

PICTET ASSET MANAGEMENT

## Notice to Shareholders of Pictet (the “SICAV”)

LUXEMBOURG, 7 FEBRUARY 2024

### **Pictet**

Société d'Investissement à Capital Variable  
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**THIS NOTICE IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

Dear Shareholders,

As Shareholders of the SICAV you are hereby informed that the below changes will be reflected in the prospectus of the SICAV dated March 2024 (the “Prospectus”).

*Any terms not defined in this notice shall have the same meaning as in the Prospectus dated September 2023.*

### **1. Amendments**

#### **1.1 Full review of the Prospectus**

The SICAV was launched on 20 September 1991, under the name Pictet Umbrella Fund. Since then, the Prospectus has been subject to numerous updates further to regulatory matters, fund restructurings (e.g. new launches of Funds, liquidations, mergers etc) and/or any other changes that have taken place in terms of the characteristics of the SICAV. The Board has decided to perform a full review of the Prospectus. The objective of re-drafting the Prospectus is to make it easier for the wider public to understand (the “New Pictet Prospectus”).

The SICAV is composed of 75 compartments ("Funds"), each of them having been launched at different stages over the life of the SICAV. Over time and following the multiple updates, the wording between the different Funds' annexes presented some discrepancies in style and presentation. With the New Pictet Prospectus, the Board aims to:

- o harmonise the presentation and the language used between the Funds;
- o make the wording more accessible and understandable for the wider public by making the prospectus more visually appealing and reader-friendly;
- o bring the wording in line with current market practice and local and EU regulations;
- o provide more transparency on the operational set up by including more information in some sections or by creating new sections while ensuring regulatory compliance, and reducing translation costs, as further described in the appendix to this notice.

In addition, in November 2022, the Commission de Surveillance du Secteur Financier (the "CSSF") issued a standardised model prospectus for Undertakings for Collective Investment in Transferable Securities ("UCITS") (the "CSSF model"), the Board has decided to follow the CSSF model to help harmonise the presentation of the Funds' annexes and to address the historical inconsistencies in language and presentation between the Funds.

In addition, the presentation of the investment policy has been changed to 1) standardize the information disclosed in order to make it easier to read as well as to 2) implement the CSSF guidance published on 3 November 2021 in the updated Frequently Asked Questions ("FAQs") clarifying the circumstances and the extent to which UCITS are allowed to hold ancillary liquid assets and bank deposits as well as some guidance on the diversification rules applicable to those assets for Money Market Funds ("MMFs") and UCITS.

No change has been made to the content of investment policies of the Funds, the SFDR classification, fees, transaction information, risk profiles and any other existing features of the Funds.

As a consequence of the implementation of the FAQs, some investment constraints of some Funds have been slightly changed, mainly relating to the ancillary investments. This will have no impact on the way the Funds are being managed and should bring more consistency between Funds' annexes and reduce the risk of missing a required asset disclosure for a Fund.

Finally, the articles of incorporation of SICAV shall be amended for consistency purposes in line with the New Pictet Prospectus.

A comprehensive table listing the changes by category can be found in an appendix 1 to this notice.

### 1.2 Pictet – Chinese Local Currency Debt and Pictet – USD Short Mid-Term Bonds ("CLCD" and "USD SMTB")

The investment strategy of CLCD and USD SMTB already incorporates an integrated ESG approach. The Board has decided to further incorporate ESG criteria by aiming to hold securities of companies that have lower sustainability risks and minimize holdings of those with higher sustainability risks. Therefore, the SFDR classification of CLCD and USD SMTB, currently under SFDR Article 6, will change to SFDR Article 8 – Positive Tilt.

These changes will affect marginally the way CLCD and USD SMTB are managed. It will not impact (i) their investment universe nor (ii) their fee structure.

**1.3 Pictet – Short-Term Money Market CHF, Pictet – Short-Term Money Market USD, Pictet – Short-Term Money Market EUR, Pictet – Short-Term Money Market GBP, Pictet – Sovereign Short-Term Money Market USD, Pictet – Sovereign Short-Term Money Market EUR (the “MMF Funds”)**

The above MMFs will use Reverse Repurchase Agreements as additional cash management tool for managing the cash in relation with the capital movements i.e., the subscriptions and redemptions within the below limits:

MAXIMUM % OF NET ASSETS	EXPECTED % OF NET ASSETS
100%	Between 0% and 15%

**1.4 Pictet – Short Term Emerging Corporate Bonds (“STECB”) and Pictet – Emerging Corporate Bonds (“ECB”)**

Further to the review of the SFTR limits, STECB and ECB will start using total return swap for more efficient portfolio management within the below limits:

MAXIMUM % OF NET ASSETS	EXPECTED % OF NET ASSETS
20%	10%

**1.5 Pictet – Nutrition, Pictet – Global Thematic Opportunities, Pictet – Global Sustainable Credit, Pictet – Global Megatrend Selection, Pictet – ReGeneration, Pictet – China Environmental Opportunities, Pictet – Climate Government Bonds, Pictet – Water, Pictet – Timber, Pictet – Global Environmental Opportunities, Pictet – SmartCity**

The reference to the 1% taxonomy alignment for these Compartments will be removed as reported data, instead estimated data are now used to measure the EU Green taxonomy alignment of the Compartments' investments and the 1% commitments can not be achieved anymore.

**1.6 Pictet – EUR Short Mid-Term Bonds (“EUR SMTB”)**

Despite a positive return since inception, the Board consider that EUR SMTB will have limited opportunity in the future without any reorientation of its investment strategy. For this reason, the Board has decided to amend the investment policy of EUR SMTB from a portfolio composed of government and investment grade corporate bonds to a portfolio primarily composed of a diversified mix of investment grade and high yield EUR denominated securities (with the ability to also have government bonds and cash when deemed appropriate) as described in appendix 2.

In addition, the Board has decided to rename EUR SMTB into Pictet – EUR Income Opportunities to be aligned with the new investment strategy.

To ensure a smooth repurpose process, the investment managers may rebalance EUR SMTB's portfolio with the aim of aligning the EUR SMTB's investments with its revised investment objective during the rebalancing period, which is estimated to be a period of up to 5 days (under normal trading conditions), immediately after the Effective Date (the “Rebalancing Period”). The transaction costs (brokerage fees, stamp duties, taxes, custodian commission and charges paid to stock exchanges) which may arise in relation to the repurpose exercise during the Rebalancing Period will be borne by the Fund.

The fees disclosed in the EUR SMTB appendix remains unchanged.

### 1.7 Pictet – Quest Emerging Sustainable Equities (“QESE”)

Deglobalisation and geopolitical instability is challenging investor allocations more than at any other time in the last 50 years. Further to an analysis, emerging markets look to be an area of increased investment risk in the near term. The Board is therefore seeking to diversify the QESE by expanding the universe of investment to include both fixed income and global equities as described in the appendix 3.

In addition, the Board has decided to rename QESE into Pictet – Global Multi Asset Themes to be aligned with the new investment strategy.

Moreover further to internal reorganisation of the investments teams, Pictet Asset Management SA will be replaced by Pictet Asset Management (Hong Kong) Limited.

To ensure a smooth repurpose process, the investment managers may rebalance QESE’s portfolio with the aim of aligning QESE’s investments with its revised investment objective during the rebalancing period, which is estimated to be a period of up to 5 days (under normal trading conditions), immediately after the Effective Date (the “**Rebalancing Period**”). The transaction costs (brokerage fees, stamp duties, taxes, custodian commission and charges paid to stock exchanges) which may arise in relation to the repurpose exercise during the Rebalancing Period will be borne by the Fund.

### 1.8 Change in the settlement cycle and calculation day of the net asset value

Further a decision of some markets to shorten their securities settlement cycles to T+1, the settlement cycle (timing for the payment of subscriptions and redemptions) of some Compartments will be changed as described in the appendix 4.

In addition for some of these Compartments a change in the net asset value Calculation Day will occur.

The change of settlement cycle and net asset value Calculation Day will take place as from the Valuation Day 28 May 2024.

## 2. Effective date

With the exception of the changes disclosed under paragraph 1.8, the above-mentioned changes will take effect on 21 March 2024, i.e. 6 weeks after the date of this notice.

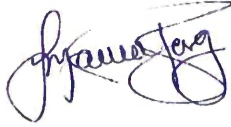
## 3. Rights

Shareholders who disagree with the changes outlined above may redeem their shares free of charge in accordance with the Prospectus’ provisions by 20 March 2024.

The latest prospectus is available on [www.assetmanagement.pictet](http://www.assetmanagement.pictet) and from the Fund’s registered office on request.

Yours faithfully,

On behalf of the Fund



Suzanne Berg



Benoît Beisbardt