

# Product Key Facts Statement

As at 02 July 2013



## Pictet - High Dividend Selection

*This statement provides you with key information about this product.  
This statement is a part of the offering document.  
You should not invest in this product based on this statement alone.*

### QUICK FACTS

|                                  |   |                       |  |
|----------------------------------|---|-----------------------|--|
| Management Company:              | Pictet Funds (Europe) S.A.                  |                       |  |
| Fund Manager:                    | Pictet Asset Management Ltd, United Kingdom | (Internal delegation) |  |
| Sub - Manager:                   | Pictet Asset Management S.A., Switzerland   | (Internal delegation) |  |
| Custodian:                       | Pictet & Cie (Europe) S.A.                  |                       |  |
| Base Currency:                   | EUR   |                       |  |
| Financial year end of this fund: | 30 September                                |                       |  |
| Dealing frequency:               | Daily                                       |                       |  |

| Dividend Policy |  | Minimum investment |     |              |     |
|-----------------|--|--------------------|-----|--------------|-----|
| P EUR           | dividend (if any) will be reinvested   | Initial :          | N/A | Additional : | N/A |
| P USD           | dividend (if any) will be reinvested   | Initial :          | N/A | Additional : | N/A |
| P dm USD        | Dividends will be declared monthly on a discretionary basis, and if declared, dividends will be paid monthly.<br>Dividends may be paid out of the capital and may reduce the sub fund's net asset value.   | Initial :          | N/A | Additional : | N/A |
| P dy EUR        | Dividends will be declared annually on a discretionary basis, and if declared, dividends will be paid annually.<br>Dividends may be paid out of the capital and may reduce the sub fund's net asset value. | Initial :          | N/A | Additional : | N/A |

### WHAT IS THIS PRODUCT?

This is a sub fund of Pictet (the "Fund") which is a mutual fund domiciled in Luxembourg and its home regulator is Commission de Surveillance du Secteur Financier (CSSF).

### OBJECTIVES AND INVESTMENT STRATEGY

The sub fund will invest mainly in shares and similar securities (including structured products) of companies from which high, or higher dividends than those of their reference market, are expected.

Companies eligible for investment by the sub fund must have, at the time of purchase, an annual dividend yield which is higher than that of the average dividend yield of the applicable reference market, or of at least 3%, whichever is lower. The "reference market" refers to the sectors of the global equities universe having a market capitalisation above USD 1 billion.

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The choice of investments will not be limited to a particular sector of economic activity. However, depending on market conditions, the investments may be focused on a limited number of economic activity sectors. Risks will be minimised by diversified geographic distribution of the portfolio. The sub fund may invest in any country (including emerging countries such as China and Brazil).

The aggregate exposure of the sub fund to China A-Share and China B-Shares will not exceed 10% of its net asset value (NAV).

The sub fund may use financial derivative instruments (FDIs), such as warrants, options or forwards, primarily for efficient portfolio management and / or hedging purposes. However, the sub fund will not use FDIs extensively for investment purposes.

## WHAT ARE THE KEY RISKS?

Investment involves risks. Please refer to the offering document for details including risk factors.

### Equity Risk

- The equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the sub fund's NAV.

### Risks associated with emerging markets

- The sub fund may have exposure to emerging markets (e.g. China and Brazil) which are generally considered to present a higher political risk. As a result, the sub fund's investments may be more volatile and/or less liquid.
- Because of relative lack of market regulations and the fact that laws on the ownership of securities may be vague and do not provide the same guarantees, the legal risks are generally considered to be higher than in more developed countries.

### Currency Risk

- The sub fund may hold assets denominated in currencies other than its base currency. It may be affected by changes in exchange rates between the base currency and these other currencies or by changes to exchange control regulations. The conversion of the sub fund's assets from the denomination currency into the base currency is part of the sub fund's NAV calculation process. For instance, if the currency in which an asset is denominated depreciates against the sub fund's base currency, its equivalent value in the base currency will also depreciate.

### Risks relating to the use of FDIs

- The sub fund's use of FDIs may become ineffective in efficient portfolio management and / or hedging. The prices of FDIs (such as warrants, options or forwards) can be volatile and the use of FDIs can entail various risks, including liquidity, legal and counterparty risks, especially when they are conducted over-the counter. Also, the value of the FDIs may not correlate perfectly with the value of the underlying assets. As a result, the sub fund may suffer significant losses.

### Risk relating to Distribution share classes

- Dividends payable (if any) from dy and/or dm distribution shares may be paid out of the capital of the sub fund.
- The Fund may amend the above dividend policy subject to obtaining the Securities and Futures Commission's ("SFC") prior approval and by giving not less than one month's prior notice to affected Hong Kong investors.
- Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Investors should be aware that distributions, including distributions involving payment of dividends out of the sub fund's capital, may result in an immediate reduction in the NAV per distribution share of the sub fund.

### Investment Risk

- The sub fund's investment portfolio may fall in value and therefore your investment in the sub fund may suffer losses.

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## IS THERE ANY GUARANTEE?

This sub fund does not have any guarantees. You may not get back the full amount of money you invest.

## WHAT ARE THE FEES AND CHARGES?

Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the sub fund.

## WHAT ARE THE FEES AND CHARGES?

| Fee               | What you pay (as a % of NAV per share) |              |              |                 |
|-------------------|--|--------------|--------------|-----------------|
| Share classes     | <i>P dy EUR</i>                        | <i>P EUR</i> | <i>P USD</i> | <i>P dm USD</i> |
| Subscription fee* | Up to 5.0%                             | Up to 5.0%   | Up to 5.0%   | Up to 5.0%      |
| Switching fee*    | Up to 2.0%                             | Up to 2.0%   | Up to 2.0%   | Up to 2.0%      |
| Redemption fee*   | Up to 1.0%                             | Up to 1.0%   | Up to 1.0%   | Up to 1.0%      |

\*a dilution levy for a maximum of 2% of the value of the NAV on the issue, redemption and/or conversion price may be charged in certain exceptional circumstances which are set out under the section entitled "Dilution Levy" in the Prospectus.

Ongoing fees payable by the sub fund

The following expenses will be paid out of the sub fund. They affect you because they reduce the return you get on your investments.

|                              | Annual rate** (as a % of the share class value) |              |              |                 |
|------------------------------|---|--------------|--------------|-----------------|
| Share classes                | <i>P dy EUR</i>                                 | <i>P EUR</i> | <i>P USD</i> | <i>P dm USD</i> |
| Management fee               | 1.6%  | 1.6%         | 1.6%         | 1.6%            |
| Custodian fee                | 0.03%   | 0.03%        | 0.03%        | 0.03%           |
| Performance fee              | NIL   |              |              |                 |
| Administration (service) fee | 0.27%   | 0.27%        | 0.27%        | 0.27%           |

\*\*Per year of the average net assets attributable to this type of share and accrued on each NAV calculation date.

Please note that the relevant service provider may charge a lower level of fees than otherwise stated. For maximum fee level, please refer to Appendix B of the Information for Hong Kong Investors.

Please note that fees may be increased up to the maximum annual rate after giving at least one month's prior notice to investors.

Other fees

You may have to pay other fees when dealing in the shares of the sub fund.

## ADDITIONAL INFORMATION

- You generally buy and redeem shares at the sub fund's next-determined NAV after Bank Pictet & Cie (Asia) Ltd receives your request in good order on or before 5pm being the dealing cut-off time.

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## ADDITIONAL INFORMATION

- You should, before placing your subscription or redemption orders, check with your distributor for the distributor's internal dealing cut-off time which may be earlier than the sub fund's dealing cut-off time.
- The NAV of this sub fund is calculated and published each "business day". They are available online at [www.pictetfunds.hk](http://www.pictetfunds.hk).
- You may also obtain information on the intermediaries from the above-mentioned website.
- The composition of the dividends (i.e. relative amounts paid from net distributable income and capital) for the last 12 months will be provided on the above-mentioned website or from the Hong Kong Representative on request.
- Please note that the above-mentioned website has not been reviewed by the Securities and Futures Commission ("SFC").

## IMPORTANT

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.