30. PICTET – STRATEGIC CREDIT

Typical investor profile

The Compartment is an investment vehicle for investors:

- Who wish to invest in a diversified portfolio that includes bonds and other fixed-income instruments globally.
- Who are willing to bear variations in market value and thus have a medium aversion to risk.

Investment policy and objectives

The objective of this Compartment is to seek capital growth and revenue by mainly offering an exposure to a diversified portfolio of debt securities of any type, corporate and sovereign, investment grade and non-investment grade, including but not limited to fixed and variable rate, 144A Bonds and convertible bonds as well as money market instruments.

The Compartment will invest mainly as follows:

- directly in the securities/asset classes listed above; and/or
- in transferable securities (such as structured products, as described below) linked to performance or offering exposure to the securities/asset classes mentioned in the preceding paragraph; and/or
- in financial derivative instruments whose underliers are the securities mentioned in the preceding paragraph or assets offering exposure to these securities/asset classes.

  The Compartment may invest in any country (including emerging countries), in any economic sector and in any currency. Depending on market conditions, the investments may be focused on one country or on a limited number of countries and/or one economic activity sector and/or one currency.

The investments not denominated in US dollars will generally be hedged in order to avoid exposure to a currency other than the US dollar.

This Compartment may also invest:

- in contingent convertible bonds ("CoCo Bonds") up to a maximum of 30% of its net assets
- in Sukuk al Ijarah, Sukuk al Wakalah, Sukuk al Mudaraba or any other type of Shariah-compliant fixed-income securities within the limits of the grand-ducal regulation dated 8 February 2008, up to a maximum of 10% of its net assets.
- In depositary receipts (such as ADR, GDR, EDR) and in closed- ended real estate investments trusts (REITs), each up to a maximum of 10% of its net assets.

The Compartment may also invest up to 20% of its net assets in bonds and other debt securities denominated in RMB through (i) the QFII quota granted to the Managers (ii) the RQFII quota granted to the Managers and/or (iii) Bond Connect.

Investments in China may be performed, inter alia, on the China Interbank Bond Market ("CIBM") directly or through the QFII or the RQFII quota granted to the Manager or through Bond Connect. Investments in China may also be performed on any acceptable securities trading programmes which may be available to the Compartment in the future as approved by the relevant regulators from time to time.

In addition, the Compartment may invest up to 10% of its net assets in UCITS and other UCIs.

Investments in distressed and defaulted securities may not exceed 5% of its net assets.

The Compartment may invest in structured products, such as credit linked notes, bonds or other transferable securities whose returns are linked to the performance of an index, transferable securities or a basket of transferable securities, or an undertaking for collective investment, for example.

To achieve its investment objective and through the use of financial derivative instruments, the Compartment can hold a significant portion of cash and cash equivalent (such as deposits and money market instruments).

For hedging, efficient portfolio management and investment purposes, within the limits set out in the chapter" Investment restrictions" of the Prospectus, the Compartment may use all types of financial derivative instruments traded on a regulated market and/or over the counter (OTC) provided they are contracted with leading financial institutions specialized in this type of transactions. In particular, the Compartment may take exposure through any financial derivative instruments such as but not limited to warrants, futures, options, swaps (including but not limited to total return swaps, contracts for difference, credit default swaps) and forwards on any underlying in line with the 2010 Act as well as the investment policy of the Compartment, including but not limited to, currencies (including non-deliverable forwards), interest rates, transferable securities, basket of transferable securities, indices (including but not limited to commodities, precious metals or volatility indices), undertakings for collective investment.

The Compartment may enter into Securities Lending Agreements and Repurchase and Reverse Repurchase Agreements in order to increase its capital or its income or to reduce its costs or risks.

Under exceptional circumstances, and for a limited period of time if the manager considers this to be in the best interest of the Shareholders, the Compartment may hold up to 100% of its net assets in liquidities as amongst others cash deposits, money market funds (within the above-mentioned 10% other UCITS/UCI limit) and money market instruments.

The investment process integrates ESG criteria based on proprietary and third-party research to evaluate investment risks and opportunities. When selecting the Compartment's investments, securities of issuers with low ESG characteristics may be purchased and retained in the Compartment's portfolio.

Reference Index

ICE BofA SOFR Overnight Rate Index. Used for performance measurement.

The portfolio composition is not constrained relative to the benchmark, so the similarity of the Compartment's performance to that of the benchmark may vary

Exposure to total return swaps, Securities Lending Agreements, Reverse Repurchase Agreements and Repurchase Agreements

By way of derogation to the maximum exposure referred to in the general part of the Prospectus, no more than 150% of the Compartment's net assets will be subject to total return swaps.

By way of derogation to the maximum exposure referred to in the general part of the Prospectus, no more than 30% of the Compartment's net assets will be subject to Reverse Repurchase Agreements.

By way of derogation to the maximum exposure referred to in the general part of the Prospectus, no more than 50% of the Compartment's net assets will be subject to Repurchase Agreements

The expected level of exposure to total return swaps amounts to 20% of the Compartment's net assets.

The expected level of exposure to Repurchase Agreements amounts to 20% of the Compartment's net assets.

The Compartment does however not expect to be exposed to Securities Lending Agreements and Reverse Repurchase Agreements.

Risk factors

The risks listed below are the most relevant risks of the Compartment. Investors should be aware that other risks may also be relevant to the Compartment. Please refer to the section "Risk Considerations" for a full description of these risks.

- Counterparty risk
- Collateral risk
- Credit risk
- Credit rating risk
- High Yield investment risk
- Asset liquidity Risk
- Interest rate risk
- Emerging market risk
- Political risk
- Financial derivative instruments risk
- Investment Restriction Risk
- Contingent Convertibles instruments risk
- Structured Finance Securities risk
- Securities Lending Agreement risk
- Repurchase and reverse repurchase agreement risk
- Sukuk Risk
- Risk of investing in the PRC

- QFII risk
- RQFII risk
- CIBM risk
- Bond Connect risk
- Leverage risk

The capital invested may fluctuate up or down, and investors may not recover the entire value of the capital initially invested.

Risk management method:
Absolute value-at-risk approach.

Expected leverage:
350%

Depending on market conditions, the leverage may be greater.

Leverage calculation method:
Sum of notional amounts.

Managers:
PICTET AM S.A., PICTET AM Ltd

Reference currency of the Compartment:
USD

Cut-off time for receipt of orders
Subscription
By 3:00 pm on the relevant Valuation Day.

Redemption
By 3:00 pm on the relevant Valuation Day.

Switch
The more restrictive time period of the two Compartments concerned.

Frequency of net asset value calculation
The net asset value will be determined as at each Banking Day (the "**Valuation Day**").

However, the Board of Directors reserves the right not to calculate the net asset value or to calculate a net asset value that cannot be used for trading purposes due to closure of one or more markets in which the Fund is invested and/or which it uses to value a material part of the assets.

For further information, please refer to our website www.assetmanagement.pictet.

Calculation Day
The calculation and publication of the net asset value as at a Valuation Day will take place on the Week Day following the relevant Valuation Day (the "**Calculation Day**").

Payment value date for subscriptions and redemptions
Within 3 Week Days following the applicable Valuation Day.

Initial subscription period
The initial subscription will take place from 12 August 2020 until 9 September 2020, 3pm, at an initial price equal to 100 USD, 100 GBP, 100 EUR, 10,000 JPY and 100 CHF respectively. The payment value date will be 10 September 2020.

The Compartment may however be launched on any other date decided by the Board of Directors of the Fund.

PICTET – STRATEGIC CREDIT

Type of Share	Initial min.	Fees (max %) *		
		Management	Service**	Depositary Bank
I	USD 1 million	0.50%	0.10%	0.10%
A	***	0.50%	0.10%	0.10%
E	USD 5 million	0.30%	0.10%	0.10%
P	–	1.00%	0.10%	0.10%
R	–	1.40%	0.10%	0.10%
Z	–	0%	0.10%	0.10%
J	USD 50 million	0.50%	0.10%	0.10%

*Per year of the average net assets attributable to this type of Share.
**An additional 5 basis points fee applies for hedged Share Classes.
***Please refer to www.assetmanagement.pictet