

PICTET ASSET MANAGEMENT

# Prospectus and fund contract

Pictet CH

MARCH 2024

Umbrella fund of the “other funds for traditional investments” type under Swiss law

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## FUND PROSPECTUS

This prospectus with integrated fund contract, the key information document<sup>1</sup> and the latest annual or semi-annual report (if published after the latest annual report) govern all subscriptions for units of subfunds.

Only the information contained in this prospectus, the key information document and the fund contract shall be deemed to be valid.

### 1. Information on the umbrella fund and the subfunds

#### 1.1 Constitution of the fund in Switzerland

The fund contract was concluded between Pictet Asset Management SA in its capacity of fund management company, with the approval of Banque Pictet & Cie SA in its capacity of custody bank, submitted to the Swiss Financial Market Supervisory Authority (FINMA) and approved for the first time on 11 July 2003.

#### 1.2 Duration

The duration of the fund is unlimited.

#### 1.3 Tax regulations relevant to the investment funds

##### *a. General considerations*

The tax-specific consequences outlined below are provided for information only and are based on the prevailing legal situation and current industry practice. Any changes to legislation, court rulings and tax authority practices remain explicitly reserved.

Taxation and other fiscal consequences for investors who hold, sell or buy units of investment funds or units of subfunds are based on the provisions of the tax laws of the country in which the investor is domiciled or otherwise considered a taxpayer (e.g. based on citizenship). Investors' attention is drawn to the fact that the determining domicile is not necessarily that of the individual or legal entity in whose name the units of the fund are held; in certain cases, pursuant to the principle of

transparency, the tax authority will take the domicile of the beneficial owner. Investors are responsible for determining and bearing the tax consequences of their investment; to this end, they are encouraged to use the professional services of a tax adviser.

##### *b. Swiss tax*

#### 1. Tax provisions applicable to the umbrella fund and the subfunds:

The umbrella fund and its subfunds have no legal personality in Switzerland. They are therefore not subject to income tax or capital gains tax but are transparent, i.e. taxation is applied exclusively and directly to investors.

The Swiss federal withholding tax deducted from the subfunds' domestic income may be reclaimed in full for the corresponding subfund by the fund management company.

Income and capital gains realised abroad may be subject to the relevant withholding tax deductions imposed by the country of investment. To the extent possible, these taxes will be reclaimed by the fund management company on behalf of investors resident in Switzerland under the terms of double taxation treaties or other specific agreements.

#### 2. Tax provisions applicable to investors:

Reinvestments and distributions of income from the subfunds to investors domiciled in Switzerland are subject to federal withholding tax (taxation at source) at the rate of 35%. Capital gains paid by way of a separate coupon are not subject to withholding tax.

Investors domiciled in Switzerland may, depending on their situation, reclaim Swiss withholding tax by declaring the income on which it was paid in their tax returns or by filing a claim for refund with the Swiss Federal Tax Administration.

For foreign investors, on the other hand, the withholding tax is a final tax unless they benefit from a double taxation agreement (DTA) concluded between Switzerland and their country of domicile, enabling some or all of the withholding tax levied

<sup>1</sup> All references to the basic information sheet should be construed as also referring to documents recognised as

equivalent in accordance with article 87 of the Financial Services Ordinance (FinSO).



to be reclaimed, or in the event of an affidavit procedure.

With regard to the latter, upon presentation of an affidavit (confirmation issued by the bank that it is holding the units in its custody on behalf of a foreign investor and that the income will be credited to the latter's account), income may be distributed to foreign investors without the deduction of withholding tax provided that at least 80% is derived from foreign sources. It cannot be guaranteed that at least 80% of the income of a subfund is derived from foreign sources.

Should withholding tax be deducted from income distributed to an investor domiciled abroad owing to a failure to present a declaration of domicile (affidavit), a claim for a direct refund may nevertheless be submitted directly to the Swiss Federal Tax Administration in accordance with Swiss law.

#### *c. Automatic exchange of information*

On 15 July 2014, the Organisation for Economic Co-operation and Development ("OECD") approved the Standard for Automatic Exchange of Financial Account Information providing for the automatic exchange of information in tax matters on an exhaustive and multilateral basis around the world. This Standard encourages countries to obtain information from the financial institutions in their jurisdictions and to exchange this information with other jurisdictions on an annual basis. It sets out the financial account information to be exchanged, the financial institutions required to report, the different types of accounts and taxpayers covered, as well as common due diligence procedures to be followed by financial institutions.

The three acts that make up the legal foundations for the automatic exchange of information (the "AEOI Acts"), i.e. the OECD Multilateral Convention on Mutual Administrative Assistance in Tax Matters, the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information and the Swiss Federal Act on International Automatic Exchange of Information on Tax Matters, require Swiss financial institutions to establish the identity of the owners of financial assets and determine if they reside for tax purposes in countries with which Switzerland exchanges information in accordance with a bilateral agreement on sharing tax information. In such event, the Swiss

financial institutions send the information about the financial accounts of asset holders to the Swiss tax authorities, which in turn automatically forward this information to the relevant foreign tax authorities on an annual basis. As such, information concerning unitholders may be provided to the Swiss tax authorities and other relevant tax authorities pursuant to the regulations in effect.

Under the AEOI Acts, the fund is considered a financial institution. Consequently, unitholders are expressly informed that they are or may be subject to reporting to the Swiss tax authorities and other competent tax authorities, including the tax authorities of their country of residence.

The subfunds do not admit among their unitholders investors that are considered under the AEOI Acts to be (i) natural persons or (ii) passive non-financial entities ("Passive NFE"), including financial entities reclassified as passive non-financial entities. The fund may impose measures and/or restrictions in this respect, including (but not limited to) declining subscription or forced redemption orders, as described in more detail in section 5.5 below and in the fund contract.

Unitholders are encouraged to consult a professional advisor on the tax and other consequences of the implementation of the automatic exchange of information.

The fund reserves the right to decline any subscription if the information provided by any potential investor does not meet the conditions laid down by the AEOI Acts. The above provisions are only some of the different implications of the AEOI Acts. They are based only on their interpretation at this time and are not exhaustive. These provisions must not be construed as tax or investment advice. Investors should seek advice from their financial or tax advisors on all the implications of the AEOI Acts to which they may be subject.

#### *d. European tax*

Under the Agreement of 2005 between Switzerland and the European Union on the taxation of savings, Swiss investment funds are only subject to European savings tax if they are exempt from Swiss withholding tax via the aforementioned affidavit procedure or if the withholding tax retained may be refunded on request.

On 27 May 2015, Switzerland and the EU signed an agreement on the automatic exchange of information in tax matters. This agreement replaces the agreement on the taxation of savings from 2005.

#### *e. US tax*

The US Foreign Account Tax Compliance Act (“FATCA”) aims at preventing US tax evasion by requiring foreign (non-US) financial institutions to report to the US Internal Revenue Service (“IRS”) information on financial accounts held outside the United States by US investors. US securities held by a foreign financial institution that does not comply with the FATCA reporting regime are subject to a US tax withholding of 30% on the income received (the “FATCA Withholding”), since 1 July 2014.

Under the intergovernmental agreement (“IGA”) between the United States and Switzerland on the implementation of FATCA dated 14 February 2013, the subfunds are considered foreign financial institutions. Consequently, unitholders are expressly informed that, if required, they may be subject to reporting to the relevant tax authorities.

The subfunds do not admit as unitholders investors that are considered (i) natural persons, (ii) Passive Non-Financial Foreign Entities (“Passive NFFE”) or (iii) Specified US-Persons under the US FATCA Final Regulations or any applicable IGA. The fund may impose measures and/or restrictions to that effect, which may include declining subscription orders or the compulsory redemption of units, as further detailed in section 5.3 below and in the fund contract, and/or the application of the FATCA Withholding to payments to the account of any unitholder found to qualify as a “recalcitrant account” or “non-participating foreign financial institution” under FATCA. Investors are advised that although the subfunds will attempt to comply with all FATCA obligations, no assurance can be given that they will be able to satisfy such obligations and therefore avoid the FATCA Withholding.

The attention of US taxpayers is drawn to the fact that the fund qualifies as a passive foreign investment company (“PFIC”) under US tax laws and does not intend to provide information that would allow such investors to elect to treat the fund as a qualified electing fund (so-called “QEF election”).

#### 1.4 Accounting year

The accounting year runs from 1 October to 30 September.

#### 1.5 Auditor

PricewaterhouseCoopers SA, with registered office in Geneva, acts as auditor.

#### 1.6 Units

Each subfund is divided into different unit classes. The characteristics of the different unit classes of each subfund are detailed in the annexes to this prospectus.

As a rule, units are not issued in physical form but instead recorded in the accounts. Investors can request the custodian bank to produce a registered share certificate for a fee of CHF 200 per certificate.

In accordance with the fund contract, the fund management company is entitled, with the consent of the custodian bank and the approval of the supervisory authority, to set up, discontinue or merge various unit classes for each subfund at any time.

The unit classes do not constitute segregated pools of assets. Although the costs are in principle charged only to the unit class for which a given service is rendered, it cannot be ruled out that a unit class be held liable for the liabilities of another unit class.

There is no charge for switching between classes. When switching from or into unit classes in category “Z” and “Zo”, the exchange ratio is calculated on the basis of the established net asset values without taking account of the costs of adjusting the portfolio.

#### 1.7 Listing and trading

The units of the fund are not listed on a stock exchange or admitted to trading on regulated markets.

#### 1.8 Terms of subscription and redemption of units of subfunds

Units of funds may be issued or redeemed every bank business day of the week (from Monday to

Friday). Units may not be purchased or redeemed on Swiss bank holidays (Easter, Ascension Day, Whit Monday, Christmas, New Year's Day, National Day) or on 1 May and 24 December. Units may not be purchased or redeemed either on days on which the stock exchanges or markets of the main countries where the subfund is invested are closed, or in the event of exceptional circumstances within the meaning of §17 prov. 2.5 of the fund contract.

Each investor may, in the event of a subscription, apply to provide assets for the assets of the subfund instead of a payment in cash ("contribution in kind") or, in the event of a redemption, for assets to be transferred to the investor instead of payment in cash ("redemption in kind"). The application must be submitted along with the subscription or redemption request. The fund management company is not obliged to permit contributions or redemptions in kind. The fund management company has sole decision-making authority on contributions or redemptions in kind and agrees to such transactions only if executing the transactions complies fully with the subfund's investment policy and does not compromise the interests of the other investors. Contributions and redemptions in kind are governed for all the subfunds by §17 prov. 2.8 of the fund contract.

The annexes to this prospectus provide for the cut-off times and dates for receiving and calculating subscription and redemption orders for each subfund.

If unit certificates are issued, they must be returned when a redemption request is made.

In the case of a request for a subscription or redemption in cash, incidental costs (costs of adjusting the portfolio, e.g. difference between purchase and sale price, standard brokerage charges, fees, taxes, etc.), as well as the costs of verifying and maintaining quality standards in the case of physical investments, incurred when investing the amount paid or selling the portion of the investments being redeemed, are taken into account in accordance with the modalities set out in the Annexes to this prospectus among the following options:

- "Swinging Single Pricing" ("SSP"): This method entails calculating the net asset value by including the costs of adjusting the subfund portfolio ("swung" NAV). Incidental costs are thus borne

by the investors subscribing or requesting redemption of units, on the trading day in question. The net flow of issues and redemptions of units determines the volume at which the portfolio requires adjustment. If, on a given valuation day, unit issues exceed unit redemptions, the fund manager increases the net asset value by the amount of the transaction costs incurred by the subfund when adjusting the portfolio ("swung" NAV). If, on a given valuation day, unit redemptions exceed unit issues, the fund manager reduces the net asset value by the amount of the transaction costs incurred by the subfund when adjusting the portfolio ("swung" NAV). The maximum rate at which the net asset value may be adjusted for each subfund is set forth in the Annexes to this prospectus.

- "Spread":
  - The issue price is determined as follows: the net asset value calculated as at the pricing date, plus the incidental costs incurred by the subfund when investing the amount paid, plus the subscription fee. The amount of the incidental costs and subscription fee is set forth, for each subfund, in the Annexes to this prospectus.
  - The redemption price is calculated as follows: the net asset value calculated as at the pricing date, less the incidental costs incurred by the subfund when selling the portion of the investments being redeemed and less the redemption fee. The amount of the incidental costs and redemption fee is set forth, for each subfund, in the Annexes to this prospectus.
- Charging of costs to the subfund's assets: Incidental costs are charged to the subfund's assets.

Incidental costs are determined on a flat-rate basis and in principle reflect the average transaction costs; they are reviewed regularly. However, instead of the average transaction costs, the fund management company may take account of the actual amount of the incidental costs, if it deems this appropriate in the relevant circumstances (e.g. amount, general market situation, specific market situation for the investment class concerned). In this case, the adjustment may be greater or less than the average incidental costs.

In the cases mentioned in §17, prov. 2.5 of the fund contract and in any other exceptional case, the maximum rate defined in the Annex of the subfund may be exceeded, provided that the fund management company deems this to be in the interests of all investors. The fund management company notifies the auditors, the supervisory authority and the existing and new investors, without delay and in a suitable manner, of any decision to exceed the maximum rate.

Incidental costs are not taken into account in cases where the fund management company authorises a contribution or redemption in kind rather than in cash, in accordance with §17, prov. 2.8 of the fund contract, or when switching between unit classes within the same subfund. However, in the case of a subscription in kind to a class with the aim of hedging the currency risk (classes whose name includes “H”), the specific fees relating to setting up this hedge are taken into account using the methods described above.

Subscription and redemption prices are rounded to the nearest 0.01 in the accounting currency.

### 1.9 Use of income

The annexes to this prospectus indicate, for each subfund, the unit classes where the income is capitalised (“Capitalisation unit classes”) and those where the income is distributed annually in the form of a dividend within four months of the end of the year (“Distribution unit classes”).

### 1.10 Investment objectives and policy

Detailed information on the investment policy and restrictions as well as the authorised investment techniques and instruments (in particular derivative financial instruments and their scope) is contained in the fund contract (§§7-15).

#### *a. Investment objectives and investment policy of the subfunds*

The fund management company has chosen to apply a different investment policy for each of the

subfunds that invest in bonds and other debt securities, equities and other participation rights or money market instruments. In addition, when investing their assets, certain subfunds - while still complying with the rules laid down in investment fund legislation - follow the principles enshrined in the Swiss Federal Law on Occupational Retirement, Survivors’ and Disability Pension Plans (LPP) and may use the investment opportunities authorised by the Ordinance on Occupational Retirement, Survivors’ and Disability Pension Plans (OPP<sup>2</sup>).

In principle, the subfunds’ assets are invested in securities issued in large quantities and non-secured rights with the same function that are traded on a stock exchange or another regulated market open to the public.

The details of the investment objectives and the investment policy of each subfund are set forth in the annexes to this prospectus.

#### *b. Responsible investment*

The annexes to the subfunds contain pertinent information relating to the inclusion of environmental, social and governance (“ESG”)<sup>2</sup> criteria.

For more information, please consult [www.asset-management.pictet](http://www.asset-management.pictet).

#### *c. Investment restrictions of the subfunds*

The fund management company may, including derivatives and structured products, invest up to 10% of the total assets of the subfunds in securities or money market instruments of the same issuer, subject to different percentages set out in the fund contract, in particular for indexed subfunds.

The fund management company may invest up to 35% of the total assets of each subfund in securities or money market instruments of the same issuer when these have been issued or guaranteed by a country, by a public-law entity from the Organisation for Economic Co-operation and Development (“OECD”) or by an international public-law organisation to which Switzerland or a member state of the European Union belongs.

<sup>2</sup> Environmental criteria relate in particular to pollution, climate change and natural resources. Social criteria relate in particular to human rights, employment standards and public health. Governance criteria relate in particular to the

composition of boards of directors, executive compensation, shareholder rights and business ethics. For sovereign issuers, governance criteria relate in particular to government stability, corruption, the right to privacy and judicial independence.

The fund management company may, on behalf of the subfunds of the Pictet CH fund, invest up to 100% of the assets of each subfund in securities or money market instruments of the same issuer, provided that these are issued or guaranteed by a country, by a public-law entity from the OECD or by an international public-law organisation to which Switzerland or a member state of the European Union belongs.

The following issuers and guarantors are allowed:

- Member states of the OECD;
- Singapore;
- Hong Kong;
- Swiss Cantons;
- The African Development Bank;
- The Asian Development Bank;
- The European Investment Bank;
- Eurofima;
- The Inter-American Development Bank;
- The European Bank for Reconstruction and Development;
- The Council of Europe;
- The European Union;
- The International Finance Corporation;
- The Nordic Investment Bank;
- The World Bank;
- The central banks of the member states of the OECD.

The fund management company may also invest 35% of the assets of the subfunds in securities or money market instruments of the same issuer as long as they are issued or guaranteed by a central mortgage bond institution in Switzerland.

#### *d. Management of collateral*

- The permitted types of collateral:

Assets received as collateral as part of investment techniques or OTC transactions must satisfy the following requirements:

- It is highly liquid and is traded at a transparent price on an exchange or other regulated market open to the public. It can be disposed of at short notice at a price close to the valuation undertaken prior to sale;
  - It is valued at least on each trading day. Where price volatility is high, suitable conservative security margins must be applied;
  - It is not issued by the counterparty or by a company that belongs to or is dependent on the counterparty's group;
  - The credit quality of the issuer is high.
- The required level of collateralisation:

The required level of collateralisation is fulfilled by the following obligations and requirements in the management of collateral:

- The collateral must be diversified appropriately in terms of countries, markets and issuers. Appropriate diversification of issuers is deemed to have been achieved if the collateral of a single issuer held does not correspond to more than 20% of the net asset value. Deviation from this rule is permitted if the collateral is issued or guaranteed by a country or a public-law entity from the OECD or by an international public-law organisation to which Switzerland or a member state of the European Union belongs, or the approval conditions set out in Article 83 paragraph 2 CISO are met. If collateral is provided by more than one counterparty, an aggregate perspective must be ensured;
- The fund management company or its agents must be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent;
- The fund management company or its agents may not re-lend, re-pledge, sell or reinvest collateral pledged or transferred to them or use it as part of a repurchase transaction or to hedge obligations arising from derivative financial instruments. They may only use cash collateral received in the corresponding currency as liquid assets or invest it in high-quality



government bonds and directly or indirectly in short-term money market instruments or use it as a reverse repo;

- If the fund management company or its agents accept collateral representing more than 30% of the fund assets, they must ensure that the liquidity risks can be captured and monitored appropriately. Regular stress tests must be carried out that take account of both normal and exceptional liquidity conditions. The controls carried out must be documented;
- The fund management company or its agents must be in a position to attribute any uncovered claims remaining after the realisation of collateral to the securities funds whose assets were the subject of the underlying transactions.

- The determination of security margins:

The fund management company or its agents provide for appropriate security margins.

- The investment strategy and the risks in the event that cash collateral is reinvested:

The collateral strategy

- is geared to all types of assets received as collateral; and
- takes account of characteristics of the collateral such as volatility and the default risk of the issuer.

The risks in the event that cash collateral is reinvested are taken account of in the risk management process.

#### *e. Use of derivatives by the subfunds*

The fund management company may conclude derivative transactions. However, even in the presence of extraordinary market circumstances, the use of derivatives must not lead to a deviation from the investment objectives or a change in the investment characteristics of the subfunds. The Commitment II approach applies to measuring risk.

Derivatives form an integral part of the investment strategy and are not only used to hedge investment positions.

Basic forms of derivatives as well as exotic derivatives may be used as described in the fund contract (§12), provided the underlying securities are authorised as investments under the investment policy of the subfund. Derivatives may be traded on a stock exchange or another regulated market open to the public or in OTC (over-the-counter) trading. In addition to market risk, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract may not be able to honour its commitments and may thus cause a financial loss.

In addition to Credit Default Swaps (CDS), all other types of credit derivatives enabling the credit risk to be transferred to the third parties buying the risk (for example, Total Return Swaps [TRS], Credit Spread Options [CSO], Credit Linked Notes [CLN]) may be purchased. The buyers of risk are compensated in the form of a premium. The amount of the premium depends (among other things) on the likelihood of a loss event taking place and the maximum amount of the loss; both factors are generally difficult to assess, which increases the risk associated with credit derivatives. The subfunds may act in either capacity - as buyers or as sellers of risk.

The use of derivative instruments may result in a leverage effect on the subfund's assets or correspond to a short sale. The total exposure to derivatives may be up to 100% of the net assets of a subfund, and the total exposure of the fund may thus be up to 200% of its net assets.

#### 1.11 Net asset value

The net asset value of a unit of a given class of a subfund is determined by the proportion of this subfund's assets as valued at the market value attributable to the given unit class, less any of this subfund's liabilities that are attributable to the given unit class, divided by the number of units of the given class in circulation, rounded to the nearest 0.01 in the accounting currency.

## 1.12 Fees and incidental costs

### *a. Fees and incidental costs charged to the assets of the subfunds (taken from §19 of the fund contract)*

The annexes to this prospectus provide for the fees and incidental costs charged to the assets of each subfund.

#### 1. Fund management company fees:

The fund management company's maximum fee and each of its components for each subfund are detailed in the annexes to this prospectus:

- **Administration fee:** A commission for the administration of each subfund of the fund, which varies depending on the unit classes and is charged on a pro rata basis at the end of each month. The effective applicable rate is mentioned in the annual and semi-annual reports. For "Zo" units, the administration fees are billed directly to the unitholders.
- **Management fee:** A commission for the asset management and marketing of the unit classes in categories "I", "J", "P", "R", "F" and "D2" at the maximal annual rate set out below; the effective applicable rate is mentioned in the annual and semi-annual reports. If the management of the fund is delegated, part of the management fees may be paid by the fund directly to the managers. In the case of holders of classes in category "Z" and "Zo", the management fees are billed directly to them.

#### 2. Custodian bank fees:

The custodian bank charges the following fees:

- **Safekeeping fee:** A commission for the safekeeping of the subfunds' assets, the handling of the payment transactions and other tasks mentioned in §4, charged to the net asset value of the subfund's assets at the maximum annual rate provided for in the annexes to the prospectus. The effective applicable rate is mentioned in the annual and semi-annual reports. Furthermore, foreign custody fees and expenses are also charged to the fund's assets. For "Zo" units, the custody fees are billed directly to the unitholders;
- A commission for paying the annual income to investors, charged to the gross amount of the

distribution at the maximum rate provided for in the annexes to this prospectus. The effective applicable rate is mentioned in the annual and semi-annual reports;

- A commission for paying the proceeds of the liquidation in the event the fund or a subfund is wound up, charged to the net asset value of the units at the maximum rate provided for in the annexes to this prospectus. The effective applicable rate is mentioned in the liquidation report.

In addition, the other fees and incidental costs listed in §19 of the fund contract may be charged to the subfunds.

The effective applicable rates are mentioned in the annual and semi-annual reports.

#### 3. Investments in related collective investment schemes:

In the event of investments in other collective investment schemes that are managed directly or indirectly by the fund management company itself, or a company with which it is related by virtue of common management or control or by way of a substantial direct or indirect stake, no subscription or redemption fees shall be charged. The maximum percentage of the fixed management fees that may be obtained at the level of the target fund will be 1.6%, to which, if applicable, a fee may be added at a maximum of 20% of the performance of the NAV per unit, pursuant to §19, prov. 4 of the fund contract. The maximum rate of the management fees of the related collective investment schemes in which the subfund invests is to be mentioned in the annual report.

#### 4. Investments in non-related collective investment schemes:

In the case of investments in collective investment schemes that are not managed directly or indirectly by the fund management company itself or that are managed by a company with which the fund management company is not related by virtue of common management or common control or by way of a substantial direct or indirect stake, the maximum percentage of the fixed management fees that may be obtained at the level of the non-related target funds will be 1.6%, to which, if applicable, a fee may

be added at a maximum of 20% of the performance of the NAV per unit, pursuant to §19, prov. 5 of the fund contract. The maximum rate of the management fees of the non-related collective investment schemes in which the subfund invests is to be mentioned in the annual report.

#### *b. Total Expense Ratio*

The annexes to this prospectus set forth the total expense ratio regularly deducted from the net asset value of the subfunds.

#### *c. Payment of retrocessions and rebates*

The fund management company and its agents may pay retrocessions to cover activities related to marketing fund units. They serve to compensate services such as:

- Implementing and maintaining a process for subscription, holding or custody of shares;
- Keeping and distributing legal and marketing documents;
- Providing investors with publications and communications;
- Carrying out of diligence duties in domains such as the prevention of money laundering, clarification of client needs and compliance with commercial restrictions;
- Information and response to specific investor enquiries;
- Setting up funds' analysis material;
- Investor relationship management;
- Training client advisors in collective investment schemes;
- Selection, appointment and supervision of sub-distributors.

These retrocessions are not deemed to be rebates even if they are ultimately passed on, wholly or partly, to investors. Recipients of such retrocessions must ensure transparent disclosure and notify investors, unsolicited and free of charge, about the amount of any remuneration they might receive for their marketing activities. On request, recipients of such retrocessions shall disclose the sums

they effectively receive for marketing collective investment schemes to investors.

The fund management company and its agents may pass on rebates directly to investors, on request, as part of the activity of marketing fund units. Such rebates serve to reduce fees or costs liable to be incurred by relevant investors. Such rebates are permitted subject to the following conditions:

- they are paid out of the fund management company's fees and not, therefore, charged, as an extra, to the fund's assets;
- they are granted on the basis of objective criteria;
- they are accorded subject to the same conditions in respect of time period and to the same degree to all investors who fulfil the objective criteria and who request a discount.

Rebates are granted by the fund management company on the basis of one or more objective criteria, among these being:

- applicable regulatory requirements;
- the investment volume in a unit class, in a fund or in the Pictet Group's product range;
- the percentage which the investment volume represents relative to the size of the fund or the relevant unit class;
- the amount of fees generated by the investor;
- the investor's financial behaviour, e.g. the date of investment and/or the envisaged investment time-frame;
- support during the fund's launch phase.

Quantity-relevant criteria may be deemed to have been met by the aggregate total of investments held by investors who have used the same investment advisor or consultant.

At the investor's request, the fund management company will disclose, free of charge, the amount of corresponding rebates.



*d. Fees and incidental costs charged to the investor (taken from §18 of the fund contract)*

The annexes to this prospectus provide for the fees and incidental costs charged to the investors in each subfund.

*e. Commission-sharing agreements and pecuniary benefits ("soft commissions")*

The fund management company has not entered into any fee-sharing agreements.

The fund management company may enter into soft commission agreements to the extent permitted and under conditions that comply with best market practices and applicable laws and regulations. In such cases, it shall ensure that the soft commissions or services paid accordingly accrue directly or indirectly to the fund (e.g., financial analyses, market systems and price information systems).

#### 1.13 Consultation of reports

The prospectus including the integrated fund contract, the key information documents and the annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

#### 1.14 Legal form

Pictet CH is a Swiss-registered contractual umbrella fund of the securities funds category within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006.

The subfunds are governed by a collective investment agreement known as the fund contract. Under the terms of the contract, the management company undertakes to give investors a stake in the subfund in proportion to the number of fund units held by them, and manage the subfund in its own capacity and on its own behalf in accordance with the provisions of law and the fund contract. The custodian bank is party to the contract, in accordance with the tasks that are incumbent on it by virtue of law and the fund contract.

The fund currently comprises the following subfunds:

1. Pictet CH - CHF Short Mid Term Bonds
2. Pictet CH - CHF Bonds Tracker
3. Pictet CH - CHF Sustainable Bonds
4. Pictet CH - LPP 25
5. Pictet CH - LPP 40
6. Pictet CH - Global Equities
7. Pictet CH - Sovereign Short-Term Money Market CHF
8. Pictet CH - Sovereign Short-Term Money Market EUR
9. Pictet CH - Sovereign Short-Term Money Market USD
10. Pictet CH - Swiss Mid Small Cap
11. Pictet CH - Swiss Market Tracker
12. Pictet CH - EUR Bonds
13. Pictet CH - Short-Term Money Market CHF
14. Pictet CH - Short-Term Money Market EUR
15. Pictet CH - Short-Term Money Market USD
16. Pictet CH - Short-Term Money Market GBP
17. Pictet CH - Enhanced Liquidity CHF
18. Pictet CH - Enhanced Liquidity EUR
19. Pictet CH - Enhanced Liquidity USD

Investors are entitled to participate in the assets and income of only that subfund in which they hold units. Liabilities attributable to an individual subfund are borne solely by the said subfund.

#### 1.15 Main risks

The annexes to this prospectus set out the main risks to which each subfund is subject.

#### 1.16 Liquidity risk management

The fund management company ensures appropriate liquidity management. It evaluates the liquidity of each subfund on a weekly and monthly basis, in accordance with different scenarios that it documents. The fund management company has

identified the following risks in particular and has implemented the following appropriate measures:

- The risk that the investments may become illiquid, taking account of the minimum time needed to liquidate the individual positions and the associated costs;
- The contribution of the portfolio positions to the subfund's liquidity profile;
- The risk that the subfund's ability to honour requests for redemption and payment may be compromised.

The fund management company defines the redemption policy of each subfund, ensuring its suitability for the liquidity profile of the intended investments.

It regularly conducts quantitative and qualitative analyses in order to evaluate the liquidity risk of each subfund; in so doing, it takes particular account of the number of days needed in order to liquidate the portfolio, the cost of liquidation, and the size of the positions held by the subfund. If these analyses identify exceptions, the fund management company determines the corrective actions required and ensures they are implemented effectively.

## 2. Information on the management company

### 2.1 General information on the management company

Pictet Asset Management SA is the fund management company. The management company has been managing investment funds since it was founded in 1996 as a public limited company with its headquarters at Route des Acacias 60, 1211 Geneva 73.

### 2.2 Further information on the management company

As at 31 December 2022, the management company administered in Switzerland 9 investment funds incorporated under Swiss law comprising a total of 56 subfunds, and the total assets under management of said funds amounted to CHF 52.8 billion on that date. The fund management company also manages assets for the account of institutional clients; at 31

December 2022, the total assets under management of said clients amounted to 42.1 billion.

Furthermore, the fund management company also acts as a representative of foreign undertakings for collective investment.

Pictet Asset Management SA  
60, route des Acacias  
1211 Geneva 73  
[www.assetmanagement.pictet](http://www.assetmanagement.pictet)

### 2.3 Management and administration

The Board of Directors of Pictet Asset Management SA is composed of:

- Mr. Xavier Barde, chairman, Group Chief Risk Officer, Banque Pictet & Cie SA, Geneva
- Mr. Sébastien Eisinger, Managing Partner of the Pictet Group, Chief Executive Officer, Head of Investments, Geneva
- Ms Susanne Haury von Siebenthal, Independent, Geneva

The management has been assigned to:

- Mr. Sébastien Eisinger, Managing Partner of the Pictet Group, Chief Executive Officer, Head of Investments
- Mr. Raymond Sagayam, Vice-Chief Executive Officer, Head of Sales & Client Relationships
- Mr. Philippe de Weck, Chief Investment Officer, Equities
- Mr. Olivier Ginguéné, Chief Investment Officer, Multi Assets & Quants
- Mr. Luca di Patrizi, Head of Intermediaries
- Mr. Derick Bader, Head of Marketing and Products
- Mr. John Sample, Chief Risk Officer
- Mr. Cédric Vermesse, Chief Financial Officer
- Mr. Martin Kunz, Head of Technology and Operations
- Ms Elena Mendez Fraboulet, Chief Investment Risk & Data Officer

## 2.4 Subscribed and paid-up capital

The shareholders' equity of the fund management company amounts to twenty-one million Swiss francs. The shareholders' equity is divided into registered shares and fully paid up.

All of the shareholders' equity is held by the entities of the Pictet Group. Pictet Asset Management SA has shareholders' equity in excess of the maximum amount of twenty million Swiss francs that may be required in accordance with Article 48 CISO.

## 2.5 Delegation of investment decisions and further partial tasks

### a. Delegation of investment decisions

Pictet Asset Management SA is responsible for all investment decisions of the subfunds. However, in relation to subfund **Pictet CH - EUR Bonds**, the fund management company delegates the management of part of the portfolio to Pictet Asset Management Limited, whose registered office is at Moor House, Level 11, 120 London Wall, London EC2Y 5ET, UK, and whose share capital is entirely held by the entities of the Pictet Group.

### b. Delegation of the operation of the IT system and the calculation of the net asset value (NAV)

The calculation of the NAV of the subfunds has been delegated to FundPartner Solutions (Europe) SA in Luxembourg. The specific terms and conditions of the execution of the mandate are set forth in a contract between the fund management company and FundPartner Solutions (Europe) SA. FundPartner Solutions (Europe) SA is recognised for its experience in handling the administrative tasks related to collective investment vehicles.

## 2.6 Exercising membership and creditors' rights

The fund management company exercises the membership and creditors' rights associated with the investments of the funds it manages independently and exclusively in the interests of the investors. The fund management company will, upon request, provide the investors with information on the exercising of membership and creditors' rights.

In the case of scheduled routine transactions, the fund management company is free to exercise membership and creditors' rights itself or to delegate their exercise to the custodian bank or a third party.

In the case of all other events that might have a lasting impact on the interests of the investors, such as, in particular, the exercise of membership and creditors' rights that the fund management company holds as a shareholder or creditor of the custodian bank or other related legal entities, the fund management company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information it receives from the custodian bank, the portfolio manager, the company, proxy voting advisors or other third parties and the press.

## 3. Information on the custodian bank

### 3.1 General information on the custodian bank

The functions of custodian bank are carried out by Banque Pictet & Cie SA, bankers in Geneva since 1805. Banque Pictet & Cie SA is a bank with registered office in Carouge (GE) and subject to the Federal Law on Banks and Savings Banks and regulated by the Swiss Financial Market Supervisory Authority (FINMA).

### 3.2 Further information on the custodian bank

The custodian bank conducts its activities principally in the areas of wealth management and institutional asset management.

The custodian bank may delegate the safekeeping of the fund's assets to third-party custodians and central securities depositories in Switzerland or abroad, provided that proper safekeeping is ensured. In particular, this implies operational risks, fraud risks, and risks connected with the default of the third-party custodian. In order to manage these risks, the custodian bank makes its selection on the basis of an in-depth investigation (due diligence), which is regularly repeated. Moreover, in each market it ensures the segregation of the securities being held in safekeeping, in order to protect them in the event of the third-party custodian's default.

As far as financial instruments are concerned, their custody may only be entrusted in accordance with

the previous paragraph to a third-party custodian or central securities depository subject to supervision. The provision stipulated above is waived in cases where compulsory custody in a place where delegation of safekeeping to a supervised third-party custodian or central securities depository is not possible, which may arise, in particular, on account of mandatory legal regulations or due to specific features of the investment product.

The use of third-party custodians and central securities depositories means that deposited securities are no longer owned solely by the fund management company, which instead becomes only a co-owner. Moreover, if the third-party custodian and collective securities depositories are not supervised, they might not fulfil the organisational requirements placed on Swiss banks.

The custodian bank shall be liable for any losses caused as a result of its contractual mandate unless it can demonstrate that it exercised due care and diligence when selecting, instructing and monitoring such third-party custodians and depositories.

The custodian bank is registered as a Participating Financial Institution pursuant to Sections 1471-1474 of the US Internal Revenue Code (Foreign Account Tax Compliance Act FATCA, including related ordinances, "FATCA").

### 3.3 Processing of subscription and redemption orders

The processing of subscription and redemption orders is delegated to FundPartner Solutions (Europe) SA, Luxembourg. The specific terms and conditions of the execution of the mandate are set forth in a contract between the custodian bank and FundPartner Solutions (Europe) SA. FundPartner Solutions (Europe) SA is recognised for its experience in handling the administrative tasks related to collective investment vehicles.

Even though subscription and redemption orders are processed in Luxembourg, the attention of investors is drawn to the fact that they should continue to send their subscription and redemption orders to Switzerland, either via Pictet Asset Management SA's authorised collective investment distributors, or, in the case of those investors who have an account with Banque Pictet & Cie SA, via Banque Pictet & Cie SA.

Please refer to §5 of the fund contract for information about how FundPartner Solutions (Europe) SA may use investors' personal data.

## 4. Information on third parties

### 4.1 Paying agent

Banque Pictet & Cie SA, with registered office in Carouge (GE), has been appointed as paying agent.

### 4.2 Distributors

Pictet Asset Management SA may enter into agreements with distributors for the marketing and sale of investment funds. These distributors are not compensated directly at the expense of the sub-funds.

## 5. Other information

### 5.1 General

The annexes to this prospectus give detailed information on the accounting unit of each subfund, together with various pieces of useful information (assets, ISIN code, currency, use of income) about each unit class.

### 5.2 Publications of the fund and the subfunds

Further information regarding the umbrella fund and the subfunds may be found in the latest annual or semi-annual report. The most recent information may also be consulted at [www.assetmanagement.pictet](http://www.assetmanagement.pictet).

In the event of changes to the fund contract, the management company or the custodian bank, or in the event of the liquidation of the fund or the sub-funds, the fund management company shall publish the details via Swiss Fund Data AG ([www.swissfunddata.ch](http://www.swissfunddata.ch)).

Prices are published on every day when units are issued or redeemed on [www.swissfunddata.ch](http://www.swissfunddata.ch), [www.assetmanagement.pictet](http://www.assetmanagement.pictet), as well as any other electronic platforms and/or newspapers selected by the fund management company.

### 5.3 Sales restrictions and forced redemption

When issuing and redeeming units of subfunds outside Switzerland, the provisions in effect in the country in question shall be binding.

Units of the subfunds of this fund are not at present distributed outside Switzerland and, in the case of the **Pictet CH - LPP 40**, **Pictet CH - Swiss Mid Small Cap**, **Pictet CH - Swiss Market Tracker**, **Pictet CH - Short-Term Money Market CHF**, **Pictet CH - Short-Term Money Market EUR**, **Pictet CH - Short-Term Money Market USD** and **Pictet CH - Short-Term Money Market GBP** subfunds, Liechtenstein.

This fund does not benefit from the passport provided by European Directive 2011/61/EU of 8 June 2011 on alternative investment fund managers (“AIFM Directive”) and there is no intent for it to be the case in the future; the fund also does not comply with the private placement requirements set out by the AIFM Directive and there is no intent for it to be the case in the future. The units of this fund may thus not be marketed (as defined within the context of the AIFM Directive) to investors domiciled or having their registered office in the European Union or in any other State where the AIFM Directive or similar provisions are in force; this applies even within the framework of a possible national private placement regime in force in such State.

Furthermore, units of the subfunds of this fund may not be offered, sold or delivered within the USA. The units have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the “1933 Act”), nor will they be registered or qualify under the securities laws of the States or political sub-divisions of the United States. The units may not be offered, sold, assigned or delivered directly or indirectly in the United States to, on behalf of or for the benefit of any US Person (as defined in regulation S of the 1933 Act), except in certain transactions exempt from the registration requirements of the 1933 Act and all other State laws or securities laws. Units may be offered outside the United States in accordance with the terms and conditions governing exemptions to the registration regulations of the 1933 Act as set forth by regulation S of the Act. Furthermore, units may be offered in the United States to accredited investors within the meaning of Rule 501(a) of the 1933 Act as an exemption to the registration regulations

of the 1933 Act as set forth by Rule 506 of the said Act. The fund has not been, and will not be, registered under the United States Investment Company Act of 1940 (the “1940 Act”) and, as such, restricts the number of unit holders that may be US Persons. The fund contract contains provisions intended to prevent US Persons from holding units under circumstances that would cause the fund to violate the laws of the United States, and to enable the fund to make a forced redemption of units if it deems this to be necessary or appropriate for the purpose of ensuring compliance with the laws of the United States. Furthermore, any affidavit or other document certifying that units have been issued to US Persons shall include a footnote indicating that the units have not been registered and do not qualify under the 1933 Act and the fund is not registered as per the 1940 Act, and shall mention certain limitations regarding their assignment or sale.

For the reasons outlined in section 1.3 above, the units of the subfunds may not be offered, sold, assigned or delivered to, or held by, investors that are (i) natural persons, (ii) passive non-financial foreign entities or (iii) specified US-persons as defined under the US FATCA Final Regulations or any applicable IGA. In conformity with the more detailed information given in the fund contract, the above-mentioned investors may not hold the units of the subfunds, and the units may be compulsorily redeemed if this is considered appropriate in order to ensure that the subfund complies with its status and its obligations under FATCA.

Furthermore, the units of the subfunds may not be offered, sold, assigned or delivered to, or held by, investors that are (i) natural persons or (ii) passive non-financial entities (including entities reclassified as passive non-financial entities) as defined under the AEOI Acts. In conformity with the more detailed information in the fund contract, the above-mentioned investors may not hold units of the subfunds, and the units may be compulsorily redeemed if this is considered appropriate in order to ensure that the subfund complies with its status and its obligations under the AEOI Acts.

The fund management company and the custodian bank may prohibit or restrict the purchase, exchange or transfer of units to individuals or legal entities in certain countries or regions.

## **6. Further investment information**

### **6.1 Past results**

The Annexes to this prospectus state the past results of each subfund.

### **6.2 Profile of the typical investor**

The profile of the typical investor of each subfund is detailed in the annexes to this prospectus.

## **7. Detailed provisions**

All other information regarding the umbrella fund or the subfunds, such as the valuation method of the subfunds' assets, the schedule of all fees and incidental costs charged to the investor and the subfunds, as well as the appropriation of net income, are specified in detail in the fund contract.



## ANNEX 1: PICTET CH - CHF SHORT MID TERM BONDS

### Information on the subfund

- Investment policy and objective<sup>3</sup>

The subfund aims to offer investors the possibility of earning bond-market yields on Swiss and foreign securities while abiding by the principle of risk diversification.

The subfund invests at least two-thirds of the assets in Swiss franc-denominated bonds and other debt securities.

The average residual maturity of the portfolio may not exceed 3 years, while the maximum residual maturity of an individual investment is 10 years.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a positive tilt approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>4</sup>.

Initially, the fund management company's internal policy excludes direct investment in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 2 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, Arctic oil and gas exploration, production of controversial weapons, military contract weapons, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, tobacco products production, adult entertainment material production or gambling operations) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss,

European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-com-mon-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities.

The approach adopted by the subfund thus aims to increase the weighting of securities that are low risk as regards sustainability and/or reduce the weighting of those that are high risk as regards sustainability, using the methodologies described below.

- At least 90% of the "sovereign bonds" segment of the portfolio is invested in bonds from issuers with an ESG rating at least equal to the average score. This assessment is generally based on the rating allocated by an external specialist provider, such as Maplecroft.Net Ltd or World Bank; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities. The proportion of the investments in the segment that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits.
- The "corporate bonds" segment of the portfolio aims to increase the weighting of bonds from issuers with high ESG scores and low carbon footprints, and/or to reduce the weighting of bonds from issuers with low ESG scores or high carbon footprints. ESG scores and carbon footprints are

<sup>3</sup> As in section 1.10 of the prospectus

<sup>4</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

generally determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd. However, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular company to its subsidiaries or affiliates. The proportion of the investments in the segment that are subject to an ESG rating is at least 60% of the net assets excluding cash and short-term deposits<sup>5</sup>. The aim of this process is to ensure that the resulting ESG characteristics of this segment are better than those of the corresponding segment of the benchmark index. Based on their prospective returns and liquidity, it is possible that the management may select bonds of companies that are high risk as regards sustainability, provided that the ESG characteristics of the subfund's "corporate bonds" segment as a whole are better than those of the corresponding segment of the benchmark index.

In order to establish and compare the ESG characteristics of the subfund's "corporate bonds" segment and that of the benchmark index, their respective ESG profiles are calculated on the basis of each of the two ratings mentioned above, taking account of the respective weighting of each security. The management ensures on a monthly basis that the ESG profile of the subfund's "corporate bonds" segment is better than that of the corresponding segment of the benchmark index; where this is not the case, it undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the subfund's "corporate bonds" segment once again has an ESG profile better than that of the corresponding segment of the benchmark index.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to

exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. Depending on the gravity of the situation and the issuer's ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

#### Accounting currency<sup>6</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

#### Principal risks<sup>7</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- **Operational risk:** the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- **Settlement risk:** by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- **Counterparty risk (including in connection with underlying assets for target funds):**

<sup>5</sup> At the time this prospectus was prepared, the data available from external specialist providers does not allow us to guarantee that a greater proportion of the assets will be subject to an ESG rating in the future. As additional data becomes

available, the fund management company will make use of it to increase the percentage of assets that have a rating.

<sup>6</sup> As in section 5.1 of the prospectus

<sup>7</sup> As in section 1.15 of the prospectus



- The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
- The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be negatively affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach:
  - The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.
  - It is also possible that the subfund's performance may deviate from that of the benchmark index owing to the overweight in investments with a high ESG score and/or the underweight in investments with a low ESG score.

#### Profile of the typical investor<sup>8</sup>

The subfund is suitable for investors who:

- Wish to invest in high-quality fixed-income securities denominated in CHF with short and medium-term maturities
- Seek a cautious savings strategy and thus have a relatively strong aversion to risk
- Have a short to medium-term savings horizon (2 years or more)

#### Low/moderate risk

#### Subscription and redemption<sup>9</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- Calculation date: The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- Settlement date: The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an inter-bank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

<sup>8</sup> As in section 6.2 of the prospectus

<sup>9</sup> As in section 1.8 of the prospectus

**Information on the unit classes<sup>10</sup>****Characteristics**

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>11</sup>
I dy	✓	CH0016426881	CHF	Distr
J dy	✓	CH0043546859	CHF	Distr
P dy	✓	CH0016431642	CHF	Distr
R dy	✓	CH0021507980	CHF	Distr
Z dy	✓	CH0016431659	CHF	Distr
I	✓	-	CHF	Cap
J	-	-	CHF	Cap

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>11</sup>
P	-	-	CHF	Cap
R	-	-	CHF	Cap
Z	✓	CH1106259687	CHF	Cap

**Calculating the costs of adjusting the portfolio<sup>12</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z"
Swinging Single Pricing; maximum rate <sup>13</sup> : 2%	Spread; maximum rate <sup>14</sup> : 2%

**Fees and expenses<sup>15</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

<sup>10</sup> As in section 1.6 of the prospectus

<sup>11</sup> As in section 1.9 of the prospectus

<sup>12</sup> As in section 1.8 of the prospectus

<sup>13</sup> Subject to exceptional circumstances as specified in §18, section 3 of the fund contract.

<sup>14</sup> Subject to exceptional circumstances as specified in §18, section 3 of the fund contract.

<sup>15</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Admin- istration fee, an- nual rate	Manage- ment fee, annual rate	Safekeep- ing fee, an- nual rate
I, I dy	to a maxi- mum of 0.05%	to a maxi- mum of 0.15%	to a maxi- mum of 0.05%
J, J dy	to a maxi- mum of 0.05%	to a maxi- mum of 0.13%	to a maxi- mum of 0.05%
P, P dy	to a maxi- mum of 0.05%	to a maxi- mum of 0.30%	to a maxi- mum of 0.05%
R, R dy	to a maxi- mum of 0.05%	to a maxi- mum of 0.45%	to a maxi- mum of 0.05%
Z, Z dy	to a maxi- mum of 0.05%	By agree- ment with each in- vestor	to a maxi- mum of 0.05%

**One-off fees charged by the custodian bank**

Distribution of annual income to investors Up to a maximum of 1% of gross distributed amount

Distribution of proceeds from liquidation in the event the fund or subfund is wound up Up to 0.5% maximum

**TER<sup>16</sup>**

**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.16%	0.16%	0.16%
J dy	0.14%	0.14%	0.14%
P dy	0.26%	0.26%	0.26%
R dy	0.36%	0.36%	0.36%
Z dy	0.07%	0.07%	0.07%
Z	0.06%	0.07%	0.07%

**Past results<sup>17</sup>**



<sup>16</sup> As in section 1.12.b of the prospectus

<sup>17</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance

data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## ANNEX 2: PICTET CH - CHF BONDS TRACKER

### Information on the subfund

#### Investment policy and objective<sup>18</sup>

The subfund aims to replicate the performance of the Swiss Bonds Index (AAA-BBB Composite). In principle, the fund management company holds positions only in securities that are included in the index. Nevertheless, during a period of approximately one week before a date on which the composition of the index is changed, the fund management company is authorised to hold securities positions which are included in the Swiss Bonds index in its old or new composition.

The portfolio is therefore systematically managed on an indexed basis using the "Swiss Bonds Index (AAA-BBB) Composite" index as the benchmark. Optimised sampling is the selected method of index tracking. This means that the subfund is not obliged to hold all the securities contained in the benchmark index. The subfund's risk compared with that of its benchmark index is continuously controlled. As a result of this monitoring, a certain number of (rebalancing) transactions may become necessary at a given moment to reduce the relative risk to a level compatible with the size of the subfund. No limit is specified regarding the minimum and maximum number of securities held in the portfolio. These rebalancing transactions, whether or not they are prompted by a subscription or net redemption of units or a change in the composition of the benchmark index, are carried out with the help of different risk models for bonds and an optimisation technique that takes into account the costs associated with the transactions.

The subfund's investment policy is similar to that of an 'Article 6 Product' as defined in the European 'Sustainable Finance Disclosure Regulation (SFDR)'<sup>19</sup>.

This subfund replicates an index that does not take into account environmental, social and governance ("ESG") factors.

### Benchmarks Regulation

The subfund's benchmark index is provided by a benchmark index administrator entered on the register of administrators and benchmark indices maintained by ESMA by virtue of Article 36 of EU Regulation 2016/1011 on indices used as benchmarks. The fund management company has a written plan specifying the actions to be taken if there should be a significant change within the benchmark index or if it should cease to be provided.

### Accounting currency<sup>20</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

### Principal risks<sup>21</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- **Operational risk:** the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- **Settlement risk:** by investing on financial markets, the subfund is subject to risks that an

<sup>18</sup> As in section 1.10 of the prospectus

<sup>19</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management SA, as the fund management company, states on its own

responsibility that the subfund's investment policy is similar to that of an SFDR "Article 6" financial product.

<sup>20</sup> As in section 5.1 of the prospectus

<sup>21</sup> As in section 1.15 of the prospectus

expected payment or delivery of securities will not occur on time or at all.

- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).

Low/moderate risk

#### Subscription and redemption<sup>23</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- Calculation date: The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- Settlement date: The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an inter-bank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

#### Profile of the typical investor<sup>22</sup>

The subfund is suitable for investors who:

- Wish to invest in short-term, high-quality fixed-income securities denominated in CHF
- Seek a cautious savings strategy and thus have a relatively strong aversion to risk
- Have a short to medium-term savings horizon (3 years or more)

<sup>22</sup> As in section 6.2 of the prospectus

<sup>23</sup> As in section 1.8 of the prospectus

## Information on the unit classes<sup>24</sup>

### Characteristics

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 100,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
Z0, Z0 dy	Available on request only <ul style="list-style-type: none"> <li>to qualified investors that have entered into a management mandate or service agreement with an entity of Pictet Asset Management expressly covering the unit classe(s) concerned in the "Z0" category;</li> <li>to funds of funds, as defined in §25, prov. 3 of the fund contract</li> </ul>

### Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>25</sup>
I dy	✓	CH0016431741	CHF	Distr
J dy	-	-	CHF	Distr

### Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>25</sup>
P dy	✓	CH0016431766	CHF	Distr
R dy	✓	CH0101918842	CHF	Distr
Z dy	✓	CH0016431774	CHF	Distr
I		CH0317963681	CHF	Cap
J	✓	CH1205085652	CHF	Cap
P	-		CHF	Cap
R	-		CHF	Cap
Z	-		CHF	Cap
Z0	✓	CH1270295970	CHF	Cap.

### Calculating the costs of adjusting the portfolio<sup>26</sup>

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

### Costs of adjusting the portfolio

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z" AND "Z0"
Swinging Single Pricing; maximum rate <sup>27</sup> : 1%	Spread; maximum rate <sup>28</sup> : 1%

### Fees and expenses<sup>29</sup>

#### Fees and expenses charged at the time of subscribing or redeeming units

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

<sup>24</sup> As in section 1.6 of the prospectus

<sup>25</sup> As in section 1.9 of the prospectus

<sup>26</sup> As in section 1.8 of the prospectus

<sup>27</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>28</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>29</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Admin- istration fee, an- nual rate	Manage- ment fee, annual rate	Safekeep- ing fee, an- nual rate
I, I dy	to a maxi- mum of 0.05%	to a maxi- mum of 0.20%	to a maxi- mum of 0.05%
J, J dy	to a maxi- mum of 0.05%	to a maxi- mum of 0.18%	to a maxi- mum of 0.05%
P, P dy	to a maxi- mum of 0.05%	to a maxi- mum of 0.30%	to a maxi- mum of 0.05%
R, R dy	to a maxi- mum of 0.05%	to a maxi- mum of 0.53%	to a maxi- mum of 0.05%
Z, Z dy	to a maxi- mum of 0.05%	By agree- ment with each in- vestor	to a maxi- mum of 0.05%
Z0, Z0 dy	By agree- ment with each investor but no more than 0.21%	Z0, Z0 dy	By agree- ment with each inves- tor but no more than 0.21%

**One-off fees charged by the custodian bank**

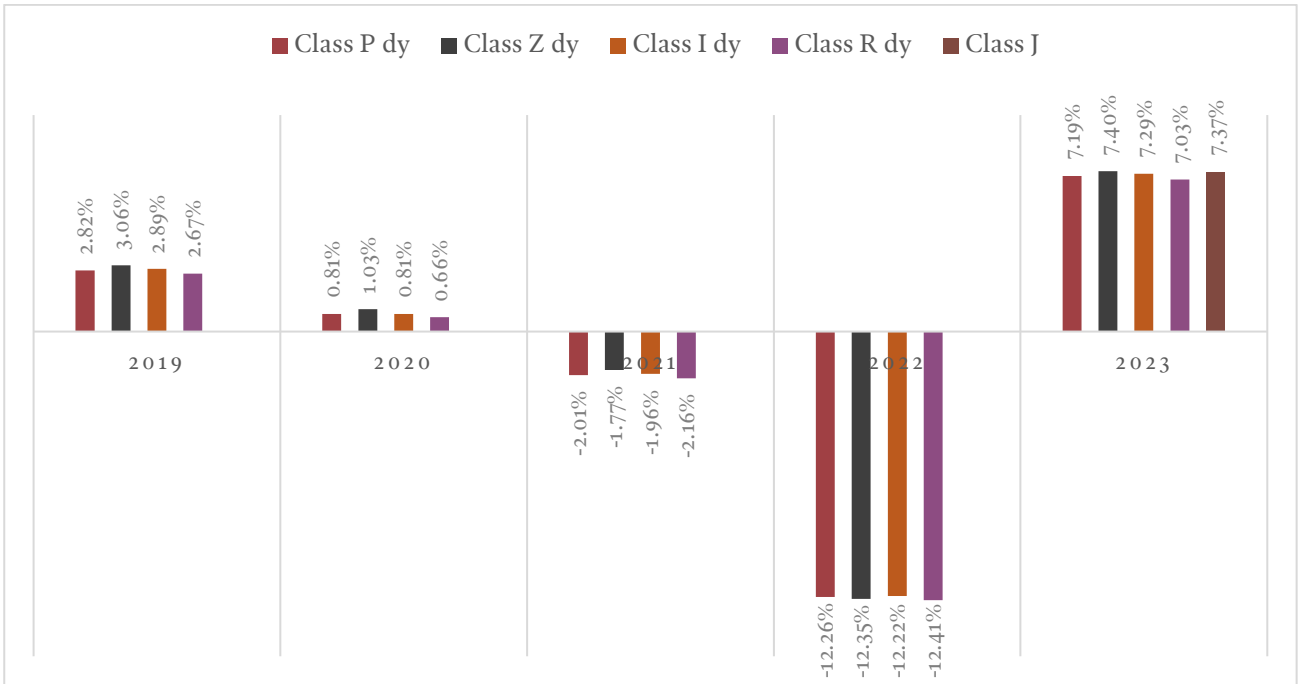
Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**TER<sup>30</sup>****Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.21%	0.21%	0.21%
P dy	0.30%	0.31%	0.31%
R dy	0.46%	0.46%	0.46%
Z dy	0.04%	0.04%	0.04%
Z0	-	-	0.00%
J	-	0.12%	0.10%

<sup>30</sup> As in section 1.12.b of the prospectus

Past results<sup>31</sup>



<sup>31</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units



### ANNEX 3: PICTET CH - CHF BONDS ESG TRACKER

#### Information on the subfund

##### Investment policy and objective<sup>32</sup>

The subfund aims to replicate the performance of the Swiss Bonds Index AAA-BBB Total Return. In principle, the fund management company holds positions only in securities that are included in the index. Nevertheless, during a period of approximately one week before a date on which the composition of the index is changed, the fund management company is authorised to hold securities positions which are included in the Swiss Bonds index in its old or new composition.

The portfolio is therefore systematically managed on an indexed basis using the Swiss Bonds Index AAA-BBB Total Return index as the benchmark. Optimised sampling is the selected method of index tracking. This means that the subfund is not obliged to hold all the securities contained in the benchmark index. The subfund's risk compared with that of its benchmark index is continuously controlled. As a result of this monitoring, a certain number of (rebalancing) transactions may become necessary at a given moment to reduce the relative risk to a level compatible with the size of the subfund. No limit is specified regarding the minimum and maximum number of securities held in the portfolio. These rebalancing transactions, whether or not they are prompted by a subscription or net redemption of units or a change in the composition of the benchmark index, are carried out with the help of different risk models for bonds and an optimisation technique that takes into account the costs associated with the transactions.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a best-in-class approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>33</sup>.

The subfund invests most of its assets in securities of issuers that may be deemed to comply with envi-

ronmental, social and governance ("ESG") criteria based on the analysis performed by the index provider.

The subfund aims to track as closely as possible the performance of the Swiss Bonds Index ESG AAA-BBB. This index overweights the companies that have the best environmental, social and governance (ESG) performance as reflected in the ratings provided by Inrate. These sectors are: adult entertainment, alcohol, defence, gambling, genetic engineering, nuclear power, coal, oil sands and tobacco. More detailed information on the methodology is available at: [https://six-group.com/exchanges/indices/data\\_cen-tre/esg/spi\\_esg\\_baskets\\_en.html](https://six-group.com/exchanges/indices/data_cen-tre/esg/spi_esg_baskets_en.html). The fund management company does not perform its own analysis but relies on the analysis performed by the index provider.

The fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies.

#### Benchmarks Regulation

The subfund's benchmark index is provided by a benchmark index administrator entered on the register of administrators and benchmark indices maintained by ESMA by virtue of Article 36 of EU Regulation 2016/1011 on indices used as benchmarks. The fund management company has a written plan specifying the actions to be taken if there should be a significant change within the benchmark index or if it should cease to be provided.

#### Accounting currency<sup>34</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

#### Principal risks<sup>35</sup>

This subfund may be used as a target fund for the **Pictet CH - LPP 25** and **Pictet CH - LPP 40** funds.

responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

<sup>34</sup> As in section 5.1 of the prospectus

<sup>35</sup> As in section 1.15 of the prospectus

<sup>32</sup> As in section 1.10 of the prospectus

<sup>33</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management SA, as the fund management company, states on its own

The latter may acquire up to 100% of the units of the subfund. The attention of investors is drawn to the associated risks as described in §26, prov. 3 of the fund contract.

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a

material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).

- Risks connected with the ESG approach: the process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.

#### Profile of the typical investor<sup>36</sup>

The subfund is suitable for investors who:

- Wish to invest in short-term, high-quality fixed-income securities denominated in CHF
- Seek a cautious savings strategy and thus have a relatively strong aversion to risk
- Have a short to medium-term savings horizon (3 years or more)

#### Low/moderate risk

#### Subscription and redemption<sup>37</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at

<sup>36</sup> As in section 6.2 of the prospectus

<sup>37</sup> As in section 1.8 of the prospectus

the latest. Orders received after this cut-off time will be processed on the following bank business day.

- **Pricing date:** The net asset value applicable to the transaction is calculated based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- **Calculation date:** The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- **Settlement date:** The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an inter-bank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

### Characteristics

UNIT CLASS	CONDITIONS
J, J dy	These units are available to investors making an initial investment worth at least CHF 100,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
Z0, Z0 dy	Available on request only <ul style="list-style-type: none"> <li>• to qualified investors that have entered into a management mandate or service agreement with an entity of Pictet Asset Management expressly covering the unit class(es) concerned in the "Z0" category;</li> <li>• to funds of funds, as defined in §25, prov. 3 of the fund contract</li> </ul>

### Information on the unit classes<sup>38</sup>

#### Characteristics

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>• qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>• investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>• collective investment schemes;</li> <li>• pension institutions;</li> <li>• not-for-profit institutions.</li> </ul>

### Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ERENCE CURRENCY	USE OF IN-COME <sup>39</sup>
I dy	✓	CH0016431741	CHF	Distr
J dy	-	-	CHF	Distr
P dy	✓	CH0016431766	CHF	Distr
R dy	✓	CH0101918842	CHF	Distr
Z dy	✓	CH0016431774	CHF	Distr
I		CH0317963681	CHF	Cap
J	✓	CH1205085652	CHF	Cap
P	-		CHF	Cap
R	-		CHF	Cap
Z	-		CHF	Cap
Z0	✓	CH1270295970	CHF	Cap.

<sup>38</sup> As in section 1.6 of the prospectus

<sup>39</sup> As in section 1.9 of the prospectus

### Calculating the costs of adjusting the portfolio<sup>40</sup>

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

#### Costs of adjusting the portfolio

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z" AND "Z0"
Swinging Single Pricing; maximum rate <sup>41</sup> : 1%	Spread; maximum rate <sup>42</sup> : 1%

### Fees and expenses<sup>43</sup>

#### Fees and expenses charged at the time of subscribing or redeeming units

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

#### Fees and expenses charged to the subfund assets

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.20%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.18%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.30%	to a maximum of 0.05%

<sup>40</sup> As in section 1.8 of the prospectus

<sup>41</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>42</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>43</sup> As in section 1.12 of the prospectus

#### Fees and expenses charged to the subfund assets

R, R dy	to a maximum of 0.05%	to a maximum of 0.53%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%
Z0, Z0 dy	By agreement with each investor but no more than 0.21%	Z0, Z0 dy	By agreement with each investor but no more than 0.21%

#### One-off fees charged by the custodian bank

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

#### TER<sup>44</sup>

#### Total Expense Ratio

UNIT CLASS	2023		
I	-	-	-
Z	-	-	-
Z0	-	-	-

#### Past results<sup>45</sup>

The compartment, not having yet completed a full calendar year, has no performance data available.

<sup>44</sup> As in section 1.12.b of the prospectus

<sup>45</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## ANNEX 4: PICTET CH - CHF SUSTAINABLE BONDS

### Information on the subfund

#### Investment policy and objective<sup>46</sup>

The subfund aims to offer investors a portfolio of bonds denominated in Swiss francs and managed in such a way as to take account of financial management criteria on the one hand and environmental, social and governance (“ESG”) analysis of the issuers on the other.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund’s investment policy is similar to that of an “Article 8” financial product with a best-in-class approach, within the meaning of the EU Sustainable Finance Disclosure Regulation (“SFDR”) <sup>47</sup>.

Initially, the fund management company’s internal policy excludes investments made directly in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 3 exclusions of Pictet AM’s policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, production of nuclear energy, production of oil and gas, Arctic oil and gas exploration, production of controversial weapons, military contract weapons and related services and products, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, production of tobacco products, production of adult entertainment material, gambling operations, developing or growing genetically modified plants and seeds, production of pesticides, retail trade in pesticides) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are

subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

The subfund thus adopts a best-in-class approach with the aim of investing in securities from issuers that present low sustainability risks while avoiding those that present high sustainability risks. The fund management company invests all of the subfund’s assets in securities from issuers that may be deemed to comply with ESG criteria (“sustainable assets”), which it defines and selects by applying the methodologies described below. The following are defined as sustainable assets:

- For the “sovereign bonds” segment of the portfolio, bonds from issuers with an ESG rating at least equal to the average score. This assessment is generally based on the rating allocated by an external specialist provider, such as Maplecroft.Net Ltd or World Bank; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities;
- For the “corporate bonds” segment of the portfolio, bonds from companies (i) with high scores in each of the environmental, social and governance areas, generally allocated by an external specialist provider such as InRate AG, (ii) whose activities are not particularly controversial, and (iii) with low carbon footprints, generally determined by an external specialist provider such as Sustainalytics Ltd; for each of these three areas, the fund management company may nevertheless give precedence to the rating it allocates internally, based on its own analysis of the issuer, in

<sup>46</sup> As in section 1.10 of the prospectus

<sup>47</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund’s investment policy is similar to that of an SFDR “Article 8” financial product.



order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular company to its subsidiaries or affiliates.

When analysing the issuers that make up the investment universe restricted in this manner, the investment process incorporates ESG factors on the basis of both proprietary research and third-party research in order to evaluate investment risks and opportunities.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. Depending on the gravity of the situation and the issuer's ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

#### Accounting currency<sup>48</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

#### Principal risks<sup>49</sup>

This subfund may be used as a target fund for the **Pictet CH Target - LPP Sustainable Multi Asset 10**, **Pictet CH Target - LPP Sustainable Multi Asset 25**, **Pictet CH Target - LPP Sustainable Multi Asset 40**, **Pictet CH Target - LPP Sustainable Multi Asset 60** **Pictet CH - LPP 25** and **Pictet CH - LPP 40** funds.

The latter may acquire up to 100% of the units of the subfund. The attention of investors is drawn to the associated risks as described in §26, prov. 3 of the fund contract.

The subfund is also subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- **Operational risk:** the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- **Settlement risk:** by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- **Counterparty risk (including in connection with underlying assets for target funds):**
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- **Sustainability risks:** risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources),

<sup>48</sup> As in section 5.1 of the prospectus

<sup>49</sup> As in section 1.15 of the prospectus

social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).

- Risks connected with the ESG approach:
  - The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.
  - It is also possible that the subfund's performance may deviate from that of the benchmark index owing to the exclusion of investments with a low ESG score.

#### Profile of the typical investor<sup>50</sup>

The subfund is suitable for investors who:

- Wish to invest in short-term, high-quality fixed-income securities denominated in CHF
- Seek a cautious savings strategy and thus have a relatively strong aversion to risk
- Have a short to medium-term savings horizon (3 years or more)

#### Low/moderate risk

#### Subscription and redemption<sup>51</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the closing

prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).

- Calculation date: The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- Settlement date: The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an inter-bank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

#### Information on the unit classes<sup>52</sup>

##### Characteristics

UNIT CLASS	CONDITIONS
I, I dy	<p>These units are available on request to the following categories of investors:</p> <ul style="list-style-type: none"> <li>• qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>• investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>• collective investment schemes;</li> <li>• pension institutions;</li> <li>• not-for-profit institutions.</li> </ul>
J, J dy	<p>These units are available to investors making an initial investment worth at least CHF 50,000,000, or the equivalent</p>
P, P dy	<p>These units are not subject to any minimum investment restrictions</p>
Z, Z dy	<p>These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group</p>

<sup>50</sup> As in section 6.2 of the prospectus

<sup>51</sup> As in section 1.8 of the prospectus

<sup>52</sup> As in section 1.6 of the prospectus

## Characteristics

UNIT CLASS	CONDITIONS
Z0, Z0 dy	Available on request only <ul style="list-style-type: none"> <li>to qualified investors that have entered into a management mandate or service agreement with an entity of Pictet Asset Management expressly covering the unit classe(s) concerned in the "Z0" category;</li> <li>to funds of funds, as defined in §25, prov. 3 of the fund contract</li> </ul>

## Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CURRENCY	USE OF IN-COME <sup>53</sup>
I	✓	CH0599160402	CHF	Cap.
J	-	CH0599175319	CHF	Cap.
P	-	CH0599175699	CHF	Cap.
Z	✓	CH0599175731	CHF	Cap.
Z0	✓	CH0599175988	CHF	Cap.
I dy	✓	CH0599160816	CHF	Distr.
J dy	-	CH0599175509	CHF	Distr.
P dy	-	CH0599175715	CHF	Distr.
Z dy	-	CH0599175954	CHF	Distr.
Z0 dy	-	CH0599176002	CHF	Distr.

## Calculating the costs of adjusting the portfolio<sup>54</sup>

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

### Costs of adjusting the portfolio

CLASSES IN CATEGORIES "I", "J" AND "P"	CLASSES IN CATEGORY "Z" AND "Z0"
Swinging Single Pricing; maximum rate <sup>55</sup> : 2%	Spread; maximum rate <sup>56</sup> : 2%

<sup>53</sup> As in section 1.9 of the prospectus

<sup>54</sup> As in section 1.8 of the prospectus

<sup>55</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

## Fees and expenses<sup>57</sup>

### Fees and expenses charged at the time of subscribing or redeeming units

FEEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

### Fees and expenses charged to the subfund assets

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.03%	to a maximum of 0.25%	to a maximum of 0.02%
J, J dy	to a maximum of 0.03%	to a maximum of 0.20%	to a maximum of 0.02%
P, P dy	to a maximum of 0.03%	to a maximum of 0.50%	to a maximum of 0.02%
Z, Z dy	to a maximum of 0.02%	By agreement with each investor	to a maximum of 0.02%
Z0, Z0 dy	By agreement with each investor but no more than 0.43%		

### One-off fees charged by the custodian bank

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

<sup>56</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>57</sup> As in section 1.12 of the prospectus

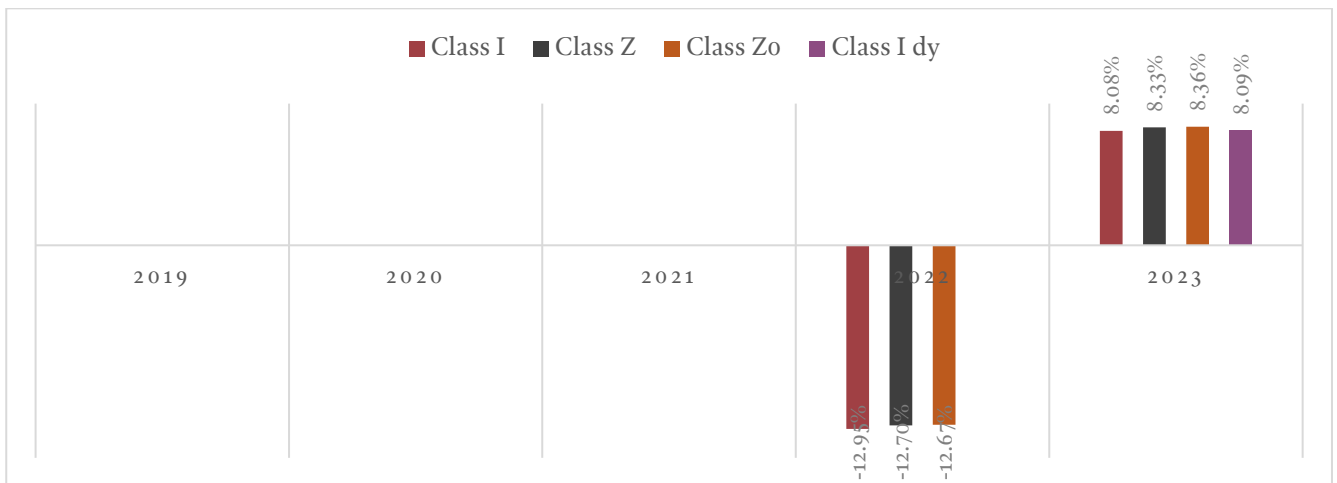


**TER<sup>58</sup>**

**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I	0.31%	0.30%	0.31%
Z	0.04%	0.04%	0.04%
Z0	0.01%	0.00%	0.01%
I dy	-	0.31%	0.31%

**Past results<sup>59</sup>**



<sup>58</sup> As in section 1.12.b of the prospectus

<sup>59</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance

data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## ANNEX 5: PICTET CH - LPP 25

### Information on the subfund

#### Investment policy and objective<sup>60</sup>

The subfund aims, while following the principles laid down in the Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans, to offer investors the opportunity to benefit from the return on a balanced portfolio where the portion invested in equities is 25% in principle, and where the fluctuation margin must not exceed 10%.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a positive tilt approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>61</sup>.

Initially, the fund management company's internal policy excludes direct investment in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 2 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, Arctic oil and gas exploration, production of controversial weapons, military contract weapons, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, tobacco products production, adult entertainment material production or gambling operations) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for

additional information. The majority of the actively managed target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, passively managed target funds, a minority of the actively managed target funds of the Pictet Group (e.g. those that invest mainly in foreign government bonds, high yield bonds or emerging market bonds), as well as collective investments managed by third parties, do not necessarily apply the same exclusion policy. Nonetheless, this policy applies to the majority of the subfund's assets.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities.

When the subfund's investments are selected (whether via indirect investment vehicles or directly), the approach adopted by the subfund thus aims to increase the weighting of securities that are low risk as regards sustainability and/or reduce the weighting of those that are high risk as regards sustainability. The aim of this process is to ensure that the resulting ESG characteristics of the subfund are better than those of the benchmark index: Pictet LPP 2000 / LPP-25 (CHF). Based on their prospective returns and liquidity, it is possible that the management may select securities that are high risk as regards sustainability, provided that the ESG profile of the subfund as a whole is better than that of the benchmark index.

In order to establish and compare the ESG profiles of the subfund and the benchmark index, the management looks at the ESG assessment of the securities held either through indirect investment vehicles or directly, and that of the securities in the benchmark index. It allocates each issuer an ESG rating that is usually based on the average of the scores allocated by several external specialist providers, such as Sustainalytics Ltd, InRate AG or ISS Institutional Shareholder Service Inc., attaching equal importance to each of the environmental, social and governance aspects; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer,

<sup>60</sup> As in section 1.10 of the prospectus

<sup>61</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities, or the rating of a particular company to its subsidiaries or affiliates. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits. If no internal or external rating is available, the security in question will be allocated a neutral rating. The ESG profiles of the subfund and the benchmark index are then calculated, taking the respective weighting of each security into account. The management ensures on a monthly basis that the ESG profile of the subfund is better than that of the benchmark index; where this is not the case, it undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the subfund once again has an ESG profile better than that of the benchmark index.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. It undertakes to exercise voting rights methodically. If necessary, the fund management company approaches representatives of the board of directors, votes against management or supports shareholder resolutions. Depending on the gravity of the situation and the issuer's ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

As a fund of funds, this subfund may invest up to 50% of its assets in each of the following target funds: **Pictet CH - CHF Sustainable Bonds**, **Pictet CH - CHF Bonds Tracker** and **Pictet CH Institutional - CHF Bonds**. The subfund may acquire for the fund assets up to 100% of the units of said collective investment schemes. Such transactions may not give rise to cumulation of the management and safekeeping fees. The attention of investors is drawn to the risks as described in §15, prov. 11 of the fund contract.

#### "Funds of funds" structure

The advantages and drawbacks of the subfund's "fund of funds" structure can be summarised as follows:

#### Fund of funds

##### ADVANTAGES

- Risks spread over several investment strategies.
- Potentially lower volatility.
- Possibility for investors without direct access to the target funds, for example because the minimum initial investment is too high, to invest indirectly in this investment category.

##### DRAWBACKS

- Each fund may levy fees and commission in addition to the fees and commission levied at subfund level, within the terms of the fund contract (cf. §19, prov. 4 in particular)

The process applied by the fund management company when selecting and supervising the target funds takes quantitative criteria into account, such as absolute and risk-adjusted performance, the stability and consistency of performance over time, the portfolio composition and the associated risks. The selection of the target funds is based on a qualitative analysis, the main features of which are the quality of the manager, the human resources and techniques deployed, the investment process, risk governance and control, the cost structure of the target funds, and their available capacity.

#### Accounting currency<sup>62</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

#### Principal risks<sup>63</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

<sup>62</sup> As in section 5.1 of the prospectus

<sup>63</sup> As in section 1.15 of the prospectus

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Risk connected with high yield bond funds: compared with higher-rated bonds, bonds known as high yield bonds that are held by target funds are often more volatile (subject to fluctuations in value), less liquid (more difficult to sell or transfer to third parties) and more liable to be subject to financial difficulties (such as when the issuer defaults on payment or becomes insolvent). An investment in this kind of debt security may lead to depreciations and/or losses that can affect the net asset value of the subfund.
- Risks connected with alternative investments: these investments, especially in commodities and precious metals, are often volatile (subject to fluctuations in value), which may have an impact on the net asset value of the subfund. Speculative funds also incur a risk of volatility, which is often exacerbated by the use of derivative financial instruments within these funds; using them has a leverage effect which can increase the losses.
- Risks connected with real estate or infrastructure funds: the real estate securities or infrastructure held by the target funds are often volatile (subject to fluctuations in value) and influenced by numerous factors including local or general economic conditions, the trend in supply and demand for real estate or infrastructure in a given area, regulatory changes (e.g. controls on renting property) and tax changes (property tax) as well as variations in interest rates. They are usually rather illiquid (difficult to sell or transfer to third parties).
- Risks connected with contingent convertible bonds (CoCo bonds): the conditions attached to these instruments mean that certain events may result in the principal investment and/or the interest accrued being permanently reduced to zero.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach:
  - The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled

out that data may be inaccurate or unavailable.

- It is also possible that the subfund's performance may deviate from that of the benchmark index owing to the overweight in investments with a high ESG score and/or the underweight in investments with a low ESG score.

#### Profile of the typical investor<sup>64</sup>

The subfund is suitable for investors who:

- Wish to benefit from the performance of the global financial markets by investing 25% in equities on average
- Seek a cautious savings strategy and thus have a relatively strong aversion to risk
- Have a medium-term savings horizon (4 years or more)

#### Low/moderate risk

#### Subscription and redemption<sup>65</sup>

- Cut-off days and times: Units of the fund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- Calculation date: The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- Settlement date: The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this

date because the banks are closed or an inter-bank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

#### Information on the unit classes<sup>66</sup>

##### Characteristics

UNIT CLASS	CONDITIONS
I CHF, I dy CHF	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>• qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>• investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>• collective investment schemes;</li> <li>• pension institutions;</li> <li>• not-for-profit institutions.</li> </ul>
J CHF, J dy CHF	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P CHF, P dy CHF	These units are not subject to any minimum investment restrictions
R CHF, R dy CHF	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z CHF, Z dy CHF	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group

<sup>64</sup> As in section 6.2 of the prospectus

<sup>65</sup> As in section 1.8 of the prospectus

<sup>66</sup> As in section 1.6 of the prospectus

**Key Data**

UNIT CLASS	AC-TIVE STA-TUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>67</sup>
I dy CHF	✓	CH0016431667	CHF	Distr
J dy CHF	-	-	CHF	Distr
P dy CHF	✓	CH0016431675	CHF	Distr
R dy CHF	✓	CH0117696192	CHF	Distr
Z dy CHF	-	CH0016431683	CHF	Distr
I CHF	-	-	CHF	Cap
J CHF	-	-	CHF	Cap
P CHF	-	-	CHF	Cap
R CHF	-	-	CHF	Cap
Z CHF	-	-	CHF	Cap

**Calculating the costs of adjusting the portfolio<sup>68</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio**

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z"
Swinging Single Pricing; maximum rate <sup>69</sup> : 2%	Spread; maximum rate <sup>70</sup> : 2%

**Fees and expenses<sup>71</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum

<sup>67</sup> As in section 1.9 of the prospectus

<sup>68</sup> As in section 1.8 of the prospectus

<sup>69</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

**Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**Fees and expenses charged to the subfund assets**

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Admin-istration fee, annual rate	Manage-ment fee, annual rate	Safekeep-ing fee, annual rate
I CHF, I dy CHF	to a maximum of 0.05%	to a maximum of 0.50%	to a maximum of 0.05%
J CHF, J dy CHF	to a maximum of 0.05%	to a maximum of 0.40%	to a maximum of 0.05%
P CHF, P dy CHF	to a maximum of 0.05%	to a maximum of 1.00%	to a maximum of 0.05%
R CHF, R dy CHF	to a maximum of 0.05%	to a maximum of 1.50%	to a maximum of 0.05%
Z CHF, Z dy CHF	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

<sup>70</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

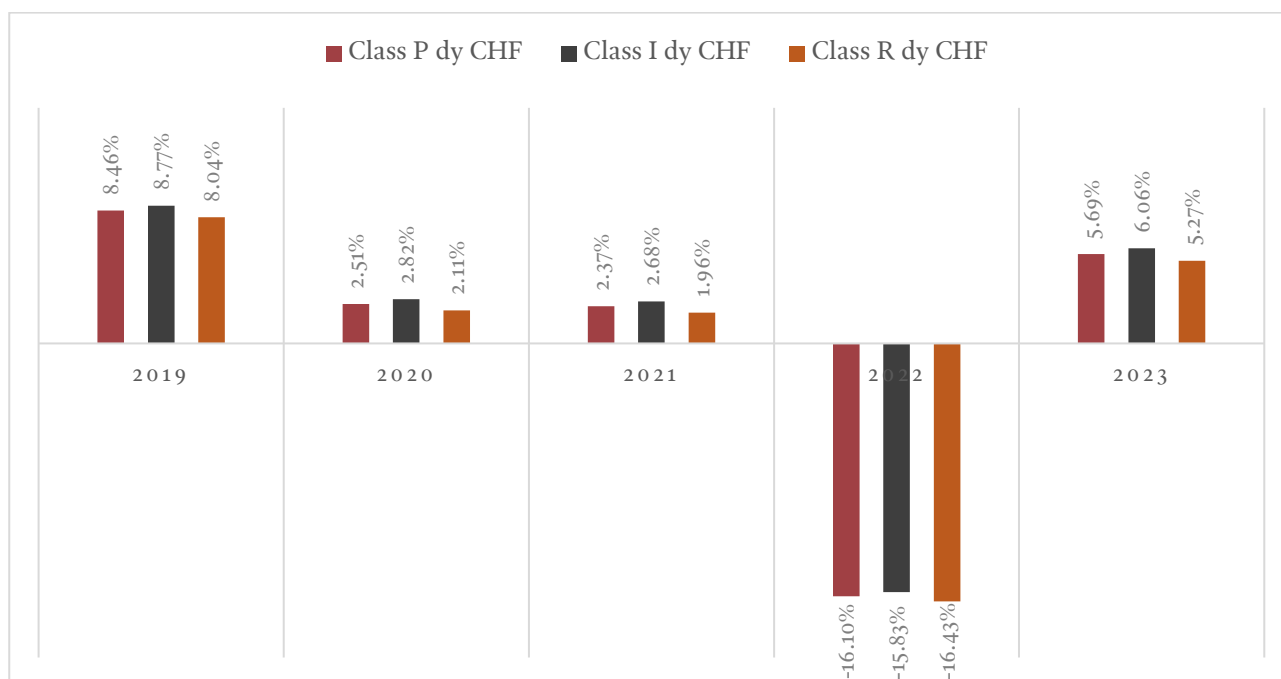
<sup>71</sup> As in section 1.12 of the prospectus

TER<sup>72</sup>

**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy CHF	0.44%	0.43%	0.44%
P dy CHF	0.78%	0.78%	0.79%
R dy CHF	1.18%	1.18%	1.19%
Z dy CHF	-	-	-

**Past results<sup>73</sup>**



<sup>72</sup> As in section 1.12.b of the prospectus

<sup>73</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance

data does not include the commissions and fees charged at the time of subscribing for or redeeming units



## ANNEX 6: PICTET CH - LPP 40

### Information on the subfund

#### Investment policy and objective<sup>74</sup>

The subfund aims, while following the principles laid down in the Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans, to offer investors the opportunity to benefit from the return on a balanced portfolio where the portion invested in equities is 40% in principle, and where the fluctuation margin must not exceed 10%.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a positive tilt approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>75</sup>.

Initially, the fund management company's internal policy excludes direct investment in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 2 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, Arctic oil and gas exploration, production of controversial weapons, military contract weapons, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, tobacco products production, adult entertainment material production or gambling operations) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset->

[management/responsible-investment-policy.pdf](#) for additional information. The majority of the actively managed target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, passively managed target funds, a minority of the actively managed target funds of the Pictet Group (e.g. those that invest mainly in foreign government bonds, high yield bonds or emerging market bonds), as well as collective investments managed by third parties, do not necessarily apply the same exclusion policy. Nonetheless, this policy applies to the majority of the subfund's assets.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities.

When the subfund's investments are selected (whether via indirect investment vehicles or directly), the approach adopted by the subfund thus aims to increase the weighting of securities that are low risk as regards sustainability and/or reduce the weighting of those that are high risk as regards sustainability. The aim of this process is to ensure that the resulting ESG characteristics of the subfund are better than those of the benchmark index: Pictet LPP 2000 / LPP-40 (CHF). Based on their prospective returns and liquidity, it is possible that the management may select securities that are high risk as regards sustainability, provided that the ESG profile of the subfund as a whole is better than that of the benchmark index.

In order to establish and compare the ESG profiles of the subfund and the benchmark index, the management looks at the ESG assessment of the securities held either through indirect investment vehicles or directly, and that of the securities in the benchmark index. It allocates each issuer an ESG rating that is usually based on the average of the scores allocated by several external specialist providers, such as Sustainalytics Ltd, InRate AG or ISS Institutional Shareholder Service Inc., attaching equal importance to each of the environmental, social and governance aspects; however, the management may give precedence to the rating it allocates

<sup>74</sup> As in section 1.10 of the prospectus

<sup>75</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.



internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities, or the rating of a particular company to its subsidiaries or affiliates. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits. If no internal or external rating is available, the security in question will be allocated a neutral rating. The ESG profiles of the subfund and the benchmark index are then calculated, taking the respective weighting of each security into account. The management ensures on a monthly basis that the ESG profile of the subfund is better than that of the benchmark index; where this is not the case, it undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the subfund once again has an ESG profile better than that of the benchmark index.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. It undertakes to exercise voting rights methodically. If necessary, the fund management company approaches representatives of the board of directors, votes against management or supports shareholder resolutions. Depending on the gravity of the situation and the issuer's ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. It undertakes to exercise voting rights methodically. If necessary, the fund management company approaches representatives of the board of directors, votes against management or supports shareholder resolutions. Depending on the gravity of the situation and the issuer's ability or willingness to adopt generally accepted standards of good

practice, the fund management company may decide to sell the investment.

As a fund of funds, this subfund may invest up to 50% of its assets in each of the following target funds: **Pictet CH - CHF Sustainable Bonds**, **Pictet CH - CHF Bonds Tracker** and **Pictet CH Institutional - CHF Bonds**. The subfund may acquire for the fund assets up to 100% of the units of said collective investment schemes. Such transactions may not give rise to cumulation of the management and safekeeping fees. The attention of investors is drawn to the risks as described in §15, prov. 11 of the fund contract.

#### "Funds of funds" structure

The advantages and drawbacks of the subfund's "fund of funds" structure can be summarised as follows:

#### Fund of funds

ADVANTAGES	DRAWBACKS
<ul style="list-style-type: none"> <li>• Risks spread over several investment strategies.</li> <li>• Potentially lower volatility.</li> <li>• Possibility for investors without direct access to the target funds, for example because the minimum initial investment is too high, to invest indirectly in this investment category.</li> </ul>	<ul style="list-style-type: none"> <li>• Each fund may levy fees and commission in addition to the fees and commission levied at subfund level, within the terms of the fund contract (cf. §19, prov. 4 in particular)</li> </ul>

The process applied by the fund management company when selecting and supervising the target funds takes quantitative criteria into account, such as absolute and risk-adjusted performance, the stability and consistency of performance over time, the portfolio composition and the associated risks. The selection of the target funds is based on a qualitative analysis, the main features of which are the quality of the manager, the human resources and techniques deployed, the investment process, risk governance and control, the cost structure of the target funds, and their available capacity.

### Accounting currency<sup>76</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

### Principal risks<sup>77</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.

- Risk connected with high yield bond funds: compared with higher-rated bonds, bonds known as high yield bonds that are held by target funds are often more volatile (subject to fluctuations in value), less liquid (more difficult to sell or transfer to third parties) and more liable to be subject to financial difficulties (such as when the issuer defaults on payment or becomes insolvent). An investment in this kind of debt security may lead to depreciations and/or losses that can affect the net asset value of the subfund.
- Risks connected with alternative investments: these investments, especially in commodities and precious metals, are often volatile (subject to fluctuations in value), which may have an impact on the net asset value of the subfund. Speculative funds also incur a risk of volatility, which is often exacerbated by the use of derivative financial instruments within these funds; using them has a leverage effect which can increase the losses.
- Risks connected with real estate or infrastructure funds: the real estate securities or infrastructure held by the target funds are often volatile (subject to fluctuations in value) and influenced by numerous factors including local or general economic conditions, the trend in supply and demand for real estate or infrastructure in a given area, regulatory changes (e.g. controls on renting property) and tax changes (property tax) as well as variations in interest rates. They are usually rather illiquid (difficult to sell or transfer to third parties).
- Risks connected with contingent convertible bonds (CoCo bonds): the conditions attached to these instruments mean that certain events may result in the principal investment and/or the interest accrued being permanently reduced to zero.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively

<sup>76</sup> As in section 5.1 of the prospectus

<sup>77</sup> As in section 1.15 of the prospectus

affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).

- Risks connected with the ESG approach:
  - The process of taking ESG factors into account as part of the subfund’s investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.
  - It is also possible that the subfund’s performance may deviate from that of the benchmark index owing to the overweight in investments with a high ESG score and/or the underweight in investments with a low ESG score.

Profile of the typical investor<sup>78</sup>

The subfund is suitable for investors who:

- Wish to benefit from the performance of the global financial markets by investing 40% in equities on average
- Are willing to bear some price fluctuations and thus have a moderate aversion to risk
- Have a medium-term savings horizon (4 years or more)

Moderate risk

Subscription and redemption<sup>79</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions

mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.

- Pricing date: The net asset value applicable to the transaction is calculated based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- Calculation date: The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- Settlement date: The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an inter-bank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

Information on the unit classes<sup>80</sup>

Characteristics

UNIT CLASS	CONDITIONS
I CHF, I dy CHF	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>• qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>• investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>• collective investment schemes;</li> <li>• pension institutions;</li> <li>• not-for-profit institutions.</li> </ul>
J CHF, J dy CHF	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P CHF, P dy CHF	These units are not subject to any minimum investment restrictions

<sup>78</sup> As in section 6.2 of the prospectus

<sup>79</sup> As in section 1.8 of the prospectus

<sup>80</sup> As in section 1.6 of the prospectus



**Characteristics**

UNIT CLASS	CONDITIONS
R CHF, R dy CHF	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z CHF, Z dy CHF	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CURRENCY	USE OF IN-COME <sup>81</sup>
I dy CHF	✓	CH0016431691	CHF	Distr
J dy CHF	-	-	CHF	Distr
P dy CHF	✓	CH0016431709	CHF	Distr
R dy CHF	✓	CH0117695848	CHF	Distr

**Calculating the costs of adjusting the portfolio<sup>82</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Fees and expenses<sup>85</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum

**Fees and expenses charged to the subfund assets**

FUND MANAGEMENT COMPANY FEE	CUSTODIAN BANK FEES
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<sup>81</sup> As in section 1.9 of the prospectus

<sup>82</sup> As in section 1.8 of the prospectus

<sup>83</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

**Characteristics**

UNIT CLASS	CONDITIONS
	CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CURRENCY	USE OF IN-COME <sup>81</sup>
Z dy CHF	✓	CH0016431717	CHF	Distr
I CHF	-	-	CHF	Cap
J CHF	-	-	CHF	Cap
P CHF	-	-	CHF	Cap
R CHF	-	-	CHF	Cap
Z CHF	✓	CH1106260040	CHF	Cap

**Costs of adjusting the portfolio**

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z"
Swinging Single Pricing; maximum rate <sup>83</sup> : 2%	Spread; maximum rate <sup>84</sup> : 2%

**Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Delivery fee for units of subfunds	CHF 200

**Fees and expenses charged to the subfund assets**

Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
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<sup>84</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>85</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

I CHF, I dy CHF	to a maximum of 0.05%	to a maximum of 0.60%	to a maximum of 0.05%
J CHF, J dy CHF	to a maximum of 0.05%	to a maximum of 0.50%	to a maximum of 0.05%
P CHF, P dy CHF	to a maximum of 0.05%	to a maximum of 1.20%	to a maximum of 0.05%
R CHF, R dy CHF	to a maximum of 0.05%	to a maximum of 1.80%	to a maximum of 0.05%
Z CHF, Z dy CHF	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

Distribution of proceeds from liquidation in the event the fund or subfund is wound up Up to 0.5% maximum

**TER<sup>86</sup>**

**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy CHF	0.54%	0.53%	0.54%
P dy CHF	0.93%	0.93%	0.94%
R dy CHF	1.38%	1.38%	1.38%
Z dy CHF	0.09%	0.08%	0.09%
Z CHF	0.08%	0.08%	0.08%

**One-off fees charged by the custodian bank**

Distribution of annual income to investors Up to a maximum of 1% of gross distributed amount

**Past results<sup>87</sup>**



<sup>86</sup> As in section 1.12.b of the prospectus

<sup>87</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance

data does not include the commissions and fees charged at the time of subscribing for or redeeming units



## ANNEX 7: PICTET CH - GLOBAL EQUITIES

### Information on the subfund

#### Investment policy and objective<sup>88</sup>

The subfund aims to offer investors the opportunity to participate in the performance of the global equity market while abiding by the principle of risk diversification. The fund is passively managed<sup>89</sup>.

The subfund invests at least two-thirds of the assets in equities and other equity securities.

The subfund's investment policy is similar to that of an 'Article 6 Product' as defined in the European 'Sustainable Finance Disclosure Regulation (SFDR)'<sup>90</sup>.

This subfund replicates an index that does not take into account environmental, social and governance ("ESG") factors. However, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other

investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. It undertakes to exercise voting rights methodically. If necessary, the fund management company approaches representatives of the board of directors, votes against management or supports shareholder resolutions.

#### Accounting currency<sup>91</sup>

The accounting currency of the subfund is the US dollar (USD).

#### Principal risks<sup>92</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

<sup>88</sup> As in section 1.10 of the prospectus

<sup>89</sup> This subfund is not sponsored, endorsed, sold or promoted by Morgan Stanley Capital International Inc. ("MSCI"), any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI Index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by Pictet Asset Management. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this subfund or any other person or entity regarding the advisability of investing in funds generally or in this subfund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this subfund or the issuer or owners of this subfund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this subfund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this subfund to be issued or in the determination or calculation of the equation by or the consideration into which this subfund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this subfund or any other person or entity in connection with the administration, marketing or offering of this subfund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or

guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the subfund, owners of the subfund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No purchaser, seller or holder of this security, product or subfund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

<sup>90</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 6" financial product.

<sup>91</sup> As in section 5.1 of the prospectus

<sup>92</sup> As in section 1.15 of the prospectus



The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources),

social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).

#### Profile of the typical investor<sup>93</sup>

The subfund is suitable for investors who:

- Wish to invest in international equities from the countries included in the MSCI World index
- Are willing to bear relatively strong price fluctuations and thus have a relatively low aversion to risk
- Have a medium to long-term savings horizon (5 years or more)

#### Moderate/high risk

#### Subscription and redemption<sup>94</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- Calculation date: The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- Settlement date: The value date of the payment of subscriptions and redemptions is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the

<sup>93</sup> As in section 6.2 of the prospectus

<sup>94</sup> As in section 1.8 of the prospectus

country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

### Information on the unit classes<sup>95</sup>

#### Characteristics

UNIT CLASS	CONDITIONS
I USD, I dy USD	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J USD, J dy USD	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P USD, P CHF, P dy CHF and P dy USD	These units are not subject to any minimum investment restrictions
R USD, R dy USD	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z USD, Z dy USD	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group

#### Key Data

UNIT CLASS	AC-TIVE STA-TUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>96</sup>
I dy USD	✓	CH0017475796	USD	Distr
J dy USD	✓	CH0022186115	USD	Distr
P dy CHF	✓	CH0045865786	CHF	Distr
P dy USD	✓	CH0017475812	USD	Distr
R dy USD	-	-	USD	Distr
R dy CHF	-	-	CHF	Distr
Z dy USD	✓	CH0017475820	USD	Distr
I USD	-	-	USD	Cap
J USD	-	-	USD	Cap
P CHF	-	-	CHF	Cap
P USD	-	-	USD	Cap
R USD	-	-	USD	Cap
Z USD	-	-	USD	Cap

#### Calculating the costs of adjusting the portfolio<sup>97</sup>

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

#### Costs of adjusting the portfolio

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z"
Swinging Single Pricing; maximum rate <sup>98</sup> : 2%	Spread; maximum rate <sup>99</sup> : 2%

<sup>95</sup> As in section 1.6 of the prospectus

<sup>96</sup> As in section 1.9 of the prospectus

<sup>97</sup> As in section 1.8 of the prospectus

<sup>98</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>99</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.



**Fees and expenses<sup>100</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

<b>FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR</b>	<b>RATE</b>
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**One-off fees charged by the custodian bank**

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**Fees and expenses charged to the subfund assets**

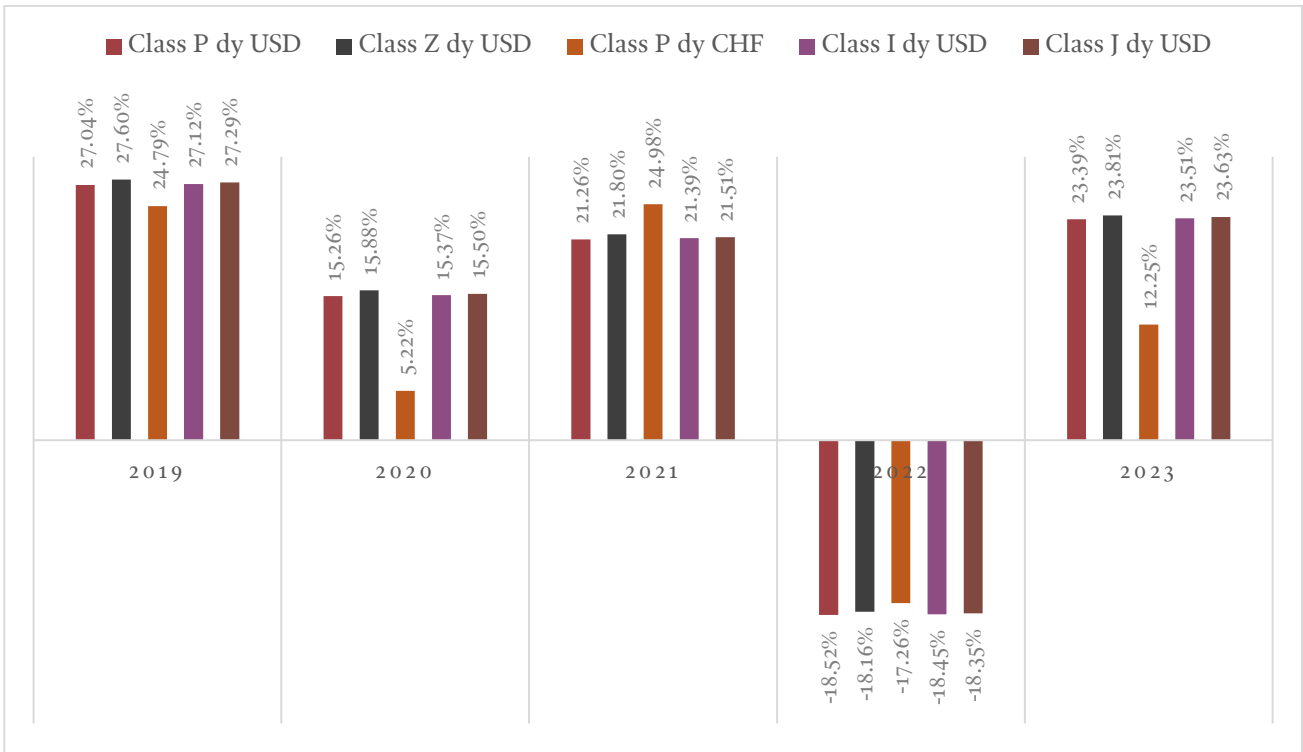
<b>Unit class</b>	<b>FUND MANAGEMENT COMPANY FEE</b>		<b>CUSTODIAN BANK FEES</b>
	<b>Administration fee, annual rate</b>	<b>Management fee, annual rate</b>	<b>Safekeeping fee, annual rate</b>
I USD, I dy USD	to a maximum of 0.05%	to a maximum of 0.50%	to a maximum of 0.05%
J USD, J dy USD	to a maximum of 0.05%	to a maximum of 0.30%	to a maximum of 0.05%
P CHF, P dy CHF	to a maximum of 0.05%	to a maximum of 0.60%	to a maximum of 0.05%
P USD, P dy USD	to a maximum of 0.05%	to a maximum of 0.60%	to a maximum of 0.05%
R USD, R dy USD	to a maximum of 0.05%	to a maximum of 1.00%	to a maximum of 0.05%
Z USD, Z dy USD	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%

**TER<sup>101</sup>****Total Expense Ratio**

<b>UNIT CLASS</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
I dy USD	0.42%	0.42%	0.43%
J dy USD	0.32%	0.33%	0.33%
P dy USD	0.52%	0.52%	0.52%
P dy CHF	0.52%	0.52%	0.53%
Z dy USD	0.07%	0.07%	0.08%

<sup>100</sup> As in section 1.12 of the prospectus<sup>101</sup> As in section 1.12.b of the prospectus

Past results<sup>102</sup>



<sup>102</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## ANNEX 8: PICTET CH - SOVEREIGN SHORT-TERM MONEY MARKET CHF

### Information on the subfund

#### Investment policy and objective<sup>103</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a short-term money market fund. The fund management company invests the subfund's assets in money market instruments or bonds (excluding convertible bonds, convertible notes and option loans), notes, as well as in other fixed or variable income debt instruments and debt rights, provided that they are issued or guaranteed by a state or by a public-law corporation of the OECD, Singapore, Hong Kong, the Swiss cantons or by international public-law organisations, of which Switzerland or a member state of the European Union is a member. In addition, the subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy. Furthermore, investments in the units of other collective investment schemes (target funds) are not permitted. The reference currency is the Swiss franc.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a best-in-class approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>104</sup>.

Initially, the fund management company's internal policy excludes direct investments in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 3 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, production of nuclear energy, production of oil and

gas, Arctic oil and gas exploration, production of controversial weapons, military contract weapons and related services and products, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, production of tobacco products, production of adult entertainment material, gambling operations, developing or growing genetically modified plants and seeds, production of pesticides, retail trade in pesticides) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information.

The fund management company invests the subfund's assets in securities from issuers that may be deemed to comply with ESG criteria ("sustainable assets"), which it defines and selects by applying the methodologies described below.

When selecting investments, the subfund adopts a best-in-class approach with the aim of investing in securities from issuers that present low sustainability risks while avoiding those that present high sustainability risks, thus seeking to reduce the investment universe by at least 20%. Securities from issuers with an ESG rating at least equal to the average score are defined as sustainable assets. This assessment is generally based on the rating allocated by an external specialist provider, such as Maplecroft.Net Ltd, Sustainalytics Ltd or World Bank; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities, or the rating of a particular company to its subsidiaries or affiliates. The

<sup>103</sup> As in section 1.10 of the prospectus

<sup>104</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits.

When analysing the issuers that make up the investment universe restricted in this manner, the investment process incorporates environmental, social and governance (“ESG”) factors on the basis of both proprietary research and third-party research in order to evaluate investment risks and opportunities.

#### Accounting currency<sup>105</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

#### Principal risks<sup>106</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk:

- The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
- The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach: The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.

#### Profile of the typical investor<sup>107</sup>

The subfund is suitable for investors who:

- Wish to invest in high-quality, short-term fixed-income securities

<sup>105</sup> As in section 5.1 of the prospectus

<sup>106</sup> As in section 1.15 of the prospectus

<sup>107</sup> As in section 6.2 of the prospectus

- Seek a stable savings strategy and thus have a strong aversion to risk
- Have a short-term savings horizon (1 month or more)

Low risk

#### Subscription and redemption<sup>108</sup>

- **Cut-off days and times:** Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- **Pricing date:** The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- **Calculation date:** The calculation and publication of the net asset value take place on the relevant Pricing date.
- **Settlement date:** The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

<sup>108</sup> As in section 1.8 of the prospectus

<sup>109</sup> As in section 1.6 of the prospectus

#### Information on the unit classes<sup>109</sup>

##### Characteristics

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>• qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>• investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>• collective investment schemes;</li> <li>• pension institutions;</li> <li>• not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group

##### Key Data

UNIT CLASS	AC-TIVESTATUS	ISIN CODE	REFERENCE CURRENCY	USE OF IN-COME <sup>110</sup>
I dy	✓	CH0038724784	CHF	Distr
J dy	✓	CH0038724750	CHF	Distr
P dy	✓	CH0038724818	CHF	Distr
R dy	-	-	CHF	Distr
Z dy	-	CH0038724842	CHF	Distr
I	-	-	CHF	Cap

<sup>110</sup> As in section 1.9 of the prospectus

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CURRENCY	USE OF IN-COME <sup>110</sup>
J	-	-	CHF	Cap
P	-	-	CHF	Cap
R	-	-	CHF	Cap
Z	✓	CH1166705256	CHF	Cap

**Calculating the costs of adjusting the portfolio<sup>111</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio****CLASSES IN CATEGORIES "I", "J", "P", "R" AND "Z"**

Charging of costs to the subfund's assets

**Fees and expenses charged to the subfund assets**

	fee, annual rate	annual rate	
I, I dy	to a maximum of 0.05%	to a maximum of 0.14%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.23%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.46%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**Fees and expenses<sup>112</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**TER<sup>113</sup>****Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.08%	0.06%	0.07%
J dy	-	-	-
P dy	0.10%	0.07%	0.08%
Z	-	0.04%	0.04%

**Fees and expenses charged to the subfund assets**

Unit class	FUND MANAGEMENT COMPANY FEE	CUSTODIAN BANK FEES
	Admin-istration	Management fee, Safekeep-ing fee, annual rate

<sup>111</sup> As in section 1.8 of the prospectus

<sup>112</sup> As in section 1.12 of the prospectus

<sup>113</sup> As in section 1.12.b of the prospectus

Past results<sup>114</sup>



<sup>114</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance.

Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units



## ANNEX 9: PICTET CH - SOVEREIGN SHORT-TERM MONEY MARKET EUR

### Information on the subfund

#### Investment policy and objective<sup>115</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a short-term money market fund. The fund management company invests the subfund's assets in money market instruments or bonds (excluding convertible bonds, convertible notes and option loans), notes, as well as in other fixed or variable income debt instruments and debt rights, provided that they are issued or guaranteed by a state or by a public-law corporation of the OECD, Singapore, Hong Kong, the Swiss cantons or by international public-law organisations, of which Switzerland or a member state of the European Union is a member. In addition, the subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy. Furthermore, investments in the units of other collective investment schemes (target funds) are not permitted. The reference currency is the euro.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a best-in-class approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>116</sup>.

Initially, the fund management company's internal policy excludes direct investments in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 3 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, production of nuclear energy, production of oil and

gas, Arctic oil and gas exploration, production of controversial weapons, military contract weapons and related services and products, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, production of tobacco products, production of adult entertainment material, gambling operations, developing or growing genetically modified plants and seeds, production of pesticides, retail trade in pesticides) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information.

The fund management company invests the subfund's assets in securities from issuers that may be deemed to comply with ESG criteria ("sustainable assets"), which it defines and selects by applying the methodologies described below.

When selecting investments, the subfund adopts a best-in-class approach with the aim of investing in securities from issuers that present low sustainability risks while avoiding those that present high sustainability risks, thus seeking to reduce the investment universe by at least 20%. Securities from issuers with an ESG rating at least equal to the average score are defined as sustainable assets. This assessment is generally based on the rating allocated by an external specialist provider, such as Maplecroft.Net Ltd, Sustainalytics Ltd or World Bank; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities, or the rating of a particular company to its subsidiaries or affiliates. The

<sup>115</sup> As in section 1.10 of the prospectus

<sup>116</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits.

When analysing the issuers that make up the investment universe restricted in this manner, the investment process incorporates environmental, social and governance (“ESG”) factors on the basis of both proprietary research and third-party research in order to evaluate investment risks and opportunities.

#### Accounting currency<sup>117</sup>

The accounting currency of the subfund is the euro (EUR).

#### Principal risks<sup>118</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk:

- The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
- The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach: The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.

#### Profile of the typical investor<sup>119</sup>

The subfund is suitable for investors who:

- Wish to invest in high-quality, short-term fixed-income securities

<sup>117</sup> As in section 5.1 of the prospectus

<sup>118</sup> As in section 1.15 of the prospectus

<sup>119</sup> As in section 6.2 of the prospectus

- Seek a stable savings strategy and thus have a strong aversion to risk
- Have a short-term savings horizon (1 month or more)

Low risk

#### Subscription and redemption<sup>120</sup>

- **Cut-off days and times:** Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- **Pricing date:** The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- **Calculation date:** The calculation and publication of the net asset value take place on the relevant Pricing date.
- **Settlement date:** The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

<sup>120</sup> As in section 1.8 of the prospectus

<sup>121</sup> As in section 1.6 of the prospectus

#### Information on the unit classes<sup>121</sup>

##### Characteristics

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>• qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>• investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>• collective investment schemes;</li> <li>• pension institutions;</li> <li>• not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group

##### Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>122</sup>
I dy	✓	CH0038911191	EUR	Distr
J dy	✓	CH0038911100	EUR	Distr
P dy	✓	CH0038911357	EUR	Distr
R dy	-	-	EUR	Distr
Z dy	-	-	EUR	Distr
I	-	-	EUR	Cap
J	-	-	EUR	Cap
P	-	-	EUR	Cap
R	-	-	EUR	Cap

<sup>122</sup> As in section 1.9 of the prospectus

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>122</sup>
Z	-	-	EUR	Cap

**Calculating the costs of adjusting the portfolio<sup>123</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio****CLASSES IN CATEGORIES "I", "J", "P", "R" AND "Z"**

Charging of costs to the subfund's assets

**Fees and expenses charged to the subfund assets**

J, J dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.23%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.46%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**Fees and expenses<sup>124</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**TER<sup>125</sup>****Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.09%	0.10%	0.10%
J dy	0.08%	0.09%	0.08%
P dy	0.12%	0.13%	0.13%

**Fees and expenses charged to the subfund assets**

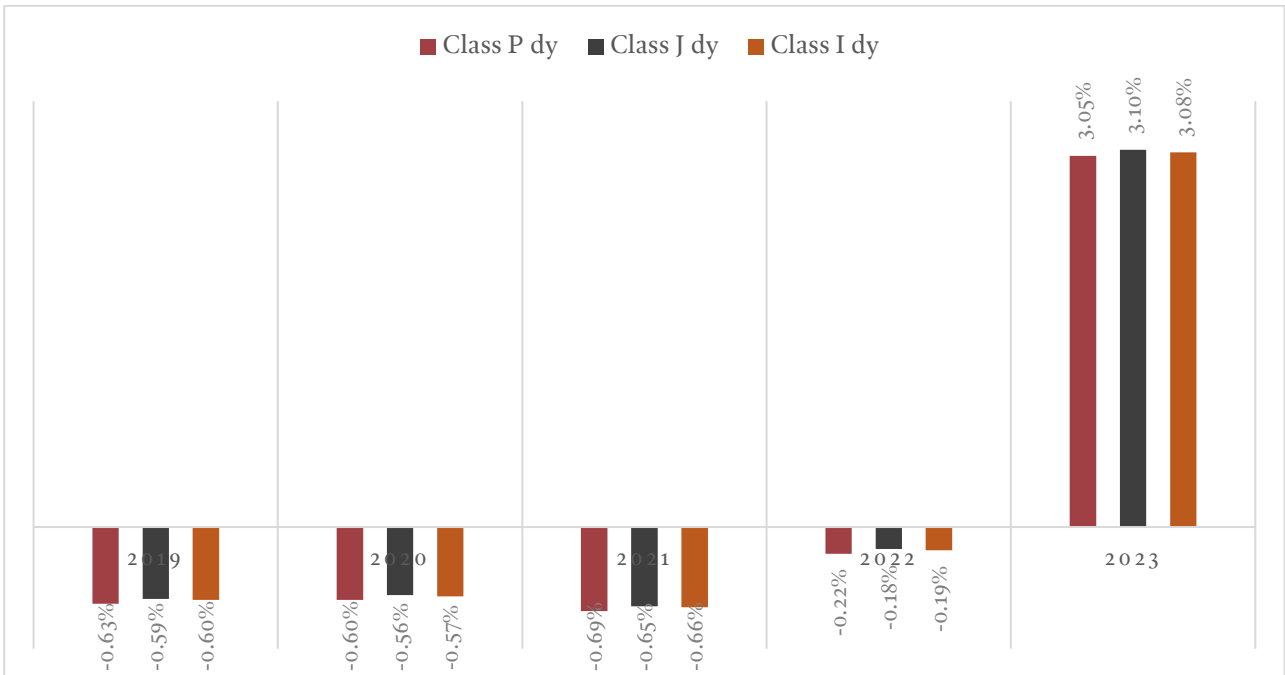
Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Admin-istration fee, annual rate	Manage-ment fee, annual rate	Safekeep-ing fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.14%	to a maximum of 0.05%

<sup>123</sup> As in section 1.8 of the prospectus

<sup>124</sup> As in section 1.12 of the prospectus

<sup>125</sup> As in section 1.12.b of the prospectus

Past results<sup>126</sup>



<sup>126</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## ANNEX 10: PICTET CH - SOVEREIGN SHORT-TERM MONEY MARKET USD

### Information on the subfund

#### Investment policy and objective<sup>127</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a short-term money market fund. The fund management company invests the subfund's assets in money market instruments or bonds (excluding convertible bonds, convertible notes and option loans), notes, as well as in other fixed or variable income debt instruments and debt rights, provided that they are issued or guaranteed by a state or by a public-law corporation of the OECD, Singapore, Hong Kong, the Swiss cantons or by international public-law organisations, of which Switzerland or a member state of the European Union is a member. In addition, the subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy. Furthermore, investments in the units of other collective investment schemes (target funds) are not permitted. The reference currency is the US dollar.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a best-in-class approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>128</sup>.

Initially, the fund management company's internal policy excludes direct investments in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 3 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, production of nuclear energy, production of oil and

gas, Arctic oil and gas exploration, production of controversial weapons, military contract weapons and related services and products, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, production of tobacco products, production of adult entertainment material, gambling operations, developing or growing genetically modified plants and seeds, production of pesticides, retail trade in pesticides) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustanalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information.

The fund management company invests the subfund's assets in securities from issuers that may be deemed to comply with ESG criteria ("sustainable assets"), which it defines and selects by applying the methodologies described below.

When selecting investments, the subfund adopts a best-in-class approach with the aim of investing in securities from issuers that present low sustainability risks while avoiding those that present high sustainability risks, thus seeking to reduce the investment universe by at least 20%. Securities from issuers with an ESG rating at least equal to the average score are defined as sustainable assets. This assessment is generally based on the rating allocated by an external specialist provider, such as Maplecroft.Net Ltd, Sustanalytics Ltd or World Bank; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities, or the rating of a particular company to its subsidiaries or affiliates. The

<sup>127</sup> As in section 1.10 of the prospectus

<sup>128</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.



proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits.

When analysing the issuers that make up the investment universe restricted in this manner, the investment process incorporates environmental, social and governance (“ESG”) factors on the basis of both proprietary research and third-party research in order to evaluate investment risks and opportunities.

#### Accounting currency<sup>129</sup>

The accounting currency of the subfund is the US dollar (USD).

#### Principal risks<sup>130</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk:

- The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
- The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach: The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.

#### Profile of the typical investor<sup>131</sup>

The subfund is suitable for investors who:

- Wish to invest in high-quality, short-term fixed-income securities

<sup>129</sup> As in section 5.1 of the prospectus

<sup>130</sup> As in section 1.15 of the prospectus

<sup>131</sup> As in section 6.2 of the prospectus



- Seek a stable savings strategy and thus have a strong aversion to risk
- Have a short-term savings horizon (1 month or more)

Low risk

#### Subscription and redemption<sup>132</sup>

- **Cut-off days and times:** Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- **Pricing date:** The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- **Calculation date:** The calculation and publication of the net asset value take place on the relevant Pricing date.
- **Settlement date:** The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

#### Information on the unit classes<sup>133</sup>

##### Characteristics

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>• qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>• investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>• collective investment schemes;</li> <li>• pension institutions;</li> <li>• not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group

##### Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CURRENCY	USE OF IN-COME <sup>134</sup>
I dy	✓	CH0038911647	USD	Distr
J dy	✓	CH0038911514	USD	Distr
P dy	✓	CH0038911712	USD	Distr
R dy	-	-	USD	Distr
Z dy	-	-	USD	Distr
I	-	-	USD	Cap
J	-	-	USD	Cap
P	-	-	USD	Cap
R	-	-	USD	Cap

<sup>132</sup> As in section 1.8 of the prospectus

<sup>133</sup> As in section 1.6 of the prospectus

<sup>134</sup> As in section 1.9 of the prospectus

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>134</sup>
Z	-	-	USD	Cap

**Calculating the costs of adjusting the portfolio<sup>135</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio****CLASSES IN CATEGORIES "I", "J", "P", "R" AND "Z"**

Charging of costs to the subfund's assets

**Fees and expenses charged to the subfund assets**

J, J dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.23%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.46%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**Fees and expenses<sup>136</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**TER<sup>137</sup>****Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.15%	0.15%	0.17%
J dy	0.11%	0.11%	0.13%
P dy	0.20%	0.20%	0.23%

**Fees and expenses charged to the subfund assets**

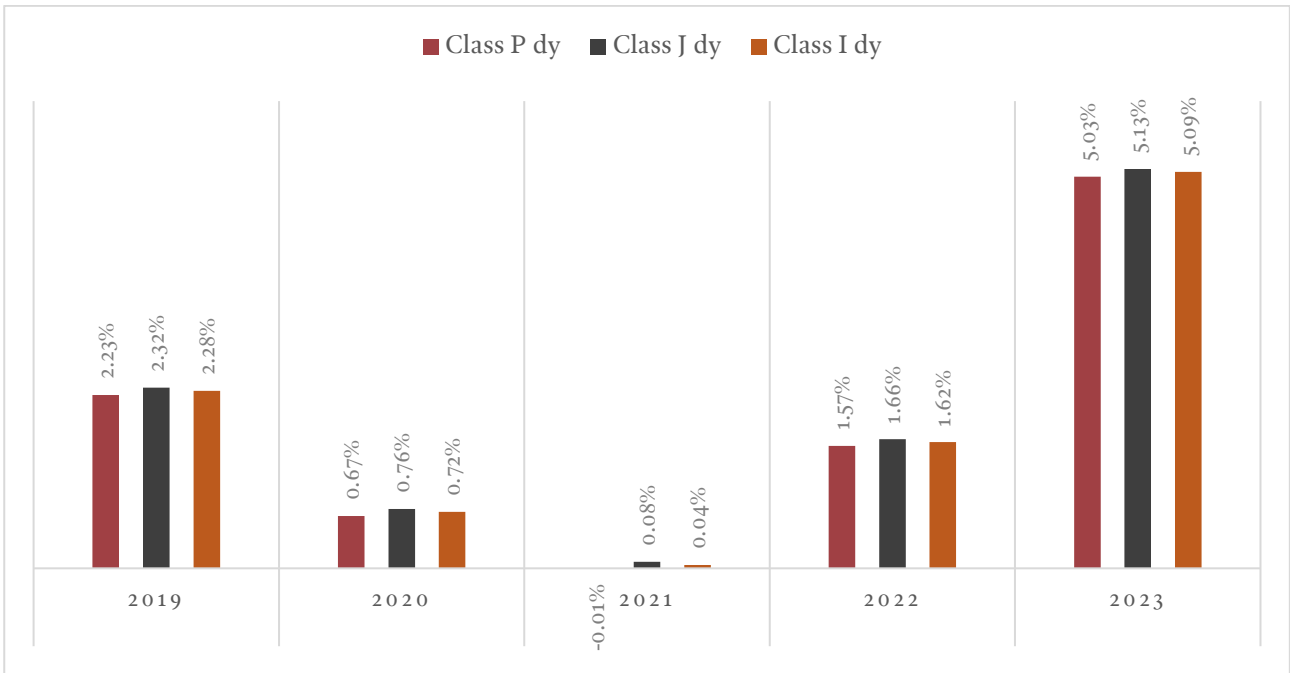
Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Admin-istration fee, annual rate	Manage-ment fee, annual rate	Safekeep-ing fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.14%	to a maximum of 0.05%

<sup>135</sup> As in section 1.8 of the prospectus

<sup>136</sup> As in section 1.12 of the prospectus

<sup>137</sup> As in section 1.12.b of the prospectus

Past results<sup>138</sup>



<sup>138</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## ANNEX 11: PICTET CH - SWISS MID SMALL CAP

### Information on the subfund

#### Investment policy and objective<sup>139</sup>

The subfund's principal investment objective is to manage a portfolio of Swiss small- and mid-cap listed equities as defined in the classification used by the governing bodies of the Swiss stock exchange when calculating the "Swiss Small & Middle Companies Index"<sup>140</sup>, while abiding by the policy of risk diversification.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a positive tilt approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>141</sup>.

Initially, the fund management company's internal policy excludes direct investment in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 2 exclusions of Pictet AM's policy,

which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, Arctic oil and gas exploration, production of controversial weapons, military contract weapons, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, tobacco products production, adult entertainment material production or gambling operations) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-com-mon-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however,

<sup>139</sup> As in section 1.10 of the prospectus

<sup>140</sup> SIX Swiss Exchange AG ("SIX Swiss Exchange") and its licensors ("Licensors") have no relationship to the fund management company, other than the licensing of the Swiss Small & Middle Companies Index<sup>®</sup> and the related trademarks for use in connection with the subfund. SIX Swiss Exchange and its Licensors do not:

- sponsor, endorse, sell or promote the subfund.
- recommend that any person invest in the subfund or any other securities.
- have any responsibility or liability for or make any decisions about the timing, amount or pricing of the subfund.
- have any responsibility or liability for the administration, management or marketing of the subfund.
- consider the needs of the subfund or the owners of the subfund in determining, composing or calculating the Swiss Small & Middle Companies Index<sup>®</sup> or have any obligation to do so.

SIX Swiss Exchange and its Licensors give no warranty, and exclude any liability (whether in negligence or otherwise), in connection with the subfund or its performance. SIX Swiss Exchange does not assume any contractual relationship with the purchasers of the subfund or any other third parties. Specifically, SIX Swiss Exchange and its Licensors do not give any warranty, express or implied, and exclude any liability for:

- The results to be obtained by the subfund, the owner of the subfund or any other person in connection with the use of the Swiss Small & Middle

Companies Index<sup>®</sup> and the data included in the Swiss Small & Middle Companies Index<sup>®</sup>;

- The accuracy, timeliness, and completeness of the Swiss Small & Middle Companies Index<sup>®</sup> and its data;
- The merchantability and the fitness for a particular purpose or use of the Swiss Small & Middle Companies Index<sup>®</sup> and its data;
- The performance of the subfund generally.

SIX Swiss Exchange and its Licensors give no warranty and exclude any liability, for any errors, omissions or interruptions in the Swiss Small & Middle Companies Index<sup>®</sup> or its data. Under no circumstances will SIX Swiss Exchange or its Licensors be liable (whether in negligence or otherwise) for any lost profits or indirect, punitive, special or consequential damages or losses, arising as a result of such errors, omissions or interruptions in the Swiss Small & Middle Companies Index<sup>®</sup> or its data or generally in relation to the subfund, even in circumstances where SIX Swiss Exchange or its Licensors are aware that such loss or damage may occur. The licensing Agreement between the fund management company and SIX Swiss Exchange is solely for their benefit and not for the benefit of the owners of the subfund or any other third parties.

<sup>141</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance (“ESG”) factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities.

When the subfund’s investments are selected, the approach adopted by the fund thus aims to increase the weighting of securities that are low risk as regards sustainability and/or reduce the weighting of those that are high risk as regards sustainability. The aim of this process is to ensure that the resulting ESG characteristics of the fund are better than those of the benchmark index. Based on their prospective returns and liquidity, it is possible that the management may select securities that are high risk as regards sustainability, provided that the ESG profile of the fund as a whole is better than that of the benchmark index.

In order to establish and compare the ESG profiles of the fund and the benchmark index, the management looks at the ESG assessment of the securities held by the fund, and that of the securities in the benchmark index. This assessment is generally based on the rating allocated by an external specialist provider, such as Sustainalytics Ltd.; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities, or the rating of a particular company to its subsidiaries or affiliates. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits. The ESG profiles of the fund and the benchmark index are then calculated, taking the respective weighting of each security into account. The management ensures on a monthly basis that the ESG profile of the fund is better than that of the benchmark index; where this is not the case, it undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the

fund once again has an ESG profile better than that of the benchmark index.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. It undertakes to exercise voting rights methodically. If necessary, the fund management company approaches representatives of the board of directors, votes against management or supports shareholder resolutions. Depending on the gravity of the situation and the issuer’s ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

For more information, please consult [www.asset-management.pictet](http://www.asset-management.pictet).

#### Accounting currency<sup>142</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

#### Principal risks<sup>143</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund’s portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human

<sup>142</sup> As in section 5.1 of the prospectus

<sup>143</sup> As in section 1.15 of the prospectus

error or system failures or incorrect valuation of the underlying securities.

- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach:
  - The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled

out that data may be inaccurate or unavailable.

- It is also possible that the subfund's performance may deviate from that of the benchmark index owing to the overweight in investments with a high ESG score and/or the underweight in investments with a low ESG score.

#### Profile of the typical investor<sup>144</sup>

The subfund is suitable for investors who:

- Wish to invest in Swiss equities of small and medium-sized companies
- Are willing to bear strong price fluctuations and thus have a low aversion to risk
- Have a long-term savings horizon (7 years or more)

#### High risk

#### Subscription and redemption<sup>145</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- Calculation date: The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- Settlement date: The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference

<sup>144</sup> As in section 6.2 of the prospectus

<sup>145</sup> As in section 1.8 of the prospectus

currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

### Information on the unit classes<sup>146</sup>

#### Characteristics

UNIT CLASS	CONDITIONS
I CHF, I dy CHF	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J CHF, J dy CHF	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P CHF, P dy CHF	These units are not subject to any minimum investment restrictions
R CHF, R dy CHF	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z CHF, Z dy CHF	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group

#### Key Data

UNIT CLASS	AC-TIVE STA-TUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>147</sup>
I dy CHF	✓	CH0019087177	CHF	Distr
J dy CHF	-	-	CHF	Distr
P dy CHF	✓	CH0003299580	CHF	Distr
R dy CHF	✓	CH0019087219	CHF	Distr
Z dy CHF	✓	CH0037975858	CHF	Distr
I CHF	-	-	CHF	Cap
J CHF	-	-	CHF	Cap
P CHF	-	-	CHF	Cap
R CHF	-	-	CHF	Cap
Z CHF	✓	CH1106274728	CHF	Cap

#### Calculating the costs of adjusting the portfolio<sup>148</sup>

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

#### Costs of adjusting the portfolio

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z"
Swinging Single Pricing; maximum rate <sup>149</sup> : 2%	Spread; maximum rate <sup>150</sup> : 2%

<sup>146</sup> As in section 1.6 of the prospectus

<sup>147</sup> As in section 1.9 of the prospectus

<sup>148</sup> As in section 1.8 of the prospectus

<sup>149</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>150</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.



**Fees and expenses<sup>151</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

<b>FEEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR</b>	<b>RATE</b>
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**Fees and expenses charged to the subfund assets**

<b>Unit class</b>	<b>FUND MANAGEMENT COMPANY FEE</b>		<b>CUSTODIAN BANK FEES</b>
	<b>Administration fee, annual rate</b>	<b>Management fee, annual rate</b>	<b>Safekeeping fee, annual rate</b>
I CHF, I dy CHF	to a maximum of 0.05%	to a maximum of 0.90%	to a maximum of 0.05%
J CHF, J dy CHF	to a maximum of 0.05%	to a maximum of 0.45%	to a maximum of 0.05%
P CHF, P dy CHF	to a maximum of 0.05%	to a maximum of 1.50%	to a maximum of 0.05%
R CHF, R dy CHF	to a maximum of 0.05%	to a maximum of 2.20%	to a maximum of 0.05%
Z CHF, Z dy CHF	to a maximum of 0.05%	By agreement with	to a maximum of 0.05%

**Fees and expenses charged to the subfund assets**

each investor

**One-off fees charged by the custodian bank**

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**TER<sup>152</sup>****Total Expense Ratio**

<b>UNIT CLASS</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
I dy CHF	0.76%	0.76%	0.77%
P dy CHF	1.15%	1.16%	1.16%
R dy CHF	1.65%	1.66%	1.66%
Z dy CHF	0.06%	0.07%	0.07%
Z CHF	0.05%	0.06%	0.05%

<sup>151</sup> As in section 1.12 of the prospectus<sup>152</sup> As in section 1.12.b of the prospectus

Past results<sup>153</sup>



**ANNEX 12: PICTET CH - SWISS MARKET TRACKER**

**Information on the subfund**

Investment policy and objective<sup>154</sup>

The subfund aims to offer investors the opportunity to participate in the performance of the

Swiss equity market by means of a vehicle that replicates the "SPI" index<sup>155</sup>. In principle, the management company only holds positions in securities that are included in the "SPI". Nevertheless, during a period of approximately one week before a date on which the composition of the index is changed, the fund management company is authorised to

<sup>153</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units

<sup>154</sup> As in section 1.10 of the prospectus

<sup>155</sup> SIX Swiss Exchange AG ("SIX Swiss Exchange") and its licensors ("Licensors") have no relationship to the fund management company, other than the licensing of the Swiss Performance Index ® and the related trademarks for use in connection with the subfund. SIX Swiss Exchange and its Licensors do not:

- sponsor, endorse, sell or promote the subfund.
- recommend that any person invest in the subfund or any other securities.
- have any responsibility or liability for or make any decisions about the timing, amount or pricing of the subfund.
- have any responsibility or liability for the administration, management or marketing of the subfund.
- consider the needs of the subfund or the owners of the subfund in determining, composing or calculating the Swiss Performance Index ® or have any obligation to do so.

SIX Swiss Exchange and its Licensors give no warranty, and exclude any liability (whether in negligence or otherwise), in connection with the subfund or its performance. SIX Swiss Exchange does not assume any contractual relationship with the purchasers of the subfund or any other third parties. Specifically, SIX Swiss Exchange and its Licensors do not give any warranty, express or implied, and exclude any liability for:

- The results to be obtained by the subfund, the owner of the subfund or any other person in connection with the use of the Swiss Performance Index ® and the data included in the Swiss Performance Index ®;
- The accuracy, timeliness, and completeness of the Swiss Performance Index ® and its data;
- The merchantability and the fitness for a particular purpose or use of the Swiss Performance Index ® and its data;
- The performance of the subfund generally.

hold securities positions which are included in the SPI in its old or new composition.

The portfolio is therefore systematically managed on an indexed basis using the "Swiss Performance Index" (SPI) as the benchmark. Optimised sampling is the selected method of index tracking. This means that the subfund is not obliged to hold all the securities contained in the benchmark index. The subfund's risk compared with that of its benchmark index is continuously controlled. As a result of this monitoring, a certain number of (rebalancing) transactions may become necessary at a given moment to reduce the relative risk to a level compatible with the size of the subfund. No limit is specified regarding the minimum and maximum number of securities held in the portfolio. These rebalancing transactions, whether or not they are prompted by a subscription or net redemption of units or a change in the composition of the benchmark index, are carried out with the help of different risk models for equities and an optimisation technique that takes into account the costs associated with the transactions.

The issuer that may exceed the 20% threshold within the meaning of §15 prov. 3 of the fund contract is either Nestlé, Novartis or Roche.

The subfund's investment policy is similar to that of an 'Article 6 Product' as defined in the European 'Sustainable Finance Disclosure Regulation (SFDR)'<sup>156</sup>.

This subfund replicates an index that does not take into account environmental, social and governance ("ESG") factors. However, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. It undertakes to exercise voting rights methodically. If necessary, the fund management company approaches

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representatives of the board of directors, votes against management or supports shareholder resolutions.

#### Benchmarks Regulation

The subfund's benchmark index is provided by a benchmark index administrator entered on the register of administrators and benchmark indices maintained by ESMA by virtue of Article 36 of EU Regulation 2016/1011 on indices used as benchmarks. The fund management company has a written plan specifying the actions to be taken if there should be a significant change within the benchmark index or if it should cease to be provided.

#### Accounting currency<sup>157</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

#### Principal risks<sup>158</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified

management company and SIX Swiss Exchange is solely for their benefit and not for the benefit of the owners of the subfund or any other third parties.

<sup>156</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 6" financial product.

<sup>157</sup> As in section 5.1 of the prospectus

<sup>158</sup> As in section 1.15 of the prospectus

income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- **Operational risk:** the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- **Settlement risk:** by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- **Counterparty risk (including in connection with underlying assets for target funds):**
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- **Sustainability risks:** risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).

Profile of the typical investor<sup>159</sup>

The subfund is suitable for investors who:

- Wish to invest in Swiss equities
- Are willing to bear relatively strong price fluctuations and thus have a relatively low aversion to risk
- Have a medium to long-term savings horizon (7 years or more)

Moderate/high risk

Subscription and redemption<sup>160</sup>

- **Cut-off days and times:** Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- **Pricing date:** The net asset value applicable to the transaction is calculated based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- **Calculation date:** The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- **Settlement date:** The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an inter-bank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

<sup>159</sup> As in section 6.2 of the prospectus

<sup>160</sup> As in section 1.8 of the prospectus

**Information on the unit classes<sup>161</sup>****Characteristics**

UNIT CLASS	CONDITIONS
I CHF, I dy CHF	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J CHF, J dy CHF	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P CHF, P dy CHF	These units are not subject to any minimum investment restrictions
R CHF, R dy CHF	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z CHF, Z dy CHF	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>162</sup>
I dy CHF	✓	CH0019592036	CHF	Distr
J dy CHF	✓	CH0019591970	CHF	Distr
P dy CHF	✓	CH0010396734	CHF	Distr
R dy CHF	-	-	CHF	Distr

<sup>161</sup> As in section 1.6 of the prospectus<sup>162</sup> As in section 1.9 of the prospectus<sup>163</sup> As in section 1.8 of the prospectus<sup>164</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>162</sup>
Z dy CHF	✓	CH0037975692	CHF	Distr
I CHF	-	-	CHF	Cap
J CHF	-	-	CHF	Cap
P CHF	-	-	CHF	Cap
R CHF	-	-	CHF	Cap
Z CHF	✓	CH1106274470	CHF	Cap

**Calculating the costs of adjusting the portfolio<sup>163</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio**

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z"
Swinging Single Pricing; maximum rate <sup>164</sup> : 1%	Spread; maximum rate <sup>165</sup> : 1%

**Fees and expenses<sup>166</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

<sup>165</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.<sup>166</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Admin- istration fee, an- nual rate	Manage- ment fee, an- nual rate	Safekeep- ing fee, an- nual rate
I CHF, I dy CHF	to a maxi- mum of 0.05%	to a maxi- mum of 0.30%	to a maxi- mum of 0.05%
J CHF, J dy CHF	to a maxi- mum of 0.05%	to a maxi- mum of 0.10%	to a maxi- mum of 0.05%
P CHF, P dy CHF	to a maxi- mum of 0.05%	to a maxi- mum of 0.40%	to a maxi- mum of 0.05%
R CHF, R dy CHF	to a maxi- mum of 0.05%	to a maxi- mum of 0.68%	to a maxi- mum of 0.05%
Z CHF, Z dy CHF	to a maxi- mum of 0.05%	By agree- ment with each in- vestor	to a maxi- mum of 0.05%

**One-off fees charged by the custodian bank**

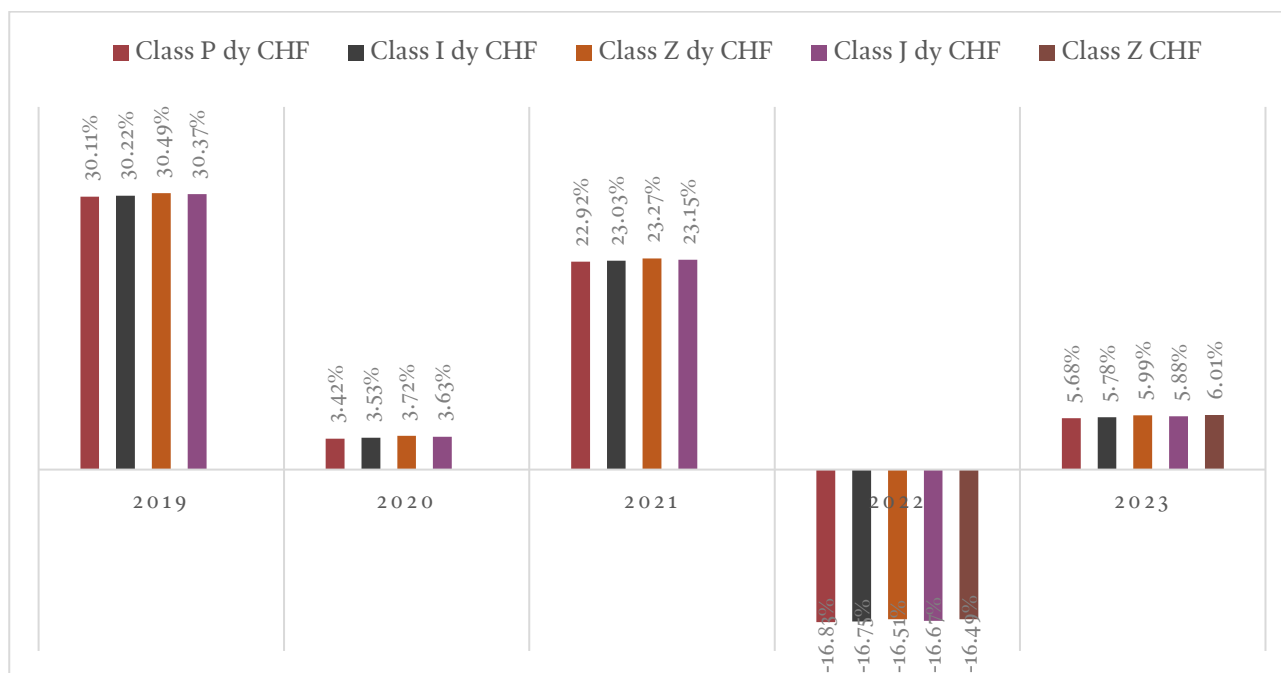
Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of pro- ceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**TER<sup>167</sup>**

**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy CHF	0.27%	0.27%	0.27%
J dy CHF	0.17%	0.17%	0.18%
P dy CHF	0.37%	0.37%	0.37%
Z dy CHF	0.07%	0.07%	0.08%
Z CHF	0.05%	0.05%	0.06%

**Past results<sup>168</sup>**



<sup>167</sup> As in section 1.12.b of the prospectus

<sup>168</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance.

Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units





## ANNEX 13: PICTET CH - EUR BONDS

### Information on the subfund

#### Investment policy and objective<sup>169</sup>

The subfund aims to offer investors the possibility of earning bond market yields while abiding by the principle of risk diversification.

The subfund invests at least two-thirds of the assets in euro-denominated bonds and other debt securities.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a positive tilt approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>170</sup>.

Initially, the fund management company's internal policy excludes direct investment in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 2 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, Arctic oil and gas exploration, production of controversial weapons, military contract weapons, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, tobacco products production, adult entertainment material production or gambling operations) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for

additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities.

The approach adopted by the subfund thus aims to increase the weighting of securities that are low risk as regards sustainability and/or reduce the weighting of those that are high risk as regards sustainability, using the methodologies described below. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits.

The portfolio seeks to invest in issuers with high ESG scores. This assessment is generally based on the rating allocated by an external specialist provider, such as Maplecroft.Net Ltd for sovereign bonds and Sustainalytics Ltd for corporate bonds. However, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities, or the rating of a particular company to its subsidiaries or affiliates. Based on their prospective returns and liquidity, it is possible that the management may select sovereign or corporate bonds that are high risk as regards sustainability, provided that the ESG profile of the subfund as a whole is better than that of the benchmark index.

In order to establish and compare the ESG characteristics of the subfund and the benchmark index, their respective ESG profiles are calculated, taking account of the respective weighting of each security. The management ensures on a monthly basis

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

<sup>169</sup> As in section 1.10 of the prospectus

<sup>170</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

that the ESG profile of the subfund is better than that of the benchmark index; where this is not the case, it undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the subfund once again has an ESG profile better than that of the benchmark index.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. Depending on the gravity of the situation and the issuer's ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

#### Accounting currency<sup>171</sup>

The accounting currency of the subfund is the euro (EUR).

#### Principal risks<sup>172</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human

error or system failures or incorrect valuation of the underlying securities.

- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be negatively affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach:
  - The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled

<sup>171</sup> As in section 5.1 of the prospectus

<sup>172</sup> As in section 1.15 of the prospectus

out that data may be inaccurate or unavailable.

- It is also possible that the subfund's performance may deviate from that of the benchmark index owing to the overweight in investments with a high ESG score and/or the underweight in investments with a low ESG score.

#### Profile of the typical investor<sup>173</sup>

The subfund is suitable for investors who:

- Wish to invest in fixed-income instruments denominated in EUR
- Seek a cautious savings strategy and thus have a relatively strong aversion to risk
- Have a short to medium-term savings horizon (3 years or more)

Low/moderate risk

#### Subscription and redemption<sup>174</sup>

- **Cut-off days and times:** Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- **Pricing date:** The net asset value applicable to the transaction is calculated based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- **Calculation date:** The calculation and publication of the net asset value take place on the business day following the relevant Pricing date.
- **Settlement date:** The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this

date because the banks are closed or an inter-bank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

#### Information on the unit classes<sup>175</sup>

##### Characteristics

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>• qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>• investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>• collective investment schemes;</li> <li>• pension institutions;</li> <li>• not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 5,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
HI CHF	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>• qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>• investors who have entered into a management, advisory or other service agreement with an entity of the Pictet group;</li> <li>• collective investment schemes;</li> </ul>

<sup>173</sup> As in section 6.2 of the prospectus

<sup>174</sup> As in section 1.8 of the prospectus

<sup>175</sup> As in section 1.6 of the prospectus

## Characteristics

UNIT CLASS	CONDITIONS
	<ul style="list-style-type: none"> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul> <p>These units will aim to hedge to a large extent the currency risk against the Swiss franc.</p>
HP CHF	These units are not subject to any minimum investment restrictions. These units will aim to hedge to a large extent the currency risk against the Swiss franc.
HR CHF	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee. These units will aim to hedge to a large extent the currency risk against the Swiss franc.

## Key Data

UNIT CLASS	AC-TIVITE STATUS	ISIN CODE	REFERENCE CURRENCY	USE OF IN-COME <sup>176</sup>
I	-	-	EUR	Cap
I dy	-	CH0111914401	EUR	Distr
J	-	-	EUR	Cap
J dy	-	-	EUR	Distr
P	-	CH0111939556	EUR	Cap
P dy	-	CH0111914443	EUR	Distr
R	✓	CH0112010191	EUR	Cap
R dy	-	-	EUR	Distr
Z	-	-	EUR	Cap
Z dy	-	-	EUR	Distr
HI CHF	-	-	EUR	Cap
HP CHF	-	-	EUR	Cap
HR CHF	-	-	EUR	Cap

<sup>176</sup> As in section 1.9 of the prospectus

<sup>177</sup> As in section 1.8 of the prospectus

<sup>178</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

## Calculating the costs of adjusting the portfolio<sup>177</sup>

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

### Costs of adjusting the portfolio

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z"
Swinging Single Pricing; maximum rate <sup>178</sup> : 2%	Spread; maximum rate <sup>179</sup> : 2%

## Fees and expenses<sup>180</sup>

### Fees and expenses charged at the time of subscribing or redeeming units

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

### Fees and expenses charged to the subfund assets

Unit class	FUND MANAGEMENT COMPANY FEE Administration fee, annual rate	CUSTODIAN BANK FEES Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.25%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.20%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.50%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.90%	to a maximum of 0.05%

<sup>179</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>180</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%
HI CHF	to a maximum of 0.09%	to a maximum of 0.32%	to a maximum of 0.05%
HP CHF	to a maximum of 0.09%	to a maximum of 0.57%	to a maximum of 0.05%
HR CHF	to a maximum of 0.09%	to a maximum of 0.97%	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

Distribution of proceeds from liquidation in the event the fund or subfund is wound up Up to 0.5% maximum

**TER<sup>181</sup>**

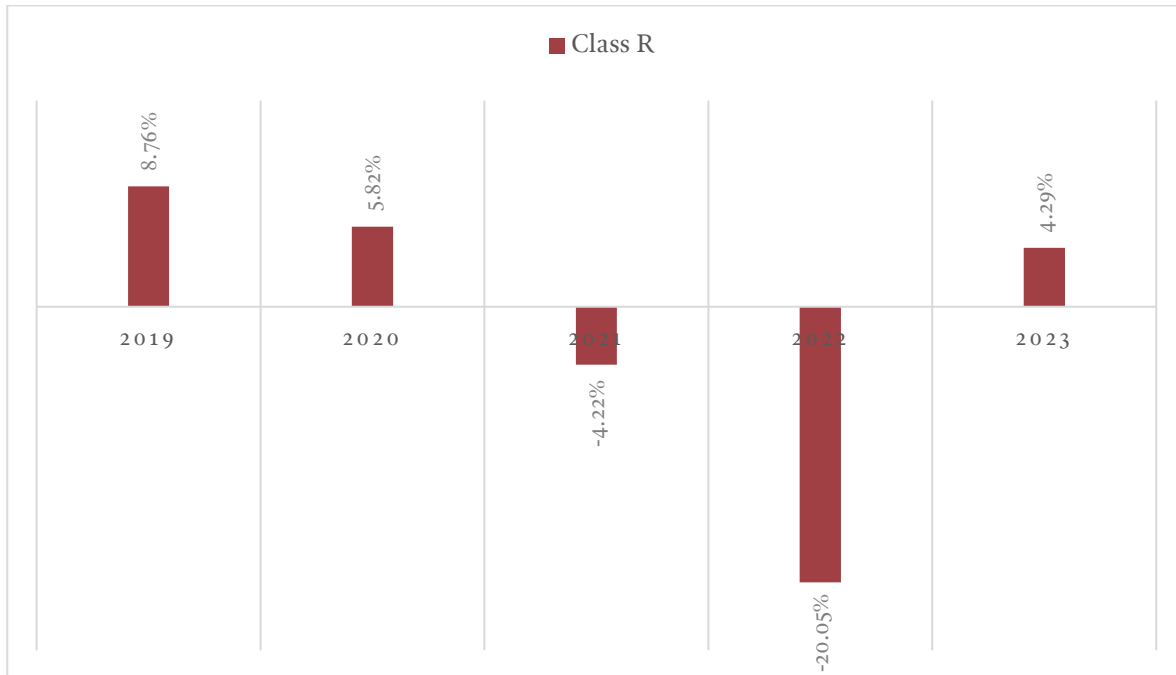
**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
R	0.84%	0.85%	0.85%

**One-off fees charged by the custodian bank**

Distribution of annual income to investors Up to a maximum of 1% of gross distributed amount

**Past results<sup>182</sup>**



<sup>181</sup> As in section 1.12.b of the prospectus

<sup>182</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance.

Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## ANNEX 14: PICTET CH - SHORT-TERM MONEY MARKET CHF

### Information on the subfund

#### Investment policy and objective<sup>183</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a short-term money market fund. It invests its assets in money market instruments, bank deposits, bonds (excluding convertible bonds and convertible notes), notes, option loans and other fixed or variable-income debt instruments and debt securities placed with banks or public or private issuers in Switzerland or abroad and in units of other collective investment schemes (target funds) investing in money market instruments up to a maximum of 10%. In addition, the subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only. The subfund's reference currency is the Swiss franc.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a positive tilt approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>184</sup>.

Initially, the fund management company's internal policy excludes investments made directly in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 3 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, production of nuclear energy, production of oil and gas, Arctic oil and gas exploration, production of controversial weapons, military contract weapons

and related services and products, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, production of tobacco products, production of adult entertainment material, gambling operations, developing or growing genetically modified plants and seeds, production of pesticides, retail trade in pesticides) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities.

When selecting investments, the subfund thus excludes issuers whose activity is considered highly controversial by an external specialist provider such as Sustainalytics Ltd, and adopts an approach aimed at increasing the weighting of securities that present low sustainability risks. Based on their prospective returns and liquidity, it is possible that the management may select securities with a high sustainability risk, provided that their portfolio weighting remains lower than that of securities with medium or low sustainability risks.

In order to establish the sustainability risk of the securities held, the fund management company looks at the ESG assessment of their issuers. This assessment is generally based on the rating allocated by an external specialist provider. The proportion of the investments in the portfolio that are

<sup>183</sup> As in section 1.10 of the prospectus

<sup>184</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.



subject to an ESG rating is at least 80% of the net assets excluding cash and short-term deposits.

- For the “sovereign bonds” segment of the portfolio, this assessment is generally based on the rating allocated by a provider such as Maplecroft.Net Ltd, Sustainalytics Ltd or World Bank; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities.

The management ensures on a monthly basis that within the “sovereign bonds” segment of the subfund, the weighting of the securities with a medium or low sustainability risk remains higher than that of the securities with a high sustainability risk; where this is not the case, it undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the weighting of the securities with a medium or low sustainability risk in the subfund’s “sovereign bonds” segment is once again higher than that of the securities with a high sustainability risk.

- For the “corporate bonds” segment of the portfolio, this assessment is generally based on the rating allocated by a provider such as Sustainalytics Ltd; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular company to its subsidiaries or affiliates.

The management ensures on a monthly basis that within the “corporate bonds” segment of the subfund, the weighting of the securities with a medium or low sustainability risk remains higher than that of the securities with a high sustainability risk; where this is not the case, it undertakes to modify the portfolio, within a

reasonable period and taking account of the interests of the investors, so that the weighting of the securities with a medium or low sustainability risk in the subfund’s “corporate bonds” segment is once again higher than that of the securities with a high sustainability risk.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. Depending on the gravity of the situation and the issuer’s ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

#### Accounting currency<sup>185</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

#### Principal risks<sup>186</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund’s portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human

<sup>185</sup> As in section 5.1 of the prospectus

<sup>186</sup> As in section 1.15 of the prospectus



error or system failures or incorrect valuation of the underlying securities.

- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach: The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.

#### Profile of the typical investor<sup>187</sup>

The subfund is suitable for investors who:

- Wish to invest in high-quality, short-term fixed-income securities
- Are risk-averse
- Have a short-term savings horizon (1 month or more)

#### Low risk

#### Subscription and redemption<sup>188</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- Calculation date: The calculation and publication of the net asset value take place on the relevant Pricing date.
- Settlement date: The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to

<sup>187</sup> As in section 6.2 of the prospectus

<sup>188</sup> As in section 1.8 of the prospectus

the first day on which payments are able to be settled in the currency in question.

### Information on the unit classes<sup>189</sup>

#### Characteristics

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 50,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
D2, D2 dy	These units are reserved for investors who invest through the intermediary of Goldman Sachs Bank

#### Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ERENCE CURRENCY	USE OF IN-COME <sup>190</sup>
I dy	✓	CH0011292304	CHF	Distr.
J dy	✓	CH0011292288	CHF	Distr

#### Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ERENCE CURRENCY	USE OF IN-COME <sup>190</sup>
P dy	✓	CH0011292312	CHF	Distr
R dy	-	CH0046279805	CHF	Distr
Z dy	✓	CH0044647482	CHF	Distr
D2 dy	-	-	CHF	Distr
I	-	-	CHF	Cap
J	-	-	CHF	Cap
P	-	-	CHF	Cap
R	-	-	CHF	Cap
Z	✓	CH1106273464	CHF	Cap
D2	-	-	CHF	Cap

### Calculating the costs of adjusting the portfolio<sup>191</sup>

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

#### Costs of adjusting the portfolio

##### CLASSES IN CATEGORIES "I", "J", "P", "R", "Z" AND "D2"

Charging of costs to the subfund's assets

### Fees and expenses<sup>192</sup>

#### Fees and expenses charged at the time of subscribing or redeeming units

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

<sup>189</sup> As in section 1.6 of the prospectus

<sup>190</sup> As in section 1.9 of the prospectus

<sup>191</sup> As in section 1.8 of the prospectus

<sup>192</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Administration fee, annual rate	Management fee, annual rate	Safe-keeping fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.14%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.23%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.33%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%
D2, D2 dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

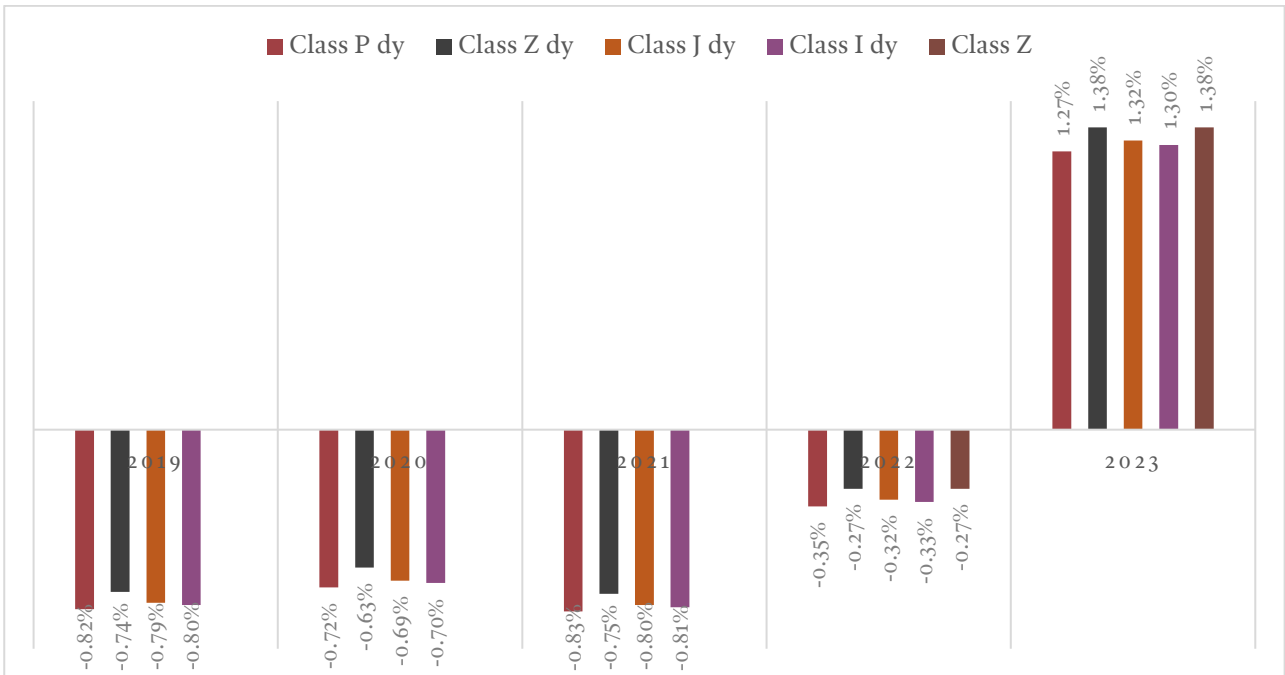
Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**TER<sup>193</sup>****Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.09%	0.09%	0.11%
J dy	0.08%	0.08%	0.10%
P dy	0.11%	0.11%	0.14%
Z dy	0.03%	0.03%	0.03%
D2 dy	-	-	-
Z	0.03%	0.03%	0.03%

<sup>193</sup> As in section 1.12.b of the prospectus

Past results<sup>194</sup>



<sup>194</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## ANNEX 15: PICTET CH - SHORT-TERM MONEY MARKET EUR

### Information on the subfund

#### Investment policy and objective<sup>195</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a short-term money market fund. It invests its assets in money market instruments, bank deposits, bonds (excluding convertible bonds and convertible notes), notes, option loans and other fixed or variable-income debt instruments and debt securities placed with banks or public or private issuers in Switzerland or abroad and in units of other collective investment schemes (target funds) investing in money market instruments up to a maximum of 10%. In addition, the subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only. The subfund's reference currency is the euro.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a positive tilt approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>196</sup>.

Initially, the fund management company's internal policy excludes investments made directly in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 3 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, production of nuclear energy, production of oil and gas, Arctic oil and gas exploration, production of controversial weapons, military contract weapons and related services and products, small arms for

civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, production of tobacco products, production of adult entertainment material, gambling operations, developing or growing genetically modified plants and seeds, production of pesticides, retail trade in pesticides) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities.

When selecting investments, the subfund thus excludes issuers whose activity is considered highly controversial by an external specialist provider such as Sustainalytics Ltd, and adopts an approach aimed at increasing the weighting of securities that present low sustainability risks. Based on their prospective returns and liquidity, it is possible that the management may select securities with a high sustainability risk, provided that their portfolio weighting remains lower than that of securities with medium or low sustainability risks.

In order to establish the sustainability risk of the securities held, the fund management company looks at the ESG assessment of their issuers. This assessment is generally based on the rating allocated by an external specialist provider. The proportion of the investments in the portfolio that are

<sup>195</sup> As in section 1.10 of the prospectus

<sup>196</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

subject to an ESG rating is at least 80% of the net assets excluding cash and short-term deposits.

- For the “sovereign bonds” segment of the portfolio, this assessment is generally based on the rating allocated by a provider such as Maplecroft.Net Ltd, Sustainalytics Ltd or World Bank; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities.

The management ensures on a monthly basis that within the “sovereign bonds” segment of the subfund, the weighting of the securities with a medium or low sustainability risk remains higher than that of the securities with a high sustainability risk; where this is not the case, it undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the weighting of the securities with a medium or low sustainability risk in the subfund’s “sovereign bonds” segment is once again higher than that of the securities with a high sustainability risk.

- For the “corporate bonds” segment of the portfolio, this assessment is generally based on the rating allocated by a provider such as Sustainalytics Ltd; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular company to its subsidiaries or affiliates.

The management ensures on a monthly basis that within the “corporate bonds” segment of the subfund, the weighting of the securities with a medium or low sustainability risk remains higher than that of the securities with a high sustainability risk; where this is not the case, it undertakes to modify the portfolio, within a

reasonable period and taking account of the interests of the investors, so that the weighting of the securities with a medium or low sustainability risk in the subfund’s “corporate bonds” segment is once again higher than that of the securities with a high sustainability risk.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. Depending on the gravity of the situation and the issuer’s ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

#### Accounting currency<sup>197</sup>

The accounting currency of the subfund is the euro (EUR).

#### Principal risks<sup>198</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund’s portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human

<sup>197</sup> As in section 5.1 of the prospectus

<sup>198</sup> As in section 1.15 of the prospectus

error or system failures or incorrect valuation of the underlying securities.

- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach: The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.

#### Profile of the typical investor<sup>199</sup>

The subfund is suitable for investors who:

- Wish to invest in high-quality, short-term fixed-income securities
- Are risk-averse
- Have a short-term savings horizon (1 month or more)

#### Low risk

#### Subscription and redemption<sup>200</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- Calculation date: The calculation and publication of the net asset value take place on the relevant Pricing date.
- Settlement date: The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to

<sup>199</sup> As in section 6.2 of the prospectus

<sup>200</sup> As in section 1.8 of the prospectus



the first day on which payments are able to be settled in the currency in question.

### Information on the unit classes<sup>201</sup>

#### Characteristics

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 50,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
D2, D2 dy	Reserved for investors who invest through the intermediary of Goldman Sachs Bank

#### Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>202</sup>
I dy	✓	CH0011292353	EUR	Distr
J dy	✓	CH0011292346	EUR	Distr

#### Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>202</sup>
P dy	✓	CH0011292361	EUR	Distr
R dy	-	-	EUR	Distr
Z dy	✓	CH0044647623	EUR	Distr
D2 dy	-	-	EUR	Distr
I	-	-	EUR	Cap
J	-	-	EUR	Cap
P	-	-	EUR	Cap
R	-	-	EUR	Cap
Z	-	-	EUR	Cap
D2	-	-	EUR	Cap

### Calculating the costs of adjusting the portfolio<sup>203</sup>

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

#### Costs of adjusting the portfolio

##### CLASSES IN CATEGORIES "I", "J", "P", "R", "Z" AND "D2"

Charging of costs to the subfund's assets

### Fees and expenses<sup>204</sup>

#### Fees and expenses charged at the time of subscribing or redeeming units

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

<sup>201</sup> As in section 1.6 of the prospectus

<sup>202</sup> As in section 1.9 of the prospectus

<sup>203</sup> As in section 1.8 of the prospectus

<sup>204</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.17%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.33%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.48%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%
D2, D2 dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**TER<sup>205</sup>****Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.10%	0.10%	0.12%
J dy	0.09%	0.09%	0.09%
P dy	0.18%	0.18%	0.21%
Z dy	0.03%	0.03%	0.03%
D2 dy	-	-	-

<sup>205</sup> As in section 1.12.b of the prospectus

Past results<sup>206</sup>



<sup>206</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## ANNEX 16: PICTET CH - SHORT-TERM MONEY MARKET USD

### Information on the subfund

#### Investment policy and objective<sup>207</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a short-term money market fund. It invests its assets in money market instruments, bank deposits, bonds (excluding convertible bonds and convertible notes), notes, option loans and other fixed or variable-income debt instruments and debt securities placed with banks or public or private issuers in Switzerland or abroad and in units of other collective investment schemes (target funds) investing in money market instruments up to a maximum of 10%. In addition, the subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only. The subfund's reference currency is the US dollar.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a positive tilt approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>208</sup>.

Initially, the fund management company's internal policy excludes investments made directly in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 3 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, production of nuclear energy, production of oil and gas, Arctic oil and gas exploration, production of controversial weapons, military contract weapons

and related services and products, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, production of tobacco products, production of adult entertainment material, gambling operations, developing or growing genetically modified plants and seeds, production of pesticides, retail trade in pesticides) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities.

When selecting investments, the subfund thus excludes issuers whose activity is considered highly controversial by an external specialist provider such as Sustainalytics Ltd, and adopts an approach aimed at increasing the weighting of securities that present low sustainability risks. Based on their prospective returns and liquidity, it is possible that the management may select securities with a high sustainability risk, provided that their portfolio weighting remains lower than that of securities with medium or low sustainability risks.

In order to establish the sustainability risk of the securities held, the fund management company looks at the ESG assessment of their issuers. This assessment is generally based on the rating allocated by an external specialist provider. The proportion of the investments in the portfolio that are

<sup>207</sup> As in section 1.10 of the prospectus

<sup>208</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

subject to an ESG rating is at least 80% of the net assets excluding cash and short-term deposits.

- For the “sovereign bonds” segment of the portfolio, this assessment is generally based on the rating allocated by a provider such as Maplecroft.Net Ltd, Sustainalytics Ltd or World Bank; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities.

The management ensures on a monthly basis that within the “sovereign bonds” segment of the subfund, the weighting of the securities with a medium or low sustainability risk remains higher than that of the securities with a high sustainability risk; where this is not the case, it undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the weighting of the securities with a medium or low sustainability risk in the subfund’s “sovereign bonds” segment is once again higher than that of the securities with a high sustainability risk.

- For the “corporate bonds” segment of the portfolio, this assessment is generally based on the rating allocated by a provider such as Sustainalytics Ltd; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular company to its subsidiaries or affiliates.

The management ensures on a monthly basis that within the “corporate bonds” segment of the subfund, the weighting of the securities with a medium or low sustainability risk remains higher than that of the securities with a high sustainability risk; where this is not the case, it undertakes to modify the portfolio, within a

reasonable period and taking account of the interests of the investors, so that the weighting of the securities with a medium or low sustainability risk in the subfund’s “corporate bonds” segment is once again higher than that of the securities with a high sustainability risk.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. Depending on the gravity of the situation and the issuer’s ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

#### Accounting currency<sup>209</sup>

The accounting currency of the subfund is the US dollar (USD).

#### Principal risks<sup>210</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund’s portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human

<sup>209</sup> As in section 5.1 of the prospectus

<sup>210</sup> As in section 1.15 of the prospectus

error or system failures or incorrect valuation of the underlying securities.

- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach: The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.

#### Profile of the typical investor<sup>211</sup>

The subfund is suitable for investors who:

- Wish to invest in high-quality, short-term fixed-income securities
- Are risk-averse
- Have a short-term savings horizon (1 month or more)

#### Low risk

#### Subscription and redemption<sup>212</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- Calculation date: The calculation and publication of the net asset value take place on the relevant Pricing date.
- Settlement date: The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

<sup>211</sup> As in section 6.2 of the prospectus

<sup>212</sup> As in section 1.8 of the prospectus

**Information on the unit classes<sup>213</sup>****Characteristics**

UNIT CLASS	CONDITIONS
I, I dy	<p>These units are available on request to the following categories of investors:</p> <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 50,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
D2, D2 dy	Reserved for investors who invest through the intermediary of Goldman Sachs Bank

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REFER-ENCE CUR-RENCY	USE OF IN-COME <sup>214</sup>
I dy	✓	CH0011292395	USD	Distr
J dy	✓	CH0011292379	USD	Distr
P dy	✓	CH0011292411	USD	Distr
R dy	-	-	USD	Distr
Z dy	✓	CH0044647714	USD	Distr

<sup>213</sup> As in section 1.6 of the prospectus<sup>214</sup> As in section 1.9 of the prospectus**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REFER-ENCE CUR-RENCY	USE OF IN-COME <sup>214</sup>
D2 dy	-	-	USD	Distr
I	-	-	USD	Cap
J	-	-	USD	Cap
P	-	-	USD	Cap
R	✓	CH04811317227	USD	Cap
Z	-	-	USD	Cap
D2	-	-	USD	Cap

**Calculating the costs of adjusting the portfolio<sup>215</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio****CLASSES IN CATEGORIES "I", "J", "P", "R", "Z" AND "D2"**

Charging of costs to the subfund's assets

**Fees and expenses<sup>216</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**Fees and expenses charged to the subfund assets**

FUND MANAGEMENT COMPANY FEE	CUSTODIAN BANK FEES
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<sup>215</sup> As in section 1.8 of the prospectus<sup>216</sup> As in section 1.12 of the prospectus



**Fees and expenses charged to the subfund assets**

Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.17%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.33%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.48%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%
D2, D2 dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

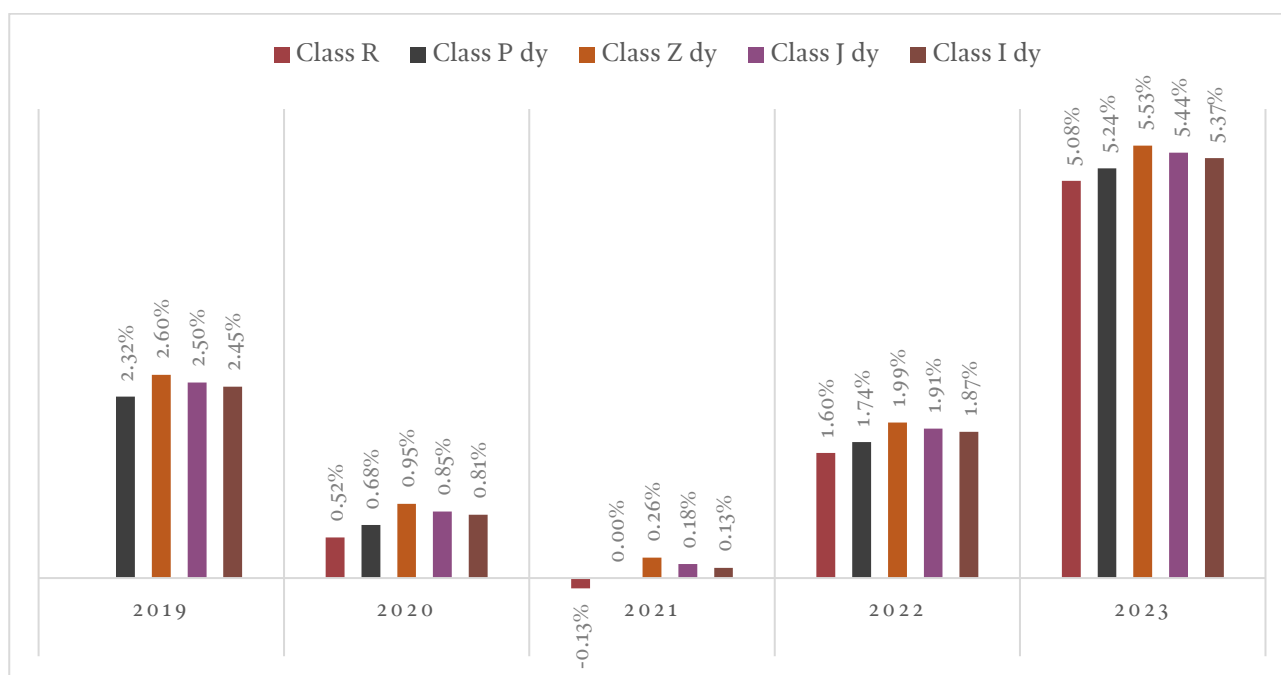
Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**TER<sup>217</sup>**

**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.15%	0.14%	0.17%
J dy	0.11%	0.10%	0.10%
P dy	0.28%	0.27%	0.30%
Z dy	0.03%	0.02%	0.02%
D2 dy	-	-	-
R	0.42%	0.41%	0.45%

**Past results<sup>218</sup>**



<sup>217</sup> As in section 1.12.b of the prospectus

<sup>218</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance.

Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units



## ANNEX 17: PICTET CH - SHORT-TERM MONEY MARKET GBP

### Information on the subfund

#### Investment policy and objective<sup>219</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a short-term money market fund. It invests its assets in money market instruments, bank deposits, bonds (excluding convertible bonds and convertible notes), notes, option loans and other fixed or variable-income debt instruments and debt securities placed with banks or public or private issuers in Switzerland or abroad and in units of other collective investment schemes (target funds) investing in money market instruments up to a maximum of 10%. In addition, the subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only. The subfund's reference currency is the pound sterling.

This subfund promotes environmental and/or social characteristics, while taking account of the principles of good governance. As such, the subfund's investment policy is similar to that of an "Article 8" financial product with a positive tilt approach, within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>220</sup>.

Initially, the fund management company's internal policy excludes investments made directly in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 3 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of (a) the percentage of revenue that they derive from controversial activities (thermal coal extraction, thermal coal power generation, oil sands extraction, shale energy extraction, production of nuclear energy, production of oil and gas, Arctic oil and gas exploration, production of controversial weapons, military contract weapons

and related services and products, small arms for civilian clients (assault weapons or non-assault weapons) or for military/law enforcement customers, and their key components, production of tobacco products, production of adult entertainment material, gambling operations, developing or growing genetically modified plants and seeds, production of pesticides, retail trade in pesticides) or (b) their serious breaches of international norms (UN Global Compact principles), determined on the basis of information supplied by an external specialist provider such as Sustainalytics Ltd, as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities.

When selecting investments, the subfund thus excludes issuers whose activity is considered highly controversial by an external specialist provider such as Sustainalytics Ltd, and adopts an approach aimed at increasing the weighting of securities that present low sustainability risks. Based on their prospective returns and liquidity, it is possible that the management may select securities with a high sustainability risk, provided that their portfolio weighting remains lower than that of securities with medium or low sustainability risks.

In order to establish the sustainability risk of the securities held, the fund management company looks at the ESG assessment of their issuers. This assessment is generally based on the rating allocated by an external specialist provider. The proportion of the investments in the portfolio that are

<sup>219</sup> As in section 1.10 of the prospectus

<sup>220</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management

SA, as the fund management company, states on its own responsibility that the subfund's investment policy is similar to that of an SFDR "Article 8" financial product.

subject to an ESG rating is at least 80% of the net assets excluding cash and short-term deposits.

- For the “sovereign bonds” segment of the portfolio, this assessment is generally based on the rating allocated by a provider such as Maplecroft.Net Ltd, Sustainalytics Ltd or World Bank; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular country to its local public authorities.

The management ensures on a monthly basis that within the “sovereign bonds” segment of the subfund, the weighting of the securities with a medium or low sustainability risk remains higher than that of the securities with a high sustainability risk; where this is not the case, it undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the weighting of the securities with a medium or low sustainability risk in the subfund’s “sovereign bonds” segment is once again higher than that of the securities with a high sustainability risk.

- For the “corporate bonds” segment of the portfolio, this assessment is generally based on the rating allocated by a provider such as Sustainalytics Ltd; however, the management may give precedence to the rating it allocates internally, based on its own analysis of the issuer, in order to take account of recent developments not yet reflected in external ratings, for example. Similarly, if no external rating is available, the management may allocate a rating based on internal analysis; it may for example allocate the rating of a particular company to its subsidiaries or affiliates.

The management ensures on a monthly basis that within the “corporate bonds” segment of the subfund, the weighting of the securities with a medium or low sustainability risk remains higher than that of the securities with a high sustainability risk; where this is not the case, it undertakes to modify the portfolio, within a

reasonable period and taking account of the interests of the investors, so that the weighting of the securities with a medium or low sustainability risk in the subfund’s “corporate bonds” segment is once again higher than that of the securities with a high sustainability risk.

Lastly, the fund management company may enter into a dialogue with issuers either directly, or via collaborations with other investors, in order to exercise a positive influence on practices relating to ESG criteria; in this respect it actively engages with companies. Depending on the gravity of the situation and the issuer’s ability or willingness to adopt generally accepted standards of good practice, the fund management company may decide to sell the investment.

#### Accounting currency<sup>221</sup>

The accounting currency of the subfund is the pound sterling (GBP).

#### Principal risks<sup>222</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund’s portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human

<sup>221</sup> As in section 5.1 of the prospectus

<sup>222</sup> As in section 1.15 of the prospectus

error or system failures or incorrect valuation of the underlying securities.

- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).
- Risks connected with the ESG approach: The process of taking ESG factors into account as part of the subfund's investment policy is based in particular on the ratings issued by external providers; despite the care used when selecting the said providers, which are recognised specialist companies, it cannot be ruled out that data may be inaccurate or unavailable.

#### Profile of the typical investor<sup>223</sup>

The subfund is suitable for investors who:

- Wish to invest in high-quality, short-term fixed-income securities
- Are risk-averse
- Have a short-term savings horizon (1 month or more)

#### Low risk

#### Subscription and redemption<sup>224</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- Calculation date: The calculation and publication of the net asset value take place on the relevant Pricing date.
- Settlement date: The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

<sup>223</sup> As in section 6.2 of the prospectus

<sup>224</sup> As in section 1.8 of the prospectus

**Information on the unit classes<sup>225</sup>****Characteristics**

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 50,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
D2, D2 dy	Reserved for investors who invest through the intermediary of Goldman Sachs bank

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REFER-ENCE CUR-RENCY	USE OF IN-COME <sup>226</sup>
I dy	✓	CH0013803546	GBP	Distr
J dy	✓	CH0013803579	GBP	Distr
P dy	✓	CH0013803587	GBP	Distr
R dy	-	CH0046279946	GBP	Distr
Z dy	-	CH0044647805	GBP	Distr

<sup>225</sup> As in section 1.6 of the prospectus<sup>226</sup> As in section 1.9 of the prospectus**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REFER-ENCE CUR-RENCY	USE OF IN-COME <sup>226</sup>
D2 dy	-	-	GBP	Distr
I	-	-	GBP	Cap
J	-	-	GBP	Cap
P	-	-	GBP	Cap
R	-	-	GBP	Cap
Z	-	-	GBP	Cap
D2	-	-	GBP	Cap

**Calculating the costs of adjusting the portfolio<sup>227</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio****CLASSES IN CATEGORIES "I", "J", "P", "R", "Z" AND "D2"**

Charging of costs to the subfund's assets

**Fees and expenses<sup>228</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**Fees and expenses charged to the subfund assets**

FUND MANAGEMENT COMPANY FEE	CUSTODIAN BANK FEES
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<sup>227</sup> As in section 1.8 of the prospectus<sup>228</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.17%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.33%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.48%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%
D2, D2 dy	to a maximum of 0.05%	to a maximum of 0.12%	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

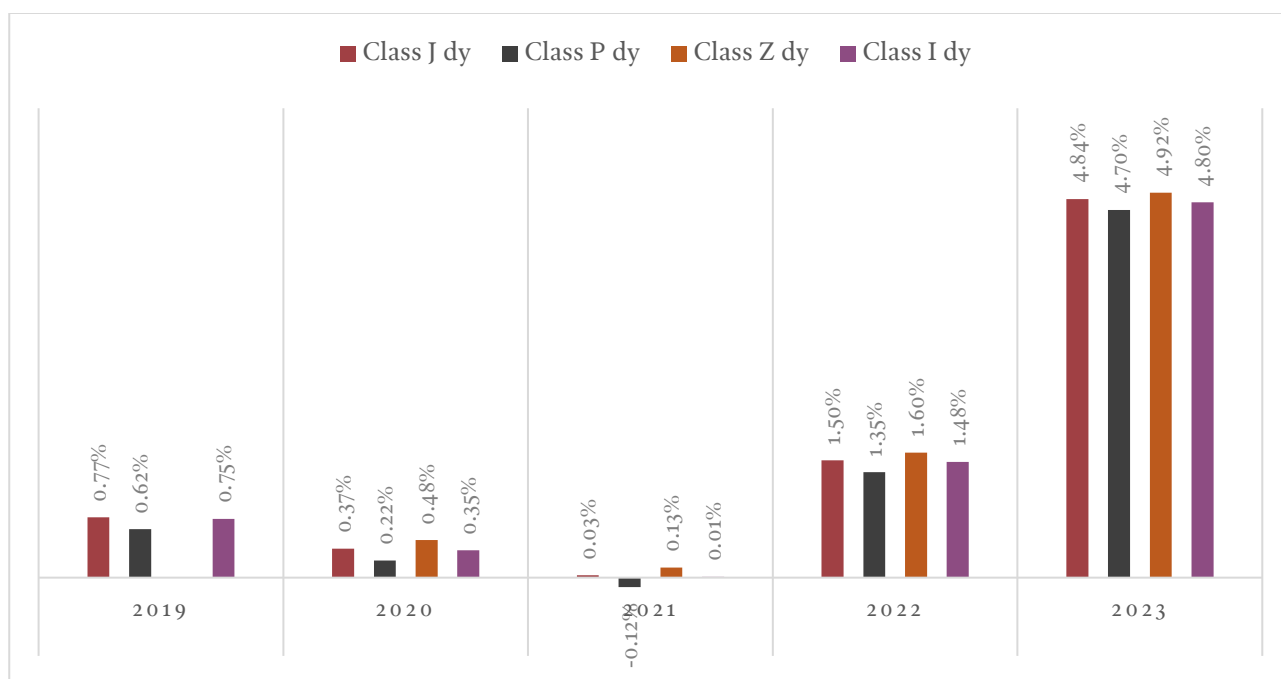
Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**TER<sup>229</sup>**

**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.16%	0.14%	0.16%
J dy	0.14%	0.12%	0.12%
P dy	0.29%	0.28%	0.26%
Z dy	0.04%	0.04%	0.03%
D2 dy	-	-	-

**Past results<sup>230</sup>**



<sup>229</sup> As in section 1.12.b of the prospectus

<sup>230</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance.



Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units



## ANNEX 18: PICTET CH - ENHANCED LIQUIDITY CHF

### Information on the subfund

#### Investment policy and objective<sup>231</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a money market fund. It invests its assets in money market instruments, bank deposits, bonds (excluding convertible bonds and convertible notes), notes, option loans and other fixed or variable-income debt instruments and debt securities placed with banks or public or private issuers in Switzerland or abroad and in units of other collective investment schemes (target funds) investing in money market instruments up to a maximum of 10%. In addition, the subfund may use derivative financial instruments for active portfolio management purposes, in accordance with the investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only. The subfund's reference currency is the Swiss franc.

The subfund's investment policy is similar to that of an "Article 6" financial product within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>232</sup>.

Initially, the fund management company's internal policy excludes direct investment in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 1 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of the percentage of revenue that they derive from controversial activities (thermal coal extraction or production of controversial weapons), as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible->

[investment-policy.pdf](#) for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities. When the subfund's investments are selected, it is possible that securities of issuers presenting high sustainability risks may be purchased and held in the subfund's portfolio.

#### Accounting currency<sup>233</sup>

The accounting currency of the subfund is the Swiss franc (CHF).

#### Principal risks<sup>234</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human

<sup>231</sup> As in section 1.10 of the prospectus

<sup>232</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management SA, as the fund management company, states on its own

responsibility that the subfund's investment policy is similar to that of an SFDR "Article 6" financial product.

<sup>233</sup> As in section 5.1 of the prospectus

<sup>234</sup> As in section 1.15 of the prospectus

error or system failures or incorrect valuation of the underlying securities.

- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).

- Are willing to bear price fluctuations and thus have a low aversion to risk
- Have a short to medium-term savings horizon (6 months or more)

Low risk

Subscription and redemption<sup>236</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- Calculation date: The calculation and publication of the net asset value take place on the relevant Pricing date.
- Settlement date: The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

Profile of the typical investor<sup>235</sup>

The subfund is suitable for investors who:

- Wish to invest in a diversified portfolio which aims to offer performance comparable to that of the money market

<sup>235</sup> As in section 6.2 of the prospectus

<sup>236</sup> As in section 1.8 of the prospectus

**Information on the unit classes<sup>237</sup>****Characteristics**

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 50,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
F, F dy	Reserved for investors who invest through the intermediary of JP Morgan Private Bank

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REFERENCE CURRENCY	USE OF IN-COME <sup>238</sup>
I dy	✓	CH0021732877	CHF	Distr
J dy	✓	CH0227341747	CHF	Distr
P dy	✓	CH0021732604	CHF	Distr
R dy	✓	CH0021732067	CHF	Distr
Z dy	✓	CH0021733230	CHF	Distr
F dy	✓	CH1269462383	CHF	Distr
I	-	-	CHF	Cap
J	-	-	CHF	Cap

<sup>237</sup> As in section 1.6 of the prospectus<sup>238</sup> As in section 1.9 of the prospectus**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REFERENCE CURRENCY	USE OF IN-COME <sup>238</sup>
P	-	-	CHF	Cap
R	-	-	CHF	Cap
Z	✓	CH1106259943	CHF	Cap
F	-	-	CHF	Cap

**Calculating the costs of adjusting the portfolio<sup>239</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio****CLASSES IN CATEGORIES "I", "J", "P", "R", "Z" AND "F"**

Charging of costs to the subfund's assets

**Fees and expenses<sup>240</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**Fees and expenses charged to the subfund assets**

Unit class	FUND MANAGEMENT COMPANY FEE	CUSTODIAN BANK FEES
	Administration fee, annual rate	Safekeeping fee, annual rate
	Management fee, annual rate	

<sup>239</sup> As in section 1.8 of the prospectus<sup>240</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

I, I dy	to a maximum of 0.05%	to a maximum of 0.30%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.20%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.45%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.60%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%
F, F dy	to a maximum of 0.05%	to a maximum of 0.20%	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

Distribution of proceeds from liquidation in the event the fund or subfund is wound up Up to 0.5% maximum

**TER<sup>241</sup>**

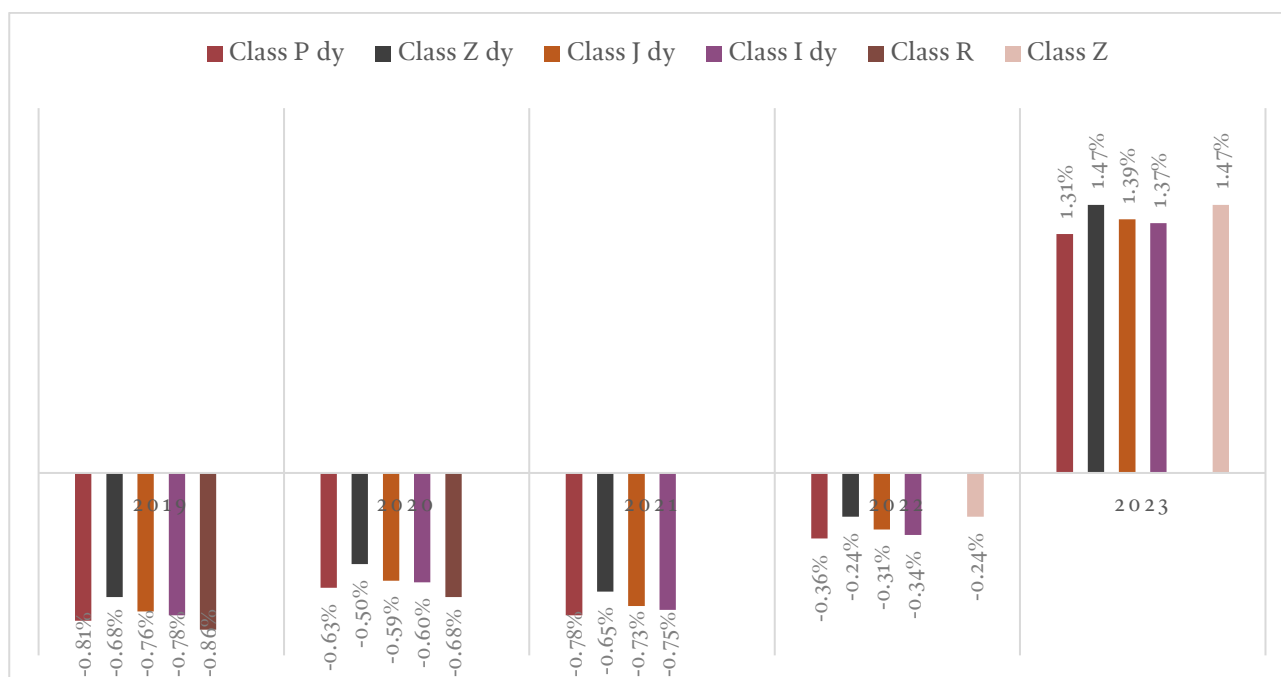
**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.14%	0.14%	0.15%
J dy	0.12%	0.12%	0.13%
P dy	0.17%	0.17%	0.21%
R dy	-	-	0.22%
Z dy	0.04%	0.04%	0.04%
F dy	-	-	0.12%
Z	0.04%	0.04%	0.04%
F	-	-	-

**One-off fees charged by the custodian bank**

Distribution of annual income to investors Up to a maximum of 1% of gross distributed amount

**Past results<sup>242</sup>**



<sup>241</sup> As in section 1.12.b of the prospectus

<sup>242</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance.

Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units



## ANNEX 19: PICTET CH - ENHANCED LIQUIDITY EUR

### Information on the subfund

#### Investment policy and objective<sup>243</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a money market fund. It invests its assets in money market instruments, bank deposits, bonds (excluding convertible bonds and convertible notes), notes, option loans and other fixed or variable-income debt instruments and debt securities placed with banks or public or private issuers in Switzerland or abroad and in units of other collective investment schemes (target funds) investing in money market instruments up to a maximum of 10%. In addition, the subfund may use derivative financial instruments for active portfolio management purposes, in accordance with the investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only. The subfund's reference currency is the euro.

The subfund's investment policy is similar to that of an "Article 6" financial product within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>244</sup>.

Initially, the fund management company's internal policy excludes direct investment in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 1 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of the percentage of revenue that they derive from controversial activities (thermal coal extraction or production of controversial weapons), as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible->

<sup>243</sup> As in section 1.10 of the prospectus

<sup>244</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management SA, as the fund management company, states on its own

[investment-policy.pdf](#) for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities. When the subfund's investments are selected, it is possible that securities of issuers presenting high sustainability risks may be purchased and held in the subfund's portfolio.

#### Accounting currency<sup>245</sup>

The accounting currency of the subfund is the euro (EUR).

#### Principal risks<sup>246</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human

responsibility that the subfund's investment policy is similar to that of an SFDR "Article 6" financial product.

<sup>245</sup> As in section 5.1 of the prospectus

<sup>246</sup> As in section 1.15 of the prospectus



error or system failures or incorrect valuation of the underlying securities.

- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).

#### Profile of the typical investor<sup>247</sup>

The subfund is suitable for investors who:

- Wish to invest in a diversified portfolio which aims to offer performance comparable to that of the money market

- Are willing to bear price fluctuations and thus have a low aversion to risk
- Have a short to medium-term savings horizon (6 months or more)

Low risk

#### Subscription and redemption<sup>248</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- Calculation date: The calculation and publication of the net asset value take place on the relevant Pricing date.
- Settlement date: The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

<sup>247</sup> As in section 6.2 of the prospectus

<sup>248</sup> As in section 1.8 of the prospectus

**Information on the unit classes<sup>249</sup>****Characteristics**

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 50,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
F, F dy	Reserved for investors who invest through the intermediary of JP Morgan Private Bank

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>250</sup>
I dy	✓	CH0021732711	EUR	Distr
J dy	✓	CH0484559932	EUR	Distr
P dy	✓	CH0021732505	EUR	Distr
R dy	✓	CH0021731614	EUR	Distr
Z dy	✓	CH0021733065	EUR	Distr
F dy	✓	CH1269462375	EUR	Distr
I	-	-	EUR	Cap

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>250</sup>
J	-	-	EUR	Cap
P	-	-	EUR	Cap
R	-	-	EUR	Cap
Z	-	-	EUR	Cap
F	-	-	EUR	Cap

**Calculating the costs of adjusting the portfolio<sup>251</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio****CLASSES IN CATEGORIES "I", "J", "P", "R", "Z" AND "F"**

Charging of costs to the subfund's assets

**Fees and expenses<sup>252</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**Fees and expenses charged to the subfund assets**

FUND MANAGEMENT COMPANY FEE	CUSTODIAN BANK FEES

<sup>249</sup> As in section 1.6 of the prospectus

<sup>250</sup> As in section 1.9 of the prospectus

<sup>251</sup> As in section 1.8 of the prospectus

<sup>252</sup> As in section 1.12 of the prospectus

**Fees and expenses charged to the subfund assets**

Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.30%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.20%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.45%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.60%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%
F, F dy	to a maximum of 0.05%	to a maximum of 0.20%	to a maximum of 0.05%

**One-off fees charged by the custodian bank**

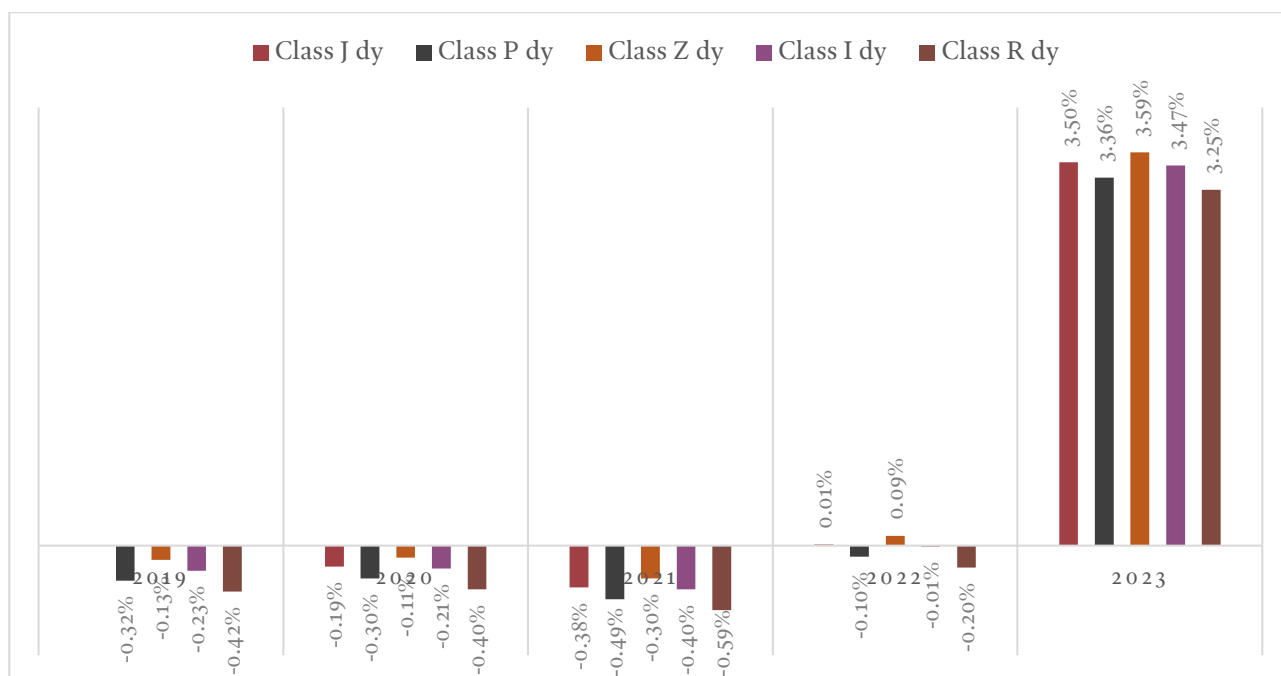
Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

**TER<sup>253</sup>**

**Total Expense Ratio**

UNIT CLASS	2021	2022	2023
I dy	0.15%	0.15%	0.16%
J dy	0.12%	0.13%	0.13%
P dy	0.24%	0.23%	0.26%
R dy	0.34%	0.34%	0.38%
Z dy	0.05%	0.04%	0.04%
F dy	-	-	0.12%

**Past results<sup>254</sup>**



<sup>253</sup> As in section 1.12.b of the prospectus

<sup>254</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance.

Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units



## ANNEX 20: PICTET CH - ENHANCED LIQUIDITY USD

### Information on the subfund

#### Investment policy and objective<sup>255</sup>

The investment objective of the subfund is to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity by observing a risk-spreading policy. The subfund is a money market fund. It invests its assets in money market instruments, bank deposits, bonds (excluding convertible bonds and convertible notes), notes, option loans and other fixed or variable-income debt instruments and debt securities placed with banks or public or private issuers in Switzerland or abroad and in units of other collective investment schemes (target funds) investing in money market instruments up to a maximum of 10%. In addition, the subfund may use derivative financial instruments for active portfolio management purposes, in accordance with the investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only. The subfund's reference currency is the US dollar.

The subfund's investment policy is similar to that of an "Article 6" financial product within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR")<sup>256</sup>.

Initially, the fund management company's internal policy excludes direct investment in companies and countries deemed incompatible with the responsible investment approach of Pictet Asset Management; the fund management company therefore applies the Level 1 exclusions of Pictet AM's policy, which systematically excludes (i) companies, on the basis of the percentage of revenue that they derive from controversial activities (thermal coal extraction or production of controversial weapons), as well as (ii) countries, on the basis of the international sanctions (Swiss, European and/or US) to which they are subject. Please refer to our responsible investment policy at <https://www.am.pictet/-/media/pam/pam-common-gallery/article-content/2021/pictet-asset-management/responsible->

<sup>255</sup> As in section 1.10 of the prospectus

<sup>256</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management SA, as the fund management company, states on its own

[investment-policy.pdf](#) for additional information. The target funds of the Pictet Group in which the subfund invests apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy.

Furthermore, the investment process incorporates environmental, social and governance ("ESG") factors on the basis of proprietary research and third-party research in order to evaluate investment risks and opportunities. When the subfund's investments are selected, it is possible that securities of issuers presenting high sustainability risks may be purchased and held in the subfund's portfolio.

#### Accounting currency<sup>257</sup>

The accounting currency of the subfund is the US dollar (USD).

#### Principal risks<sup>258</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market
- Exchange rate fluctuations
- Fluctuations in interest rates

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- Operational risk: the subfund is subject to the risk of material losses resulting from human

responsibility that the subfund's investment policy is similar to that of an SFDR "Article 6" financial product.

<sup>257</sup> As in section 5.1 of the prospectus

<sup>258</sup> As in section 1.15 of the prospectus

error or system failures or incorrect valuation of the underlying securities.

- Settlement risk: by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- Counterparty risk (including in connection with underlying assets for target funds):
  - The use of derivatives in the form of contracts with counterparties may entail significant losses if a counterparty defaults;
  - The attention of investors is also drawn to the fact that the fund management company may under certain conditions invest up to 35% or in some cases up to 100% of the subfunds' assets in securities or money market instruments of the same issuer. This results in a concentration of counterparty risk on this issuer.
- Sustainability risks: risks arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment. Sustainability risks include in particular transition risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the transition to a low carbon economy), physical risk (the risk posed by the exposure to issuers that may potentially be negatively affected by the physical impact of climate change), environmental risk (the risk posed by the exposure to issuers that may potentially be causing or affected by environmental degradation and/or depletion of natural resources), social risk (the risk posed by the exposure to issuers that may potentially be negatively affected by social factors) and governance risk (the risk posed by the exposure to issuers that may potentially be negatively affected by weak governance structures).

#### Profile of the typical investor<sup>259</sup>

The subfund is suitable for investors who:

- Wish to invest in a diversified portfolio which aims to offer performance comparable to that of the money market

- Are willing to bear price fluctuations and thus have a low aversion to risk
- Have a short to medium-term savings horizon (6 months or more)

Low risk

#### Subscription and redemption<sup>260</sup>

- Cut-off days and times: Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- Pricing date: The net asset value applicable to the transaction is calculated based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction; however, if fluctuations on financial markets are too large, the fund management company reserves the right to use the prices at 12.00 noon of the day the order was placed. The net asset value applicable to the transaction is thus not yet known at the time of placing the order.
- Calculation date: The calculation and publication of the net asset value take place on the relevant Pricing date.
- Settlement date: The value date of subscription and redemption payments is one bank business day after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an interbank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

<sup>259</sup> As in section 6.2 of the prospectus

<sup>260</sup> As in section 1.8 of the prospectus

**Information on the unit classes<sup>261</sup>****Characteristics**

UNIT CLASS	CONDITIONS
I, I dy	These units are available on request to the following categories of investors: <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
J, J dy	These units are available to investors making an initial investment worth at least CHF 50,000,000, or the equivalent
P, P dy	These units are not subject to any minimum investment restrictions
R, R dy	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z, Z dy	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
F, F dy	Reserved for investors who invest through the intermediary of JP Morgan Private Bank

**Key Data**

UNIT CLASS	AC-TIVE STA-TUS	ISIN CODE	REFER-ENCE CUR-RENCY	USE OF IN-COME <sup>262</sup>
I dy	✓	CH0021732778	USD	Distr
J dy	✓	CH0380645348	USD	Distr
P dy	✓	CH0021732554	USD	Distr
R dy	✓	CH0021731838	USD	Distr
Z dy	-	-	USD	Distr
F dy	✓	CH0599811418	USD	Distr
I	-	-	USD	Cap
J	-	-	USD	Cap

<sup>261</sup> As in section 1.6 of the prospectus<sup>262</sup> As in section 1.9 of the prospectus**Key Data**

UNIT CLASS	AC-TIVE STA-TUS	ISIN CODE	REFER-ENCE CUR-RENCY	USE OF IN-COME <sup>262</sup>
P	✓	CH0598313978	USD	Cap
R	✓	CH0596699485	USD	Cap
Z	-	-	USD	Cap
F	-	-	USD	Cap

**Calculating the costs of adjusting the portfolio<sup>263</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio****CLASSES IN CATEGORIES "I", "J", "P", "R", "Z" AND "F"**

Charging of costs to the subfund's assets

**Fees and expenses<sup>264</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**Fees and expenses charged to the subfund assets**

Unit class	FUND MANAGEMENT COMPANY FEE	CUSTODIAN BANK FEES	
	Admin-istration fee, annual rate	Manage-ment fee, annual rate	Safekeep-ing fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.30%	to a maximum of 0.05%

<sup>263</sup> As in section 1.8 of the prospectus<sup>264</sup> As in section 1.12 of the prospectus



**Fees and expenses charged to the subfund assets**

J, J dy	to a maximum of 0.05%	to a maximum of 0.20%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.45%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.60%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%
F, F dy	to a maximum of 0.05%	to a maximum of 0.20%	to a maximum of 0.05%

**TER<sup>265</sup>****Total Expense Ratio**

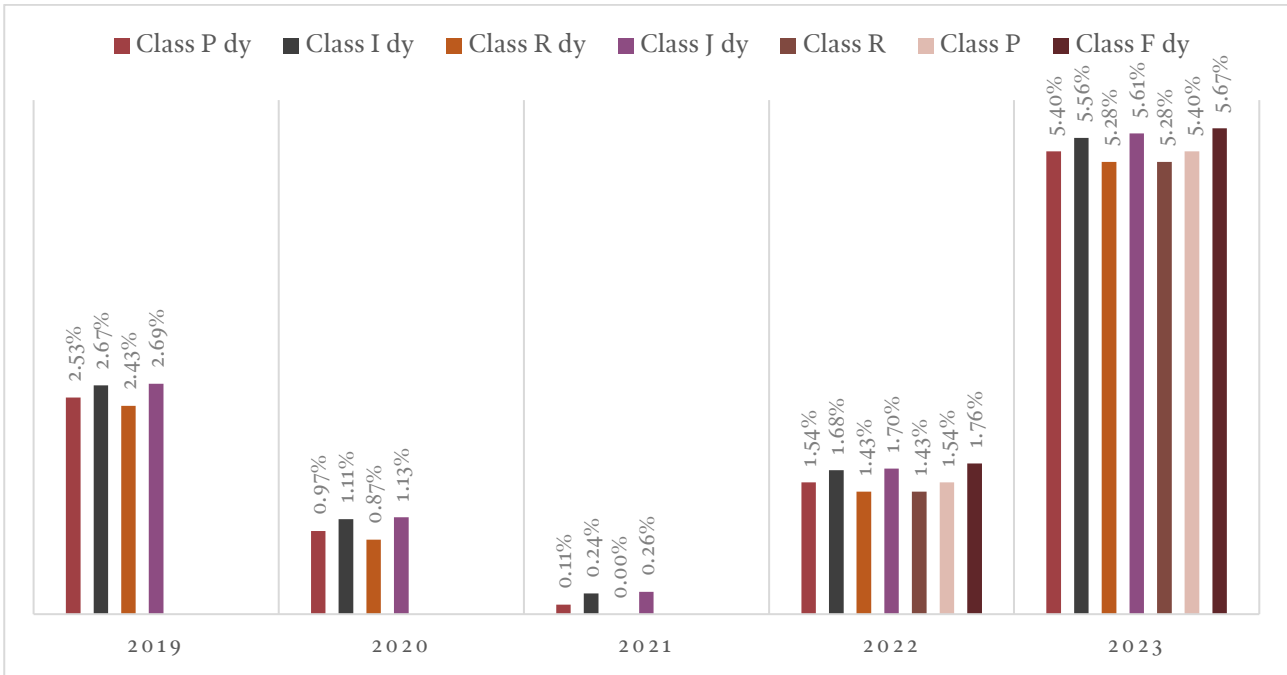
UNIT CLASS	2021	2022	2023
I dy	0.20%	0.20%	0.23%
J dy	0.18%	0.18%	0.18%
P dy	0.34%	0.34%	0.38%
R dy	0.43%	0.44%	0.49%
F dy	0.12%	0.12%	0.12%
R	0.44%	0.44%	0.48%
P	0.34%	0.34%	0.39%
F	-	-	-

**One-off fees charged by the custodian bank**

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

<sup>265</sup> As in section 1.12.b of the prospectus

Past results<sup>266</sup>



<sup>266</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming units

## FUND CONTRACT

### I. Basis

§1. Name of the fund; name and registered office of the fund management company, the custodian bank and the asset manager

1. A contractual umbrella fund, with subfunds, of the “other funds for traditional investments funds” type has been established under the name of Pictet CH (referred to below as the “fund”) in accordance with Article 25 et seq. in conjunction with Article 68 and 92 et seq. of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (CISA). The fund currently comprises the following subfunds:
  - a. Pictet CH - CHF Short Mid Term Bonds
  - b. Pictet CH - CHF Bonds Tracker
  - c. Pictet CH - CHF Bonds ESG Tracker
  - d. Pictet CH - CHF Sustainable Bonds
  - e. Pictet CH - LPP 25
  - f. Pictet CH - LPP 40
  - g. Pictet CH - Global Equities
  - h. Pictet CH - Sovereign Short-Term Money Market CHF
  - i. Pictet CH - Sovereign Short-Term Money Market EUR
  - j. Pictet CH - Sovereign Short-Term Money Market USD
  - k. Pictet CH - Swiss Mid Small Cap
  - l. Pictet CH - Swiss Market Tracker
  - m. Pictet CH - EUR Bonds
  - n. Pictet CH - Short-Term Money Market CHF
  - o. Pictet CH - Short-Term Money Market EUR
  - p. Pictet CH - Short-Term Money Market USD
  - q. Pictet CH - Short-Term Money Market GBP
  - r. Pictet CH - Enhanced Liquidity CHF
  - s. Pictet CH - Enhanced Liquidity EUR
  - t. Pictet CH - Enhanced Liquidity USD

2. The fund management company is Pictet Asset Management SA, Route des Acacias 60, 1211 Geneva 73.
3. The custodian bank is Banque Pictet & Cie SA, Route des Acacias 60, 1211 Geneva 73.
4. The fund management company has not appointed an asset manager; it makes investment decisions for the subfunds. In the case of the Pictet CH - EUR Bonds subfund, the fund management company may delegate all or part of the management of the portfolio to Pictet Asset Management Limited, Moor House, Level 11, 120 London Wall, London EC2Y 5ET, UK.

### II. Rights and obligations of the parties to the contract

§2. The fund contract

The legal relationship between the investors on the one hand and the fund management company and the custodian bank on the other shall be governed by the present fund contract and the applicable provisions of the legislation on collective investment schemes.

§3. The fund management company

1. The fund management company manages the subfunds at its own discretion and in its own name, but for the account of the investors. It decides in particular on the issue of units, the investments and their valuation. It calculates the net asset value of the subfunds and determines the subscription and redemption prices of units as well as distributions of income. It exercises all rights associated with the umbrella fund and subfunds.
2. The fund management company and its agents are subject to the duties of loyalty, due diligence and disclosure concerning the subfunds and the umbrella fund. They act independently and exclusively in the interests of the investors. They implement the organisational measures that are necessary for proper management. They account for the collective investment schemes they administer, look after or represent and they disclose all fees and costs charged directly or indirectly to the investors, as well as remuneration

from third parties, particularly commissions, rebates and other pecuniary benefits.

3. The fund management company can delegate to third parties investment decisions as well as specific tasks for all subfunds or for individual subfunds, provided this is in the interests of efficient management. It commissions only persons who have the necessary abilities, knowledge and experience to perform these tasks, and who have the required authorisations. It instructs and carefully monitors the third parties it commissions. Investment decisions may be delegated only to asset managers who have the required authorisation. Investment decisions may not be delegated to the custodian bank or to other companies whose interests may conflict with those of the fund management company or the investors. The fund management company remains responsible for compliance with prudential obligations and ensures that the interests of the investors are preserved when tasks are delegated. The fund management company is liable for the actions of the persons to whom it entrusts tasks, as if they were its own actions.
4. The fund management company may with the consent of the custodian bank submit a change to the present fund contract to the supervisory authority for approval (see §27) and may also establish further subfunds with the approval of the supervisory authority.
5. The fund management company can merge the individual subfunds with other subfunds or with other investment funds pursuant to the provisions set down under §24, convert them into a different legal form of collective investment scheme in accordance with the provisions of §25, and wind up the individual subfunds pursuant to the provisions set down under §26.
6. The fund management company is entitled to receive the fees stipulated in §§18 and 19. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.

#### §4. Custodian bank

1. The custodian bank is responsible for the safekeeping of the assets of the subfunds. It handles the subscription and redemption of fund units as

well as managing payment transactions on behalf of the subfunds.

2. The custodian bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organisational measures that are necessary for proper management. They account for the collective investment schemes they administer, look after or represent and they disclose all fees and costs charged directly or indirectly to the investors, as well as remuneration from third parties, particularly commissions, rebates and other pecuniary benefits.
3. The custodian bank is responsible for maintaining the accounts and securities accounts, but may not access their assets independently.
4. It guarantees that in the case of transactions relating to the assets of the subfunds, the counter-value is deposited within the usual time limit. It informs the fund management company if the counter-value is not reimbursed within the standard time frame and demands that the counterparty replace the value of the assets, to the extent that this is possible.
5. The custodian bank manages the registers and accounts required so as to be able to distinguish at all times the assets held in custody for the different collective investment schemes. In the case of assets which cannot be taken into custody, it checks the title of the fund management company and keeps records of its findings.
6. The custodian bank may delegate the safekeeping of the assets of the subfunds to third-party custodians or central securities depositories in Switzerland or abroad, provided that proper safekeeping is ensured. It ensures that the third-party custodian or central securities depository commissioned by it:
  - a. has a suitable operational structure, financial guarantees and such specialist qualifications as are necessary for the type and complexity of the assets entrusted to it;
  - b. is subject to regular external auditing, which ensures that the financial instruments are in its possession;
  - c. looks after the assets received from the custodian bank in such a way that they can at all

times be identified by the custodian bank during regular portfolio reconciliations as clearly belonging to the fund assets;

- d. complies with the rules applicable to the custodian bank as regards exercising the tasks delegated to it and avoiding conflicts of interest.
7. The custodian bank is liable for any damages caused by the agents if it cannot prove that it used the degree of care appropriate to the circumstances when selecting, instructing and supervising the agents. The prospectus contains information on the risks involved in delegating the safekeeping to third-party and central depositories.
8. In accordance with the previous paragraph, the safekeeping of financial instruments may be entrusted only to a third party or central securities depository that is subject to supervision. An exception to this rule may be made if it is absolutely necessary to keep the instruments in a place where delegation to a third party or to a central securities depository subject to supervision is impossible, such as for reasons of mandatory legal provisions or the particular terms of the investment product. The investors must be warned in the prospectus if securities are entrusted to unregulated third-party custodians or central securities depositories.
9. The custodian bank ensures that the fund management company complies with the law and the fund contract. It checks that the calculation of the net asset values and of the subscription and redemption prices of the units as well as the investment decisions are in compliance with the law and the fund contract, and that the income is appropriated in accordance with the fund contract. The custodian bank is not responsible for the choice of investments made by the fund management company in accordance with the investment regulations.
10. The custodian bank is entitled to receive the fees stipulated in §§18 and 19. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.
11. The custodian bank is not responsible for the safekeeping of the assets of the target funds in

which the subfunds invest, unless this task has been delegated to it.

## §5. Investors

1. The investor base is not restricted. For certain classes, restrictions in accordance with §6, prov. 3 are possible. The fund management company together with the custodian bank ensures that investors comply with the provisions relating to the investor base.
2. On concluding the contract and making a payment in cash or a contribution in kind, the investor acquires a claim against the fund management company in respect of the units acquired, in the form of a participation in the assets and income of a subfund of the umbrella fund. The investor's claim is evidenced in the form of fund units.
3. Investors are entitled to participate in the assets and income of only that subfund in which they hold units. Liabilities attributable to an individual subfund are borne solely by the said subfund.
4. The investors are obliged only to remit payment, in cash or in kind, for the units of the subfund to which they subscribe. They shall not be held personally liable for the liabilities of the fund or the subfunds.
5. Investors may at any time request that the fund management company supply them with the necessary information regarding the basis on which the net asset value per unit is calculated. If investors express an interest in more detailed information about specific business transactions effected by the fund management company, such as the exercising of membership and creditor rights, or on risk management, or on payment in kind, they must be given such information by the fund management company at any time. The investors may request at the courts of the registered office of the fund management company that the auditors or another expert investigate the matter which requires clarification and furnish the investors with a report.
6. Investors may terminate the fund contract at any time and demand that their share in the subfund concerned be reimbursed in cash. Instead of a cash payment, a reimbursement in kind may be made in accordance with §17, prov. 2.8, at the

investor's request and with the consent of the fund management company.

7. The units may not be offered, sold, assigned or delivered to, and may not be held by, investors that are:
  - a. natural persons,
  - b. passive non-financial foreign entities ("Passive NFFE"), or
  - c. specified US persons,
 

as these terms are defined by the US Foreign Account Tax Compliance Act ("FATCA"), the US FATCA Final Regulations and/or any applicable intergovernmental agreement in respect of the implementation of FATCA. Investors will be required to provide evidence of their status under FATCA by means of relevant tax documents, in particular a "W-8BEN-E" form from the US Internal Revenue Service, which must be renewed on a regular basis as per applicable regulations.
8. The units may not be offered, sold, assigned or delivered to, and may not be held by, investors that are:
  - a. natural persons, or
  - b. passive non-financial entities ("Passive NFE"), including financial entities that have been reclassified as passive non-financial entities,
 

as defined under the Standard for Automatic Exchange of Financial Account Information in Tax Matters and the Common Reporting Standard and common diligence rules of the OECD (together, the "AEOI Standards"). Investors must provide proof of their status by means of any pertinent documentation.
9. Each investor who subscribes to a unit class thereby certifies that the access requirements are met. If requested, investors are obliged to provide the fund management company, the custodian bank and their agents with proof that they comply with or continue to comply with the provisions set forth in the law or the fund contract in respect of participation in a subfund or unit class. Furthermore, they are obliged to inform the custodian bank, the fund management company or their agents immediately once they no longer meet these prerequisites. The fund management company, the custodian bank and their agents reserve the right to prevent the acquisition or continuation of ownership or beneficial ownership of units by any person in breach of any law or regulation, whether Swiss or foreign, or which might expose the fund or its unitholders to adverse regulatory or tax consequences (including under FATCA or the AEOI Standards), including by declining subscription orders or by forcing redemption pursuant to prov. 12 and 13.
10. By subscribing for and continuing to hold units, investors acknowledge that their personal data may be collected, recorded, stored, transferred, processed and generally used by the fund management company, the custodian bank or their agents, which may be established outside Switzerland but are subject to an equivalent degree of confidentiality. Such data shall be used, in particular, for the purposes of account administration, anti-money laundering and counter-terrorist financing identification, tax identification, or for the purpose of compliance with FATCA or the AEOI Standards. The personal data of investors may have to be reported to the IRS; the personal data of any unitholder may also be reported to the Swiss tax authorities and exchanged with the tax authorities of any relevant jurisdiction, including those of the investor's country of residence.
11. A subfund or unit class may be "soft closed", meaning that it remains closed to new subscriptions if the fund management company decides that closure is necessary in order to protect the interests of the existing investors. Soft closing a subfund or unit class applies to new subscriptions or a switch within the subfund or unit class, but not to redemptions, transfers or switches out of the subfund or unit class. The subfund or unit class may be soft closed without the investors being notified.
12. The fund management company in conjunction with the custodian bank must make a forced redemption of the units of an investor at the current redemption price if:
  - a. this is necessary to safeguard the reputation of the financial market, and in particular to combat money laundering;
  - b. the investor no longer meets the legal, regulatory, contractual or statutory requirements for participation in a subfund.



13. The fund management company in conjunction with the custodian bank can also make a forced redemption of the units of an investor at the current redemption price if:
  - a. the participation of the investor in a subfund of the investment fund is such that it could have a significant detrimental impact on the economic interests of the other investors, in particular if the participation could result in tax disadvantages for the umbrella fund and/or a subfund in Switzerland or abroad, including in particular any tax or other liabilities that may derive from any requirements imposed by FATCA or the AEOI Standards or any breach thereof;
  - b. the investor has acquired or holds their units in violation of provisions of a law to which they are subject either in Switzerland or abroad, or of the present fund contract or the prospectus;
  - c. there is a detrimental impact on the economic interests of the investors, in particular in cases where individual investors seek by way of systematic subscriptions and immediate redemptions to achieve a pecuniary gain by exploiting the time differences between the setting of the closing prices and the valuation of the subfund's assets (market timing).
3. The various unit classes of the subfunds may differ from one another in terms of their cost structure, reference currency, currency hedging, policy with regard to distribution or reinvestment of income, the minimum investment required and investor eligibility. Fees and costs are charged only to the unit class for which the respective service is performed. Fees and costs that cannot be unequivocally allocated to a unit class shall be charged to the individual unit classes on a pro rata basis in relation to their share of the subfund's assets.
4. Unless otherwise specified in this fund contract, the reference currency of each unit class is as stated in the name of the class or, alternatively, in the name of the subfund.
5. "Distribution units" within the meaning of §22 are indicated by the mention "dy".
6. Each subfund may have different unit classes, a list of which is specified in the prospectus. The unit classes potentially available for each subfund at present are as follows.

#### *Unit classes in category "I"*

#### §6. Units and unit classes

1. The fund management company can establish different unit classes and can also merge or dissolve unit classes for each subfund at any time subject to the consent of the custodian bank and the approval of the supervisory authority. All unit classes entitle the holder to a share in the total assets of the subfund concerned, which are not segmented. This share may differ due to class-specific costs or distributions or class-specific income and the various classes may therefore have different net asset values per unit of a given subfund. Class-specific costs are covered by the assets of the subfund as a whole.
2. Notification of the establishment, winding up or merger of unit classes shall be published in the media of publication. Only mergers shall be deemed a change to the fund contract pursuant to §27.
- a. Unit classes in category "I" are available on request to investors who, at the time of subscription, are:
  - > qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FinSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;
  - > investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;
  - > collective investment schemes;
  - > pension institutions;
  - > not-for-profit institutions.
- b. The following unit classes are available in this category:
  - > I, I CHF, I USD, I dy, I dy CHF and I dy USD
  - > HI CHF: These units will aim to hedge to a large extent the currency risk against the Swiss franc.



*Unit classes in category “J”*

- a. Unit classes in category “J” are available on request to investors making an initial investment worth at least CHF 5,000,000, or the equivalent, except in the **Pictet CH - CHF Sustainable Bonds**, **Pictet CH - Short-Term Money Market CHF**, **Pictet CH - Short-Term Money Market EUR**, **Pictet CH - Short-Term Money Market USD**, **Pictet CH - Short-Term Money Market GBP**, **Pictet CH - Enhanced Liquidity CHF**, **Pictet CH - Enhanced Liquidity EUR** and **Pictet CH - Enhanced Liquidity USD** subfunds, for which the minimum investment is CHF 50,000,000, and in the **Pictet CH - CHF Bonds Tracker** subfund, for which the minimum investment is CHF 100,000,000, as well as in the **Pictet CH - CHF Bonds Tracker** and **Pictet CH - CHF Bonds ESG Tracker** subfunds, for which the minimum investment is CHF 100,000,000.
- b. The following unit classes are available in this category:
  - > J, J CHF, J USD, J dy, J dy CHF and J dy USD

*Unit classes in category “P”*

- a. Unit classes in category “P” are not subject to any quantitative restrictions.
- b. The following unit classes are available in this category:
  - > P, P CHF, P USD, P dy, P dy CHF and P dy USD
  - > HP CHF: These units will aim to hedge to a large extent the currency risk against the Swiss franc.

*Unit classes in category “R”*

- a. Unit classes in category “R” are characterised by their management fee and the fact that they do not charge a subscription or redemption fee.
- b. The following unit classes are available in this category:
  - > R, R CHF, R USD, R dy, R dy CHF and R dy USD

- > HR CHF: These units will aim to hedge to a large extent the currency risk against the Swiss franc.

*Unit classes in category “Z”*

- a. Unit classes in category “Z” are available on request to qualified investors within the meaning of the legislation on collective investment schemes or investors making an initial investment worth at least CHF 500,000, or the equivalent in Pictet funds and who have concluded a discretionary management or service agreement with an entity of the Pictet Group.
- b. The following unit classes are available in this category:
  - > Z, Z CHF, Z USD, Z dy, Z dy CHF and Z dy USD

*Unit classes in category “Zo”*

- a. Unit classes of the “Zo” category are available on request only
  - i. to qualified investors that have entered into a management mandate or service agreement with an entity of Pictet Asset Management expressly covering the unit class(es) concerned in the “Zo” category;
  - ii. to funds of funds, as defined by §25, prov. 3 of this fund contract.
- b. Existing units within this category are:
  - > Zo, Zo CHF, Zo EUR, Zo USD, Zo JPY, Zo dy, Zo dy CHF, Zo dy EUR, Zo dy USD and Zo dy JPY
  - > HZo CHF and HZo dy CHF: These units will aim to hedge a large part of the foreign exchange risk against the Swiss franc.

*Unit classes in category “F”*

- a. Unit classes in category “F” are available on request exclusively to investors who invest through the intermediary of JP Morgan Private Bank.
- b. The following unit classes are available in this category:
  - > F, F dy

### *Unit classes in category "D2"*

- a. Unit classes in category "D2" are available on request exclusively to investors who invest through the intermediary of Goldman Sachs Bank.
  - b. The following unit classes are available in this category:
    - > D2, D2 dy
7. In principle, units shall not take the form of actual share certificates but shall exist purely as book entries. Investors may request delivery of a registered unit certificate at their own expense. The issue of unit certificates made out to bearer is not permitted. The current costs are stated in the prospectus. They are not, however, entitled to demand that fractions of units be issued in the form of certificates. If unit certificates have been issued, they must be returned at the latest with the application for redemption.
  8. The fund management company and the custodian bank are obliged to instruct investors who no longer meet the prerequisites for holding a unit class to ensure within 30 calendar days that their units are redeemed pursuant to §17, transferred to a person who does meet the aforementioned prerequisites, or switched into units of another unit class of the subfund concerned whose prerequisites they do meet. If an investor fails to comply with this demand, the fund management company may, in cooperation with the custodian bank, make a forced switch into another unit class of the subfund concerned pursuant to §5, prov. 12 or, should this not be possible, force the redemption of the units in question.

## III. Investment Policy Guidelines

### A. Investment principles

#### §7. Compliance with investment guidelines

1. In selecting individual investments for each subfund, the fund management company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below. These percentages relate to the

assets of the individual subfunds at market value and must be complied with at all times. The individual subfunds must have fulfilled the terms of the investment restrictions no later than six months after the subscription date (launch).

2. If the limits are exceeded as a result of market-related changes, the investments must be restored to the permitted level within a reasonable period, taking due account of the investors' interests. If the limits relating to derivatives pursuant to §12 below are exceeded due to a change in the delta, this is to be rectified within three bank business days at the latest, taking due account of the investors' interests.

#### §8. Investment policy

1. Within the framework of the specific investment policy of each subfund, the fund management company may invest the assets of the individual subfunds in the investments listed below. The risks involved in these investments are set forth in the prospectus.
  - a. Securities, i.e. securities issued in large quantities and non-securitised rights with the same function (uncertified securities) that are traded on a stock exchange or another market open to the public, and that embody a participation right or claim or the right to acquire such securities or uncertified securities by way of subscription or exchange, for example warrants. Investments in securities from new issues are only permitted if their admission to a stock exchange or another regulated market open to the public is envisaged under the terms of issue. If they have not been admitted to a stock exchange or another regulated market open to the public within a year after their acquisition, these securities must be sold within one month or included under the restriction set down in prov. 1, lit. g.
  - b. Derivatives, if
    - i. the underlying securities are securities pursuant to lit. a, derivatives pursuant to lit. b, units in collective investment schemes pursuant to lit. d, money market instruments pursuant to lit. e, financial indices, interest rates, exchange rates, credits or currencies, and

- ii. the underlying securities are permitted as investments under the fund contract.

The derivatives are either traded on a stock exchange or other regulated market open to the public, or are traded OTC. Investments in OTC transactions are permitted only if

- i. the counterparty is a regulated financial intermediary specialising in such transactions, and
- ii. the derivatives can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner.

Derivatives may be used pursuant to §12.

c. Structured products, if

- i. the underlying securities are securities pursuant to lit. a, derivatives pursuant to lit. b, structured products pursuant to lit. c, units in collective investment schemes pursuant to lit. d, money market instruments pursuant to lit. e, financial indices, interest rates, exchange rates, credits or currencies, and
- ii. the underlying securities are permitted as investments under the fund contract.

The structured products are either traded on a stock exchange or other regulated market open to the public, or are traded OTC. OTC transactions are permitted only if

- i. the counterparty is a regulated financial intermediary specialising in such transactions, and
- ii. the OTC products can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner.

d. Units of other collective investment schemes (target funds), provided that:

- i. their documents restrict investments for their part in other target funds to a total of 10%;
- ii. these target funds are subject to provisions equivalent to those pertaining to securities funds in respect of the purpose,

organisation, investment policy, investor protection, risk diversification, asset segregation, borrowing, lending, short-selling of securities and money market instruments, the issuing and redemption of fund units and the content of the semi-annual and annual reports; and

- iii. these target funds are authorised as collective investment schemes in their country of domicile and are subject there to supervision which is equivalent to that in Switzerland and which serves to protect investors, and that international legal assistance is ensured.

- iv. In this regard the fund management company may invest up to 30% of the fund assets in units of target funds that do not comply with the pertinent European Union directives (undertakings for collective investments in transferable securities, or UCITS), but that are equivalent to those guidelines or securities funds within the meaning of Article 53 CISA. Subject to the provisions of §19, the fund management company may acquire units of target funds that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a substantial direct or indirect stake (“related target funds”).

- e. Money market instruments, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public; money market instruments which are not traded on an exchange or other regulated market open to the public may be acquired only if the issue or the issuer is subject to provisions regarding creditor or investor protection and if the money market instruments are issued or guaranteed by issuers pursuant to Article 74 para 2 CISO.

- f. Sight or time deposits with terms to maturity not exceeding twelve months with banks domiciled in Switzerland or in a member state of the European Union or in another country provided that the bank is subject to supervision in this country which is equivalent to the supervision in Switzerland.

- g. Unless otherwise provided in its investment policy, each subfund is authorised to invest in investments other than those specified in lits. a to f above up to a total of 10% of its total assets. The following are not permitted:
  - i. investments in precious metals, precious metals certificates, commodities and commodity certificates as well as
  - ii. actual short-selling in relation to investment of all kinds.
- ii. money market instruments denominated in Swiss francs or foreign currencies from Swiss or foreign issuers;
- iii. units in other collective investment schemes that do not meet the requirements specified in lit. a.ii. above;
- iv. in addition, the subfund may acquire shares in Swiss and foreign companies and other participation rights;
- v. derivatives (including warrants) on the above investments.

### *Pictet CH - CHF Short Mid Term Bonds*

#### 2. In respect of the Pictet CH - CHF Short Mid Term Bonds subfund:

- a. The fund management company shall invest at least two-thirds of total assets in:
  - i. bonds (including convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights denominated in Swiss francs and issued by private and public borrowers. The average maturity of the portfolio may not exceed 3 years, while the maximum residual maturity of an individual investment is 10 years;
  - ii. units of other collective investment schemes which according to their documentation invest their assets or a part thereof in accordance with the guidelines of the present subfund;
  - iii. derivatives (including warrants) on the above investments

In the case of investments in other collective investment schemes pursuant to point ii. above, the fund management company shall ensure that at least two-thirds of the subfund's assets on a consolidated basis are invested in investments pursuant to lit. a above.

- b. Subject to the provisions of lit. c, the fund management company may also invest up to a maximum of one-third of the subfund's total assets in:
  - i. debt instruments and rights from Swiss or foreign issuers that do not meet the above-mentioned requirements with regard to currency, portfolio durations, investment country/region, etc.;

- c. The fund management company must also comply with the following investment restrictions, which refer to the total assets of the subfund:
  - i. convertible bonds, convertible notes and bonds with warrants up to 25%;
  - ii. equities and other participation rights and book-entry securities up to a total of 10%;
  - iii. other collective investment schemes up to a total of 10%.
- d. The fund management company takes environmental, social and governance criteria into account as follows:
  - i. The fund management company initially applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.

- ii. The fund management company primarily invests the “sovereign bonds” segment of the subfund in bonds from issuers with an ESG rating at least equal to the average score, and allocated by recognised providers or by the management itself. The proportion of the investments in the segment that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits.
- iii. The management ensures on a monthly basis that the ESG profile of the “corporate bonds” segment of the subfund is better than that of the benchmark index. In order to do so, it calculates their respective ESG scores, based on the ESG ratings allocated to the underlying issuers by recognised providers or by the management itself. The proportion of the investments in the segment that are subject to an ESG rating is at least 60% of the net assets excluding cash and short-term deposits. If the comparison of the respective scores indicates that the ESG profile of the “corporate bonds” segment of the subfund is not better than that of the benchmark index, the management undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the “corporate bonds” segment of the subfund once again has an ESG profile better than that of the benchmark index.
- iv. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.

The details of this responsible investment policy are also published in the prospectus.

### *Pictet CH - CHF Bonds Tracker*

- 3. In respect of the Pictet CH - CHF Bonds Tracker subfund:
  - a. The fund management seeks to replicate the performance of the "Swiss Bonds Index (AAA-BBB Composite)", using the optimised sampling method of index tracking described in the prospectus, and invests in:

- i. bonds (including convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights denominated in Swiss francs and issued by private and public borrowers.
- ii. units of other collective investment schemes which according to their documentation invest their assets or a part thereof in accordance with the guidelines of the present subfund;
- iii. derivatives (including warrants) on the above investments

In the case of investments in other collective investment schemes pursuant to point ii. above, the fund management company shall ensure that at least two-thirds of the subfund's assets on a consolidated basis are invested in investments pursuant to lit. a above.

- b. Subject to the provisions of lit. c, the fund management company may also invest up to a maximum of one-third of the subfund's total assets in:
  - i. debt instruments and rights from Swiss or foreign issuers, which do not satisfy the currency requirements set forth herein;
  - ii. money market instruments denominated in Swiss francs or foreign currencies from Swiss or foreign issuers;
  - iii. units in other collective investment schemes that do not meet the requirements specified in lit. a.ii. above;
  - iv. in addition, the subfund may acquire shares in Swiss and foreign companies and other participation rights;
  - v. derivatives (including warrants) on the above investments.
- c. The fund management company must also comply with the following investment restrictions, which refer to the total assets of the subfund:
  - i. convertible bonds, convertible notes and bonds with warrants up to 25%;
  - ii. equities and other participation rights and book-entry securities up to a total of 10%;



- iii. other collective investment schemes up to a total of 10%.
- d. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.

*Pictet CH - CHF Bonds ESG Tracker*

4. In respect of the Pictet CH - CHF Bonds Tracker subfund:

- a. The fund management seeks to replicate the performance of the "Swiss Bonds Index AAA-BBB Total Return", using the optimised sampling method of index tracking described in the prospectus, and invests at least two thirds in:
  - i. bonds (including convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights denominated in Swiss francs and issued by private and public borrowers. The bonds must be of high quality, meaning that, at the time of purchase, they must have a minimum rating of BBB as defined by the composite rating methodology of SIX, or alternatively, exhibit equivalent quality criteria. In the event of a subsequent downgrade in the quality of a bond, it will be sold within a reasonable timeframe, taking into account the interests of the investors;
  - ii. units of other collective investment schemes which according to their documentation invest their assets or a part thereof in accordance with the guidelines of the present subfund;
  - iii. derivatives (including warrants) on the above investments

In the case of investments in other collective investment schemes pursuant to point ii. above, the fund management company shall ensure that at least two-thirds of the subfund's assets on a consolidated basis are invested in investments pursuant to lit. a above.
- b. Subject to the provisions of lit. c, the fund management company may also invest up to a maximum of one-third of the subfund's total assets in:

- i. units in other collective investment schemes that do not meet the requirements specified in lit. a.ii. above;
  - ii. derivatives (including warrants) on the above investments.
- c. The fund management company must also comply with the following investment restrictions, which refer to the total assets of the subfund:
- i. convertible bonds, convertible notes and bonds with warrants up to 25%;
  - ii. equities and other participation rights and book-entry securities up to a total of 10%;
  - iii. other collective investment schemes up to a total of 10%.
  - iv. Money market instruments denominated in Swiss francs or other currencies issued by private or public entities, up to a maximum of 10%.
  - v. High-yield bonds, meaning bonds with a rating below BBB as defined by the composite rating methodology of SIX or, alternatively, exhibiting equivalent quality criteria, up to a maximum of 10%.
- d. The fund management company takes environmental, social and governance (« ESG ») criteria into account as follows:
- i. The fund management company shall invest at least 90% of the subfund's assets in equities and book-entry securities issued by companies that may be deemed to comply with environmental, social and governance (ESG) criteria. To this end, the fund management company shall choose an index whose provider selects securities with the best environmental, social and governance performance. The fund management company does not perform its own analysis but relies on the analysis performed by the index provider.
  - ii. The management company may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.

The details of this responsible investment policy of the fund management are published in the prospectus.

- e. Securities lending is not authorised for this subfund.

This subfund may be used as a target fund for the *Pictet CH - LPP 25* and *Pictet CH - LPP 40* funds. The latter may acquire up to 100% of the units of the subfund.

#### *Pictet CH - CHF Sustainable Bonds*

##### 5. In respect of the *Pictet CH - CHF Sustainable Bonds* subfund:

- a. the fund management company shall invest at least two-thirds of total assets in:

- i. bonds (including convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights denominated in Swiss francs and issued by private or public-law borrowers. The bonds must be investment grade - i.e. bonds which, at the time of purchase, have a minimum rating of BBB, as defined by the composite rating method used by SIX or, failing that, which display equivalent quality criteria. If a bond's rating subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
- ii. units of other collective investment schemes which according to their documentation invest their assets or a part thereof in accordance with the guidelines of the present subfund;
- iii. derivatives (including warrants) on the above investments.

In the case of investments in other collective investment schemes pursuant to point ii. above, the fund management company shall ensure that at least two-thirds of the subfund's assets on a consolidated basis are invested in investments pursuant to lit. a above.

- b. Subject to the provisions of lit. d, the fund management company may also invest up to a maximum of one-third of the subfund's total assets in:
  - i. money market instruments denominated in Swiss francs or other currencies and issued by private or public-law borrowers;

- ii. units in other collective investment schemes that do not meet the requirements specified in lit. a.ii. above;
- iii. derivatives (including warrants) on the above investments;
- iv. high-yield bonds, i.e. bonds with a rating below BBB, as defined by the composite rating method used by SIX or, failing that, which display equivalent quality criteria.

- c. The fund management company takes environmental, social and governance ("ESG") criteria into account as follows:

- i. The fund management company initially applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of the extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.

- ii. In addition, the management retains in the fund's portfolio only those issuers that can be considered, on the basis of ratings allocated by recognised providers or by the management itself, to have the best profile in terms of complying with ESG criteria in the course of their activities. The proportion of the investments in the portfolio that are subject to an ESG rating is 100% of the net assets excluding cash and short-term deposits.

- iii. Lastly, the management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to



ESG criteria, and undertakes to exercise voting rights methodically.

The details of this responsible investment policy are also published in the prospectus.

- d. The fund management company must also comply with the following investment restrictions, which refer to the total assets of the subfund:
- i. convertible bonds, convertible notes and bonds with warrants up to 25%;
  - ii. high-yield bonds up to 20%;
  - iii. other collective investment schemes up to a total of 10%.

This subfund may be used as a target fund for the *Pictet CH Target - LPP Sustainable Multi Asset 10*, *Pictet CH Target - LPP Sustainable Multi Asset 25*, *Pictet CH Target - LPP Sustainable Multi Asset 40*, *Pictet CH Target - LPP Sustainable Multi Asset 60*, *Pictet CH - LPP 25* and *Pictet CH - LPP 40* funds. The latter may acquire up to 100% of the units of the subfund.

#### *Pictet CH - LPP 25*

6. In respect of the *Pictet CH - LPP 25* subfund, the fund management company invests in accordance with the rules laid down in the legislation on collective investment schemes, follows the principles enshrined in the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (LPP) and may use the investment opportunities authorised by the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (OPP2). The portion invested in equities is 25% in principle, the fluctuation margin can not exceed 10%.
- a. The subfund may invest in the following:
- i. bonds (including convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights denominated in Swiss francs or foreign currencies and issued by private and public borrowers;
  - ii. money market instruments denominated in Swiss francs or foreign currencies from Swiss or foreign issuers;
  - iii. equities and book-entry securities (shares, dividend-right certificates, ownership shares, participation certificates, etc.) issued by companies which are registered in or carry out the greater part of their activity in Switzerland or abroad;
  - iv. units of other collective investment schemes which according to their documentation invest their assets or a part thereof in accordance with the guidelines of the present subfund;
  - v. derivatives (including warrants) on the above investments.
- b. The fund management company must also comply with the following investment restrictions, which refer to the total assets of the subfund:
- i. equities, up to a maximum of 35%; equities resulting from the conversion of convertible bonds are included in this limit;
  - ii. convertible bonds, convertible notes and bonds with warrants up to 25%.
- c. The fund management company takes environmental, social and governance criteria into account as follows:
- i. In the case of direct investments in securities, the fund management company initially applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. This policy applies to the majority of the subfund's assets. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.
  - ii. As regards investing in indirect investment vehicles, the management favours those with the best ESG scores and the best

prospective returns - whatever their ESG approach. It ensures that the majority of the actively managed related target funds (within the meaning of prov. 1, lit. d) apply the same exclusion policy as the subfund; however, the other indirect investment vehicles do not necessarily apply the same exclusion policy as the subfund.

- iii. The management ensures on a monthly basis that the ESG profile of the subfund is better than that of the benchmark index. In order to do so, it calculates their respective ESG scores, based on the average ESG ratings allocated to the underlying issuers by recognised providers or by the management itself. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits. If the comparison of the respective scores indicates that the ESG profile of the subfund is not better than that of the benchmark index, the management undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the subfund once again has an ESG profile better than that of the benchmark index.
- iv. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria. It undertakes to exercise voting rights methodically.

The details of this responsible investment policy are also published in the prospectus.

- d. As a fund of funds, this subfund may invest up to 50% of its assets in each of the following target funds: **Pictet CH - CHF Sustainable Bonds**, **Pictet CH - CHF Bonds ESG Tracker** and **Pictet CH Institutional - CHF Bonds**. The subfund may acquire for the fund assets up to 100% of the units of said collective investment schemes. Such transactions may not give rise to cumulation of the management and safekeeping fees. The attention of investors is drawn to the risks as described in §15, prov. 11 of the fund contract.
- Pictet CH - LPP 40**
- 7. In respect of the **Pictet CH - LPP 40** subfund, the fund management company invests in accordance with the rules laid down in the legislation on collective investment schemes, follows the principles enshrined in the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (LPP) and may use the investment opportunities authorised by the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (OPP2). The portion invested in equities is 40% in principle, the fluctuation margin can not exceed 10%.
    - a. The subfund may invest in the following:
      - i. bonds (including convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights denominated in Swiss francs or foreign currencies and issued by private and public borrowers;
      - ii. money market instruments denominated in Swiss francs or foreign currencies from Swiss or foreign issuers;
      - iii. equities and book-entry securities (shares, dividend-right certificates, ownership shares, participation certificates, etc.) issued by companies which are registered in or carry out the greater part of their activity in Switzerland or abroad;
      - iv. units of other collective investment schemes which according to their documentation invest their assets or a part thereof in accordance with the guidelines of the present subfund;
      - v. derivatives (including warrants) on the above investments.
    - b. The fund management company must also comply with the following investment restrictions, which refer to the total assets of the subfund:
      - i. equities, up to a maximum of 50%; equities resulting from the conversion of convertible bonds are included in this limit;
      - ii. convertible bonds, convertible notes and bonds with warrants up to 25%.

c. The fund management company takes environmental, social and governance criteria into account as follows:

- i. In the case of direct investments in securities, the fund management company initially applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. This policy applies to the majority of the subfund's assets. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.
- ii. As regards investing in indirect investment vehicles, the management favours those with the best ESG scores and the best prospective returns - whatever their ESG approach. It ensures that the majority of the actively managed related target funds (within the meaning of prov. 1, lit. d) apply the same exclusion policy as the subfund; however, the other indirect investment vehicles do not necessarily apply the same exclusion policy as the subfund.
- iii. The management ensures on a monthly basis that the ESG profile of the subfund is better than that of the benchmark index. In order to do so, it calculates their respective ESG scores, based on the average ESG ratings allocated to the underlying issuers by recognised providers or by the management itself. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits. If the comparison of the respective scores indicates that the ESG profile of the subfund is not better than that of the benchmark index, the management undertakes to modify the portfolio, within a reasonable period and taking account of the

interests of the investors, so that the subfund once again has an ESG profile better than that of the benchmark index.

- iv. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria. It undertakes to exercise voting rights methodically.

The details of this responsible investment policy are also published in the prospectus.

- d. As a fund of funds, this subfund may invest up to 50% of its assets in each of the following target funds: **Pictet CH - CHF Sustainable Bonds**, **Pictet CH - CHF Bonds ESG Tracker** and **Pictet CH Institutional - CHF Bonds**. The subfund may acquire for the fund assets up to 100% of the units of said collective investment schemes. Such transactions may not give rise to cumulation of the management and safe-keeping fees. The attention of investors is drawn to the risks as described in §15, prov. 11 of the fund contract.

#### *Pictet CH - Global Equities*

8. In respect of the **Pictet CH - Global Equities** subfund:
  - a. The fund management company shall invest at least two-thirds of total assets in:
    - i. equities and book-entry securities (shares, dividend-right certificates, ownership shares, participation certificates, etc.) issued by companies which are registered in or carry out the greater part of their activity anywhere in the world. At least 51% of the net assets of the Subfund must be invested in physical equities (to the exclusion of American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), derivatives and any lent securities) that are listed on a stock exchange;
    - ii. units of other collective investment schemes which according to their documentation invest their assets or a part thereof in accordance with the guidelines of the present subfund;
    - iii. derivatives (including warrants) on the above investments.

In the case of investments in other collective investment schemes pursuant to point ii. above, the fund management company shall ensure that at least two-thirds of the subfund's assets on a consolidated basis are invested in investments pursuant to lit. a above.

b. Subject to the provisions of lit. c, the fund management company may also invest up to a maximum of one-third of the subfund's total assets in:

- i. bonds (including convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights denominated in any currency and issued by private and public borrowers;
- ii. money market instruments denominated in any currency and issued by Swiss and foreign issuers;
- iii. units in other collective investment schemes that do not meet the requirements specified in lit. a.ii. above;
- iv. derivatives (including warrants) on the above investments.

c. The fund management company must also comply with the following investment restrictions, which refer to the total assets of the subfund:

- i. other collective investment schemes up to a total of 10%;
- ii. up to 25% in convertible bonds, convertible notes and warrant bonds.

d. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria. It undertakes to exercise voting rights methodically.

*Pictet CH - Sovereign Short-Term Money Market CHF*

9. For the **Pictet CH - Sovereign Short-Term Money Market CHF** subfund, which is a short-term money market fund:

a. The fund management company invests the subfund's assets in money market instruments or bonds (excluding convertible bonds,

convertible notes and option loans), notes, as well as in other fixed or variable income debt instruments and debt rights, provided that they are issued or guaranteed by a state or by a public-law corporation of the OECD, Singapore, Hong Kong, the Swiss cantons or by international public-law organisations, of which Switzerland or a member state of the European Union is a member.

b. The subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy.

c. The fund management company will invest in instruments rated as follows:

- i. Each of the recognised credit rating agencies that have assigned a short-term rating to the instrument must have one of its two highest short-term ratings; in the absence of a short-term rating, each agency that has assigned a long-term rating must have given an equivalent long-term rating to one of the two highest short-term ratings;
- ii. If one of the agencies has awarded a lower rating, the latter will apply;
- iii. If none of the recognised credit rating agencies has awarded a rating, the fund management company may decide to acquire the instrument if said instrument meets equivalent criteria in terms of quality;
- iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.

d. The residual maturity of each instrument may not exceed 397 days.

e. The portfolio's weighted average maturity may not exceed 60 days.

f. The portfolio's weighted average life may not exceed 120 days.

g.

- i. at least 7.5% of the subfund's assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior

notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day.

- ii. at least 15% of the subfund's assets are to be comprised of weekly or shorter-term maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days maximum, or cash which is able to be withdrawn by giving prior notice of five working days maximum. Money market instruments may be included in the weekly maturing assets within the limit of 7.5% provided they are able to be sold and paid within five working days.
  - h. Furthermore, investments in units of other collective investment schemes (target funds) are not permitted.
  - i. "CHF" designates the reference currency as the currency in which the performance of the subfund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.
  - j. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.
  - k. The fund management company takes environmental, social and governance ("ESG") criteria into account as follows:
    - i. The fund management company initially applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms; this approach is described in more detail in the prospectus. Furthermore, the fund management company includes ESG criteria (taking account of the extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.
    - ii. In addition, the management retains in the fund's portfolio only those issuers that can be considered, on the basis of ratings allocated by recognised providers or by the management itself, to have the best profile in terms of complying with ESG criteria in the course of their activities. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits.
- The details of this responsible investment policy are also published in the prospectus.

#### *Pictet CH - Sovereign Short-Term Money Market EUR*

10. For the **Pictet CH - Sovereign Short-Term Money Market EUR** subfund, which is a short-term money market fund:
  - a. The fund management company invests the subfund's assets in money market instruments or bonds (excluding convertible bonds, convertible notes and option loans), notes, as well as in other fixed or variable income debt instruments and debt rights, provided that they are issued or guaranteed by a state or by a public-law corporation of the OECD, Singapore, Hong Kong, the Swiss cantons or by international public-law organisations, of which Switzerland or a member state of the European Union is a member.
  - b. The subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy.
  - c. The fund management company will invest in instruments rated as follows:
    - i. Each of the recognised credit rating agencies that have assigned a short-term rating to the instrument must have one of its two highest short-term ratings; in the absence of a short-term rating each agency that has assigned a long-term rating must have given a long-term rating to one of the two highest short-term ratings;
    - ii. If one of the agencies has awarded a lower rating, the latter will apply;
    - iii. If none of the recognised credit rating agencies has awarded a rating, the fund management company may decide to



- acquire the instrument if the latter meets equivalent criteria in terms of quality;
- iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
  - d. The residual maturity of each instrument may not exceed 397 days.
  - e. The portfolio's weighted average maturity may not exceed 60 days.
  - f. The portfolio's weighted average life may not exceed 120 days.
  - g.
    - i. at least 7.5% of the subfund's assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day.
    - ii. at least 15% of the subfund's assets are to be comprised of weekly or shorter-term maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days maximum, or cash which is able to be withdrawn by giving prior notice of five working days maximum. Money market instruments may be included in the weekly maturing assets within the limit of 7.5% provided they are able to be sold and paid within five working days.
  - h. Furthermore, investments in units of other collective investment schemes (target funds) are not permitted.
  - i. "EUR" designates the reference currency as the currency in which the performance of the subfund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.
  - j. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.
  - k. The fund management company takes environmental, social and governance ("ESG") criteria into account as follows:
    - i. The fund management company initially applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms; this approach is described in more detail in the prospectus. Furthermore, the fund management company includes ESG criteria (taking account of the extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.
    - ii. In addition, the management retains in the fund's portfolio only those issuers that can be considered, on the basis of ratings allocated by recognised providers or by the management itself, to have the best profile in terms of complying with ESG criteria in the course of their activities. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits.

The details of this responsible investment policy are also published in the prospectus.
- Pictet CH - Sovereign Short-Term Money Market USD*
11. In respect of the *Pictet CH - Sovereign Short-Term Money Market USD*, which is a short-term money market fund:
    - a. The fund management company invests the subfund's assets in money market instruments or bonds (excluding convertible bonds, convertible notes and option loans), notes, as well as in other fixed or variable income debt instruments and debt rights, provided that they are issued or guaranteed by a state or by a public-law corporation of the OECD, Singapore, Hong Kong, the Swiss cantons or by international public-law organisations, of which Switzerland or a member state of the European Union is a member.

- b. The subfund may use derivatives for hedging purposes only, in accordance with the currency investment strategy.
- c. The fund management company will invest in instruments rated as follows:
- i. Each of the recognised credit rating agencies that have assigned a short-term rating to the instrument must have one of its two highest short-term ratings; in the absence of a short-term rating, each agency that has assigned a long-term rating must have given an equivalent long-term rating to one of the two highest short-term ratings;
  - ii. If one of the agencies has awarded a lower rating, the latter will apply;
  - iii. If none of the recognised credit rating agencies has awarded a rating, the fund management company may decide to acquire the instrument if said instrument meets equivalent criteria in terms of quality;
  - iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
- d. The residual maturity of each instrument may not exceed 397 days.
- e. The portfolio's weighted average maturity may not exceed 60 days.
- f. The portfolio's weighted average life may not exceed 120 days.
- g.
- i. at least 7.5% of the subfund's assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day.
  - ii. at least 15% of the subfund's assets are to be comprised of weekly or shorter-term maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days maximum, or cash which is able to be withdrawn by giving prior notice of five working days maximum. Money market instruments may be included in the weekly maturing assets within the limit of 7.5% provided they are able to be sold and paid within five working days.
- h. Furthermore, investments in units of other collective investment schemes (target funds) are not permitted.
- i. "USD" designates the reference currency as the currency in which the performance of the subfund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.
- j. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.
- k. The fund management company takes environmental, social and governance ("ESG") criteria into account as follows:
- i. The fund management company initially applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms; this approach is described in more detail in the prospectus. Furthermore, the fund management company includes ESG criteria (taking account of the extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.
  - ii. In addition, the management retains in the fund's portfolio only those issuers that can be considered, on the basis of ratings allocated by recognised providers or by the management itself, to have the best profile in terms of complying with ESG criteria in the course of their activities. The proportion of the investments in the portfolio that are subject to an ESG rating is at least



90% of the net assets excluding cash and short-term deposits.

The details of this responsible investment policy are also published in the prospectus.

### *Pictet CH - Swiss Mid Small Cap*

#### 12. In respect of the **Pictet CH - Swiss Mid Small Cap** subfund:

- a. The fund management company shall invest at least two-thirds of total assets in:
  - i. equities and book-entry securities (shares, dividend-right certificates, ownership shares, participation certificates, etc.) issued by small and mid-cap companies which are registered in or carry out the greater part of their activity in Switzerland as defined in the classification used by the governing bodies of the Swiss stock exchange when calculating the "Swiss Performance Index Extra" (SPI Extra). At least 51% of the net assets of the Subfund must be invested in physical equities (to the exclusion of American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), derivatives and any lent securities) that are listed on a stock exchange;
  - ii. units of other collective investment schemes which according to their documents invest their assets or a part thereof in accordance with the guidelines of the present investment fund;
  - iii. derivatives (including warrants) on the above investments.

In the case of investments in other collective investment schemes pursuant to point ii. above, the fund management company shall ensure that at least two-thirds of the target fund's assets on a consolidated basis are invested in investments pursuant to lit. a above.

- b. Subject to the provisions of lit. c, the fund management company may also invest up to a maximum of one-third of the subfund's total assets in:
  - i. bonds, including convertible bonds, convertible notes, bonds with warrants, notes, and other fixed or variable-interest debt

instruments and rights denominated in Swiss francs and issued by private and public borrowers;

- ii. money market instruments denominated in Swiss francs and issued by Swiss and foreign issuers;
  - iii. units of collective investment schemes that do not meet the above-mentioned requirements;
  - iv. derivatives (including warrants) on the above investments.
- c. The fund management company must also comply with the following investment restrictions, which refer to the total assets of the subfund:
    - i. other collective investment schemes up to a total of 10%;
    - ii. bonds up to a total of 10%.
  - d. The fund management company takes environmental, social and governance criteria into account as follows:
    - i. The fund management company initially applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.
    - ii. The management ensures on a monthly basis that the ESG profile of the fund is better than that of the benchmark index.

In order to do so, it calculates their respective ESG scores, based on the ESG ratings allocated to the underlying issuers by recognised providers or by the management itself. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits. If the comparison of the respective scores indicates that the ESG profile of the fund is not better than that of the benchmark index, the management undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the fund once again has an ESG profile better than that of the benchmark index.

- iii. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria. It undertakes to exercise voting rights methodically.

The details of this responsible investment policy are also published in the prospectus.

#### *Pictet CH - Swiss Market Tracker*

#### 13. In respect of the *Pictet CH - Swiss Market Tracker* subfund:

- a. The fund management company shall invest at least two-thirds of total assets in:
  - i. equities, other ownership shares (shares in cooperatives, participation certificates, etc.) or dividend-right certificates issued by companies which are registered in or carry out the greater part of their business activity in Switzerland. At least 51% of the net assets of the Subfund must be invested in physical equities (to the exclusion of American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), derivatives and any lent securities) that are listed on a stock exchange;
  - ii. derivatives (including warrants) on the above investments.
- b. The fund management company may also invest up to a maximum of one-third of the subfund's total assets in:

- i. equities, other ownership shares (shares in cooperatives, participation certificates, etc.) or dividend-right certificates issued by companies which do not fulfil the requirements described in lit. a.i. above;
  - ii. bonds issued by companies and corporations under Swiss public law amounting to up to 20% of the total fund assets;
  - iii. derivatives (including warrants) on the above investments;
- c. The fund management company may also invest up to 10% of total fund assets in units of collective investment schemes which invest their assets in accordance with the guidelines of the present fund, or in units in money market investment funds. In addition, direct investments in real estate are not authorized.
  - d. The management company may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria. It undertakes to exercise voting rights methodically.

#### *Pictet CH - EUR Bonds*

#### 14. In respect of the *Pictet CH - EUR Bonds* subfund:

- a. The fund management company shall invest at least two-thirds of total assets in:
  - i. bonds (including convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights denominated in euros and issued by private or public borrowers;
  - ii. units of other collective investment schemes which according to their documentation invest their assets or a part thereof in accordance with the guidelines of the present subfund;
  - iii. derivatives (including warrants) on the above investments.

In the case of investments in other collective investment schemes pursuant to point ii. above, the fund management company shall ensure that at least two-thirds of the subfund's assets on a consolidated basis are

- invested in investments pursuant to lit. a above.
- b. Subject to the provisions of lit. c, the fund management company may also invest up to a maximum of one-third of the subfund's total assets in:
- i. debt instruments and rights from issuers that do not meet the requirements specified above with regard to currency;
  - ii. money market instruments denominated in euros or other currencies and issued by private or public borrowers;
  - iii. units in other collective investment schemes that do not meet the requirements specified in lit. a.ii above;
  - iv. derivatives (including warrants) on the above investments.
- c. The fund management company must also comply with the following investment restrictions, which refer to the total assets of the subfund:
- i. convertible bonds, convertible notes and bonds with warrants (maximum 25%);
  - ii. equities and other participation rights and book-entry securities up to a total of 10%;
  - iii. other collective investment schemes up to a total of 10%.
- d. The fund management company takes environmental, social and governance criteria into account as follows:
- i. The fund management company initially applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.
  - ii. The management ensures on a monthly basis that the ESG profile of the subfund is better than that of the benchmark index. In order to do so, it calculates their respective ESG scores, based on the ESG ratings allocated to the underlying issuers by recognised providers or by the management itself. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 90% of the net assets excluding cash and short-term deposits. If the comparison of the respective scores indicates that the ESG profile of the subfund is not better than that of the benchmark index, the management undertakes to modify the portfolio, within a reasonable period and taking account of the interests of the investors, so that the subfund once again has an ESG profile better than that of the benchmark index.
  - iii. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.
- The details of this responsible investment policy are also published in the prospectus.
- Pictet CH - Short-Term Money Market CHF*
15. In respect of the *Pictet CH - Short-Term Money Market CHF* subfund, which is a short-term money market fund:
- a. The investment objective of this subfund is principally to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity and observing a risk-spreading policy. The fund management company will invest the subfund's assets in:
    - i. money market instruments denominated in Swiss francs, euros, US dollars, pounds sterling and other foreign currencies

whether issued by a country government, public-law corporation or private debtor;

- ii. bank balances held at Swiss or foreign banks and denominated in Swiss francs, euros, US dollars, pounds sterling or other foreign currencies;
- iii. bonds (excluding convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-rate debt securities and debt rights denominated in Swiss francs, euros, US dollars, pounds sterling and other currencies whether from private or public debtors.
- iv. units of other collective investment schemes (target funds) investing in money market instruments, up to a maximum of 10% of the subfund's total assets.
- v. derivative instruments.

The fund management company may use investments in derivative financial instruments pursuant to point v. above for hedging purposes only, in accordance with the currency investment strategy.

- b. The fund management company will invest in instruments rated as follows:
  - i. Each of the recognised credit rating agencies to have awarded the instrument a short-term rating must have awarded it one of its two highest short-term ratings; in the absence of a short-term rating, each of the agencies to have awarded a long-term rating must have awarded a long-term rating equivalent to one of its two highest short-term ratings.
  - ii. If one of the agencies has awarded a lower rating, the latter will apply;
  - iii. If none of the recognised credit rating agencies has awarded a rating, the fund management company may decide to acquire the instrument if the latter meets equivalent criteria in terms of quality;
  - iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
- c. The residual maturity of each instrument may not exceed 397 days.
- d. The portfolio's weighted average maturity may not exceed 60 days.
- e. The portfolio's weighted average life may not exceed 120 days.
- f.
  - i. at least 7.5% of the subfund's assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day.
  - ii. at least 15% of the subfund's assets are to be comprised of weekly or shorter-term maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days maximum, or cash which is able to be withdrawn by giving prior notice of five working days maximum. Money market instruments, or shares or units of other money market funds, may be included in the weekly maturing assets within the limit of 7.5% provided they are able to be sold and paid within five working days.
- g. The fund management company may invest up to 10% of the total assets of the subfund in other securities and rights that do not meet the requirements of lit. a or in claims that are not money market instruments and have characteristics equivalent to those of securities, are negotiable and transferable, and whose value can be determined each time units are issued or redeemed.
- h. "CHF" designates the reference currency as the currency in which the performance of the subfund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.
- i. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.

j. The fund management company takes environmental, social and governance criteria into account as follows:

- i. The fund management company initially applies an exclusion approach (negative screening) whereby it excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the sub-fund's portfolio is determined.
- ii. The management applies an investment process that favours securities with medium or low sustainability risks. This process is based on the ESG ratings allocated to the underlying issuers by recognised providers or by the management itself. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 80% of the net assets excluding cash and short-term deposits.
- iii. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.

The details of this responsible investment policy are also published in the prospectus.

*Pictet CH - Short-Term Money Market EUR*

16. In respect of the *Pictet CH - Short-Term Money Market EUR* subfund, which is a short-term money market fund:

- a. The investment objective of this subfund is principally to offer investors a high degree of

preservation of capital and stability of value while achieving an appropriate return and high liquidity and observing a risk-spreading policy. The fund management company will invest the subfund's assets in:

- i. money market instruments denominated in Swiss francs, euros, US dollars, pounds sterling and other foreign currencies whether issued by a country government, public-law corporation or private debtor;
  - ii. bank balances held at Swiss or foreign banks and denominated in Swiss francs, euros, US dollars, pounds sterling or other foreign currencies;
  - iii. bonds (excluding convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-rate debt securities and debt rights denominated in Swiss francs, euros, US dollars, pounds sterling and other currencies whether from private or public debtors.
  - iv. units of other collective investment schemes (target funds) investing in money market instruments, up to a maximum of 10% of the sub-fund's total assets.
  - v. derivative instruments.
- b. The fund management company may use investments in derivative financial instruments pursuant to point v. above for hedging purposes only, in accordance with the currency investment strategy. The fund management company will invest in instruments rated as follows:
- i. Each of the recognised credit rating agencies to have awarded the instrument a short-term rating must have awarded it one of its two highest short-term ratings; in the absence of a short-term rating, each of the agencies to have awarded a long-term rating must have awarded a long-term rating equivalent to one of its two highest short-term ratings.
  - ii. If one of the agencies has awarded a lower rating, the latter will apply;
  - iii. If none of the recognised credit rating agencies has awarded a rating, the fund management company may decide to



- acquire the instrument if the latter meets equivalent criteria in terms of quality;
- iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
  - c. The residual maturity of each instrument may not exceed 397 days.
  - d. The portfolio's weighted average maturity may not exceed 60 days.
  - e. The portfolio's weighted average life may not exceed 120 days.
  - f.
    - i. at least 7.5% of the subfund's assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day.
    - ii. at least 15% of the subfund's assets are to be comprised of weekly or shorter-term maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days maximum, or cash which is able to be withdrawn by giving prior notice of five working days maximum. Money market instruments, or shares or units of other money market funds, may be included in the weekly maturing assets within the limit of 7.5% provided they are able to be sold and paid within five working days.
  - g. The fund management company may invest up to 10% of the total assets of the subfund in other securities and rights which do not meet the requirements of lit. a or in claims which are not money market instruments and have characteristics equivalent to those of securities, are negotiable and transferable, and whose value can be determined each time units are issued or redeemed.
  - h. "EUR" designates the reference currency as the currency in which the performance of the subfund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.
  - i. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.
  - j. The fund management company takes environmental, social and governance criteria into account as follows:
    - i. The fund management company initially applies an exclusion approach (negative screening) whereby it excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.
    - ii. The management applies an investment process that favours securities with medium or low sustainability risks. This process is based on the ESG ratings allocated to the underlying issuers by recognised providers or by the management itself. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 80% of the net assets excluding cash and short-term deposits.
    - iii. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.
- The details of this responsible investment policy are also published in the prospectus.

*Pictet CH - Short-Term Money Market USD*

17. In respect of the **Pictet CH - Short-Term Money Market USD** subfund, which is a short-term money market fund:

- a. The investment objective of this subfund is principally to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity and observing a risk-spreading policy. The fund management company will invest the subfund's assets in:
  - i. money market instruments denominated in Swiss francs, euros, US dollars, pounds sterling and other foreign currencies whether issued by a country government, public-law corporation or private debtor;
  - ii. bank balances held at Swiss or foreign banks and denominated in Swiss francs, euros, US dollars, pounds sterling or other foreign currencies;
  - iii. bonds (excluding convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-rate debt securities and debt rights denominated in Swiss francs, euros, US dollars, pounds sterling and other currencies whether from private or public debtors.
  - iv. units of other collective investment schemes (target funds) investing in money market instruments, up to a maximum of 10% of the subfund's total assets.
  - v. derivative instruments.

The fund management company may use investments in derivative financial instruments as per point v. above for active portfolio management purposes in accordance with the investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only.

- b. The fund management company will invest in instruments rated as follows:
  - i. Each of the recognised credit rating agencies to have awarded the instrument a short-term rating must have awarded it one of its two highest short-term ratings; in the absence of a short-term rating, each

of the agencies to have awarded a long-term rating must have awarded a long-term rating equivalent to one of its two highest short-term ratings.

- ii. If one of the agencies has awarded a lower rating, the latter will apply;
  - iii. If none of the recognised credit rating agencies has awarded a rating, the fund management company may decide to acquire the instrument if the latter meets equivalent criteria in terms of quality;
  - iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
- c. The residual maturity of each instrument may not exceed 397 days.
  - d. The portfolio's weighted average maturity may not exceed 60 days.
  - e. The portfolio's weighted average life may not exceed 120 days.
  - f.
    - i. at least 7.5% of the subfund's assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day.
    - ii. at least 15% of the subfund's assets are to be comprised of weekly or shorter-term maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days maximum, or cash which is able to be withdrawn by giving prior notice of five working days maximum. Money market instruments, or shares or units of other money market funds, may be included in the weekly maturing assets within the limit of 7.5% provided they are able to be sold and paid within five working days.
  - g. The fund management company may invest up to 10% of the total assets of the subfund in other securities and rights which do not meet the requirements of lit. a or in claims which



- are not money market instruments and have characteristics equivalent to those of securities, are negotiable and transferable, and whose value can be determined each time units are issued or redeemed.
- h. "USD" designates the reference currency as the currency in which the performance of the subfund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.
- i. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.
- j. The fund management company takes environmental, social and governance criteria into account as follows:
- i. The fund management company initially applies an exclusion approach (negative screening) whereby it excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.
  - ii. The management applies an investment process that favours securities with medium or low sustainability risks. This process is based on the ESG ratings allocated to the underlying issuers by recognised providers or by the management itself. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 80% of the net assets excluding cash and short-term deposits.
  - iii. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.
- The details of this responsible investment policy are also published in the prospectus.
- Pictet CH - Short-Term Money Market GBP*
18. In respect of the **Pictet CH - Short-Term Money Market GBP** subfund, which is a short-term money market fund:
- a. The investment objective of this subfund is principally to offer investors a high degree of preservation of capital and stability of value while achieving an appropriate return and high liquidity and observing a risk-spreading policy. The fund management company will invest the subfund's assets in:
    - i. money market instruments denominated in Swiss francs, euros, US dollars, pounds sterling and other foreign currencies whether issued by a country government, public-law corporation or private debtor;
    - ii. bank balances held at Swiss or foreign banks and denominated in Swiss francs, euros, US dollars, pounds sterling or other foreign currencies;
    - iii. bonds (excluding convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-rate debt securities and debt rights denominated in Swiss francs, euros, US dollars, pounds sterling and other currencies whether from private or public debtors.
    - iv. units of other collective investment schemes (target funds) investing in money market instruments, up to a maximum of 10% of the sub-fund's total assets.
    - v. derivative instruments.
  - b. The fund management company may use investments in derivative financial instruments pursuant to point v. above for hedging purposes only, in accordance with the currency investment strategy. The fund management

company will invest in instruments rated as follows:

- i. Each of the recognised credit rating agencies to have awarded the instrument a short-term rating must have awarded it one of its two highest short-term ratings; in the absence of a short-term rating, each of the agencies to have awarded a long-term rating must have awarded a long-term rating equivalent to one of its two highest short-term ratings.
  - ii. If one of the agencies has awarded a lower rating, the latter will apply;
  - iii. If none of the recognised credit rating agencies has awarded a rating, the fund management company may decide to acquire the instrument if the latter meets equivalent criteria in terms of quality;
  - iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
- c. The residual maturity of each instrument may not exceed 397 days.
  - d. The portfolio's weighted average maturity may not exceed 60 days.
  - e. The portfolio's weighted average life may not exceed 120 days.
  - f.
    - i. at least 7.5% of the subfund's assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day.
    - ii. at least 15% of the subfund's assets are to be comprised of weekly or shorter-term maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days maximum, or cash which is able to be withdrawn by giving prior notice of five working days maximum. Money market instruments, or shares or units of other money market funds, may be included in the weekly maturing assets within the limit of 7.5% provided they are able to be sold and paid within five working days.
  - g. The fund management company may invest up to 10% of the total assets of the subfund in other securities and rights which do not meet the requirements of lit. a or in claims which are not money market instruments and have characteristics equivalent to those of securities, are negotiable and transferable, and whose value can be determined each time units are issued or redeemed.
  - h. "GBP" designates the reference currency as the currency in which the performance of the subfund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.
  - i. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.
  - j. The fund management company takes environmental, social and governance criteria into account as follows:
    - i. The fund management company initially applies an exclusion approach (negative screening) whereby it excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined.

- ii. The management applies an investment process that favours securities with medium or low sustainability risks. This process is based on the ESG ratings allocated to the underlying issuers by recognised providers or by the management itself. The proportion of the investments in the portfolio that are subject to an ESG rating is at least 80% of the net assets excluding cash and short-term deposits.
- iii. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.

The details of this responsible investment policy are also published in the prospectus.

#### *Pictet CH - Enhanced Liquidity CHF*

#### 19. In respect of the **Pictet CH - Enhanced Liquidity CHF** subfund, which is a money market fund:

- a. The objective of the subfund is to offer investors a high degree of capital preservation while obtaining a monetary performance profile by investing in accordance with the investment policy described below. The fund management company will invest the subfund's assets in:
  - i. money market instruments denominated in any currency issued by a country, public-law entity or private borrower;
  - ii. cash at banks denominated in any currency and held by Swiss and foreign banks;
  - iii. bonds (excluding convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-rate debt securities and debt rights denominated in any currency held by Swiss and foreign banks and issued by private and public issuers.
  - iv. units of other collective investment schemes (target funds) investing in money market instruments, up to a maximum of 10% of the sub-fund's total assets.
  - v. derivative instruments.

The fund management company may use investments in derivative financial instruments as per point v. above for active portfolio management purposes in accordance with the investment strategy. Derivatives exposed to

currency risk are permitted for hedging purposes only.

- b. The fund management company will invest in instruments rated as follows:
  - i. Each of the recognised credit rating agencies to have awarded the instrument a short-term rating must have awarded it one of its two highest short-term ratings; in the absence of a short-term rating, each of the agencies to have awarded a long-term rating must have awarded a long-term rating equivalent to one of its two highest short-term ratings. However, instruments issued or guaranteed by a central, regional or local authority of a member state of the European Union, or by the European Central Bank, the European Union or the European Investment Bank may be given at least an investment grade rating.
  - ii. If one of the agencies has awarded a lower rating, the latter will apply;
  - iii. If none of the recognised credit rating agencies has awarded a rating, the fund management company may decide to acquire the instrument if the latter meets equivalent criteria in terms of quality;
  - iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
- c. The residual maturity of each instrument may not exceed 2 years, provided that the remaining period until the next date on which the interest rate is due to be adjusted does not exceed 397 days.
- d. The portfolio's weighted average maturity may not exceed 6 months.
- e. The portfolio's weighted average life may not exceed 12 months.
- f. "CHF" designates the reference currency as the currency in which the performance of the subfund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.

- g. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.
- h. The fund management company applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.

### *Pictet CH - Enhanced Liquidity EUR*

20. In respect of the **Pictet CH - Enhanced Liquidity EUR** subfund, which is a money market fund:

- a. The objective of the subfund is to offer investors a high degree of capital preservation while obtaining a monetary performance profile by investing in accordance with the investment policy described below. The fund management company will invest the subfund's assets in:
    - i. money market instruments denominated in any currency issued by a country, public-law entity or private borrower;
    - ii. cash at banks denominated in any currency and held by Swiss and foreign banks;
    - iii. bonds (excluding convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-rate debt securities and debt rights denominated in any
      - currency held by Swiss and foreign banks and issued by private and public issuers.
  - iv. units of other collective investment schemes (target funds) investing in money market instruments, up to a maximum of 10% of the sub-fund's total assets.
  - v. derivative instruments.
- The fund management company may use investments in derivative financial instruments as per point v. above for active portfolio management purposes in accordance with the investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only.
- b. The fund management company will invest in instruments rated as follows:
    - i. Each of the recognised credit rating agencies to have awarded the instrument a short-term rating must have awarded it one of its two highest short-term ratings; in the absence of a short-term rating, each of the agencies to have awarded a long-term rating must have awarded a long-term rating equivalent to one of its two highest short-term ratings. However, instruments issued or guaranteed by a central, regional or local authority of a member state of the European Union, or by the European Central Bank, the European Union or the European Investment Bank may be given at least an investment grade rating.
    - ii. If one of the agencies has awarded a lower rating, the latter will apply;
    - iii. If none of the recognised credit rating agencies has awarded a rating, the fund management company may decide to acquire the instrument if the latter meets equivalent criteria in terms of quality;
    - iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
  - c. The residual maturity of each instrument may not exceed two years, provided that the remaining period until the next date on which

the interest rate is due to be adjusted does not exceed 397 days.

- d. The portfolio's weighted average maturity may not exceed 6 months.
- e. The portfolio's weighted average life may not exceed 12 months.
- f. "EUR" designates the reference currency as the currency in which the performance of the sub-fund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.
- g. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.
- h. The fund management company applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their weighting in the subfund's portfolio is determined. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.

### *Pictet CH - Enhanced Liquidity USD*

21. In respect of the **Pictet CH - Enhanced Liquidity USD** subfund, which is a money market fund:
  - a. The objective of the subfund is to offer investors a high degree of capital preservation while obtaining a monetary performance profile by

investing in accordance with the investment policy described below. The fund management company will invest the subfund's assets in:

- i. money market instruments denominated in any currency issued by a country, public-law entity or private borrower;
- ii. cash at banks denominated in any currency and held by Swiss and foreign banks;
- iii. bonds (excluding convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-rate debt securities and debt rights denominated in any currency held by Swiss and foreign banks and issued by private and public issuers.
- iv. units of other collective investment schemes (target funds) investing in money market instruments, up to a maximum of 10% of the sub-fund's total assets.
- v. derivative instruments.

The fund management company may use investments in derivative financial instruments as per point v. above for active portfolio management purposes in accordance with the investment strategy. Derivatives exposed to currency risk are permitted for hedging purposes only.

- b. The fund management company will invest in instruments rated as follows:
  - i. Each of the recognised credit rating agencies to have awarded the instrument a short-term rating must have awarded it one of its two highest short-term ratings; in the absence of a short-term rating, each of the agencies to have awarded a long-term rating must have awarded a long-term rating equivalent to one of its two highest short-term ratings. However, instruments issued or guaranteed by a central, regional or local authority of a member state of the European Union, or by the European Central Bank, the European Union or the European Investment Bank may be given at least an investment grade rating.
  - ii. If one of the agencies has awarded a lower rating, the latter will apply;
  - iii. If none of the recognised credit rating agencies has awarded a rating, the fund



management company may decide to acquire the instrument if the latter meets equivalent criteria in terms of quality;

- iv. If the quality of the instrument determined in the manner described in the preceding paragraphs subsequently declines, it will be sold within a reasonable period, taking due account of the investors' interests.
- c. The residual maturity of each instrument may not exceed two years, provided that the remaining period until the next date on which the interest rate is due to be adjusted does not exceed 397 days.
- d. The portfolio's weighted average maturity may not exceed 6 months.
- e. The portfolio's weighted average life may not exceed 12 months.
- f. "USD" designates the reference currency as the currency in which the performance of the subfund is measured and in which the investor "thinks". The reference currency is not necessarily identical to the subfund's investment currencies.
- g. The fund management company is free to choose the investment currencies. If the investments are not made in the reference currency of the subfund, the currency exposure is fully hedged.
- h. The fund management company applies an exclusion approach (negative screening) whereby it systematically excludes companies on the basis of their controversial activities or their breaches of international norms, and countries on the basis of the international sanctions to which they are subject; this approach is described in more detail in the prospectus. It ensures that the related target funds (within the meaning of prov. 1, lit. d) apply, at a minimum, the same exclusion policy; however, collective investments managed by third parties do not necessarily apply the same exclusion policy. Furthermore, the fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); the ESG characteristics of issuers are taken into account at the time they are selected and at the time their

weighting in the subfund's portfolio is determined. The management may enter into a dialogue with issuers in order to exert a positive influence on practices relating to ESG criteria.

22. Derivatives are subject to counterparty risk, in addition to market risk; in other words, there is a risk that the contracting party may not honour its commitments and may thus cause a financial loss.
23. The fund management company ensures that the liquidity of the subfunds is managed appropriately. The details are set forth in the prospectus.

#### §9. Cash

The fund management company may also hold liquid assets for each subfund in an appropriate amount in the accounting currency of the subfund concerned and in any other currency in which investments are permitted. Liquid assets comprise bank deposits as well as claims from repurchase (repo) or reverse repurchase agreements at sight or on demand with maturities of up to twelve months.

### B. Investment techniques and instruments

#### §10. Securities lending

1. The fund management company may lend all types of securities which are traded on an exchange or a regulated market open to the public. However, it may not lend securities acquired under a reverse repo agreement.
2. The fund management company may lend securities to a borrower in its own name and for its own account ("Principal") or appoint an intermediary to put the securities at the disposal of the borrower either indirectly on a fiduciary basis ("Agent") or directly ("Finder").
3. The fund management company may enter into securities lending transactions only with regulated first-class borrowers or intermediaries specialising in transactions of this type, such as banks, brokerage firms and insurance companies, as well as recognised and authorised central counterparties and central depositories which

can be relied upon to guarantee the proper execution of the securities lending transactions.

4. Provided that the fund management company must observe a notice period, which may not be more than 7 bank working days, before it can legally repossess the loaned securities, it may not lend more than 50% of the eligible holding of a particular security per subfund. However, should the borrower or the intermediary contractually guarantee to the fund management company that it may legally repossess loaned securities on the same or following bank working day, then the entire eligible holding of a particular security may be lent.
  5. The fund management company will enter into an agreement with the borrower or intermediary whereby the latter must pledge or transfer collateral to the fund management company for the purposes of guaranteeing restitution in accordance with Art. 51 CISO-FINMA. The value of the collateral must be appropriate and must at all times be equal to at least 100% of the market value of the loaned securities. However, it is the management company's objective that the value of the collateral represents at least 105% of the market value of the loaned securities, or at least 102% if the collateral consists of (i) liquid assets or (ii) fixed or variable-interest securities that have a current long-term rating of at least "AAA", "Aaa" or the equivalent from a ratings agency recognised by FINMA. The issuer of the collateral must be highly solvent and the collateral may not be issued by the counterparty or by a company that forms part of the counterparty's group or that is dependent on the counterparty. The collateral must be very liquid, must be traded at a transparent price on a stock market or other regulated market that is open to the public and must be valued on at least every stock market trading day. With regard to collateral management, the fund management company or its agents must fulfil the obligations and requirements within the meaning of Art. 52 CISO-FINMA. In particular, they must ensure appropriate diversification of the collateral in terms of countries, markets and issuers. Diversification in terms of issuers is deemed to be appropriate when the collateral held in relation to a single issuer does not exceed 20% of the net asset value. Exceptions may be made with regard to investments issued or guaranteed by public-law institutions as defined in Article 83 CISO. Moreover, the fund management or its agents must at all times have the power and the capacity, without any intervention by or the agreement of the counterparty, to dispose of the collateral should the counterparty fail. The collateral provided must be held by the custodian bank. The collateral provided may be held in safekeeping by a third-party depository subject to supervision, at the fund management's request, if ownership of the collateral has not been transferred and if the third-party depository is independent of the counterparty.
  6. The borrower or intermediary is liable for ensuring the prompt, unconditional payment of any income accruing during the lending period, as well as for the assertion of other proprietary rights and for the contractually agreed return of securities of the same type, quantity and quality.
  7. The custodian bank ensures that the securities-lending transactions are handled in a secure manner in line with the agreements and, in particular, monitors compliance with the requirements relating to collateral. For the duration of the lending transactions it is also responsible for the administrative duties assigned to it under the custody account regulations and for asserting all rights associated with the loaned securities, provided these have not been ceded under the terms of an applicable framework agreement.
  8. The prospectus contains further information on the collateral strategy.
  9. Securities lending is not authorised for the sub-fund Pictet CH - CHF Bonds ESG Tracker.
- §11. Securities repurchase agreements
1. The fund management company may enter into securities repurchase agreements for the account of the subfunds. Such agreements can be concluded as either repos or reverse repos. A repo is a legally binding transaction whereby one party (the borrower or repo seller) undertakes to temporarily transfer ownership of specific securities to another (the lender or repo buyer) against remuneration, while the lender undertakes to return to the borrower securities of the same type, quantity and quality at the end of the repo term together with any income earned during such term. The price risk associated with the



securities is borne by the borrower for the duration of the repo transaction. From the perspective of the counterparty, a repo is a reverse repo. By means of a reverse repo, the fund management company acquires securities for investment purposes and at the same time agrees to return securities and rights of the same type, quantity and quality and to transfer all income received during the term of the reverse repurchase agreement.

2. The fund management company may conduct repurchase agreements in its own name and on its own account with a counterparty ("Principal"), or may instruct an intermediary to conclude repurchase agreements with a counterparty either indirectly in a fiduciary capacity ("Agent") or directly ("Finder").
3. The fund management company may conduct repurchase agreements only with regulated first-class counterparties and intermediaries specialising in transactions of this type, such as banks, brokerage firms and insurance companies as well as recognised and authorised central counterparties and central depositories which can be relied upon to guarantee the proper execution of the repurchase agreements.
4. The custodian bank shall ensure that the repurchase agreements are conducted in a secure manner and that the contractual terms are complied with. It shall ensure that fluctuations in the value of the securities used in the repo transactions are compensated in cash or securities (mark to market). It is also responsible for the administrative duties assigned to it under the custody account regulations and for asserting all rights pertaining to the securities used in the repo transactions, provided these have not been ceded under the terms of an applicable framework agreement.
5. For repo transactions, the fund management company may use all types of securities that are traded on an exchange or a regulated market open to the public. Securities acquired under a reverse repo may not be used for repo purposes.
6. Provided that the fund management company must observe a notice period, which may not be more than 7 bank working days, before it can legally repossess the securities used in a repo transaction, it may not use more than 50% of the eligible holding of a particular security per sub-fund. However, should the counterparty or the agent contractually commit to the fund management company that it may legally repossess securities used in a repo transaction on the same or following bank working day, then the entire holdings of a particular security eligible for repo transactions may be used.
7. Engaging in repo transactions is deemed to be taking up a loan pursuant to §13, unless the money received is used to acquire securities of the same type, quality, credit rating and maturity in conjunction with the conclusion of a reverse repo.
8. With regard to reverse repos, the fund management company may only accept collateral as defined in Art. 51 CISO-FINMA. The issuer of the collateral must be highly solvent and the collateral may not be issued by the counterparty or by a company that forms part of the counterparty's group or that is dependent on the counterparty. The collateral must be very liquid, must be traded at a transparent price on a stock market or other regulated market that is open to the public and must be valued on at least every stock market trading day. With regard to collateral management, the fund management company or its agents must fulfil the obligations and requirements within the meaning of Art. 52 CISO-FINMA. In particular, they must ensure appropriate diversification of the collateral in terms of countries, markets and issuers. Diversification in terms of issuers is deemed to be appropriate when the collateral held in relation to a single issuer does not exceed 20% of the net asset value. Exceptions may be made with regard to investments issued or guaranteed by public-law institutions as defined in Article 83 CISO. Moreover, the fund management company or its agents must at all times have the power and the capacity, without any intervention by or the agreement of the counterparty, to dispose of the collateral should the counterparty fail. The collateral provided must be held by the custodian bank. The collateral provided may be held in safekeeping by a third-party depository subject to supervision, at the fund management's request, if ownership of the collateral has not been transferred and if the third-party depository is independent of the counterparty.
9. Claims arising from reverse repos are deemed to be liquid assets pursuant to §9 and not as the grant of a loan pursuant to §13.

10. The prospectus contains further information on the collateral strategy.

#### §12. Derivative financial instruments

1. The fund management company may execute derivatives transactions. It shall ensure that even under extreme market conditions, the financial effect of the use of derivatives does not result in a deviation from the investment objectives set out in the fund contract and the key information document, and that it does not change the investment character of the fund. Furthermore, the underlyings of the derivatives must be permitted investments for the subfund in accordance with the present fund contract.
2. The Commitment II approach will be used for the assessment of risk. The overall exposure of a subfund associated with derivatives may therefore not exceed 100% of the subfund's net assets and the overall exposure of the fund may not exceed a total of 200% of the fund's net assets. Taking into account the possibility of temporary taking up credit in the maximum amount of 10% of the fund's net assets in accordance with §13 prov. 2, the fund's total exposure may rise to up to 210% of the fund's net assets. The overall exposure is calculated in accordance with Art. 35 CISO-FINMA.
3. The fund management company may in particular use basic forms of derivatives such as call and put options whose value at expiration is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference is preceded by the opposite algebraic sign, credit default swaps (CDS), swaps whose payments are dependent in both a linear and a non-path-dependent manner on the value of the underlying or on an absolute amount, as well as future and forward transactions whose value is linearly dependent on the value of the underlying. It may also use combinations of basic forms of derivatives as well as derivatives whose economic mode of operation cannot be described by a basic form of derivative or by a combination of basic forms of derivatives (exotic derivatives).
4.
  - a. Counter-positions in derivatives of the same underlying and counter-positions in derivatives and in investments in the same underlying may be netted with one another, notwithstanding the netting of the derivatives, if the derivative transaction has been concluded solely for hedging purposes in order to eliminate the risks connected with the derivatives or investments acquired, if major risks are not neglected and if the amount attributed to the derivatives is calculated in accordance with Art. 35 CISO-FINMA.
  - b. Where, during hedging, the derivatives do not relate to the same underlying as the asset to be hedged, the following conditions in addition to those stipulated under lit. a must be fulfilled by the hedge. Derivative transactions must not be based on an investment strategy aimed at realising a gain. Furthermore, the derivative must result in a demonstrable reduction in risk, the risks of the derivative must be balanced out, the derivatives, underlyings, or assets that are to be netted must relate to the same class of financial instruments, and the hedging strategy must remain effective even under exceptional market conditions.
  - c. Where interest rate derivatives are predominantly used, the amount to be included in the total exposure arising from derivative instruments can be determined using internationally recognised duration-netting rules provided that the rules result in a correct determination of the risk profile of the investment fund, the material risks are taken into account, the use of these rules does not generate an unjustified level of leverage, no interest-rate arbitrage strategies are pursued, and the leverage of the investment fund is not increased either by applying these rules or through investments in short-term positions.
  - d. Derivatives that are used solely for currency hedging purposes and do not result in leverage or contain additional market risks may be netted when calculating the overall exposure arising from derivatives without having to meet the requirements set out under lit. b.
  - e. Payment obligations in respect of derivatives must at all times be covered by near-money assets, debt securities and rights or equities that are traded on an exchange or other regulated market open to the public, in accordance with collective investment schemes legislation.

- f. Where the fund management company, by means of a derivative, enters into a commitment to physically deliver an underlying asset, the derivative must be covered by the corresponding underlyings or by other investments if the investments and underlyings are highly liquid and may be bought or sold at any time upon delivery being requested. The fund management must have access at all times and without restriction to these underlyings or investments.
5. The fund management company may use both standardised and non-standardised derivatives. It may conclude transactions in derivative financial instruments on a stock exchange or another regulated market open to the public or in OTC (over-the-counter) trading.
- 6.
- a. The fund management company may conclude OTC transactions only with regulated financial intermediaries that specialise in such types of transactions and can ensure proper execution of the contract. If the counterparty is not the custodian bank, the said counterparty or the guarantor must have a high credit rating.
  - b. It must be possible to value an OTC derivative reliably and verifiably on a daily basis and to sell, liquidate or close out the derivative at market value at any time.
  - c. If the market price for an OTC derivative is not available, it must be possible at all times to determine the price at any time using appropriate valuation models that are recognised in practice, based on the market value of the underlyings from which the derivative was derived. Before such a contract is concluded with regard to such a derivative, specific offers must in principle have been obtained from at least two counterparties. Basically, the contract must be concluded with the counterparty that submitted the most advantageous offer from a pricing perspective. Any derogations from this principle are permitted for reasons linked to the distribution of risks or when other elements of the agreement, such as the counterparty's solvency or service offering result in another offer being made which, overall, will be more advantageous for the investors. Furthermore, it is possible to waive the request for offers from at least two counterparties in exceptional circumstances in order to best serve investors' interests. The reasons for this waiver, as well as the conclusion of the agreement and the setting of the price, must be clearly documented.
  - d. As part of OTC transactions, the fund management company and its agents may only accept collateral that meets the requirements set forth in Art. 51 CISO-FINMA. The issuer of the collateral must be highly solvent and the collateral may not be issued by the counterparty or by a company that forms part of the counterparty's group or that is dependent on the counterparty. The collateral must be very liquid, must be traded at a transparent price on a stock market or other regulated market that is open to the public and must be valued on at least every stock market trading day. With regard to collateral management, the fund management company or its agents must fulfil the obligations and requirements within the meaning of Art. 52 CISO-FINMA. In particular, they must ensure appropriate diversification of the collateral in terms of countries, markets and issuers. Diversification in terms of issuers is deemed to be appropriate when the collateral held in relation to a single issuer does not exceed 20% of the net asset value. Exceptions may be made with regard to investments issued or guaranteed by public-law institutions as defined in Article 83 CISO. Moreover, the fund management or its agents must at all times have the power and the capacity, without any intervention by or the agreement of the counterparty, to dispose of the collateral should the counterparty fail. The collateral provided must be held by the custodian bank. The collateral provided may be held in safekeeping by a third-party depository subject to supervision, at the fund management's request, if ownership of the collateral has not been transferred and if the third-party depository is independent of the counterparty.
7. In respect of compliance with the statutory and contractual restrictions (maximum and minimum limits), derivatives must be dealt with in accordance with the legislation on collective investment schemes.
8. The prospectus contains further information on

- the importance of derivatives as part of the investment strategy;
- the effect of the use of derivatives on the risk profile of the subfunds;
- the counterparty risks of derivatives;
- credit derivatives;
- the increased volatility resulting from the use of derivatives and the increased overall exposure (leverage effect);
- the strategy with regard to collateral.

index is sufficiently diversified, is representative of the market it relates to and is published in an appropriate manner;

- b. liquid assets pursuant to §9;
- c. claims against counterparties arising from OTC transactions.

2. The regulations on risk distribution apply to each subfund individually.
3. Companies which form a group in accordance with international accounting regulations are deemed to be a single issuer.
4. Including derivatives and structured products, the fund management company may invest up to a maximum of 10% of the assets of a subfund in securities and money market instruments issued by the same issuer. The total value of the securities and money market instruments of issuers in which more than 5% of the total assets of a subfund are invested may not exceed 40% of the total assets of a subfund. This is subject to the provisions set out in prov. 5 and 6 below. For indexed subfunds, the fund management company may, notwithstanding the above, invest up to a maximum of 20% of the subfund's assets, including derivatives, in securities and money market instruments issued by the same issuer. In the case of a single issuer which has a strongly dominant position on a regulated market, the limit shall be increased to 35%. The issuer shall be specified in the prospectus and the key investor information document.

### §13. Borrowing and lending

1. The fund management company may not grant loans for the subfunds' account. Securities-lending transactions pursuant to §10 and securities repurchase agreements taking the form of reverse repos pursuant to §11 are not deemed to be loans within the meaning of this clause.
2. The fund management company may for each subfund borrow the equivalent of up to 10% of the net assets on a temporary basis. Securities repurchase agreements as repos pursuant to §11 are deemed to be borrowing within the meaning of this clause unless the funds obtained are used as part of an arbitrage transaction for the acquisition of securities of the same type, quality, credit rating and maturity in connection with a reverse repo.

5. The fund management company may invest up to a maximum of 20% of the total assets of a subfund in sight and term deposits with the same bank. Both liquid assets pursuant to §9 and investments in bank deposits pursuant to §8 are included in this limit.
6. The fund management company may invest up to a maximum of 5% of the total assets of a subfund in OTC transactions with the same counterparty. If the counterparty is a bank that has its registered office in Switzerland or in a member state of the European Union or in another state where it is subject to a level of supervision comparable to that exercised in Switzerland, this limit will be raised to 10% of the total assets of each subfund. If claims arising from OTC transactions are guaranteed by collateral in the form of liquid assets in accordance with articles 50 to

### §14. Encumbrance of the subfunds' assets

1. The fund management company may not pledge or cede as collateral more than 25% of a subfund's net assets.
2. The subfunds' assets may not be encumbered with guarantees. An exposure-increasing credit derivative is not deemed to be a guarantee within the meaning of this clause.

## C. Investment restrictions

### §15. Risk diversification

1. The regulations below on risk diversification must include the following:
  - a. investments pursuant to §8, with the exception of index-based derivatives, provided the



55 CISO-FINMA, such claims are not taken into consideration when calculating the counterparty risk.

7. Investments, assets and claims issued by the same issuer/borrower pursuant to prov. 4 to 6 above may not exceed in total 20% of the total assets of a subfund, with the exception of the higher limits pursuant to prov. 13 and 14 below. For indexed subfunds, the 20% limit mentioned above may be increased to 35% for the same issuer.
8. Investments pursuant to prov. 4 above issued by the same group of companies may not in total exceed 20% of the total assets of a subfund, with the exception of the higher limits pursuant to prov. 13 and 14 below. For indexed subfunds, the 20% limit mentioned above may be increased to 35% for the same issuer.
9. The fund management company may invest a maximum of 20% of the total assets of a subfund in units of the same target fund. As an exception to the above, the **Pictet CH - LPP 25** and **Pictet CH - LPP 40** may invest up to 50% of their assets in each of the following target funds: **Pictet CH - CHF Sustainable Bonds**, **Pictet CH - CHF Bonds ESG Tracker** and **Pictet CH Institutional - CHF Bonds**.
10. The fund management company may not acquire for each subfund equity securities which in total represent more than 10% of the voting rights in a company or which would enable it to exert a material influence on the management of an issuing company.
11. The fund management company may acquire for the assets of a subfund up to a maximum of 10% of the non-voting equity and debt instruments and/or money market instruments of the same issuer as well as a maximum of 25% of the units of other collective investment schemes. These restrictions do not apply if the gross amount of the debt instruments, money market instruments or units of other collective investment schemes cannot be calculated at the time of the acquisition. As an exception to the above, the **Pictet CH - LPP 25** and **Pictet CH - LPP 40** subfunds (“fund of funds subfunds”) may hold up to 100% of the units of the **Pictet CH - CHF Sustainable Bonds**, **Pictet CH - CHF Bonds ESG Tracker** and **Pictet CH Institutional - CHF Bonds** subfunds (“target subfunds”). If one of the fund of funds subfunds requests the redemption of a significant portion of the assets of one of the target subfunds, the management company must ensure that this redemption can be effected without having a prejudicial impact on the remaining investors in the target sub-fund; it is only on this condition that it can approve the redemption. If the regulations of the target subfund so provide, in order to avoid a prejudicial impact on the remaining investors, its fund management company may decide to implement gating within the target subfund (reducing all redemption requests and postponing the remaining portion to the next order day). If the redemption cannot, nonetheless, be effected without a prejudicial impact, it cannot be approved; in this case, the redemption will be suspended. The target subfund involved in the redemption request will have to be liquidated without notice, and in this case, the redemption amount will be paid to the fund of funds subfund in the form of liquidation proceeds.
12. The restrictions in prov. 10 and 11 above do not apply in the case of securities and money market instruments that are issued or guaranteed by a country or a public-law entity from the OECD or by an international public-law organisation to which Switzerland or a member state of the European Union belongs.
13. The limit in prov. 4 above is increased from 10%, or 20% for indexed subfunds, to 35% if the securities or money market instruments are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. The aforementioned securities or money market instruments will not be taken into account in the application of the 40% limit pursuant to prov. 4. The individual limits set forth in prov. 4 and 6 may not be cumulated with the above-mentioned limit of 35%. The authorised issuers and guarantors are stated in the prospectus and key information document.
14. The limit in prov. 4 above is increased from 10%, or 20% for indexed subfunds, to 100% if the securities or money market instruments are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. In this case, the subfund concerned must invest

in securities or money market instruments from at least six different issues; no more than 30% of the assets of the subfund concerned may be invested in securities or money market instruments from the same issue. The aforementioned securities or money market instruments will not be taken into account in the application of the 40% limit pursuant to prov. 4. The authorised issuers and guarantors are stated in the prospectus and key information document.

15. The following issuers and guarantors are allowed:

- Member states of the OECD;
- Singapore;
- Hong Kong;
- Swiss Cantons;
- The African Development Bank;
- The Asian Development Bank;
- The European Investment Bank;
- Eurofima;
- The Inter-American Development Bank;
- The European Bank for Reconstruction and Development;
- The Council of Europe;
- The European Union;
- The International Finance Corporation;
- The Nordic Investment Bank;
- The World Bank;
- The central banks of the member states of the OECD.

16. The 10% limit, or 20% limit for the index subfunds mentioned in prov. 4, is increased to 35% per issuer if the securities or money market instruments are issued or guaranteed by one of the two central mortgage bond institutions in Switzerland: The Central Mortgage Bond Institution of Swiss Cantonal Banks (Pfandbriefzentrale der schweizerischen Kantonalbanken) or The Mortgage Bond Bank of Swiss Mortgage Lenders (Pfandbriefbank schweizerischer Hypothekarinstitute).

#### IV. Calculation of the net asset values and subscription and redemption of units

§16. Calculation of the net asset value and application of swinging single pricing

1. The net asset value (NAV) of each subfund and the share of assets attributable to the individual classes are calculated in the accounting currency (AC) of the subfund concerned, at the market value as at the end of the financial year and for each day on which units are issued or redeemed. The net asset value will not be valued on days when the stock exchanges or markets in the countries where the subfund is invested are closed (e.g. on bank holidays and days when exchanges are closed). The fund management company may also calculate NAVs on dates on which units are not issued or redeemed ("non-tradable NAV"), such as when the last day of a calendar month falls on a Saturday, Sunday or bank holiday; these non-tradable NAVs may be published but may only be used for producing performance measurement calculations and statistics (in particular so that comparisons can be made with the benchmark indices) or for calculating fees, and may not in any circumstances be used as a basis for subscription or redemption orders.
2. Securities traded on a stock exchange or another regulated market open to the public are valued at the current prices paid on the main market. Other investments or investments for which no current market value is available shall be valued at the price which would probably be obtained in a diligent sale at the time of the valuation. In such cases, the fund management company shall use appropriate and recognised valuation models and principles to determine the market value.
3. Open-ended collective investment schemes are valued at their redemption price or net asset value. If they are regularly traded on a stock exchange or another regulated market open to the public, the fund management company can value such funds in accordance with prov. 2.
4. Money market instruments are valued as follows:
  - a. For the subfunds **Pictet CH - Sovereign Short-Term Money Market CHF**, **Pictet CH - Sovereign Short-Term Money Market EUR**, **Pictet CH - Sovereign Short-Term Money Market USD**, **Pictet CH - Short-Term Money Market**

CHF, Pictet CH - Short-Term Money Market EUR, Pictet CH - Short-Term Money Market USD et Pictet CH - Short-Term Money Market GBP, Pictet CH - Enhanced Liquidity CHF, Pictet CH - Enhanced Liquidity EUR and Pictet CH - Enhanced Liquidity USD, money market instruments are valued in accordance with prov. 2 if they are traded on an exchange or any other regulated market open to the public; those that are not are marked to market with the projected interest income on the settlement date of a transaction carried out in these subfunds on the pricing date.

- b. For the other subfunds, the money market instruments are valued in accordance with prov. 2 if they are traded on an exchange or any other regulated market; those that are not are marked to market.

The valuation basis of the different investments thus reflects market returns. If there is no current market price in such instances, the calculations are as a rule based on the valuation of money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, term to maturity).

5. Bank deposits are valued on the basis of the amount due plus accrued interest. If there are significant changes in the market conditions or the credit rating, the valuation principles for time deposits will be adjusted in line with the new circumstances.
6. The net asset value of a unit of a given class of a subfund is determined by the proportion of this subfund's assets as valued at the market value attributable to the given unit class, less any of this subfund's liabilities that are attributed to the given unit class, divided by the number of units of the given class in circulation. The net asset value of each subfund is rounded to the nearest AC 0.01.
7. The share of the market value of the net assets of a subfund (a subfund's assets less liabilities) attributable to the respective unit classes is determined for the first time at the initial issue of more than one class of units (if this occurs simultaneously) or at the initial issue of a further unit class. The calculation is made on the basis of the assets accruing to the subfund concerned for each unit class. The proportion is recalculated whenever one of the following events occurs:
  - a. when units are issued and redeemed;
  - b. on the pertinent date for distributions, provided that
    - i. such distributions are made only for individual unit classes (distribution classes) or provided that
    - ii. the distributions of the various unit classes differ when expressed as a percentage of the respective net asset values or provided that
    - iii. different commissions or costs are charged on the distributions of the various unit classes when expressed as a percentage of the distribution;
  - c. when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued costs and commissions) to the various unit classes, provided that the liabilities of the various unit classes are different when expressed as a percentage of the respective net asset value, especially if
    - i. different commission rates are applied for the various unit classes or if
    - ii. class-specific costs are charged;
  - d. when the net asset value is calculated, as part of the allocation of income or capital gains to the various unit classes, provided that the income or capital gains stem from transactions made solely in the interests of one unit class or in the interests of several unit classes but disproportionately to their share of the net assets of a subfund.
8. In the case of a request for a subscription or redemption in cash for the Pictet CH - CHF Sustainable Bonds, Pictet CH - CHF Short Mid Term Bonds, Pictet CH - CHF Bonds Tracker, Pictet CH - CHF Bonds ESG Tracker, Pictet CH - LPP 25, Pictet CH - LPP 40, Pictet CH - Global Equities, Pictet CH - Swiss Mid Small Cap, Pictet CH - Swiss Market Tracker and Pictet CH - EUR Bonds subfunds, when, for a given day, the total amount of issues and redemptions of units in categories "I", "J", "P", "R" and "F" within the subfund leads to a rise or fall in the net asset value, the net asset value assessed is revised upwards or downwards ("swinging single pricing"). The maximum adjustment is the following percentage of the net asset value assessed:



**Maximum adjustment of the net asset value assessed**

SUBFUND	PERCENTAGE OF THE NET ASSET VALUE ASSESSED
<ul style="list-style-type: none"> <li>• Pictet CH - CHF Short-Mid Term Bonds</li> <li>• Pictet CH - CHF Sustainable Bonds</li> <li>• Pictet CH - LPP 25</li> <li>• Pictet CH - LPP 40</li> <li>• Pictet CH - Global Equities</li> <li>• Pictet CH - Swiss Mid Small Cap</li> <li>• Pictet CH - EUR Bonds</li> </ul>	Up to 2% maximum
<ul style="list-style-type: none"> <li>• Pictet CH - CHF Bonds Tracker</li> <li>• Pictet CH - CHF Bonds ESG Tracker</li> <li>• Pictet CH - Swiss Market Tracker</li> </ul>	Up to 1% maximum

Incidental fees (difference between purchase and sale price, standard brokerage charges, fees, taxes, etc.), as well as the costs of verifying and maintaining quality standards in the case of physical investments, arising from an investment or sale relating to the net flow of assets into or out of the subfund are taken into account in this calculation. The adjustment leads to a rise in the NAV assessed if the net flow corresponds to a rise in the number of units in the subfund. The adjustment leads to a fall in the NAV assessed if the net flow corresponds to a decrease in the number of units. The net asset value after applying the swinging single pricing method is adjusted in accordance with the first sentence under this point. These portfolio adjustment costs are not taken into account in cases where the fund management company authorises a contribution or redemption in kind rather than in cash, in accordance with §17. Instead of the average incidental costs, the fund management company may take account of the actual amount of the incidental costs, if it deems this appropriate in the relevant circumstances (e.g. amount, general market situation, specific market situation for the investment class concerned). In this case, the adjustment may be greater or less than the average incidental costs. In the cases mentioned in §17, prov. 2.5 and in any other exceptional case, the maximum rate of 2% of the net asset value assessed may moreover be exceeded,

provided that the fund management company deems this to be in the interests of all investors. The fund management company notifies the auditors, the supervisory authority and the existing and new investors, without delay and in a suitable manner, of any decision to exceed the maximum rate.

## §17. Subscription and redemption of units

1. *Subscription and redemption*

1. For the **Pictet CH - CHF Sustainable Bonds**, **Pictet CH - CHF Short Mid Term Bonds**, **Pictet CH - CHF Bonds Tracker**, **Pictet CH - CHF Bonds ESG Tracker**, **Pictet CH - LPP 25**, **Pictet CH - LPP 40**, **Pictet CH - Global Equities**, **Pictet CH - Swiss Mid Small Cap**, **Pictet CH - Swiss Market Tracker** and **Pictet CH - EUR Bonds** subfunds, subscription and redemption orders for units are accepted on the day the orders are placed, up to a certain cut-off time specified in the prospectus. The definitive subscription and redemption price of the units is determined based on the closing prices on the pricing date, which may not precede the day the order was placed. Details are given in the prospectus. The subscription and redemption of fractional units are authorised.
2. For the **Pictet CH - Sovereign Short-Term Money Market CHF**, **Pictet CH - Sovereign Short-Term Money Market EUR**, **Pictet CH - Sovereign Short-Term Money Market USD**, **Pictet CH - Short-Term Money Market CHF**, **Pictet CH - Short-Term Money Market EUR**, **Pictet CH - Short-Term Money Market USD** et **Pictet CH - Short-Term Money Market GBP**, **Pictet CH - Enhanced Liquidity CHF**, **Pictet CH - Enhanced Liquidity EUR** and **Pictet CH - Enhanced Liquidity USD** subfunds, subscription and redemption orders for units are accepted on the day the orders are placed, up to a certain cut-off time specified in the prospectus. The definitive subscription and redemption price of the units is determined based on the last known prices, adjusted for the projected interest income on the settlement date of the transaction. Details are given in the prospectus. The subscription and redemption of fractional units are authorised.

## 2. Calculation of the net asset value and method of accounting for incidental costs

1. The subscription and redemption price is determined by the net asset value per unit as calculated as at the pricing date; details are given in the prospectus.
2. Method of accounting for incidental costs:
  - a. For the **Pictet CH - CHF Sustainable Bonds**, **Pictet CH - CHF Short Mid Term Bonds**, **Pictet CH - CHF Bonds Tracker**, **Pictet CH - CHF Bonds ESG Tracker**, **Pictet CH - LPP 25**, **Pictet CH - LPP 40**, **Pictet CH - Global Equities**, **Pictet CH - Swiss Mid-Small Cap**, **Pictet CH - Swiss Market Tracker** and **Pictet CH - EUR Bonds** subfunds:
    - i. For unit classes in categories “T”, “J”, “P”, “R” and “F”: Incidental costs are accounted for in accordance with the swinging single pricing method, as described and subject to the exceptions specified in §16, prov. 8 of the fund contract.
    - ii. For unit classes in categories “Z” and “Zo”: At the time of issuance, any incidental costs (normal brokerage fees, commissions, other fees, etc.) incurred by the fund on average in connection with investing the amount paid are added to the net asset value. In the case of a redemption, the incidental costs incurred by the fund on average in connection with the sale of the unit are deducted from the net asset value. The applicable rate may not exceed the following percentage:

### Supplement to the net asset value, reduction in the net asset value, corresponding to average incidental costs

SUBFUND	PERCENTAGE OF THE AMOUNT SUBSCRIBED OR REDEEMED
<ul style="list-style-type: none"> <li>• Pictet CH - CHF Short-Mid Term Bonds</li> <li>• Pictet CH - CHF Sustainable Bonds</li> <li>• Pictet CH - LPP 25</li> <li>• Pictet CH - LPP 40</li> <li>• Pictet CH - Global Equities</li> <li>• Pictet CH - Swiss Mid Small Cap</li> <li>• Pictet CH - EUR Bonds</li> </ul>	Up to 2% maximum
<ul style="list-style-type: none"> <li>• Pictet CH - CHF Bonds Tracker</li> </ul>	Up to 1% maximum

### Supplement to the net asset value, reduction in the net asset value, corresponding to average incidental costs

SUBFUND	PERCENTAGE OF THE AMOUNT SUBSCRIBED OR REDEEMED
<ul style="list-style-type: none"> <li>• Pictet CH - CHF Bonds ESG Tracker</li> <li>• Pictet CH - Swiss Market Tracker</li> </ul>	

- b. As an exception to the above, incidental costs are not taken into account in cases where the fund management company authorises a contribution or redemption in kind rather than in cash, in accordance with §17, or when switching between unit classes within the same subfund. However, in the case of a subscription in kind to a class with the aim of hedging the currency risk (classes whose name includes “H”), the specific fees relating to setting up this hedge are taken into account. When switching from or into unit classes in categories “Z” and “Zo”, the exchange ratio is calculated on the basis of the established net asset values without taking account of the costs of adjusting the portfolio. In the cases mentioned in §17, prov. 2.5 and in any other exceptional case, the maximum rate of 2% of the net asset value assessed may moreover be exceeded, provided that the fund management company deems this to be in the interests of all investors. The fund management company notifies the auditors, the supervisory authority and the existing and new investors, without delay and in a suitable manner, of any decision to exceed the maximum rate.
- c. For the **Pictet CH - Sovereign Short-Term Money Market CHF**, **Pictet CH - Sovereign Short-Term Money Market EUR**, **Pictet CH - Sovereign Short-Term Money Market USD**, **Pictet CH - Short-Term Money Market CHF**, **Pictet CH - Short-Term Money Market EUR**, **Pictet CH - Short-Term Money Market USD**, **Pictet CH - Short-Term Money Market GBP**, **Pictet CH - Enhanced Liquidity CHF**, **Pictet CH - Enhanced Liquidity EUR** and **Pictet CH - Enhanced Liquidity USD** subfunds: Incidental costs related to the sale or purchase of the investments (normal brokerage fees, commissions, taxes, etc.) incurred by the subfund for the purpose of investing amounts paid in

and/or selling investments corresponding to redeemed units shall be charged to the subfund's assets.

3. A subscription fee pursuant to §18 may be added to the net asset value or a redemption fee according to §18 may be deducted from the net asset value upon the issuing or redemption of units.
4. The fund management company may suspend the issue of units at any time, and may decline applications for the subscription or switching of units.
5. The fund management company may temporarily and by way of exception defer repayment in respect of units of a subfund in the interests of all investors:
  - a. if a market which is the basis for the valuation of a significant proportion of the fund's assets is closed, or if trading on such a market is restricted or suspended;
  - b. in the event of a political, economic, military, monetary or other emergency;
  - c. if, owing to exchange controls or restrictions on other asset transfers, the collective investment scheme can no longer transact its business;
  - d. in the event of large-scale redemptions of units of the subfund that could significantly affect the interests of the remaining investors.
6. The fund management company shall immediately apprise the auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify the investors in a suitable manner.
7. No units of a subfund shall be issued as long as the repayment in respect of units of this subfund is deferred for the reasons stipulated under prov. 5, lit. a to c.
8. Each investor may apply to provide assets ("contribution in kind") for the assets of the subfund instead of a payment in cash in the event of a subscription or to receive assets instead of a payment in cash in the event of termination ("redemption in kind"). The application must be submitted along with the subscription or redemption request. The fund management company is not obliged to permit contributions or redemptions in kind.

The costs connected with a contribution or redemption in kind may not be charged to the subfund's assets.

The fund management company has sole decision-making authority on contributions or redemptions in kind and agrees to such transactions only if executing the transactions complies fully with the subfund's investment policy and does not compromise the interests of the other investors.

In the case of contributions or redemptions in kind, the fund management company prepares a report containing details of the individual securities transferred, the market value of these securities on the reference date of the transfer, the number of units issued or redeemed, and any settlement balance in cash. For each contribution or redemption in kind, the custodian bank verifies that the fund management company is complying with its fiduciary duty and checks the valuation of the investments transferred and of the units issued or redeemed, based on the reference date. The custodian bank reports any reservations or objections to the auditor immediately.

Transactions involving contributions or redemptions in kind are stated in the annual report.

9. Under exceptional circumstances such as those referred to in prov. 5 and in the interests of the remaining investors in the investment fund, the fund management company reserves the right to reduce all redemption requests (gating) on days when the total sum of redemptions exceeds 10% of the assets of a subfund. Under these circumstances, the fund management company may decide, at its sole discretion, to reduce all redemption requests proportionately and to the same extent. The remaining share of redemption requests must then be considered as received on the next order day and be processed under the conditions prevailing on that day. Thus, there is no preferential treatment given to deferred redemption requests.

The fund management company shall immediately notify the audit company, the supervisory authority and the investors of its decision to introduce and suspend gating in an appropriate manner.

## V. Fees and incidental costs

### §18. Fees and incidental costs charged to the investor

1. When units are issued, the investor may be charged an issuing commission of up to 5% of the net asset value by the distributors in Switzerland or abroad; the maximum applicable rate is shown in the prospectus. The fund management company does not charge an issuing commission
2. On redemption of units, a redemption fee of up to 1% of the net asset value may be charged to the investor; the current maximum applicable rate is set out in the prospectus. The fund management company does not charge a redemption fee.
3. The averaged incidental costs related to the sale or purchase of the investments (normal brokerage fees, commissions, taxes, etc.) incurred by the subfund for the purpose of investing amounts paid in and/or selling investments corresponding to redeemed units may be charged to the investor in accordance with the methods described above in §17, prov. 2.2. Details of how the above-mentioned incidental costs are charged to investors or to the fund are set out in the prospectus. The applicable rate may not exceed 2%. In the cases mentioned in §17, prov. 2.5 and in any other exceptional case, the maximum rate of 2% of the net asset value assessed may however be exceeded, provided that the fund management company deems this to be in the interests of all investors. The fund management company notifies the auditors, the supervisory authority and the existing and new investors, without delay and in a suitable manner, of any decision to exceed the maximum rate.
4. The custodian bank charges the investor for the usual bank commissions and fees for the delivery of registered units. The current costs are stated in the prospectus.
5. Switching from one subfund to another incurs the incidental costs mentioned in §17, prov. 2, whereas switching from one class to another does not incur a charge. However, when switching to a class with the aim of hedging the currency risk (classes whose name includes "H"), the specific fees relating to setting up this hedge are taken into account using the methods described in §17, prov. 2.2.

### §19. Fees and incidental costs charged to the fund's assets

1. The management company and the custodian bank are entitled to the following commissions:

#### a. Fund management company fee:

The maximum rate of the total fee to which the fund management company is entitled shall not exceed the sum of the management fee and the administration fee described below.

- Administration fee: For the administration of each subfund of the fund, the fund management company charges the assets of the subfunds concerned an annual fee in accordance with the maximum rates stated below, charged on a pro rata basis at the end of each month. The effective applicable rate is published in the annual and semi-annual reports. For "Zo" units, the administration fees are billed directly to the unitholders.
- Management fee: For managing and marketing the subfunds, the fund management company charges the assets of the subfunds concerned a management fee for the unit classes in categories "T", "J", "P", "R" and "F" at the maximum rates given below. The effective applicable rate is published in the annual and semi-annual reports. If the management of the fund is delegated, part of the management fee may be paid by the fund directly to the managers. In the case of holders of unit classes in category "Z" and "Zo", the management fees are billed directly to them by agreement with each investor.

Where applicable, the fund management company will disclose in the prospectus if it pays retrocessions to investors and/or portfolio distribution commissions.

#### b. Custodian bank fee:

- Safekeeping fee: For the safekeeping of the subfunds' assets, the handling of the payment transactions and the other tasks listed under §4, the custodian bank charges an annual fee in accordance with the maximum rates stated below, charged on the total value of the subfund assets attributable to each class. The effective applicable rate is stated in the annual and semi-annual

reports. Furthermore, foreign custody fees and expenses are also charged to the subfund's assets. For "Zo" units, the custody fees are billed directly to the unitholders;

- For the distribution of annual income to the investors, the custodian bank charges a commission not exceeding 1% of the gross amount of the distribution. The effective applicable rate is published in the annual and semi-annual reports.
- For the distribution of liquidation proceeds in the event of the winding up of the fund or of a subfund, the custodian bank shall charge a commission not exceeding 0,5% of the net asset value of the units. The effective applicable rate is stated in the liquidation report.

The maximum rates of the fees set out above are as follows for each subfund:

#### 1. Pictet CH - CHF Short Mid Term Bonds

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.05%	to a maximum of 0.15%	to a maximum of 0.05%
J, J dy	to a maximum of 0.05%	to a maximum of 0.13%	to a maximum of 0.05%
P, P dy	to a maximum of 0.05%	to a maximum of 0.30%	to a maximum of 0.05%
R, R dy	to a maximum of 0.05%	to a maximum of 0.45%	to a maximum of 0.05%
Z, Z dy	to a maximum of 0.05%	By agreement with each investor	to a maximum of 0.05%

#### 2. Pictet CH - CHF Bonds Tracker

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.03%	to a maximum of 0.25%	to a maximum of 0.02%
J, J dy	to a maximum of 0.03%	to a maximum of 0.20%	to a maximum of 0.02%

#### 2. Pictet CH - CHF Bonds Tracker

Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.20% maximum	0.05% maximum
J, J dy	0.05% maximum	0.18% maximum	0.05% maximum
P, P dy	0.05% maximum	0.30% maximum	0.05% maximum
R, R dy	0.05% maximum	0.53% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum
Z0, Z0 dy	By agreement with each investor but no more than 0.21%		

#### 3. Pictet CH - CHF Bonds ESG Tracker

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.20% maximum	0.05% maximum
J, J dy	0.05% maximum	0.18% maximum	0.05% maximum
P, P dy	0.05% maximum	0.30% maximum	0.05% maximum
Z, Z dy	0.05% maximum	0.53% maximum	0.05% maximum
Z0, Z0 dy	By agreement with each investor but no more than 0.21%		

#### 4. Pictet CH - CHF Sustainable Bonds

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	to a maximum of 0.03%	to a maximum of 0.25%	to a maximum of 0.02%
J, J dy	to a maximum of 0.03%	to a maximum of 0.20%	to a maximum of 0.02%



**4. Pictet CH - CHF Sustainable Bonds**

P, P dy	to a maximum of 0.03%	to a maximum of 0.50%	to a maximum of 0.02%
Z, Z dy	to a maximum of 0.02%	By agreement with each investor	to a maximum of 0.02%
Z0, Z0 dy	By agreement with each investor but no more than 0.43%		

**5. Pictet CH - LPP 25**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I CHF, I dy CHF	0.05% maximum	0.50% maximum	0.05% maximum
J CHF, J dy CHF	0.05% maximum	0.40% maximum	0.05% maximum
P CHF, P dy CHF	0.05% maximum	1.00% maximum	0.05% maximum
R CHF, R dy CHF	0.05% maximum	1.50% maximum	0.05% maximum
Z CHF, Z dy CHF	0.05% maximum	By agreement with each investor	0.05% maximum

**6. Pictet CH - LPP 40**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I CHF, I dy CHF	0.05% maximum	0.60% maximum	0.05% maximum
J CHF, J dy CHF	0.05% maximum	0.50% maximum	0.05% maximum
P CHF, P dy CHF	0.05% maximum	1.20% maximum	0.05% maximum
R CHF, R dy CHF	0.05% maximum	1.80% maximum	0.05% maximum
Z CHF, Z dy CHF	0.05% maximum	By agreement with each investor	0.05% maximum

**7. Pictet CH - Global Equities**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I USD, I dy USD	0.05% maximum	0.50% maximum	0.05% maximum
J USD, J dy USD	0.05% maximum	0.30% maximum	0.05% maximum
P CHF, P dy CHF	0.05% maximum	0.60% maximum	0.05% maximum
P USD, P dy USD	0.05% maximum	0.60% maximum	0.05% maximum
R USD, R dy USD	0.05% maximum	1.00% maximum	0.05% maximum
Z USD, Z dy USD	0.05% maximum	By agreement with each investor	0.05% maximum

**8. Pictet CH - Sovereign Short-Term Money Market CHF**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.14% maximum	0.05% maximum
J, J dy	0.05% maximum	0.12% maximum	0.05% maximum
P, P dy	0.05% maximum	0.23% maximum	0.05% maximum
R, R dy	0.05% maximum	0.46% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum

**9. Pictet CH - Sovereign Short-Term Money Market EUR**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate



### 9. Pictet CH - Sovereign Short-Term Money Market EUR

I, I dy	0.05% maximum	0.14% maximum	0.05% maximum
J, J dy	0.05% maximum	0.12% maximum	0.05% maximum
P, P dy	0.05% maximum	0.23% maximum	0.05% maximum
R, R dy	0.05% maximum	0.46% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum

### 10. Pictet CH - Sovereign Short-Term Money Market USD

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.14% maximum	0.05% maximum
J, J dy	0.05% maximum	0.12% maximum	0.05% maximum
P, P dy	0.05% maximum	0.23% maximum	0.05% maximum
R, R dy	0.05% maximum	0.46% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum

### 11. Pictet CH - Swiss Mid Small Cap

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I CHF, I dy CHF	0.05% maximum	0.90% maximum	0.05% maximum
J CHF, J dy CHF	0.05% maximum	0.45% maximum	0.05% maximum
P CHF, P dy CHF	0.05% maximum	1.50% maximum	0.05% maximum
R CHF, R dy CHF	0.05% maximum	2.20% maximum	0.05% maximum

### 11. Pictet CH - Swiss Mid Small Cap

Z CHF, Z dy CHF	0.05% maximum	By agreement with each investor	0.05% maximum
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### 12. Pictet CH - Swiss Market Tracker

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I CHF, I dy CHF	0.05% maximum	0.30% maximum	0.05% maximum
J CHF, J dy CHF	0.05% maximum	0.10% maximum	0.05% maximum
P CHF, P dy CHF	0.05% maximum	0.40% maximum	0.05% maximum
R CHF, R dy CHF	0.05% maximum	0.68% maximum	0.05% maximum
Z CHF, Z dy CHF	0.05% maximum	By agreement with each investor	0.05% maximum

### 13. Pictet CH - EUR BONDS

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.25% maximum	0.05% maximum
J, J dy	0.05% maximum	0.20% maximum	0.05% maximum
P, P dy	0.05% maximum	0.50% maximum	0.05% maximum
R, R dy	0.05% maximum	0.90% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum
HI CHF	0.09% maximum	0.32% maximum	0.05% maximum
HP CHF	0.09% maximum	0.57% maximum	0.05% maximum
HR CHF	0.09% maximum	0.97% maximum	0.05% maximum

**14. Pictet CH - Short-Term Money Market CHF**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum.	0.14% maximum	0.05% maximum
J, J dy	0.05% maximum	0.12% maximum	0.05% maximum
P, P dy	0.05% maximum	0.23% maximum	0.05% maximum
R, R dy	0.05% maximum	0.33% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum
D2, D2 dy	0.05% maximum	0.12% maximum	0.05% maximum

**15. Pictet CH - Short-Term Money Market EUR**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum.	0.17% maximum	0.05% maximum
J, J dy	0.05% maximum	0.12% maximum	0.05% maximum
P, P dy	0.05% maximum	0.33% maximum	0.05% maximum
R, R dy	0.05% maximum	0.48% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum
D2, D2 dy	0.05% maximum	0.12% maximum	0.05% maximum

**16. Pictet CH - Short-Term Money Market USD**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.30% maximum	0.05% maximum
J, J dy	0.05% maximum	0.20% maximum	0.05% maximum
P, P dy	0.05% maximum	0.45% maximum	0.05% maximum

**16. Pictet CH - Short-Term Money Market USD**

		annual rate	annual rate
I, I dy	0.05% maximum.	0.17% maximum	0.05% maximum
J, J dy	0.05% maximum	0.12% maximum	0.05% maximum
P, P dy	0.05% maximum	0.33% maximum	0.05% maximum
R, R dy	0.05% maximum	0.48% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum
D2, D2 dy	0.05% maximum	0.12% maximum	0.05% maximum

**17. Pictet CH - Short-Term Money Market GBP**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.17% maximum	0.05% maximum
J, J dy	0.05% maximum	0.12% maximum	0.05% maximum
P, P dy	0.05% maximum	0.33% maximum	0.05% maximum
R, R dy	0.05% maximum	0.48% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum
D2, D2 dy	0.05% maximum	0.12% maximum	0.05% maximum

**18. Pictet CH - Enhanced Liquidity CHF**

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.30% maximum	0.05% maximum
J, J dy	0.05% maximum	0.20% maximum	0.05% maximum
P, P dy	0.05% maximum	0.45% maximum	0.05% maximum

**18. Pictet CH - Enhanced Liquidity CHF**

R, R dy	0.05% maximum	0.60% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum
F, F dy	0.05% maximum	0.20% maximum	0.05% maximum

**19. Pictet CH - Enhanced Liquidity EUR**

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.30% maximum	0.05% maximum
J, J dy	0.05% maximum	0.20% maximum	0.05% maximum
P, P dy	0.05% maximum	0.45% maximum	0.05% maximum
R, R dy	0.05% maximum	0.60% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum
F, F dy	0.05% maximum	0.20% maximum	0.05% maximum

**20. Pictet CH - Enhanced Liquidity USD**

Unit class	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I, I dy	0.05% maximum	0.30% maximum	0.05% maximum
J, J dy	0.05% maximum	0.20% maximum	0.05% maximum
P, P dy	0.05% maximum	0.45% maximum	0.05% maximum
R, R dy	0.05% maximum	0.60% maximum	0.05% maximum
Z, Z dy	0.05% maximum	By agreement with each investor	0.05% maximum

**20. Pictet CH - Enhanced Liquidity USD**

F, F dy	0.05% maximum	0.20% maximum	0.05% maximum
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2. Furthermore, the fund management company and the custodian bank shall be entitled to reimbursement of the following costs incurred in the course of executing the fund contract:
  - a. costs for the purchase and sale of the investments, specifically normal brokerage fees, commissions, taxes and duties, as well as costs for the verification and maintenance of quality standards in the case of physical investments;
  - b. the supervisory authority's fees in relation to the establishment, amendment, liquidation or merger of the fund or any subfunds;
  - c. the supervisory authority's annual fees;
  - d. the audit firm's fees for annual auditing as well as certification in the case of establishments, amendments, liquidation or merger of the fund or any subfunds;
  - e. fees for legal and tax advisors in connection with the establishment, modification, liquidation or merger of funds or any subfunds, as well as generally upholding the interests of the fund and its investors;
  - f. notary and commercial register expenses for registration in the Commercial Register of licensees under the collective investment schemes legislation;
  - g. the cost of publishing the net asset value of the fund or its subfunds, together with all the costs of providing notices to investors, including translation costs, provided such costs cannot be ascribed to any failure on the part of the fund management company;
  - h. the cost of printing legal documents as well as the fund's annual and semi-annual reports;
  - i. the cost of any registration of the fund with a foreign supervisory authority, and specifically the commission levied by the foreign supervisory authority, translation costs and remuneration for the representative or paying agent abroad;
  - j. costs relating to the exercising of voting rights or creditors' rights by the fund, including the cost of fees paid to external advisors;

- k. costs and fees relating to intellectual property registered in the name of the fund or with rights of use for the fund;
  - l. all costs incurred through any extraordinary steps taken to safeguard the interests of investors by the fund management company, asset manager of collective investment schemes or custodian bank.
3. The costs mentioned under prov. 2, lit. a will be offset directly against the stated acquisition or sales value of the respective investments. Moreover, the incidental costs incurred in connection with the purchase or sale of investments when issuing or redeeming units will be calculated in accordance with §17, prov. 2.2.
  4. The fund management company and its agents may, according to the provisions of the prospectus, pay retrocessions to compensate for marketing fund units and give discounts to reduce the fees and costs of the investment fund and/or its subfunds payable by the investor.
  5. If the fund management company acquires units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a substantial direct or indirect stake ("related target funds"), the maximum percentage of the fixed management fees that may be obtained at the level of the target fund will be 1.6%, to which, if applicable, a fee may be added at a maximum of 20% of the performance of the NAV per unit. However, the fund management company may not charge to the subfund any subscription or redemption fees for the related target funds. If the fund management company invests in units of a related target fund pursuant to the above definition which has a lower actual (flat-rate) management fee than the actual management fee pursuant to prov. 1 above, the fund management company may, instead of charging the aforementioned management fee, charge the difference between the actual management fee of the investing subfund and the actual (flat-rate) management fee of the related target fund.
  6. Fees may be charged only to the subfund for which the respective service has been performed. Costs which cannot be charged to an individual subfund are charged to the various subfunds in

proportion to their share of the fund's total assets.

## VI. Financial statements and audits

### §20. Financial statements

1. The accounting currency of the subfunds is as follows:
  - a. Swiss franc (CHF):
    - i. Pictet CH - CHF Short Mid Term Bonds
    - ii. Pictet CH - CHF Bonds Tracker
    - iii. Pictet CH - CHF Bonds ESG Tracker
    - iv. Pictet CH - CHF Sustainable Bonds
    - v. Pictet CH - LPP 25
    - vi. Pictet CH - LPP 40
    - vii. Pictet CH - Swiss Mid Small Cap
    - viii. Pictet CH - Swiss Market Tracker
    - ix. Pictet CH - Sovereign Short-Term Money Market CHF
    - x. Pictet CH - Short-Term Money Market CHF
    - xi. Pictet CH - Enhanced Liquidity CHF
  - b. US dollar (USD):
    - i. Pictet CH - Global Equities
    - ii. Pictet CH - Sovereign Short-Term Money Market USD
    - iii. Pictet CH - Short-Term Money Market USD
    - iv. Pictet CH - Enhanced Liquidity USD
  - c. Euro (EUR):
    - i. Pictet CH - Sovereign Short-Term Money Market EUR
    - ii. Pictet CH - EUR Bonds
    - iii. Pictet CH - Short-Term Money Market EUR
    - iv. Pictet CH - Enhanced Liquidity EUR
  - d. Pound sterling (GBP):
    - i. Pictet CH - Short-Term Money Market GBP

2. The financial year runs from 1 October to 30 September.
  3. The management company publishes an annual report for the fund within four months of the close of the financial year.
  4. The management company publishes a semi-annual report for the fund within two months of the close of the first half of the financial year.
  5. The investor's right to obtain information under §5, prov. 5 remains reserved.
2. For capitalisation units, the net income of each subfund is reinvested annually in assets of the subfund in question for reinvestment within four months of the end of the financial year. If the net income in a financial year including income carried forward from previous financial years is less than CHF/USD/EUR 1, or JPY 1,000, reinvestment (capitalisation) may be waived and the entire net income may be carried forward to the new account of the subfund concerned, subject to any taxes and duties on the reinvestment (capitalisation).

#### §21. Audit

The auditors shall examine whether the fund management company and the custodian bank have acted in compliance with the legal and contractual provisions and the code of conduct of the Asset Management Association Switzerland that may be applicable to them. The annual report contains a short report by the auditors on the published annual financial statements.

### VII. Appropriation of net income

#### §22.

1. For distribution units, the net income of each subfund is distributed annually per unit class to the investors within four months of the end of the financial year, in the accounting currency of the subfund. The fund management company may make additional interim income distributions. Up to 30% of the net income of a unit class may be carried forward to the new account. A distribution may be waived and the net income may be carried forward to the new account under the following conditions:
  - a. the net income for the current financial year and the income carried forward from previous years for a subfund or unit class are less than 1% of the net asset value of the subfund or unit class, and
  - b. the net income for the current financial year and the income carried forward from previous years for a subfund or unit class are less than one unit of the accounting currency of the subfund or unit class.

3. Realised capital gains from the sale of assets and rights may be distributed by the management company or retained for reinvestment.

### VIII. Publication of official notices by the umbrella fund and subfunds

#### §23.

1. The media of publication of the fund and subfunds is deemed to be the print media or electronic media specified in the prospectus. Notification of any change of the medium of publication shall be published in the media of publication.
2. The following information shall in particular be published in the media of publication: summaries of material amendments to the fund contract, indicating the offices from which the amended wording may be obtained free of charge; any change of fund management company and/or custodian bank; the creation, winding up or merger of unit classes; and the announcement of the winding up of the fund or of a subfund. Amendments that are required by law and that do not affect the rights of investors or are of an exclusively formal nature may be exempted from the duty to publish, subject to the approval of the supervisory authority.
3. Each time units are issued or redeemed, the fund management company shall for all unit classes publish the subscription and redemption prices of units or the net asset value, or for unit classes in categories “T”, “J”, “P”, “R” and “F”, an adjusted net asset value (or “swung” NAV) calculated by applying the swinging single pricing method pursuant to §16, prov. 8, together with a

note stating “excluding commission”, in the print or electronic media specified in the prospectus. The prices shall be published at least twice per month. The weeks and weekdays on which publications are made shall be specified in the prospectus.

4. The prospectus including the fund contract, the key information document, as well as the annual and semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

## IX. Restructuring and winding up

### §24. Mergers

1. Subject to the consent of the custodian bank, the fund management company can merge individual subfunds with other subfunds or other investment funds by transferring the assets and liabilities - as of the time of the merger - of the subfund(s) or fund(s) being acquired to the acquiring subfund or fund. The investors of the subfund or fund being acquired shall receive units in the acquiring subfund or fund to the equivalent value. The fund or subfund being acquired is terminated without liquidation on the date the merger takes place, and the fund contract of the acquiring fund or subfund shall also apply to the fund or subfund being acquired.
2. Subfunds and funds may be merged only if:
  - a. provision for this is made in the relevant fund contracts;
  - b. they are managed by the same fund management company;
  - c. the relevant fund contracts are basically identical in terms of the following provisions:
    - i. investment policy, investment techniques, risk diversification, and risks associated with the investment;
    - ii. the appropriation of net income and capital gains from the sale of goods and rights;
    - iii. the type, amount and calculation of all fees, and the subscription and redemption fee together with the incidental costs for the purchase and sale of the investments (brokerage fees, charges, duties) that may be charged to the assets of the fund or subfunds or to the investors;
3. If the merger is likely to take more than one day, the supervisory authority may approve limited deferment of repayment in respect of the units of the funds or subfunds involved.
4. The fund management company must submit the proposed merger together with the merger schedule to the supervisory authority for review at least one month before the planned publication of the intended changes to the fund contract. The merger schedule must contain detailed information on the reasons for the merger, the investment policies of the funds involved and any differences between the acquiring fund or subfund and the fund or subfund being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the funds, as well as a statement from the auditors.
5. The fund management company shall publish the proposed changes to the fund contract pursuant to §23, prov. 2, and details of the proposed merger and its timing, together with the merger schedule, at least two months before the planned date of merger, in accordance with the methods of publication of the funds or subfunds involved. In this prospectus, the fund management company must inform the investors that they may lodge objections against the proposed changes to the fund contract with the supervisory authority within 30 days from the final publication, or request cash redemption of their units.
6. The auditors must check immediately that the merger is being carried out correctly, and shall submit a report containing their comments in this regard to the fund management company and the supervisory authority.



7. The fund management company shall without delay inform the supervisory authority of the conclusion of the merger and shall publish the confirmation from the auditors regarding the proper execution of the merger and the exchange ratio without delay in the media of publication of the funds or subfunds involved.
8. The fund management company shall mention the merger in the subsequent annual report of the acquiring fund and also in any semi-annual report that may be published prior to the annual report. If the merger does not take place on the last day of the usual financial year, an audited closing statement must be produced for the fund(s) or subfund(s) being acquired.

#### §25. Change of legal form

1. Under Swiss law, the fund management company may, with the consent of the custodian bank, convert a subfund of the investment fund into a subfund of a SICAV, with the subfund's assets and liabilities being transferred to the subfund investing in the SICAV at the time of the conversion. The investors of the subfund being converted shall receive units of equivalent value in the investing subfund of the SICAV. On the conversion date, the subfund concerned is dissolved without liquidation and the SICAV's investment regulations apply to the investors in the converted subfund, who become investors in the SICAV subfund.
2. A subfund may be converted into a subfund of a SICAV only if:
  - a. The fund contract provides for this and the SICAV's investment regulations expressly stipulate it;
  - b. The investment fund and the SICAV are managed by the same fund management company;
  - c. The SICAV's fund contract and investment regulations are in principle identical in terms of the following provisions:
    - i. investment policy (including liquidity), investment techniques (securities lending, repurchase and reverse repurchase agreements, derivatives), borrowing and lending, pledging the assets of the collective investment scheme, risk distribution and investment risks, the type of collective investment, investor eligibility, unit classes/share classes and the calculation of the net asset value.
    - ii. the appropriation of net income and capital gains from the sale of goods and rights;
    - iii. the appropriation of net income and the obligation to inform;
    - iv. the type, amount and calculation method of all fees, the issue and redemption commission together with the incidental costs for the purchase and sale of investments (brokerage commissions, fees, duties) that may be debited to the assets of the subfund or SICAV or charged to the investors or shareholders, subject to the incidental costs specific to the legal form of the SICAV;
    - v. the terms of issue and redemption;
    - vi. the duration of the contract or the SICAV;
    - vii. the medium of publication.
  - d. the valuation of the assets of the participating collective investment schemes, the calculation of the exchange ratio and the transfer of the assets and commitments take place on the same day;
  - e. no costs arise as a result for either the subfund or SICAV or for the investors or shareholders.
3. If the conversion is likely to take more than one day, FINMA may approve limited suspension of redemptions.
4. Before the expected publication, the fund management company submits details of the planned conversion and the intended changes to the fund contract to FINMA for review, together with the conversion schedule. The conversion schedule must contain detailed information on the reasons for the conversion, the investment policies of the collective investment schemes involved and any differences between the subfund being converted and the subfund of the SICAV, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the collective investment schemes, as well as a statement from the auditors.
5. The fund management company must publish any changes to the fund contract pursuant to §23, prov. 2, and details of the proposed

conversion and its timing, together with the conversion schedule, at least two months before the planned date, in the medium of publication of the subfund being converted. In so doing, it makes the investors aware that they have an opportunity to request redemption of their units or to lodge an objection with the supervisory authority regarding the intended changes to the fund contract, within 30 days of publication.

6. The auditing company of the investment fund or SICAV (if different) must check immediately that the conversion is being carried out properly, and submits a report containing their comments in this regard for the attention of the fund management company, the SICAV and the supervisory authority.
7. The fund management company immediately informs FINMA of the completion of the conversion and submits to it the auditor's confirmation that the conversion has been carried out properly and the report on the conversion in the medium of publication of the participating investment fund.
8. The management company of the fund or the SICAV must make reference to the conversion in the next annual report of the investment fund or SICAV and also in any semi-annual report that may be published prior to the annual report.

#### §26. Duration and winding up of the subfunds and fund

1. The subfunds have been established for an indefinite period.
2. The fund management company or the custodian bank may wind up the fund by terminating the fund contract without notice
3. The **Pictet CH Institutional - CHF Sustainable Bonds** subfund (the "target subfund") may be used as a target fund for the **Pictet CH Target - LPP Sustainable Multi Asset 10**, **Pictet CH Target - LPP Sustainable Multi Asset 25**, **Pictet CH Target - LPP Sustainable Multi Asset 40**, **Pictet CH Target - LPP Sustainable Multi Asset 60**, **Pictet CH - LPP 25** and **Pictet CH - LPP 40** funds (the "funds of funds"). Funds of funds may invest up to 50% of their total assets to hold up to 100% of the units of the target subfund. If one of the funds of funds requests the redemption of a significant portion of the assets of the target subfund, the management company must ensure that this redemption can be effected without having a prejudicial impact on the remaining investors in the target subfund; only then can it approve the redemption. In order to avoid a prejudicial impact on the remaining investors in the target subfund, the fund management company may decide to implement gating within the meaning of §17, prov. 9. If the redemption cannot, nonetheless, be effected without a prejudicial impact, it cannot be approved; in this case, the redemption will be suspended. The target subfund will have to be liquidated without notice, in which case the redemption amount will be paid to the fund of funds in the form of liquidation proceeds.
4. The **Pictet CH - CHF Bonds ESG Tracker** subfund (the "target subfund") may be used as a target fund for the **Pictet CH - LPP 25** and **Pictet CH - LPP 40** funds (the "funds of funds"). Funds of funds may invest up to 50% of their total assets to hold up to 100% of the units of the target subfund. If one of the funds of funds requests the redemption of a significant portion of the assets of the target subfund, the management company must ensure that this redemption can be effected without having a prejudicial impact on the remaining investors in the target subfund; only then can it approve the redemption. In order to avoid a prejudicial impact on the remaining investors in the target subfund, the fund management company may decide to implement gating within the meaning of §17, prov. 9. If the redemption cannot, nonetheless, be effected without a prejudicial impact, it cannot be approved; in this case, the redemption will be suspended. The target subfund will have to be liquidated without notice, in which case the redemption amount will be paid to the fund of funds in the form of liquidation proceeds.
5. Individual subfunds may be wound up by order of the supervisory authority, in particular if, at the latest one year after the expiry of the subscription period (launch) or a longer period approved by the supervisory authority at the request of the custodian bank and the fund management company, the subfund does not have net assets of at least 5 million Swiss francs (or the equivalent).

6. The fund management company shall inform the supervisory authority of the winding up immediately and shall publish notification in the media of publication.
7. Once the fund contract has been terminated, the fund management company may liquidate the subfund concerned forthwith. If the supervisory authority has ordered the winding up of a subfund, it must be liquidated forthwith. The custodian bank is responsible for the payment of the liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in instalments. The fund management company must obtain authorisation from the supervisory authority before making the final payment.

## X. Changes to the fund contract

### §27.

1. If changes are made to the present fund contract, or if the merger of unit classes or a change of the fund management company or of the custodian bank is planned, the investor may lodge an objection with the supervisory authority within 30 days after the corresponding publication. In the publication, the fund management company informs the investors of the changes to the fund contract that are covered by FINMA's audit and confirmation of compliance with the law. In the event of a change to the fund contract (including the merger of unit classes), the investors can also demand the redemption of their units in cash, subject to the contractual period of notice.
2. Exceptions in this regard are cases pursuant to §23 prov. 2 that have been exempted from the regulations governing publications and disclosure, with the approval of the supervisory authority.

### §28.

1. The umbrella fund and the individual subfunds are subject to Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, the Ordinance on Collective Investment Schemes of 22 November 2006 and the FINMA Ordinance on Collective Investment Schemes of 27 August 2014.
2. The place of jurisdiction is the court at the fund management company's registered office.
3. The French version is binding for the interpretation of the present fund contract.
4. The present fund contract shall take effect on 11 March 2024.
5. The present fund contract replaces the fund contract dated 12 January 2024.

When approving the fund contract, FINMA verifies only the provisions pursuant to Article 35a para. 1 lits. a-g CISO and controls their compliance with the law.

**This fund contract was approved by the Swiss Financial Market Supervisory Authority (FINMA) on 8 March 2024.**

#### The fund management company

Pictet Asset Management SA  
60, rte des Acacias  
1211 Geneva 73

#### The custodian bank

Banque Pictet & Cie SA  
60, rte des Acacias  
1211 Geneva 73

## XI. Applicable law and place of jurisdiction