32 FRN C SUB	N00012473430	Nordic ABM	2032-06-17	7.15	2024-03-18	7000000	6 737 500	6.31	6 841 593	84 629	0.5	NOK	100
Brage Finans AS 23/28 FRN	N00012842451	Nordic ABM	2028-02-21	6.66	2024-02-21	25000000	25 000 000	6.26	25 207 493	17 868	1.7	NOK	20
Danske Bank A/S 20/26 FRN C	N00010875016	Dublin	2026-02-13	5.79	2023-02-13	16000000	16 230 080	5.84	16 113 407	- 242 766	1.1	NOK	20
Danske Bank A/S 23/29 FRN C	N00013066324	Dublin	2029-11-13	6.42	2024-02-13	16000000	16 000 000	5.59	16 308 269	168 456	1.1	NOK	20
DNB Bank ASA 20/30 FRN C SUB	N00010883341	Oslo	2030-05-28	7.05	2024-02-28	20000000	20 133 000	6.04	20 339 607	73 440	1.3	NOK	100
DNB Bank ASA 22/32 FRN C SUB	N00011203374	Oslo	2032-04-19	5.73	2023-01-19	26000000	25 450 000	5.21	25 859 382	103 146	1.7	NOK	100
Drangedal Spb 23/34 FRN SUB	N00013104539	Nordic ABM	2034-03-22	7.42	2024-03-22	12000000	12 000 000	5.87	12 061 187	36 454	0.8	NOK	100
Eidsberg Spb 23/33 FRN C SUB	N00012834342	Nordic ABM	2033-05-09	7.30	2024-02-08	10000000	10 000 000	5.79	10 208 567	99 067	0.7	NOK	100
Eika Boligkredit AS 21/31 FRN STEP C SUB	N00010917735	Nordic ABM	2031-01-20	5.72	2024-01-22	10000000	9 725 000	5.39	9 939 097	98 108	0.6	NOK	100
Eika Boligkredditt AS 23/28 FRN	N00013013979	Nordic ABM	2028-09-12	5.86	2024-03-12	25000000	25 000 000	5.31	25 291 809	210 420	1.7	NOK	20

Pareto Obligasjon

Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest. adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Eika Gruppen AS 23/34 FRN C SUB	N00013048769	Nordic ABM	2034-01-19	8.18	2024-01-19	19000000	19 000 000	6.19	19 745 800	426 326	1.3	NOK	100
Flekkefjord Spb 22/26 FRN	N00012612235	Nordic ABM	2026-08-05	5.77	2023-02-06	16000000	16 000 000	5.41	16 257 402	113 794	1.1	NOK	20
Flekkefjord Spb 23/33 FRN C SUB	N00012917592	Nordic ABM	2033-05-16	7.68	2024-02-16	22000000	22 000 000	5.84	22 823 168	607 275	1.5	NOK	100
Gjensidige Forsikrin ASA 23/53 FRN C SUB	N00013024000	Oslo	2053-12-29	6.96	2024-03-27	8000000	8 000 000	3.88	8 160 249	155 609	0.5	NOK	100
Haugesund Spb 19/29 FRN C SUB	N00010850084	Nordic ABM	2029-04-23	6.39	2024-01-23	21000000	21 087 060	5.88	21 282 629	- 65 356	1.4	NOK	100
Høland og Setsk Spb 19/29 FRN STEP C SUB	N00010861248	Nordic ABM	2029-08-28	6.75	2024-02-28	4000000	4 098 720	6.08	4 029 702	- 94 518	0.3	NOK	100
Islandsbanki hf (Íslandsbanki) 22/25 FRN	N00012755802	Dublin	2025-11-18	9.51	2024-02-19	18000000	18 000 000	7.31	18 893 237	693 527	1.2	NOK	20
Jyske Bank A/S 21/31 FRN C SUB	N00010960446	Dublin	2031-03-24	6.03	2024-03-25	10000000	9 625 000	5.74	9 732 480	99 105	0.6	NOK	100
Jæren Spb 23/28 FRN	N00012989971	Nordic ABM	2028-08-18	5.88	2024-02-19	20000000	20 000 000	5.35	20 279 036	141 836	1.3	NOK	20
Jæren Spb 23/33 FRN C SUB	N00012927443	Nordic ABM	2033-08-30	7.32	2024-02-29	14000000	14 000 000	5.65	14 402 281	311 188	0.9	NOK	100
Kvika banki hf. 23/26 FRN NOK	XS2620969639	Dublin	2026-05-11	8.82	2024-02-12	25000000	25 000 000	8.21	25 556 125	256 000	1.7	NOK	20
Landsbankinn hf. 23/25 FRN NOK	XS2671007644	Dublin	2025-08-21	7.81	2024-02-21	35000000	35 000 000	7.19	35 696 714	385 399	2.3	NOK	20
LeasePlan Corporation NV 22/25 FRN NOK	XS2564110596	Luxembourg	2025-12-07	6.71	2024-02-07	25000000	24 999 000	6	25 587 472	332 187	1.7	NOK	20
NOBA Bank Group AB 21/24 FRN	N00011142572	Oslo	2024-05-03	5.85	2024-02-05	10000000	10 015 900	6.69	10 075 950	- 35 825	0.7	NOK	20
Nykredit Realkredit A/S 20/25 FRN	N00010887391	Copenhagen	2025-07-07	6.00	2024-01-08	10000000	9 973 500	5.91	10 172 928	59 428	0.7	NOK	20
Nykredit Realkredit A/S 22/32 FRN C SUB	N00012724113	Copenhagen	2032-10-18	8.35	2024-01-18	24000000	24 000 000	6.36	25 216 640	799 140	1.6	NOK	100
Orkla Spb 23/33 FRN C SUB	N00012928136	Nordic ABM	2033-09-01	7.40	2024-03-01	12000000	12 000 000	5.66	12 389 001	312 534	0.8	NOK	100
Resurs Bank AB 21/24 FRN	N00011083453	Oslo	2024-09-02	5.76	2024-03-04	14000000	13 727 000	7.15	13 961 067	171 347	0.9	NOK	20
Skue Spb 19/29 FRN C SUB	N00010856982	Nordic ABM	2029-06-18	6.65	2024-03-18	5000000	5 098 000	6.03	5 022 819	- 88 112	0.3	NOK	100
Spar Nord Bank A/S 23/29 FRN C	N00013077719	Dublin	2029-12-01	7.15	2024-03-01	34000000	34 000 000	6.09	34 748 172	538 835	2.3	NOK	20
Spb 1 Boligkredi AS 23/34 FRN STEP C SUB	N00013048132	Nordic ABM	2034-01-17	7.10	2024-01-17	15000000	15 000 000	5.48	15 589 270	364 437	1.0	NOK	100
Spb 1 Boligkredditt AS 18/30 FRN C SUB	N00010833908	Nordic ABM	2030-10-08	6.55	2024-01-08	12000000	11 928 000	5.76	12 211 565	100 165	0.8	NOK	100

Pareto Obligasjon

Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Spb 1 Gudbrandsdal 19/29 FRN STEP C SUB	N00010852122	Nordic ABM	2029-05-22	6.50	2024-02-22	10000000	9 929 000	5.91	10 080 910	79 688	0.7	NOK	100
Spb 1 SMN 20/26 FRN STEP C	N00010891757	Nordic ABM	2026-09-02	5.52	2024-03-04	30000000	29 676 900	5.66	29 985 526	179 826	2.0	NOK	20
Spb 1 SR-Bank ASA 17/29 FRN C SUB	N00010802382	Oslo	2029-08-23	6.20	2024-02-23	20000000	19 918 000	5.64	20 143 685	91 352	1.3	NOK	100
Spb 1 Østlandet 20/26 FRN STEP C	N00010893639	Nordic ABM	2026-09-17	5.59	2024-03-18	30000000	29 696 700	5.73	29 923 869	161 952	2.0	NOK	20
Spb DIN 22/33 FRN STEP C SUB	N00012715038	Nordic ABM	2033-01-06	7.98	2024-01-08	15000000	15 000 000	6.1	15 757 862	468 587	1.0	NOK	100
Spb Møre 23/26 FRN	N00012881145	Nordic ABM	2026-03-31	5.71	2024-03-27	5000000	5 000 000	5.28	5 049 073	46 694	0.3	NOK	20
Spb Sogn og Fjordane 18/29 FRN C SUB	N00010834443	Nordic ABM	2029-04-16	6.36	2024-01-16	20000000	20 010 000	5.85	20 299 105	17 038	1.3	NOK	100
Spb Sogn og Fjordane 21/27 FRN C	N00010917271	Nordic ABM	2027-02-15	5.41	2024-02-13	12000000	11 740 800	5.62	11 973 011	143 848	0.8	NOK	20
Spb Sør 20/30 FRN STEP C SUB	N00010887177	Nordic ABM	2030-07-09	6.12	2024-01-09	20000000	19 772 000	5.56	20 214 718	157 118	1.3	NOK	100
Spb Sør 21/27 FRN C	N00010920788	Nordic ABM	2027-02-10	5.44	2024-02-12	10000000	10 000 000	5.62	9 988 899	- 89 679	0.7	NOK	20
Spb Vest 21/31 FRN STEP C SUB	N00010936768	Nordic ABM	2031-02-24	5.66	2024-02-26	15000000	14 598 000	5.26	14 857 237	169 620	1.0	NOK	100
Spb Øst 23/30 FRN	N00013027912	Nordic ABM	2030-09-27	6.25	2024-03-27	30000000	30 022 500	5.38	30 375 515	326 973	2.0	NOK	20
Storebrand Bank ASA 19/30 FRN STEP C SUB	N00010843519	Nordic ABM	2030-02-27	6.53	2024-02-27	20000000	19 930 400	5.82	20 152 352	94 980	1.3	NOK	100
Storebrand Livsf AS 22/53 FRN STEP C SUB	N00012752940	Oslo	2053-02-17	8.47	2024-02-19	13000000	13 000 000	4.32	13 731 445	593 808	0.9	NOK	100
Storebrand Livsforsik AS 20/50 FRN C SUB	N00010886153	Oslo	2050-06-19	6.83	2024-03-19	36000000	35 180 500	4.1	36 091 526	822 236	2.4	NOK	100
Strømmen Spb 22/32 FRN C SUB	N00012485111	Nordic ABM	2032-06-30	7.11	2024-03-27	5000000	5 000 000	5.97	4 996 066	- 6 897	0.3	NOK	100
Tinn Spb 23/33 FRN C SUB	N00012918129	Nordic ABM	2033-08-22	7.85	2024-02-22	12000000	12 000 000	5.98	12 374 830	270 163	0.8	NOK	100

Pareto Obligasjon

Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Totens Spb 19/29 FRN C SUB	N00010856420	Nordic ABM	2029-06-14	6.24	2024-03-14	15000000	15 400 500	5.71	15 062 171	- 385 130	1.0	NOK	100
Tryg Forsikring A/S 15/45 FRN STEP C SUB	N00010751837	Oslo	2045-11-13	7.47	2024-02-13	5000000	5 244 450	4.58	5 123 089	- 172 199	0.3	NOK	100
Volvofinans Bank AB 23/28 FRN	N00012839598	Stockholm	2028-02-16	6.23	2024-02-16	8000000	8 000 000	5.57	8 163 200	99 515	0.5	NOK	20
Ørskog Spb 21/26 FRN	N00011125577	Nordic ABM	2026-10-13	5.37	2024-01-15	15000000	14 700 000	5.65	15 055 010	176 010	1.0	NOK	20
Total financials							988 980 910		1 006 618 382	9 844 201			

Corporate bonds

Borregaard ASA 23/28 FRN FLOOR	N00012943838	Oslo	2028-06-20	6.04	2024-03-20	25000000	25 000 000	5.53	25 232 828	182 495	1.7	NOK	50
Eviny AS 20/25 FRN	N00010901838	Nordic ABM	2025-01-28	3.90	2023-01-30	20000000	20 101 160	4.3	20 000 839	- 241 154	2.3	NOK	100
Entra ASA 19/25 FRN	N00010852692	Nordic ABM	2025-05-22	5.58	2024-02-22	32000000	31 550 600	6.63	31 817 251	68 251	2.1	NOK	100
Eviny AS 20/27 FRN	N00010873003	Nordic ABM	2027-01-20	5.32	2024-01-22	15000000	14 947 050	5.34	15 126 510	17 643	1.0	NOK	50
Haugaland Kraft AS 22/27 FRN	N00011203507	Nordic ABM	2027-01-18	5.27	2024-01-18	20000000	19 687 000	5.59	20 003 691	97 108	1.3	NOK	50
Jotun A/S 23/27 FRN FLOOR	N00012866682	Unlisted	2027-03-15	5.88	2024-03-15	32000000	32 066 880	5.47	32 351 785	196 051	2.1	NOK	100
Lerøy Seafood Group ASA 23/28 FRN FLOOR	N00012899287	Oslo	2028-04-26	6.22	2024-01-26	13000000	13 000 000	5.61	13 310 206	159 717	0.9	NOK	100
Nordic Semiconductor ASA 23/28 FRN FLOOR	N00013072462	Oslo	2028-11-27	7.75	2024-02-27	15000000	15 000 000	6.67	15 372 534	259 514	1.0	NOK	100
Norsk Hydro ASA 20/26 FRN	N00010882343	Oslo	2026-02-16	8.08	2024-02-16	40000000	41 982 000	5.53	42 418 398	23 420	2.8	NOK	100
Norwegian Property ASA 20/25 FRN	N00010907231	Oslo	2025-11-27	6.07	2024-01-05	30000000	29 718 300	6.42	30 301 745	138 312	2.0	NOK	100
OBOS BBL 23/27 FRN	N00012828393	Nordic ABM	2027-02-08	6.70	2024-02-08	20000000	20 000 000	6.74	20 060 718	- 140 282	1.3	NOK	100
OBOS Eiendom AS 23/28 FRN	N00012812397	Nordic ABM	2028-01-26	6.82	2024-01-26	10000000	9 874 800	6.73	10 042 570	40 842	0.7	NOK	100

Pareto Obligasjon

Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Orkla ASA 23/28 FRN	N00012862772	Oslo	2028-01-14	5.54	2024-03-14	15000000	15 000 000	5.20	15 104 934	63 384	1.0	NOK	50
Ringerikskraft AS 22/25 FRN	N00012494634	Nordic ABM	2025-04-14	5.61	2024-01-15	20000000	19 917 714	5.87	20 216 221	58 524	1.3	NOK	100
SalMar ASA 21/27 FRN FLOOR	N00010980683	Oslo	2027-01-22	6.04	2024-01-22	27700000	27 489 150	5.57	28 312 315	497 844	1.8	NOK	100
Schibsted ASA 21/26 FRN	N00011157323	Oslo	2026-11-25	5.53	2024-02-26	20000000	19 808 000	5.78	19 925 498	9 970	1.3	NOK	100
Statkraft AS 22/27 FRN	N00012541442	Oslo	2027-06-14	5.49	2024-03-14	28000000	27 887 200	5.16	28 239 504	275 444	1.9	NOK	50
Telenor ASA 23/28 FRN C	N00012935313	Oslo	2028-06-13	5.60	2024-03-13	40000000	40 000 000	5.13	40 412 906	294 684	2.7	NOK	100
Thon Holding AS 20/25 FRN	Thon Holding AS 20/25 FRN	Nordic ABM	2025-06-23	6.57	2024-03-22	30000000	29 803 500	6.62	30 099 084	240 834	2.0	NOK	100
Yara International ASA 21/26 FRN	N00011146391	Oslo	2026-11-10	5.36	2024-02-12	18000000	18 000 000	5.61	17 977 958	- 161 402	1.2	NOK	100
Total corporate bonds							484 890 444		490 589 609	2 371 931	32.2		
TOTAL BONDS							1 473 871 354		1 497 207 991	12 216 132	98.1		

Pareto Obligasjon

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Pareto Obligasjon

Legal entity identifier: 254900BNJWVHPQJOU831

Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

It made sustainable investments with an environmental objective: ___%

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made sustainable investments with a social objective: ___%

It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promotes environmental and social characteristics by making responsible investments according to Pareto Asset Management's guidelines for responsible investments. When making such investments, the Fund promotes environmental and social standards by:

- Exclusions: excluding investments contributing to violation of human rights, labor rights, corruption, environmental damage and other unethical actions according to the Norwegian Government Pension Fund Global's exclusion list and Pareto Asset Management's guidelines for responsible investments' exclusion list.
- Corporate governance safeguards: see to that companies have features as described in Pareto Asset Management's guidelines for responsible investments.
- International principles: complying with UN's Principles for Responsible Investments

All investments made by the Fund during the reference period, excluding investments as referred to in "2 Other", are made in accordance with the above-mentioned criteria.

- **How did the sustainability indicators perform?**

The Fund applies the principal adverse impact indicators as its sustainability indicators. As of 31 December 2023, the principal adverse impact indicators performed as followed:





Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- GHG Emissions Scope 1 Value: 2337, Coverage: 65%
- GHG Emissions Scope 2 Value: 644, Coverage: 71 %
- GHG Emissions Scope 3 Value: 10573, Coverage: 69 %
- GHG Emissions Total Scope12 Value: 2980, Coverage: 65 %
- GHG Emissions Total Scope123 Value: 13554, Coverage: 65 %
- Carbon Footprint Scope12 Value: 25, Coverage: 72 %
- Carbon Footprint Scope123 Value: 114, Coverage: 72 %
- GHG Intensity Of Investee Companies Scope12 Value: 36, Coverage: 72 %
- GHG Intensity Of Investee Companies Scope123 Value: 300, Coverage: 72 %
- Exposure To Companies Active In The Fossil Fuel Sector Value: 0, Coverage: 90 %
- Share Energy Consumption From Non-Renewable Sources Value: 0, Coverage: 43 %
- Share Energy Production From Non-Renewable Sources Value: 0, Coverage: 28 %
- Activities Negatively Affecting Biodiversity-sensitive Areas Value: 0,050, Coverage: 90 %
- Water Emissions Value: 0,010, Coverage: 3 %
- Hazardous Waste Ratio Value: 0,292, Coverage: 28 %
- Share Of Companies Involved In Violation Of UN Global Compact Principles And OECD Guidelines For Multinational Enterprises Value: 0,035, Coverage: 63 %
- Share Of Companies Without Policies To Monitor Compliance With UNGCP And OECD Guidelines For Multinational Enterprises Value: 0,013, Coverage: 91 %
- Energy Consumption per high impact climate sector: 0,14, Coverage: 31 %
- Unadjusted Gender Pay Gap Value: 44,047, Coverage: 50 %
- Board Gender Diversity Value: 0,354, Coverage: 84 %
- Share Of Investments Involved In Controversial Weapons Value: 0,002, Coverage: 90 %
- Carbon Target Value: 33,1, Coverage: 91 %
- Whistleblower Protection Value: 41,4, Coverage: 63 %

- **...and compared to previous periods?**

No previous periodic report according to "Template periodic disclosures for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 has been provided.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- **How did the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.

- **How were the indicators for adverse impacts on sustainability factors been taken into account?**

N/A

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

N/A

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered the principal adverse impact in its investment strategy where such information was available.



What were the top investments of this financial product?

The sectors are based on BICS (bloomberg classification).

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 31 December 2023

Largest investments	Sector	% Assets	Country
Norsk Hydro ASA 20/26 FRN	Materials	2,78 %	NO
Telenor ASA 23/28 FRN C	Communications	2,65 %	NO
Storebrand Livsforsik AS 20/50 FRN C SUB	Financials	2,37 %	NO
Landsbankinn hf. 23/25 FRN NOK	Financials	2,34 %	IS
Spar Nord Bank A/S 23/29 FRN C	Financials	2,28 %	DK
Eiendomsspar AS 21/26 FRN	Financials	2,25 %	NO
Jotun A/S 23/27 FRN FLOOR	Materials	2,12 %	NO
Entra ASA 19/25 FRN	Financials	2,09 %	NO
Spb Øst 23/30 FRN	Financials	1,99 %	NO
Norwegian Property ASA 20/25 FRN	Financials	1,99 %	NO
Thon Holding AS 20/25 FRN	Financials	1,97 %	NO
Spb 1 SMN 20/26 FRN STEP C	Financials	1,97 %	NO
Spb 1 Østlandet 20/26 FRN STEP C	Financials	1,96 %	NO
SalMar ASA 21/27 FRN FLOOR	Consumer Staples	1,86 %	NO
Statkraft AS 22/27 FRN	Utilities	1,85 %	NO



What was the proportion of sustainability-related investments?

- **What was the asset allocation?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852", the Fund did not commit to making sustainable investments. The Fund did however promote E and S characteristics by making investments aligned with Pareto Asset Management guidelines for responsible investments. The Fund's net asset value is used as denominator for calculating the Fund's asset allocation.

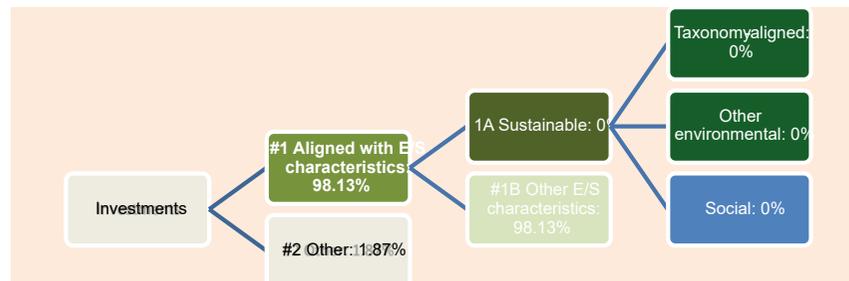
Asset allocation describes the share of investments in specific assets.

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



- **In which economic sectors were the investments made?**

The sectors and sub-sectors are based on BICS (bloomberg classification).

Sectors	Proportion
Communications	3,96 %
Consumer Staples	3,72 %
Financials	76,24 %
Industrials	1,33 %
Materials	7,73 %
Technology	1,01 %
Utilities	4,15 %
Sub-sectors	Proportion
Banks	51,58 %
Chemicals	4,95 %
Commercial Finance	1,68 %
Consumer Finance	8,59 %
Food & Beverage	3,72 %
Industrial Other	1,33 %
Life Insurance	3,27 %
Metals & Mining	2,78 %
Power Generation	1,85 %
Property & Casualty Insurance	0,87 %
Publishing & Broadcasting	1,31 %
Real Estate	10,26 %
Semiconductors	1,01 %
Utilities	2,30 %
Wireless Telecommunications Services	2,65 %

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?



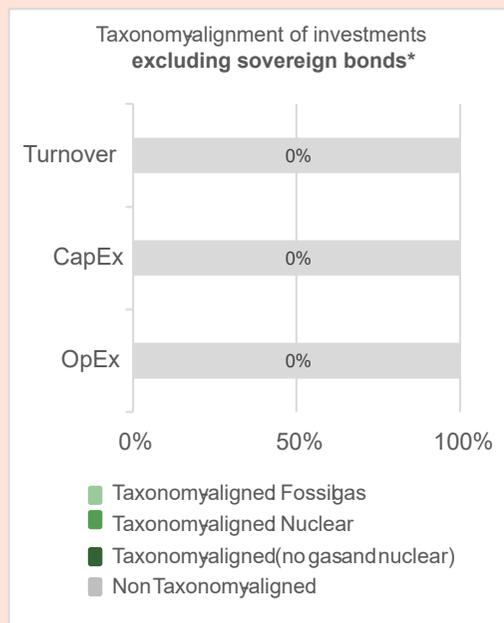
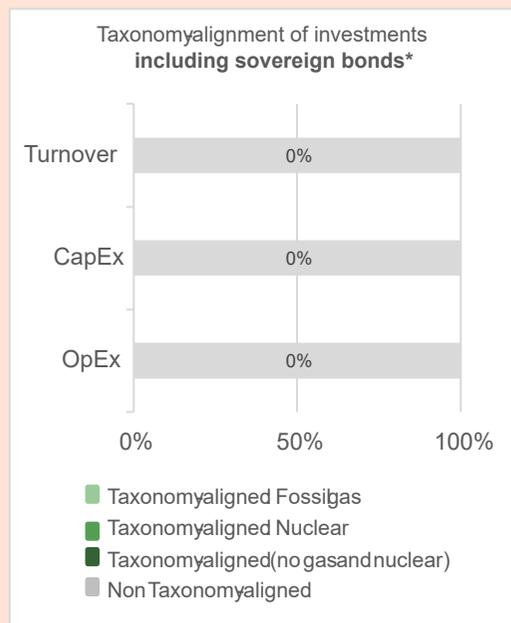
As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

- Yes:
- In fossil gas In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*I disse diagrammene omfatter «statsobligasjoner» alle eksponeringer mot stater.

- **What was the share of investments in transitional and enabling activities?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy. Consequently, there was no share of investments in transitional and / or enabling activities.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

No previous periodic report according to "Template periodic disclosures for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 has been provided.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.



- **What was the share of socially sustainable investments?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.



- **What investments are included under "Other", what was their purpose and were there any minimum environmental or social safeguards?**

The Fund's investments under "2 Other" include the use of cash and derivatives. Cash has been held as ancillary liquidity or for risk purposes. In the event of use of derivatives such instruments have been used for the purpose as described in the "Objective and investment strategy" section in the Fund's prospectus.

No minimum environmental or social safeguards were taken into account for the investments included under "Other".



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To meet the environmental and social characteristics during the reference period, the Fund has taken the following actions:

- Exclusions: excluding investments contributing to violation of human rights, labor rights, corruption, environmental damage and other unethical actions according to the Norwegian Government Pension Fund Global's exclusion list and Pareto Asset Management's guidelines for responsible investments' exclusion list.
- Corporate governance safeguards: see to that companies have features as described in Pareto Asset Management's guidelines for responsible investments.
- International principles: complying with UN's Principles for Responsible Investments
- Engagement: the Fund is a fixed income fund. Bonds do not have affiliated voting rights and the fund managers' power of influence in terms of active ownership is consequently limited. However, the Fund has applied a reactive engagement approach if there has been a specific reason to believe that a company violates the Fund's investment criteria. The fund managers have not had reasons to believe that the companies have violated the Fund's investment criteria during the reference period.

To ensure that investments comply with the Norwegian Government Pension Fund Global's exclusion list during the holding period, the Head of Risk maintains an exclusion and observation list that is cross-checked against the exclusions list on a monthly basis. In addition, the Head of Risk receives news from NBIM via email alerts and will get a notification if a new company were to be excluded.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" no specific index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

- How does the reference benchmark differ from a broad market index
N/A
- How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?
N/A
- How did this financial product perform compared with the reference benchmark?
N/A.
- How did this financial product perform compared with the broad market index?
N/A

Pareto Likviditet

Portfolio management team
Christian Weldingh and Morten Vik (analyst)



The Norwegian industrial company Tomra is the world leader in RVM solutions with a 90% market share (RVM = Reverse Vending Machine). At the end of 2023, Tomra accounted for 2.6% of Pareto Likviditet's portfolio.

Performance history

Legal structure: UCITS

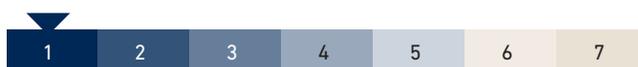
Dealing days: all Norwegian banking days except 31.12.

Pareto Likviditet

The fund invests in senior loans to financial institutions and covered bonds.

Benchmark: n.a

Other relevant information: The fund has authorisation from Finanstilsynet to invest up to 100 per cent of the fund's assets in transferable securities or money market instruments issued by Den norske stat. The investments must include at least six different issues, and investments from one and the same issue must not exceed 30 per cent of the fund's total assets.



Lower risk
Typically lower rewards

Higher risk
Typically higher rewards

The risk indicator was calculated using historical data and may not be a reliable indication of the future risk profile of the fund.

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the portfolio manager's skill, the fund's risk profile, as well as fees for subscription, management and redemption. Returns may become negative as a result of negative price developments.

Performance by periods

Navn	2023	2022	2021	2020	2019
Pareto Likviditet A	5.4 %	1.6 %	0.4 %	1.7 %	1.7 %
Pareto Likviditet B ¹	5.5 %	1.7 %	0.5 %	1.8 %	1.8 %
Pareto Likviditet C ²	5.6 %	1.7 %	0.5 %	1.8 %	1.9 %
Pareto Likviditet D ³	5.6 %	1.7 %	0.5 %	1.8 %	1.9 %

Annualised return

Name	Inception	3 years	5 years	10 years	From start
Pareto Likviditet A	27.09.1999	2.4 %	2.1 %	1.8 %	3.1 %
Pareto Likviditet B ¹	23.08.2022	2.5 %	2.2 %	1.9 %	3.2 %
Pareto Likviditet C ²	23.08.2022	2.6 %	2.3 %	2.0 %	3.3 %
Pareto Likviditet D ³	20.10.2023	2.6 %	2.3 %	2.0 %	3.3 %

Other information

Name	Minimum initial subscription amount (NOK)	ISIN	Bloomberg
Pareto Likviditet A	500	N00010025174	POLIKV NO
Pareto Likviditet B	10 million	N00012571985	POLIKB NO
Pareto Likviditet C	50 million	N00012571993	POLIKC NO
Pareto Likviditet D	500	N00012572009	POLIKD NO

¹ Simulated returns from 27.09.1999–22.08.2022 are based on historical returns for unit class A (inception date 27.09.1999), adjusted for management fees for unit class B.

² Simulated returns from 27.09.1999–22.08.2022 are based on historical returns for unit class A (inception date 27.09.1999), adjusted for management fees for unit class C.

³ Simulated returns from 27.09.1999–22.08.2022 are based on historical returns for unit class A (inception date 27.09.1999), adjusted for management fees for unit class D.

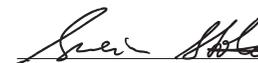
Pareto Likviditet

Income statement	Notes	2023 01.01-31.12	2022 01.01-31.12
Portfolio income and expenses			
Interest received		93 154 853	22 097 345
Realised capital gain/loss	2	-731 552	-844 104
Net unrealised capital gain/loss	2	14 035 028	-2 076 985
Portfolio profit		106 458 329	19 176 256
Asset management revenue and costs			
Custodian charges on purchases and sales of securities		-13 800	-7 570
Management fees	3	-1 819 505	-1 525 569
Other income/expenses		5 566	0
Asset management revenues		-1 827 739	-1 533 139
Profit before taxation		104 630 590	17 643 117
Income tax	4	0	0
Profit for the financial year		104 630 590	17 643 117
Allocation of profit			
Net distributed to unitholders during the year		90 513 918	19 720 127
Allocated for distribution to unitholders		0	0
Transferred to/from equity		14 116 673	-2 077 010
Total allocations and equity transfers		104 630 590	17 643 117
Balance sheet			
		31.12.2023	31.12.2022
Assets			
Securities at market value	5,6,9	2 212 606 790	1 462 749 826
Accrued interests	9	15 199 989	7 301 656
Cash and cash equivalents		10 952 821	52 976 411
Total assets		2 238 759 600	1 523 027 893
Equity and liabilities			
Equity			
Unit capital at par value		2 233 787 146	1 530 785 081
Premium		603 445	2 040 318
Retained earnings		4 192 022	-9 924 651
Total equity	7,8	2 238 582 612	1 522 900 748
Liabilities			
Accrued management fees		176 808	126 366
Other liabilities		180	780
Total liabilities		176 988	127 146
Total equity and liabilities		2 238 759 600	1 523 027 893

Board of directors Pareto Asset Management AS Oslo, 7 March 2024

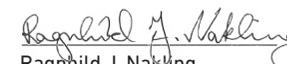

Rune Selmar
Chairman


Erik Bartnes
Board member


Svein Støle
Board member


Trine Charlotte Høgås-Ellingsen
Board member


Henrik Lindquist
Board member


Ragnhild J. Nakling
Board member
(elected by unit holders)


Karoline Gleditsch
Board member
(elected by unit holders)


Eric von Koss Torkildsen
CEO

Pareto Likviditet

Notes 2023

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Norwegian Accounting Act and the regulations relating to Annual financial statements for mutual funds.

Financial instruments

Securities are recognised at fair value (market price) as at 31.12.2023. For securities where no exchange rate information from stock exchanges or any other official sources are available, the valuation will be based on either the last trading price, valuations made by leading brokerage houses, and/or internal valuations. Dividends from shares are recognized as income when the share price is quoted exclusive of dividends. Accrued non-accrued interest income is recognized in the accounts. Assets that are valued at market value are recognized in the accounts on a continuous basis.

Foreign currency

The funds accounting currency is NOK. Investments in foreign currency is converted into NOK at the market exchange rate as at 31.12.2023.

Transaction fees

Transaction fees to the custodian are expended on a monthly basis. Other expences to the custodian is covered by the management company. Management fees are registered at the time of transaction, and will thus be included in the security cost at acquisition, and selling price at realisation.

Tax related issues

Securities funds are exempt from tax on profit and are not

entitled to deduct for loss, upon the realization of shares in companies domestically resident within and outside the EEA. Change in unrealised gain/loss for all inventories is not taxable but may be subject to deferred tax calculation. 3% of the net dividend on shares in companies domiciled within the EEA is taxable. Other income and expenses are respectively taxable and deductible.

A mutual fund has deductibility rights for the portion of the dividend that is taxed as interest income by the unitholders. The distribution will reduce the NAV equivalent to dividend per unit at the day of distribution. For funds that have distributed taxable income per 31.12.2023, this is distributed in the allocation of the profit for the year.

All dividends to unitholders are treated as surplus exposures in accordance with the regulations on financial statements for mutual funds. Dividends are reinvested as new shares in the fund during the fiscal year and are accounted accordingly.

2 BROKERAGE FEES

Brokerage fees are included in the securities cost price. Total fee in 2023 is NOK 0.

3 MANAGEMENT FEES

The fund is charged a daily management fee per annum of the total portfolio. Rates apply per unit class.

- Pareto Obligasjon A: 0.25% per annum
- Pareto Obligasjon B: 0.15% per annum
- Pareto Obligasjon C: 0.08% per annum
- Pareto Obligasjon D: 0.08% per annum

4 TAX

	2023
Profit before taxation	104 630 590
Permanent differences	
Distribution to unitholders	-90 513 918
Realised capital gains	0
Unrealised capital gains (change)	-14 035 028
Dividends within EEA (gross)	0
3% of dividends within EEA (net)	0
Withholding tax outside the EEA	0
Temporary differences	
Unrealised gains/losses after merger	0
Total taxable income	81 644
Use of losses carried forward	-121
Tax base	81 523
Assessed tax in Norway	17 935

Specification of tax expense

Income tax Norway	0
Withholding tax within the EEA	0
Withholding tax outside the EEA	0
Total recognised tax expense	0

Pareto Likviditet

5 FINANCIAL MARKET RISK AND USE OF DERIVATIVES

Investments in Norwegian companies are exposed to stock price and liquidity risk. Investments in foreign companies are exposed to stock price, currency and liquidity risk. Investments in fixed income instruments are exposed to interest rate, credit and liquidity risk. If an interestbearing paper is issued in foreign currency, then the fund is also exposed to currency risk, although hedging can be undertaken to reduce this risk. Bank deposits in foreign currency are also exposed to currency and credit risk.

Pareto Likviditet has not used any derivatives in 2023.

6 TURNOVER RATIO

The portfolio's turnover ratio is 0.96.

The turnover rate is a measure of the average duration of the fund's investments.

The turnover rate is calculated by dividing the lesser of total purchases or total sales of securities in the portfolio during the year by the average total net assets during the year. The formula is an approximation to calculating the fund's turnover rate.

7 EQUITY

	2023
Equity 1.1	1 522 900 748
+ subscription/redemption	611 051 274
- distribution to unitholders	-90 513 918
- allocated for distribution	0
+ reinvested in the fund	90 513 918
+ profit for the financial year	104 630 590
Equity 31.12	2 238 582 612

8 ISSUED UNITS

	31.12.2023	31.12.2022	31.12.2021
Unit class A	122 811.95	117 914.56	622 556.65
Net asset value	997.82	992.21	992.4
Redemption price	997.82	992.21	992.4
Unit class B	187 336.43	245 342.60	0
Net asset value	1 001.49	994.86	0
Redemption price	1 001.49	994.86	0
Unit class C	1 923 628.28	1 167 527.98	0
Net asset value	1 002.45	995.11	0
Redemption price	1 002.45	995.11	0
Unit class D	10.48	0	0
Net asset value	967.34	0	0
Redemption price	967.34	0	0

Net asset value (NAV) is the market value per unit after deductions of the fund's costs.

Subscription and redemption of units is made at net asset value. No transaction fees are charged when redeeming units.

9 SECURITIES PORTFOLIO AS AT 31.12.2023

See next page.

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Securities portfolio as at 31 December 2023

Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest. adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Corporate bonds													
DFDS A/S 19/24 FRN	N00010853260	Oslo	2024-06-07	6.12	2024-03-07	21000000	20 944 220	6.17	21 105 525	72 055	0.9	NOK	100
DFDS A/S 23/26 FRN	N00012864539	Oslo	2026-03-16	7	2024-03-18	19000000	19 042 123	6.67	19 180 814	86 969	0.9	NOK	100
Elkem ASA 21/24 FRN FLOOR	N00010937469	Oslo	2024-02-26	5.75	2024-02-26	45000000	44 998 565	5.36	45 283 535	33 408	2.0	NOK	100
Entra ASA 17/24 FRN	N00010789464	Oslo	2024-03-20	5.65	2024-03-20	29000000	28 731 750	5.84	29 047 880	261 513	1.3	NOK	100
Eviny AS 20/25 FRN	N00010901838	Nordic ABM	2025-01-28	5.31	2024-01-29	45000000	44 935 650	5.36	45 474 835	121 023	2.0	NOK	50
Fredrikstad Energi AS 19/24 FRN	N00010865157	Nordic ABM	2024-10-09	5.70	2024-01-09	27000000	26 996 282	5.72	27 396 309	40 927	1.2	NOK	100
Fredrikstad Energi AS 20/25 FRN	N00010886658	Nordic ABM	2025-07-02	5.84	2024-01-02	20000000	19 920 000	5.8	20 345 072	129 828	0.9	NOK	100
Hafslund AS 20/25 FRN	N00010876352	Oslo	2025-03-10	5.32	2024-03-11	50000000	49 843 200	5.35	50 216 312	217 945	2.3	NOK	50
Norsk Hydro ASA 20/26 FRN	N00010882343	Oslo	2026-02-16	8.08	2024-02-16	70000000	73 749 200	5.53	74 232 196	- 239 715	3.3	NOK	100
Norwegian Property ASA 19/24 FRN	N00010856826	Oslo	2024-06-20	5.89	2024-01-05	45000000	44 792 600	6.1	45 652 805	212 305	2.0	NOK	100
Norwegian Property ASA 20/25 FRN	N00010907231	Oslo	2025-11-27	6.07	2024-01-05	6000000	5 943 660	6.42	6 060 349	27 662	0.3	NOK	100
OBOS BBL 19/24 FRN	N00010860844	Nordic ABM	2024-08-29	5.90	2024-02-29	20000000	19 817 560	6.75	20 032 307	106 580	0.9	NOK	100
Olav Thon Eiendomsselskap ASA 21/24 FRN	N00011008997	Oslo	2024-06-03	5.36	2024-03-04	25000000	24 816 300	5.84	25 075 617	155 095	1.1	NOK	100
Ringerikskraft AS 22/25 FRN	N00012494634	Nordic ABM	2025-04-14	5.61	2024-01-15	20000000	19 713 429	5.87	20 216 221	262 809	0.9	NOK	100
Scania CV 20/25 FRN NOK	XS2156598109	Luxembourg	2025-04-16	7.71	2024-01-16	40000000	40 991 600	5.85	41 668 521	17 288	1.8	NOK	100
Schibsted ASA 17/24 FRN	N00010786866	Oslo	2024-03-01	5.90	2024-03-01	10000000	9 996 100	5.28	10 062 297	15 391	0.5	NOK	100
Statnett SF 17/24 FRN	N00010786775	Oslo	2024-03-04	5.39	2024-03-04	20000000	20 030 000	4.96	20 101 162	- 12 682	0.9	NOK	50
Thon Holding AS 20/25 FRN	N00010885908	Nordic ABM	2025-06-23	6.57	2024-03-22	36000000	35 972 200	6.62	36 118 901	81 001	1.6	NOK	100

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Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest. adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Tine SA 19/24 FRN	N00010856727	Nordic ABM	2024-06-12	5.42	2024-03-12	18000000	17 911 950	5.18	18 087 849	121 699	0.8	NOK	50
Tomra Systems ASA 19/24 FRN	N00010868326	Oslo	2024-11-14	5.51	2024-02-14	32000000	31 690 500	5.46	32 294 153	368 559	1.4	NOK	50
Tomra Systems ASA 22/25 FRN FLOOR	N00012739491	Oslo	2025-11-04	6.14	2024-02-05	27000000	27 340 620	5.45	27 598 733	233	1.2	NOK	50
Trønderenergi AS 21/25 FRN	N00010936222	Oslo	2025-09-24	5.25	2024-03-25	21000000	20 863 920	5.63	20 916 566	37 334	0.9	NOK	100
Volkswagen Financial Servi 21/24 FRN NOK	XS2292344632	Luxembourg	2024-02-01	5.47	2024-02-01	42000000	41 813 114	5.13	42 403 167	200 771	1.9	NOK	100
Å Energi AS 21/24 FRN	N00010935489	Oslo	2024-04-24	5.13	2024-01-24	30000000	29 814 600	5.22	30 303 072	193 497	1.3	NOK	50
Total corporate bonds							720 669 143		728 874 198	2 511 495	32.5		

Financials

Agder Spb 22/25 FRN	N00012450644	Nordic ABM	2025-08-25	5.42	2024-02-26	5000000	4 986 250	5.43	5 031 851	19 253	0.2	NOK	20
Arion Banki hf 22/25 FRN NOK	XS2521227459	Luxembourg	2025-08-18	7.11	2024-02-19	25000000	24 794 000	7.2	25 214 513	213 138	1.1	NOK	20
Bjugn Spb 23/26 FRN	N00012921545	Nordic ABM	2026-05-18	5.95	2024-02-19	30000000	30 092 100	5.56	30 445 355	145 005	1.4	NOK	20
BN Bank ASA 19/24 FRN	N00010867971	Nordic ABM	2024-11-06	5.35	2024-02-06	18000000	17 956 260	5.15	18 202 124	96 064	0.8	NOK	20
Brage Finans AS 21/26 FRN	N00010925027	Nordic ABM	2026-02-11	5.36	2024-02-12	25000000	24 312 500	6.29	24 732 871	237 983	1.1	NOK	20
Brage Finans AS 21/26 FRN	N00011082125	Nordic ABM	2026-08-27	5.36	2024-02-27	20000000	19 065 000	6.36	19 594 570	425 348	0.9	NOK	20
Brage Finans AS 22/25 FRN	N00012549577	Nordic ABM	2025-06-16	5.65	2024-03-18	15000000	15 000 000	6.29	14 930 271	- 102 687	0.7	NOK	20
Bustadkreditt Sogn o AS 19/25 FRN C COVD	N00010843311	Nordic ABM	2025-04-23	5.18	2024-01-23	35000000	35 128 450	5.03	35 479 557	- 1 421	1.6	NOK	10

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Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Danske Bank A/S 19/24 FRN	N00010844616	Dublin	2024-03-07	6.37	2024-03-07	10000000	10 033 800	5.8	10 055 956	- 22 080	0.5	NOK	20
Danske Bank A/S 19/25 FRN C	N00010868102	Dublin	2025-11-11	5.87	2024-02-12	14000000	13 904 480	5.89	14 116 912	100 575	0.6	NOK	20
Danske Bank A/S 20/26 FRN C	N00010875016	Dublin	2026-02-13	5.79	2024-02-13	56000000	55 830 880	5.84	56 396 924	124 718	2.5	NOK	20
DNB Bank ASA 21/25 FRN C	N00011087587	Nordic ABM	2025-09-08	5.14	2024-03-06	55000000	54 471 400	5.41	55 042 962	367 390	2.5	NOK	20
Drangedal Spb 20/25 FRN	N00010873854	Nordic ABM	2025-02-10	5.45	2024-02-12	20000000	19 936 200	5.35	20 208 432	114 788	0.9	NOK	20
Eiendomskreditt AS 21/24 FRN	N00011068140	Nordic ABM	2024-10-10	5.24	2024-01-10	5000000	4 968 500	5.69	5 051 283	22 378	0.2	NOK	20
Eika Gruppen AS 21/24 FRN	N00010917438	Nordic ABM	2024-01-15	5.34	2024-01-15	18000000	17 892 000	5.09	18 207 638	110 048	0.8	NOK	20
Flekkefjord Spb 21/25 FRN	N00011091316	Nordic ABM	2025-09-08	5.03	2024-03-08	28000000	27 807 640	5.27	28 022 043	120 509	1.3	NOK	20
Grong Spb 21/24 FRN	N00011079220	Nordic ABM	2024-04-05	5.07	2024-01-05	10000000	9 908 500	5.22	10 124 756	92 323	0.4	NOK	20
Helgeland Bolig AS 19/25 FRN STEP C COVID	N00010859986	Nordic ABM	2025-03-14	4.99	2024-03-14	26000000	26 027 560	5.02	26 096 127	3 697	1.2	NOK	10
Islandsbanki hf (Íslandsba 21/25 FRN NOK	XS2325336092	Dublin	2025-03-26	5.83	2024-03-26	25000000	24 717 750	6.93	24 755 286	17 310	1.1	NOK	20
Jæren Spb 21/26 FRN	N00010932536	Nordic ABM	2026-02-18	5.28	2024-02-19	19000000	18 858 830	5.39	19 079 686	103 816	0.9	NOK	20
Kredittforeningen for Spb 21/24 FRN	N00010921380	Nordic ABM	2024-05-03	5.12	2024-02-05	25000000	24 796 250	5.07	25 228 835	222 807	1.1	NOK	20
Kvika banki hf. 23/26 FRN NOK	XS2620969639	Dublin	2026-05-11	8.82	2024-02-12	25000000	25 000 000	8.21	25 556 125	256 000	1.1	NOK	20
Landsbankinn hf. 23/25 FRN NOK	XS2671007644	Dublin	2025-08-21	7.81	2024-02-21	40000000	40 000 000	7.19	40 796 245	440 456	1.8	NOK	20
LeasePlan Corporation NV 22/25 FRN NOK	XS2564110596	Luxembourg	2025-12-07	6.71	2024-02-07	20000000	19 999 200	6	20 469 978	265 750	0.9	NOK	20
Møre Boligkreditt AS 19/25 FRN C COVID	N00010853096	Oslo	2025-02-24	5.13	2024-02-26	25000000	25 053 750	5.06	25 189 830	705	1.1	NOK	10
NOBA Bank Group AB 21/24 FRN	N00011142572	Oslo	2024-05-03	5.85	2024-02-05	14000000	14 022 260	6.69	14 106 330	- 50 155	0.6	NOK	20
Nykredit Realkredit A/S 20/25 FRN	N00010887391	Copenhagen	2025-07-07	6.00	2024-01-08	50000000	49 867 500	5.91	50 864 640	297 140	2.3	NOK	20

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Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest. adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Nykredit Realkredit A/S 20/25 FRN	N00010887409	Copenhagen	2025-10-07	6.03	2024-01-08	22000000	21 803 100	5.92	22 385 812	273 172	1.0	NOK	20
OBOS-banken AS 21/25 FRN STEP C	N00011152472	Nordic ABM	2025-11-18	5.3	2024-02-19	70000000	69 229 400	5.61	70 114 158	451 925	3.1	NOK	20
Odal Spb 19/24 FRN	N00010861404	Nordic ABM	2024-08-29	5.42	2024-02-29	20000000	19 977 000	5.29	20 140 867	64 500	0.9	NOK	20
Orkla Spb 20/25 FRN	N00010872807	Nordic ABM	2025-01-15	5.35	2024-01-15	9000000	8 977 680	5.22	9 129 320	48 652	0.4	NOK	20
Orkla Spb 20/25 FRN	N00010893209	Nordic ABM	2025-09-11	5.3	2024-03-11	24000000	23 950 800	5.23	24 132 282	107 282	1.1	NOK	20
Romerike Spb 19/24 FRN	N00010868862	Nordic ABM	2024-11-18	5.46	2024-02-19	21000000	20 824 120	5.23	21 204 758	246 868	0.9	NOK	20
Rørosbanken Røros Spb 19/24 FRN	N00010852726	Nordic ABM	2024-05-21	5.46	2024-02-21	16000000	15 917 280	5.23	16 124 615	107 842	0.7	NOK	20
Skudenes & Aakra Spb 21/25 FRN	N00010917800	Nordic ABM	2023-06-21	3.49	2023-03-21	30000000	30 053 100	3.34	30 065 352	- 19 740	2.0	NOK	10
Spareskillingsbanken 20/25 FRN	N00010911076	Nordic ABM	2025-12-04	5.32	2024-03-04	54000000	53 683 526	5.32	54 271 613	364 647	2.4	NOK	20
Spb 1 Lom og Skjåk 19/24 FRN	N00010852619	Nordic ABM	2024-05-21	5.47	2024-02-21	16000000	15 926 880	5.23	16 125 405	98 850	0.7	NOK	20
Spb 1 Nord-Norge 22/25 FRN	N00012626987	Nordic ABM	2025-08-22	5.85	2024-02-22	20000000	20 000 000	5.58	20 239 030	109 030	0.9	NOK	20
Spb 1 SMN 20/26 FRN STEP C	N00010891757	Nordic ABM	2026-09-02	5.52	2024-03-04	66000000	65 159 620	5.66	65 968 157	525 177	3.0	NOK	20
Spb 1 SMN 22/25 FRN	N00012629403	Nordic ABM	2025-08-26	5.85	2024-02-26	8000000	8 015 840	5.58	8 089 139	27 799	0.4	NOK	20
Spb 1 Sørøst-Norge 22/25 FRN	N00012635145	Nordic ABM	2025-08-25	5.85	2024-02-26	10000000	10 000 000	5.58	10 111 419	54 544	0.5	NOK	20
Spb 1 Østlandet 20/26 FRN STEP C	N00010893639	Nordic ABM	2026-09-17	5.59	2024-03-18	15000000	14 761 350	5.73	14 961 934	167 976	0.7	NOK	20
Spb 1 Østlandet 21/25 FRN C	N00011082778	Nordic ABM	2025-08-27	5.24	2024-02-27	35000000	34 475 000	5.53	35 065 896	412 591	1.6	NOK	20
Spb 68 grader Nord 20/24 FRN	N00010884976	Nordic ABM	2024-12-10	5.61	2024-03-11	25000000	24 927 250	5.16	25 221 068	212 005	1.1	NOK	20
Spb 68 grader Nord 20/25 FRN	N00010908866	Nordic ABM	2025-11-28	5.43	2024-02-28	34000000	33 797 520	5.42	34 208 884	237 000	1.5	NOK	20
Spb DIN 20/25 FRN	N00010873417	Nordic ABM	2025-01-16	5.37	2024-01-16	10000000	9 970 800	5.31	10 137 590	51 932	0.5	NOK	20
Spb Sogn og Fjordane 21/25 FRN C	N00011036154	Nordic ABM	2025-07-23	5.2	2024-01-23	50000000	49 632 045	5.5	50 374 396	236 795	2.2	NOK	20

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Securities	ISIN	Listing	Maturity	Coupon rate in %	Interest. adj. date ¹	Principal	Cost price NOK	Yield ²	Market value +acc. interest NOK	Unrealized gain/loss	Share in % of portfolio	Currency	Risk-class ³
Spb Sør 20/26 FRN C	N00010886781	Nordic ABM	2026-06-30	5.66	2024-03-27	66000000	65 513 520	5.74	65 877 324	332 674	3	NOK	20
Spb Vest 20/26 FRN STEP C	N00010890114	Nordic ABM	2026-08-11	5.66	2024-02-12	22000000	21 671 760	5.71	22 108 915	267 670	1	NOK	20
Spb Vest 21/27 FRN STEP C	N00011008401	Nordic ABM	2027-05-27	5.41	2024-02-27	28000000	27 424 040	5.64	27 811 617	240 304	1.2	NOK	20
Storebrand Boli AS 20/24 FRN STEP C COVID	N00010873177	Oslo	2024-06-19	5.03	2024-03-19	10000000	10 011 000	4.97	10 028 497	- 667	0.5	NOK	10
Tolga-0s Spb 21/24 FRN	N00011162166	Nordic ABM	2024-03-04	5.03	2024-03-04	10000000	10 000 000	5.08	10 039 392	270	0.4	NOK	20
Totens Spb 20/25 FRN	N00010890262	Nordic ABM	2025-03-14	5.24	2024-03-14	25000000	24 750 000	5.1	25 142 365	326 928	1.1	NOK	20
Tysnes Spb 20/24 FRN	N00010875222	Nordic ABM	2024-06-14	5.28	2024-03-14	25000000	24 980 000	5.18	25 096 418	50 418	1.1	NOK	20
Ørland Spb 22/26 FRN	N00012694241	Nordic ABM	2026-03-06	5.78	2024-03-06	25000000	25 100 000	5.4	25 304 211	99 850	1.1	NOK	20
Ørskog Spb 21/25 FRN	N00011025751	Nordic ABM	2025-06-11	5.18	2024-03-11	25000000	24 789 250	5.37	25 050 139	185 348	1.1	NOK	20
Sum Financials							1 457 324 451		1 475 761 206	9 252 035	66.0		

Pareto Likviditet

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Pareto Likviditet

Legal entity identifier: 254900N4GSWCR5Y41577

Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

It made sustainable investments with an environmental objective: ___%

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made sustainable investments with a social objective: ___%

It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promotes environmental and social characteristics by making responsible investments according to Pareto Asset Management's guidelines for responsible investments. When making such investments, the Fund promotes environmental and social standards by:

- Exclusions: excluding investments contributing to violation of human rights, labor rights, corruption, environmental damage and other unethical actions according to the Norwegian Government Pension Fund Global's exclusion list and Pareto Asset Management's guidelines for responsible investments' exclusion list.
- Corporate governance safeguards: see to that companies have features as described in Pareto Asset Management's guidelines for responsible investments.
- International principles: complying with UN's Principles for Responsible Investments

All investments made by the Fund during the reference period, excluding investments as referred to in "2 Other", are made in accordance with the above-mentioned criteria.

- **How did the sustainability indicators perform?**

The Fund applies the principal adverse impact indicators as its sustainability indicators. As of 31 December 2023, the principal adverse impact indicators performed as followed:





Bærekraftsindikatorer måler hvordan de miljøegenskaperne eller de sosiale egenskaperne som det finansielle produktet fremmer, oppnås.

- GHG Emissions Scope 1 Value: 4507, Coverage: 56 %
- GHG Emissions Scope 2 Value: 1448, Coverage: 61 %
- GHG Emissions Scope 3 Value: 32116, Coverage: 62 %
- GHG Emissions Total Scope12 Value: 5955, Coverage: 56 %
- GHG Emissions Total Scope123 Value: 38071, Coverage: 56 %
- Carbon Footprint Scope12 Value: 34, Coverage: 63 %
- Carbon Footprint Scope123 Value: 220, Coverage: 62 %
- GHG Intensity Of Investee Companies Scope12 Value: 40, Coverage: 61 %
- GHG Intensity Of Investee Companies Scope123 Value: 398, Coverage: 60 %
- Exposure To Companies Active In The Fossil Fuel Sector Value: 0, Coverage: 73 %
- Share Energy Consumption From Non-Renewable Sources Value: 0, Coverage: 34 %
- Share Energy Production From Non-Renewable Sources Value: 0, Coverage: 27 %
- Activities Negatively Affecting Biodiversity-sensitive Areas Value: 0.036, Coverage: 73 %
- Water Emissions Value: 0,001, Coverage: 4 %
- Hazardous Waste Ratio Value: 0,379, Coverage: 27 %
- Share Of Companies Involved In Violation Of UN Global Compact Principles And OECD Guidelines For Multinational Enterprises Value: 0,023, Coverage: 57 %
- Share Of Companies Without Policies To Monitor Compliance With UNGCP And OECD Guidelines For Multinational Enterprises Value: 0,022, Coverage: 76 %
- Energy Consumption per high impact climate sector: 2.39, Coverage: 29 %
- Unadjusted Gender Pay Gap Value: 31,752, Coverage: 36 %
- Board Gender Diversity Value: 0,309, Coverage: 69 %
- Share Of Investments Involved In Controversial Weapons Value: 0,004, Coverage: 73 %
- Carbon Target Value: 25, Coverage: 100 %
- Whistleblower Protection Value: 34, Coverage: 57 %

- ***...and compared to previous periods?***

No previous periodic report according to "Template periodic disclosures for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 has been provided.

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- **How did the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.

- **How were the indicators for adverse impacts on sustainability factors been taken into account?**

N/A

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

N/A

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered the principal adverse impact in its investment strategy where such information was available.



What were the top investments of this financial product?

The sectors are based on BICS (bloomberg classification).

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 31 December 2023

Largest investments	Sector	% Assets	Country
Norsk Hydro ASA 20/26 FRN	Materials	3,31 %	NO
OBOS-banken AS 21/25 FRN STEP C	Financials	3,12 %	NO
Spb 1 SMN 20/26 FRN STEP C	Financials	2,94 %	NO
Spb Sør 20/26 FRN C	Financials	2,93 %	NO
Danske Bank A/S 20/26 FRN C	Financials	2,51 %	DK
DNB Bank ASA 21/25 FRN C	Financials	2,45 %	NO
Spareskillingsbanken 20/25 FRN	Financials	2,42 %	NO
Nykredit Realkredit A/S 20/25 FRN	Financials	2,26 %	DK
Spb Sogn og Fjordane 21/25 FRN C	Financials	2,24 %	NO
Hafslund AS 20/25 FRN	Utilities	2,24 %	NO
Skudenes & Aakra Spb 21/25 FRN	Financials	2,15 %	NO
Norwegian Property ASA 19/24 FRN	Financials	2,03 %	NO
Eviny AS 20/25 FRN	Utilities	2,02 %	NO
Elkem ASA 21/24 FRN FLOOR	Materials	2,02 %	NO
Volkswagen Financial Servi 21/24 FRN NOK	Consumer Discretionary	1,89 %	DE



What was the proportion of sustainability-related investments?

- **What was the asset allocation?**

Asset allocation describes the share of investments in specific assets.

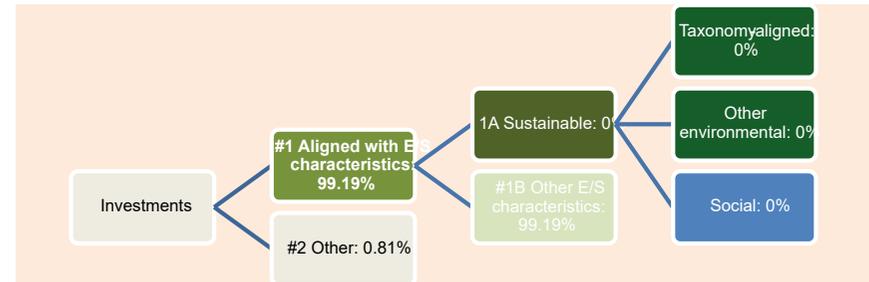
As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852", the Fund did not commit to making sustainable investments. The Fund did however promote E and S characteristics by making investments aligned with Pareto Asset Management guidelines for responsible investments. The Fund's net asset value is used as denominator for calculating the Fund's asset allocation.

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



- **In which economic sectors were the investments made?**

The sectors and sub-sectors are based on BICS (bloomberg classification).

Sectors	Proportion
Communications	0,45 %
Consumer Discretionary	1,89 %
Consumer Staples	0,81 %
Financials	73,05 %
Government	0,90 %
Industrials	7,22 %
Materials	5,32 %
Utilities	9,56 %
Sub-sectors	Proportion
Automobiles manufacturing	1,89 %
Banks	55,03 %
Chemicals	2,02 %
Commercial Finance	0,91 %
Consumer Finance	9,90 %
Food & Beverage	0,81 %
Government Local	0,90 %
Industrial Other	0,90 %
Machinery Manufacturing	2,67 %
Metals & Mining	3,31 %
Power Generation	4,52 %
Publishing & Broadcasting	0,45 %
Real Estate	7,21 %
Transport & Logistics	3,65 %
Utilities	5,05 %

Taxonomy-aligned activities are expressed as a share of:

- **turnover reflecting** the share of revenue from green activities of investee companies

- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?



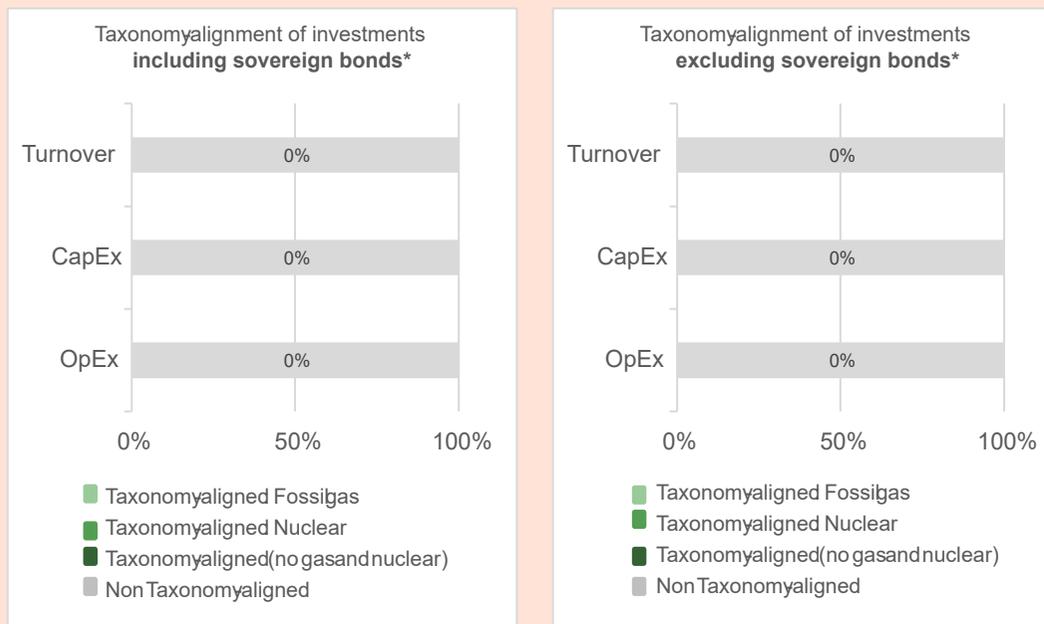
As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

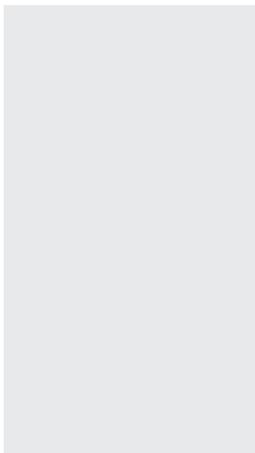
As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

- Yes:
- In fossil gas In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*I disse diagrammene omfatter «statsobligasjoner» alle eksponeringer mot stater.



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

- **What was the share of investments in transitional and enabling activities?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy. Consequently, there was no share of investments in transitional and / or enabling activities.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments, including sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

No previous periodic report according to "Template periodic disclosures for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 has been provided.



- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.



- **What was the share of socially sustainable investments?**

0%. As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" the Fund did not commit to making sustainable investments.



- **What investments are included under "Other", what was their purpose and were there any minimum environmental or social safeguards?**

The Fund's investments under "2 Other" include the use of cash and derivatives. Cash has been held as ancillary liquidity or for risk purposes. In the event of use of derivatives such instruments have been used for the purpose as described in the "Objective and investment strategy" section in the Fund's prospectus.

No minimum environmental or social safeguards were taken into account for the investments included under "Other".



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To meet the environmental and social characteristics during the reference period, the Fund has taken the following actions:

- Exclusions: excluding investments contributing to violation of human rights, labor rights, corruption, environmental damage and other unethical actions according to the Norwegian Government Pension Fund Global's exclusion list and Pareto Asset Management's guidelines for responsible investments' exclusion list.
- Corporate governance safeguards: see to that companies have features as described in Pareto Asset Management's guidelines for responsible investments.
- International principles: complying with UN's Principles for Responsible Investments
- Engagement: the Fund is a fixed income fund. Bonds do not have affiliated voting rights and the fund managers' power of influence in terms of active ownership is consequently limited. However, the Fund has applied a reactive engagement approach if there has been a specific reason to believe that a company violates the Fund's investment criteria. The fund managers have not had reasons to believe that the companies have violated the Fund's investment criteria during the reference period.

To ensure that investments comply with the Norwegian Government Pension Fund Global's exclusion list during the holding period, the Head of Risk maintains an exclusion and observation list that is cross-checked against the exclusions list on a monthly basis. In addition, the Head of Risk receives news from NBIM via email alerts and will get a notification if a new company were to be excluded.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote

As described in the Fund's "Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" no specific index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund. .

- How does the reference benchmark differ from a broad market index?
N/A
- How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?
N/A
- How did this financial product perform compared with the reference benchmark?
N/A
- How did this financial product perform compared with the broad market index?
N/A

Remuneration policy

Pareto Asset Management has adopted a remuneration policy that aims to promote good governance of the company's risk in accordance with the company and the funds' strategy, objectives, risk tolerance and long-term interests.

The remuneration policy shall discourage risk taking which is inconsistent with the risk profiles, articles of association or other constitutional documents of the securities fund under management, as well as measures to avoid conflicts of interest. Integration of sustainability risk is part of the overall risk assessment for our investment products and is therefore included in all risk references in the guidelines on remuneration.

The remuneration policy applies to all employees of Pareto Asset Management and shall promote longterm interests and accountability among employees. In addition to the fixed salary, all employees can

receive a discretionary variable remuneration.

Certain employees, "identified staff" are subject to special requirements of a proper balance of variable to fixed remuneration and retention of variable remuneration. For identified staff, at least half of the discretionary, variable remuneration is subject to deferral. The deferred capital is withheld by the company as contingent capital and invested in the company's securities funds. Deferred capital is paid in equal portions over a three year period, adjusted for profits and losses in the period. The chief executive officer, head of sales, chief investment officer, chief financial officer, chief compliance officer, chief risk officer, branch manager and portfolio managers are subject to the special provisions of the remuneration policy.

Pareto Asset Management has a remuneration

committee consisting of three people appointed by the Board of Directors. The board appoints the chairman of the committee, and the committee must have at least one shareholder-elected director and one director elected by the unit-holders who is independent of the management of the company. The chairman of the board must be among the members of the remuneration committee. The committee proposes the variable remuneration for the CEO and identified staff to the board.

The remuneration policy is revised annually, including updating which individuals are covered by the remuneration policy as identified staff.

	Number of beneficiaries	Total remuneration NOK	Fixed remuneration NOK	Variable remuneration* NOK
Sum all employees	61	118 7358 504	54 677 027	64 058 477
Employees categorised as identified staff i.a.w. the remuneration policy	15	50 289 575	13850	36 439 575
Senior management and employees with supervisory responsibilities	6	20 239 575	6 050 000	14 189 575
Risk takers	9	30 050 000	7 800 000	22 250 000

*For employees categorised as identified staff, 50% is subject to malus, with a deferral period of 3 years, and vested pro rata on a yearly basis. This is not taken into account in the table above.

Auditor's report

Deloitte.

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Til generalforsamlingen i Pareto Asset Management AS

UAVHENGIG REVISORS BERETNING

Konklusjon

Vi har revidert Verdipapirfondene forvaltet av Pareto Asset Management for regnskapsåret avsluttet per 31.12.2022:

- Pareto Global Verdipapirfond
- Pareto Aksje Norge Verdipapirfond
- Pareto Likviditet Verdipapirfond
- Pareto Obligasjon Verdipapirfond
- Verdipapirfondet Pareto Investment Fund

Årsregnskapene består av balanse per 31. desember 2022, resultatregnskap for regnskapsåret avsluttet per denne datoen og noteopplysninger til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskaps finansielle stilling per 31. desember 2022, og av dens resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet slik det kreves i lov, forskrift og International Code of Ethics for Professional Accountants utstedt av the International Ethics Standards Board for Accountants (IESBA-Reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret (ledelsen) er ansvarlig for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

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side 2
Uavhengig revisors beretning -
Pareto Asset Management AS

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil. Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskaps evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet. Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av den interne kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapstimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på hensiktsmessigheten av ledelsens bruk av fortsatt drift-forutsetningen ved avleggelsen av årsregnskapet, basert på innhentede revisjonsbevis, og hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskaps evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet inntil datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke fortsetter driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av revisjonen og til hvilken tid revisjonsarbeidet skal utføres. Vi utveksler også informasjon om forhold av betydning som vi har avdekket i løpet av revisjonen, herunder om eventuelle svakheter av betydning i den interne kontrollen.

Oslo, 9. mars 2023
Deloitte

Roger Furholm
statsautorisert revisor

IKKE OPPDATER

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Auditor's report



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Roger Furholm
Statsautorisert revisor
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The fund's KIIDs, prospectuses, annual and semiannual reports are available from paretoam.com/en/fund-related-documents. Other information is available at paretoam.com/en/important-documents.

www.paretoam.com

