

## PRIVACY NOTICE

### 1 Introduction

Pareto Alternative Investments AS («PAI») is committed to safeguarding the privacy of our clients. We work actively to ensure correct and secure personal data processing. Personal data are information and evaluations that can be linked to individuals, such as for example name, residential address, telephone number, e-mail address and IP address. Data that can (only) be linked to enterprises are not classified as personal data.

This privacy notice describes which personal data we receive and collect when you use the services of Pareto, how these are used, as well as what we do to protect the personal data.

The privacy notice applies for PAI, as well as PAI's branch in Sweden. Please be advised that local regulations may apply to specific rules and adjustments.

You should familiarise yourself thoroughly with the contents of this privacy notice. When we write "you" we mean clients, potential clients, our client's employees or other relative parties (such as beneficial owners, authorised representatives and associated parties), as well as our business partners and their employees or other relative partners. By using the services of Pareto, you consent to us processing personal data in accordance with this privacy notice and in compliance with the legislation applicable at any given time.

### 2 Controller

Pareto is the controller for the personal data processing unless otherwise stated.

Ultimate responsibility sits with the Chief Executive Officer. Daily follow-up is handled by the Pareto Securities AS' IT department in consultation with our Compliance department.

### 3 Which personal data we collect in connection with a client relationship

#### 3.1 Establishment of client relationship

We collect various personal data upon the establishment of a client relationship in order to comply with our obligations under the securities legislation and anti-money laundering legislation.

For personal clients, we will collect the following data that can be linked to individuals:

Type of personal data	Basis for processing
Name of client	GDPR Article 6 (1) (b) necessary for the performance of a contract to which the data subject is a party
Contact details	GDPR Article 6 (1) (b) necessary for the performance of a contract to which the data subject is a party
Norwegian social security number or corresponding non-Norwegian tax identification number (TIN)	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject
Citizenship	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject
Tax domicile if other than Norway	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject
Bank account and, if applicable, VPS account	GDPR Article 6 (1) (b) necessary for the performance of a contract to which the data subject is a party

Type of personal data	Basis for processing
Political exposure details	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject
Wealth and income details	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject
Securities trading knowledge and experience details	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject
Investment objective	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject

We may collect data on new personal clients from credit reference agencies to verify that the wealth and income details are correct.

For corporate clients, we collect the following data that can be linked to individuals:

Type of personal data	Basis for processing
Name and contact details of individuals authorised to trade on behalf of the client	GDPR Article 6 (1) (b) necessary for the performance of a contract to which the data subject is a party
Name, contact details, citizenship and tax domicile of beneficial owners	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject
Norwegian social security number or corresponding non-Norwegian tax identification number on individuals authorised to trade on behalf of the client and on beneficial owners	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject
Political exposure details on individuals authorised to trade on behalf of the client and on beneficial owners	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject
Securities trading knowledge and experience details of individuals authorised to trade on behalf of the client	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject

The data we collect in connection with the establishment of a client relationship will, as noted in the client agreement, be entered in PAI's client register.

If you do not wish to provide us with information that is necessary for compliance with a legal obligation to which PAI is subject, the implication is that we are unable to conclude an agreement with, or provide services to, you.

### **3.2 Storage of client communication and documentation of trades**

The securities legislation requires PAI to store client dialogue on tampering-proof means of storage in order to retrospectively document how the parties have communicated with each other. We therefore record and keep all incoming and outgoing telephone calls made on a fixed line by those of our employees engaged in client dialogue. We also keep e-mails.

We are, furthermore, required to keep documentation in respect of submitted orders. This will document the behavioural patterns of individuals.

We may collect the following data when you subscribe for our newsletters or receive reports:

- Whether you have opened/read e-mails
- Which links you have accessed in e-mails

### 3.3 *Video recording by closed-circuit camera surveillance*

We make video recordings by closed-circuit surveillance on our premises in order to prevent and detect any criminal activity. Such recordings are deleted on an ongoing basis after 90 days. On-site signs clearly indicate where recordings are made and who is responsible for such recordings.

On an anonymous basis we collect information on what technology is used (browser, operating system, network operator, entity), which pages are visited, as well as the IP address used when you visit our web-site.

## 4 **Which personal data we collect in other relationships**

### 3.1 *Potential clients*

For prospective clients we will collect the following personal data that can be linked to individuals:

Type of personal data	Basis for processing
Name of prospective client/name of individual authorised to act on behalf of the prospective client when the prospective client is an institutional investor and the individual has a position as portfolio manager, CFO or similar	GDPR Article 6 (1) (a) based on consent
Contact details on the abovementioned	GDPR Article 6 (1) (a) based on consent
Name of prospective client/name of individual authorised to act on behalf of the prospective client	GDPR Article 6 (1) (a) consent
Contact details on the abovementioned	GDPR Article 6 (1) (a) consent
E-mail correspondence and telephone conversations	GDPR Article 6 (1) (c) necessary for compliance with a legal obligation to which PAI is subject

### 4.2 *Contractors and business partners*

For business partners we will collect the following personal data that can be linked to individuals:

Type of personal data	Basis for processing
Name and contact details of individual authorised to act on behalf of the business partner	GDPR Article 6 (1) (b) necessary for the performance of a contract to which the data subject is a party
E-mail correspondence and telephone conversations	GDPR Article 6 (1) (b) necessary for the performance of a contract to which the data subject is a party

### 4.3 *Visitors on our social media page*

For visitors of our social media page on LinkedIn we may collect the following data that can be linked to individuals:

Type of personal data	Basis for processing
Name, data concerning likes and clicks, messages sent to us, uploaded pictures and comments	GDPR Article 6 (1) (f) necessary for pursuing our legitimate interest in our social media appearance, including communicating with you on our social media pages

## 5 How we use the data

### 5.1 The purposes of, and basis for, personal data processing

The principal purposes of personal data processing are client administration, invoicing and compliance with the obligations assumed by PAI for the execution of assignments for, and performance of agreements with, clients. The basis for personal data processing is statutory obligations, as well as such processing being necessary for the performance of an agreement with, or the provision of a service to, clients. We will otherwise process personal data to the extent it is required or permitted under applicable legislation, or to the extent the client has consented to such processing.

Apart from this, personal data are processed for, *inter alia*, the following purposes:

- Control actions and documentation (Section 5.2)
- Disputes (Section 5.3)
- Requests from authorities (Section 5.4)
- Client follow-up, advice and marketing (Sections 5.5 and 5.6)
- Client service development (Section 5.7)
- Processing of personal data on business partners (Section 5.8)
- Social media pages (Section 5.9)
- Video conferencing (Section 5.10)

### 5.2 Documentation and control actions

The alternative investments fund legislation, securities legislation and anti-money laundering legislation require PAI to process and keep information concerning our clients and trades, cf. Section 3. In addition, the authorities require investment firms to carry out comprehensive checks to ensure that their own business operations are conducted in compliance with applicable statutory requirements. This requirement means that we need to review stored dialogues with our clients, whether by e-mail, telephone etc.

We will be able to identify relevant telephone communications by searches for incoming or outgoing telephone numbers, time of call and/or which employees participated in the call. We will be able to identify communications conducted via other communication channels on the basis of client identity, time of dialogue and which employees participated in the dialogue.

We are required to report any suspicious transactions to the authorities and will in such situations hand over related client details and client dialogues.

### 5.3 Disputes

In the event of disputes between us and clients, it will be necessary for us to review stored client dialogue in order to determine the course of events.

The client dialogue may be invoked as evidence in connection with proceedings before administrative appeal bodies or the courts of law.

#### *5.4 Requests from the authorities*

PAI receives requests from financial regulatory authorities, tax authorities and the police/public prosecutors ordering us to disclose, pursuant to statute, client relationship documentation. PAI will in such contexts be required to disclose stored personal data in the form of client details and client dialogue.

#### *5.5 Advice and client follow-up*

The data that the securities legislation requires PAI to collect and keep in relation to clients are used as a basis for providing clients with advice that is tailored to their level of expertise, as well as their risk appetite and investment objectives. Such data are also used to ensure that clients do not trade in securities of which they have insufficient knowledge. PAI also uses personal data for client follow-up.

#### *5.6 Marketing, product and client analysis*

PAI uses personal data to provide you with information on services and products that may be of interest to you. Personal data is processed in the context of marketing, product and client analysis. This processing forms the basis for marketing, process, business and system development. This is to improve our product range and optimize our client offerings, which may also involve profiling.

#### *Newsletter*

When you subscribe to our newsletters, such as PAI's quarterly Credit Insight Report, we collect the following information:

- Whether you have opened/read e-mail
- Which links you have opened in e-mail

Newsletters, monthly reports and invitations to investor seminars, are sent to clients and others who have consented to receive such. You can easily unsubscribe from the individual newsletter.

You may during the establishment of the client relationship or subsequent thereto have consented to receiving electronic communications from us. PAI will in such case send you communications based on the consent you gave at the time.

Besides, PAI uses telephone, e-mail and other digital channels of communication in its client marketing. Such marketing takes place in compliance with the legislation applicable at any given time. If you do not wish to receive such communications, you may decline such communications at any given time.

#### *5.7 Client service development*

We store data on the use of our client services in order to improve the client experience and enhance our services based on knowledge about statistics and trends in the use of said services. Such storage also facilitates fault detection.

#### *5.8 Processing of personal data on business partners*

To the extent necessary to administrate the business relationship with our business partners and the agreement regulating such relationship, we store personal data related to their employees or other relative partners such as name and contact details of contact persons.

#### *5.9 Social media pages*

To give you relevant information and communicating with you, we have established publicly an accessible profile and page on LinkedIn.

As administrators of our pages on the social media platform, we are joint controllers with the relevant social media provider for processing of the data generated through such pages. For further information, we refer to the privacy policy of the relevant social media provider.

We are given access to aggregated data about visits to and activities on our page. We use this for the purpose of statistics and analysis. This is not personal data to us, as we cannot link the aggregated data to individuals. We do not store this information ourselves, but have access to it as long as we have our social media pages. You may at any time delete information about yourself, e.g. by removing contents our reactions you have posted. Please note that your posts are not deleted just by you unfollowing our pages.

#### *5.10 Video conferencing*

When Pareto arrange video conferences, e.g. when organizing meetings, seminars and roadshows, we may from time to time make video recordings of them. If so, you will be notified in advance of our processing of personal data in connection with the relevant conference.

#### *5.11 Cookies*

When you visit PAI's website, we register various types of information about you in a cookie. A cookie is a small file stored locally on your device. It is not harmful and cannot contain any virus or computer programs. What it does is to identify the user by means of a client ID to enable us to provide you with user-tailored content. Additional information on cookies is available in our Cookie Statement on [www.paretoai.no](http://www.paretoai.no).

### **6 How the data are safeguarded**

#### *6.1 Procedures*

All personal data are processed in compliance with the General Data Protection Regulation (GDPR) (EU) 2016/679 and in accordance with strict procedures in order to ensure that confidentiality, availability and integrity requirements are met.

All employees are informed of applicable procedures and sign a comprehensive confidentiality undertaking. PAI checks adherence to the procedures on a regular basis. Any procedural violations will have consequences for the employees involved.

#### *6.2 How long the data are kept*

Personal data will only be stored as long as PAI has a legitimate need for, and a lawful right to, keep these, but at least as long as necessary for compliance with the statutory storage obligations of PAI.

##### 6.2.1 Clients and their contact persons

Key storage obligations are:

<b>Statute</b>	<b>Data</b>	<b>Minimum storage period</b>
Alternative Investments Fund Act and appurtenant regulations	Documentation and information including client data required to be kept under the Alternative Investments Fund Act and appurtenant regulations, implemented from relevant EU directives	-Minimum of 5 years after discontinuation of the client relationship

Statute	Data	Minimum storage period
Securities Trading Act and Securities Regulations	Documentation and information including client data and audio recordings required to be kept under the Securities Trading Act and the Securities Regulations, implemented from relevant EU directives	-Minimum of 5 years after discontinuation of the client relationship -Audio recordings: minimum of 3 years from the time of the recording
Anti-Money Laundering Act	Documentation including data relating to client checks required to be kept under the Anti-Money Laundering Act, implemented from EU directives	- Minimum of 5 years after discontinuation of the client relationship or completion of the transaction
Bookkeeping Act and Bookkeeping Regulations	Accounting materials required to be kept	5 years after the end of the financial year <sup>1</sup>

### 6.2.2 Prospective clients

Personal information related to prospective clients will be deleted after two years of inactivity or if the prospective client retracts its consent.

### 6.2.3 Business partners

Personal information related to contact persons of our business partners will be deleted no later than five years after the business relationship has ended.

## 6.3 Disclosure to third parties

The data will only be disclosed to third parties when:

- PAI is legally obliged to do so, for example upon reporting of suspicious transactions or when disclosure is ordered by government authorities
- Disclosure is necessary to receive and execute orders, to perform settlement and establish securities accounts with another firm or central securities depository
- Disclosure to companies internally within the Pareto Group is necessary to perform our agreement with, or to provide our services to, you, as well as if such disclosure is necessary to comply with groupbased management, control and/or reporting requirements laid down by statute
- Disclosure is necessary to attend to PAI's interests in any dispute
- The data subject consents to disclosure
- It is necessary in connection with the operation of PAI's IT systems.

PAI conducts business operations that rely on IT system operations procurement. The alternative investments funds and securities legislation makes such outsourcing subject to strict conditions. The service providers will either process personal data in the EU/EEA or in approved third countries with the same strict personal data legislation or subject to mechanisms that attend to data protection considerations in accordance with applicable regulations, for example the EU Standard Contractual Clauses or Privacy Shield certification (only in the US). Moreover, designated data processor agreements between PAI and the IT service provider include regulations on what information the

<sup>1</sup> Note that the transitional regulation requires that accounting materials is kept for 10 years for transactions taking place prior to 1. February 2014.

service provider has access to, as well as how such information shall be processed in order to ensure compliance with PAI's strict information processing procedures.

If PAI transfers personal data abroad, it will do so in compliance with Norwegian law and the applicable mechanisms.

## **7 Your privacy rights**

You have the right to request access to any personal data we have stored in relation to you. You also have the right to request that any incorrect data be corrected and/or erased. In addition, you have the right to request processing limitations under certain circumstances. You have the right to data portability (the right to have your personal data transmitted from one service provider to another), if this is technically feasible.

In cases where the processing is based on your consent, you have the right to withdraw your consent to such processing at any time. We also give you the opportunity to opt out of future marketing whenever we send you marketing material.

There may be situations where our confidentiality or other obligations under applicable law prohibit us from disclosing or deleting your personal data or otherwise prevent you from exercising your rights. As noted above, PAI is obliged to keep client communications on tampering-proof platforms. This obligation may mean that we are both legally and physically unable to erase personal data during the mandatory storage period.

Any requests should be sent to us in writing on the addresses set out under Section 8.

You also have the right to file a complaint with the competent Data Protection Authority, which may be the supervisory authority in your country of residence or place of work if you believe that our personal data processing violates applicable legislation. The relevant authority for PAI is the Norwegian Data Protection Authority <https://www.datatilsynet.no/om-datatilsynet/kontakt-oss/>.

## **8 Contact details**

Please contact [pai.dataprotection@pareto.no](mailto:pai.dataprotection@pareto.no) or call + 47 22 01 58 89 if you have any questions in relation to PAI's personal data processing.