

onemarkets

# Pictet Global Opportunities Allocation Fund

## Website disclosure

### 1. NO SUSTAINABLE INVESTMENT OBJECTIVE

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investments.

While it does not have a sustainable investment objective, the Sub-Fund plans to allocate at least 90% of its assets to companies with positive environmental and / or social characteristics and a minimum of 5% of assets to Sustainable Investments. The share of Sustainable Investments is included in the aforementioned 90%.

The fund may partially invest in securities financing economic activities that substantially contribute to the environmental and/or social objectives listed below.

- Other environmental
  - climate change mitigation or adaptation
  - sustainable use and protection of water and marine resources
  - transition to a circular economy
  - pollution prevention and control, or
  - protection and restoration of biodiversity and ecosystems
- Social
  - inclusive and sustainable communities
  - adequate living standards and well-being for end users, or
  - decent work

This is achieved by investing in securities financing economic activities that substantially contribute to the environmental and/or social objectives listed above.

Eligible securities include equities issued by companies with a significant proportion of activities (as measured by revenue, EBIT, enterprise value or similar metrics) derived from such economic activities

Subject to data availability, the Investment Manager applies technical screening criteria defined under the EU Taxonomy to determine the eligibility of relevant economic activities.

The fund considers and, where possible, mitigates adverse impacts of its investments on society and the environment through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities.

### 2. ENVIRONMENTAL AND / OR SOCIAL CHARACTERISTICS PROMOTED BY THE FUND

The Sub-Fund promotes environmental or social characteristics and qualifies as an equity sub-fund applying the Investment Manager's Responsible Investment Policy.

- Best-in-class:

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The Sub-Fund seeks to invest in securities of issuers with low sustainability risks while avoiding those with high sustainability risks, reducing the investment universe by at least 20%.

- Norms- and values-based exclusions:

The Sub-Fund excludes issuers that are in severe breach of international norms or have significant activities with adverse impacts on society or the environment.

- Active ownership:

The Sub-Fund methodically exercises its voting rights. The fund may also engage with the management of companies on material ESG issues and may discontinue investment if progress proves unsatisfactory.

The Sub-Fund does not use any reference benchmark to determine whether it is aligned with the environmental and/or social characteristics that it promotes.

### 3. INVESTMENT STRATEGY

#### *Investment strategy*

The Sub-Fund combines a thematic approach and a quantitative equity selection approach within a multi-asset allocation strategy, unrelated to benchmark constraints. Both thematic and quantitative approaches to equity selection are based on a fundamental analysis of companies, even though they use different drivers. The combination of the two approaches is an efficient solution to ensure a more stable long-term performance. The target direct exposure to equities is at 60% most of the time. The asset allocation and the portfolio management activity will have a strategic perspective, but it will also be possible to change it in an opportunistic and tactical manner. Investment views based on market conditions can be taken either by reallocating exposure between asset classes or through the use derivatives acting as overlay to modify exposures to the different asset classes comprising the investment universe, or a mix of both.

The investment process integrates ESG factors based on proprietary and third-party research to evaluate investment risks and opportunities. The proportion of the Sub-Fund's portfolio subject to ESG analysis is at least 90% of the net assets or number of issuers. When selecting investments, the Sub-Fund adopts a best in class approach which seeks to invest in securities of issuers with low sustainability risks while avoiding those with high sustainability risks, reducing the investment universe by at least 20%. This strategy applies an additional exclusion policy relating to direct investment in companies and countries and that are deemed incompatible with the Investment Manager's approach to responsible investment.

Please refer to Investment Manager's responsible investment policy <https://www.am.pictet/-/media/pam/pam-commongallery/article-content/2021/pictet-asset-management/responsible-investment-policy.pdf> for further information.

#### *Good governance*

The Sub-Fund assesses company decision-making processes and controls, as well as how management balances the interests of shareholders, employees, suppliers, customers, the community and other stakeholders.

Assessed areas may include:

- the composition of the executive team and board of directors, including the experience, diversity and distribution of roles, along with succession planning and board evaluation
- executive remuneration, including short term and long-term incentives and their alignment with investor interests
- risk control and reporting, including auditor independence and tenure
- shareholder rights, including one-share-one-vote and related-party transactions

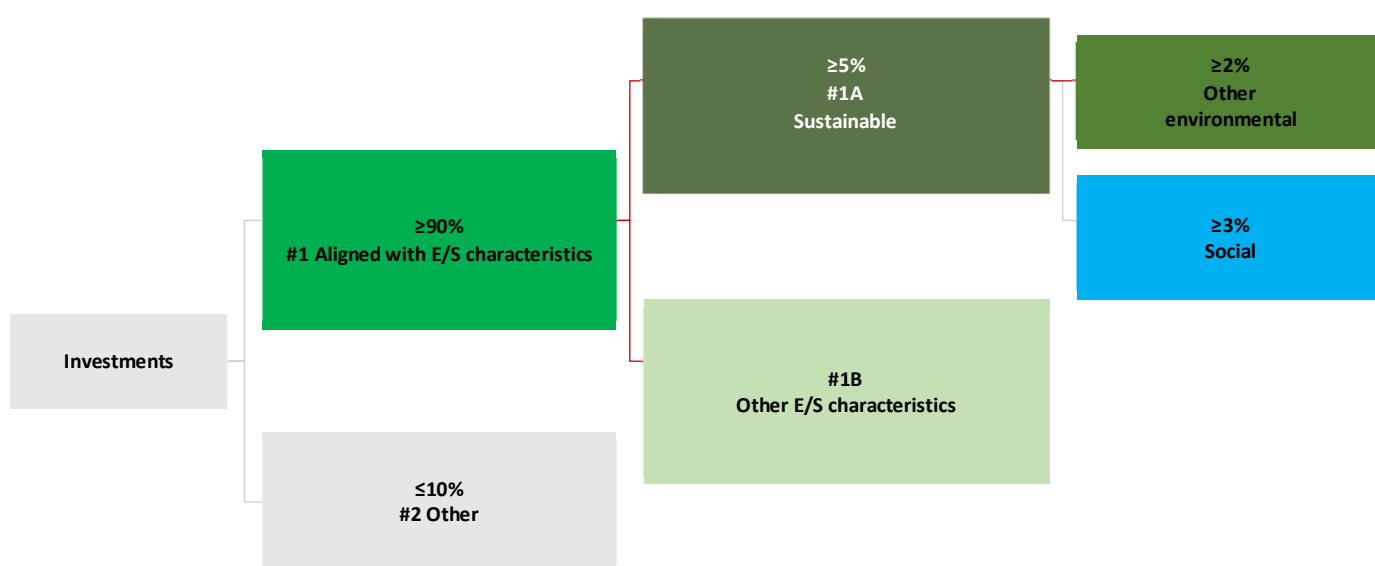
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### 4. PROPORTION OF INVESTMENTS

The Sub-Fund plans to allocate at least 90% of its assets to companies with positive environmental and/ or social characteristics and a minimum of 5% of assets to Sustainable Investments. The share of Sustainable Investments is included in the aforementioned 90%. The Sub-Fund commits to investing a minimum of 2% of assets specifically in companies exhibiting positive environmental characteristics and a minimum of 3% specifically in positive social characteristics.

0% of assets are committed to Sustainable Investments with an environmental objective aligned with the EU Taxonomy.

The Sub-Fund may not invest in units of other UCITS or other UCIs eligible under article 41(1)e) of the 2010 Law for more than 10% of its net assets.



### 5. MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

Structured Invest (SI) monitors the handling and monitoring of sustainability risks. Among the different risks deriving from ESG matters the risks for a company which arise climate change poses a significant risk to the long-term financial sustainability of a company. Therefore, a better understanding of the potential impacts of sustainability risks is in the best interest of the investors.

### 6. METHODOLOGIES

In actively managing the fund, the Investment Manager uses a combination of market and fundamental company analysis to select securities that it believes offer favourable growth prospects at a reasonable price. The Investment Manager considers ESG factors a core element of its strategy by adopting a best-in-class approach which seeks to invest in securities of issuers with low sustainability risks while avoiding those with high sustainability risks, subject to good governance practices. Activities that adversely affect society or the environment are also avoided. Voting rights are methodically exercised and there may be engagement with companies to positively influence ESG practices. For further information, please refer to the Investment Manager's exclusion framework in the Responsible Investment policy (<https://am.pictet/-/media/pam/pam-common-gallery/pictet-asset-management/responsible-investment-policy.pdf>).

The Investment Manager applies the following elements:

- exclusion of issuers that:
  - are involved with nuclear weapons from countries that are not signatories to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and other controversial weapons

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- derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities.
- severely violate the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

To ensure ongoing compliance, the Investment Manager monitors the ESG profile of all securities and issuers that form part of the minimum percentage of E/S investments stated in the asset allocation planned for this financial product. The Sub-Fund draws on information from various sources, such as proprietary fundamental analysis, ESG research providers, third-party analyses (including those from brokers), credit rating services and financial and general media. Based on this information, the Investment Manager may decide to add or discontinue certain securities, or increase or decrease its holdings in certain securities.

### 7. DATA SOURCES AND PROCESSING

#### *Data sources*

The Investment Manager relies on various sources of information to analyze and monitor potential investments, including financial press, analysts from other financial institutions (including brokers), credit rating services, ESG research providers and media reports.

#### *Measures taken to ensure data quality*

ESG data providers are subject to a review of their business model, research process, technical expertise, data coverage, quality assurance mechanisms, and prevention of conflicts of interests.

#### *Processing*

Once ESG data is integrated into the systems, the Investment Manager conducts quality controls on an on-going basis to detect and address issues that may negatively affect data usage.

#### *Proportion of data that are estimated*

The proportion of estimated data varies between research providers and geographies.

### 8. LIMITATIONS TO METHODOLOGIES AND DATA

Key limitations to methodologies of the Investment Manager may include a lack of data coverage and/or quality.

To overcome these issues, the methodologies are informed by reliable sources gathered from diverse reputable third-party research providers that are experts in their areas. In addition, the Investment Manager retains the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.

### 9. DUE DILIGENCE

The Investment Manager's due diligence process of issuers covers the following points:

- The clarity and robustness of the issuer's long-term strategy
- The functioning and caliber of governance structures and effective leadership
- The financial strength and performance of issuers and the fair valuation of underlying securities
- Sustainability risks & opportunities and adverse impacts of potential investments on society and/or the environment

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### **10. ENGAGEMENT POLICIES**

Interaction with issuers take the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions are to assess an organization before investment, monitor that their strategy is being implemented in line with the Investment Manager's expectations and ensure that issuers are on track to meet their goals and objectives.

Where appropriate, the Investment Manager engages issuers on material ESG issues, including controversies, to satisfy the Investment Manager's expectations that the issuers fully understand and address them effectively over the short, medium and long term. The engagement activities include a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services. The Investment Manager engages on behalf of our long only, managed equity and debt holdings.

### **11. DESIGNATED REFERENCE BENCHMARK**

The Sub-Fund does not use a designated reference benchmark to meet the environmental or social characteristics promoted.