

**PICTET**  
**Société d'Investissement à Capital Variable**  
**15, avenue J. F. Kennedy**  
**L-1855 Luxembourg**  
**R.C.S. Luxembourg B 38 034**  
**(the "Fund")**

<p><b>Notice to the shareholders of the following compartments:</b> <b>Pictet-US Equity Selection and Pictet-USA Index</b></p>
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Luxembourg, 26 August 2019

**Merger of Pictet-US Equity Selection with Pictet-USA Index**

Dear Shareholder,

We wish to inform you that the board of directors of the Fund (the "Board") has decided to merge Pictet-US Equity Selection (the "Absorbed Compartment") with Pictet-USA Index (the "Absorbing Compartment"; referred jointly as the "Compartments").

The effective date for this merger (the "Merger") will be for the net asset value calculated as at **7 October 2019** (the "Effective Date" and the "Valuation Day").

**1. Purpose of the Merger**

The decision has been taken with the aim of rationalizing the range of investment products.

**2. Key features of the Compartments and main differences**

The investment policy and objectives of the Absorbing Compartment will differ from the investment policy and objectives of the Absorbed Compartment. The Absorbed Compartment is an actively managed compartment whereas the Absorbing Compartment is an index tracking compartment meaning that the Absorbing Compartment aims to replicate an index, namely the S&P 500 Composite Index. Consequently, any fall in this index could trigger a corresponding fall in the value of the Absorbing Compartment's shares.

The reference currency of the Compartments is US Dollar.

Share classes that will be offered in the Absorbing Compartment will have the same characteristics than the share classes comprised in the Absorbed Compartment, with the exception of the fee structure.

The maximum management fees, service fees and depositary bank fees that can be charged to the share classes of the Compartments are disclosed in Appendix II.

As the Compartments are both compartments of the Fund, there will be no change of the services providers appointed by the management company of the Fund (with the exception of the manager as disclosed in the attached Appendix I) and the Depositary Bank will remain unchanged. The rights of shareholders in the Fund will still be the same.

All the key features of the Compartments and the main differences between them are set out in a table in the attached Appendix I.

### 3. Terms and conditions of the Merger

The net assets of the Absorbed Compartment will be transferred into the Absorbing Compartment on the Effective Date.

Shareholders in the Absorbed Compartment will be merged in a share class of the Absorbing Compartment which will have the same characteristics (with the exception of the fee structure) than the share class of the Absorbed Compartment they currently hold as indicated in below.

If your current share class in Pictet - US Equity Selection is:		Your share class after the merger in Pictet - USA Index will be:	
Type of shares	Isin Code	Type of shares	Isin Code
I USD	LU0256836254	I USD	LU0188798671
I dy USD	LU0953040796	I dy USD	LU0953041505
P USD	LU0256840108	P USD	LU0130732877
P dy USD	LU0256841411	P dy USD	LU0208605534
R USD	LU0256842575	R USD	LU0130733172
R EUR	LU0372506948	R EUR	LU0474966248
HI EUR	LU0256843623	HI EUR	LU0592905094
HP EUR	LU0256844860	HP EUR	LU0592905250
HR EUR	LU0256845677	HR EUR	LU0592905508

This exchange will be performed at a conversion rate calculated using the net asset value of the relevant classes of shares of the Compartments as at 7 October 2019, in accordance with the provisions set out in the section entitled “Calculation of the Net Asset Value” of the Fund’s prospectus. However, for consistency purposes, the same pricing point will be used to calculate the net asset value of the Compartments that will be used to determine the conversion rate. The calculation of the last net asset value of the Absorbed Compartment will therefore take place on the Week Day following the Valuation Day instead of on the Valuation Day. Due to the possible difference in net asset value per share between the relevant classes of shares of the Absorbed Compartment and the relevant classes of shares of the Absorbing Compartment, the number of shares that shareholders will receive in the Absorbing Compartment may differ from the number they held in the Absorbed Compartment but the value of their shareholding will be the same.

Shares in the Absorbed Compartment will be cancelled once the shares in the Absorbing Compartment have been issued.

Following the Merger, the Absorbed Compartment will cease to exist.

Subscriptions to and conversions into the Absorbed Compartment will no longer be accepted after the net asset value calculated as at 27 August 2019, and redemptions in the Absorbed Compartment will no longer be accepted after the net asset value calculated as at 27 September 2019.

Shareholders of the Absorbing Compartment and of the Absorbed Compartment who do not wish to take part in the Merger may request the redemption of their shares free of charge at any time until the net asset value calculation as at 27 September 2019.

From the Effective Date, shareholders of the Absorbed Compartment who have not exercised their right of redemption will be able to exercise their rights as shareholders of the Absorbing Compartment.

All of the Absorbed Compartment's debts will be paid by the Absorbed Compartment prior to the Merger and have already been accrued in the net asset value of the Absorbed Compartment.

Any legal, advisory or administrative costs associated with the preparation and the completion of the Merger shall be borne by the Fund's management company, Pictet Asset Management (Europe) S.A.

In the days prior to the Merger, the Absorbed Compartment's portfolio will be rebalanced in view of the Merger. Therefore, the contribution of the Absorbed Compartment to the Absorbing Compartment may be performed in shares and/or in cash.

The Absorbing Compartment's portfolio will not be rebalanced in view of the Merger which will have no material impact on the Absorbing Compartment but will allow it to increase the assets under management.

The shares of the Absorbed Compartment will be withdrawn from the Luxembourg stock exchange on the Effective Date.

The Fund's prospectus is available on request from the Fund's registered office.

Pursuant to article 71 (1) of the law of 17 December 2010 relating to undertakings for collective investment as amended, a Merger report will be drawn up by Deloitte Audit, the Fund's independent auditor.

Shareholders of the Absorbed Compartment can obtain a free copy of this report on request from the Fund's registered office.

We strongly advise you to carefully read the key investor information document regarding the share class in which you will be investing in the Absorbing Compartment. This information is available at [www.assetmanagement.pictet](http://www.assetmanagement.pictet).

The Board plans to apply for all of the authorisations from which the Absorbed Compartment currently benefits for the Absorbing Compartment, with a view to selling its shares to investors based in countries other than Luxembourg.

**Your tax situation may change following this Merger. You may wish to consult your tax adviser to obtain information about how the Merger may affect your tax situation.**

If you would like to receive more information about the Merger, please contact us on +352 46 71 71 7666.

Yours faithfully,

On behalf of the Fund

**APPENDIX I**  
**Main features of and differences between Pictet-US Equity Selection**  
**and Pictet-USA Index**

Shareholders are encouraged to read the Fund’s prospectus, as well as the relevant key investor information document, all of which are available at [www.assetmanagement.pictet](http://www.assetmanagement.pictet) or from the Fund’s registered office.

Defined terms will have the same meaning as in the prospectus of the Fund.

**1. Main features**

The table below details the main features of and differences between the Compartments.

Features	Pictet-US Equity Selection	Pictet-USA Index
<b>Investment policy and objectives</b>	<p>This Compartment aims to enable investors to participate in the growth of the American equity market.</p> <p>The Compartment will invest at least two-thirds of its total assets/total wealth in equities issued by companies that are headquartered in or conduct their main activity in the United States.</p> <p>The portfolio will be composed of a limited selection of securities that, in the opinion of the manager, have the most favourable outlook.</p> <p>This Compartment will hold a diversified portfolio, generally composed of securities issued by listed companies. These securities may be ordinary or preference shares, convertible bonds and, to a lesser extent, warrants on transferable securities and options. In addition, the Compartment may also invest up to 10% of its net assets in UCITS and other UCIs, including other compartments of the Fund pursuant to Article 181 of the 2010 Act.</p> <p>The Compartment may also invest in depositary receipts (such as ADR, GDR, EDR).</p> <p>Investments in debt instruments will not exceed 15%.</p> <p>The Compartment may enter into securities lending agreements and repurchase and reverse repurchase transactions in order to increase its capital or its income or to reduce</p>	<p>The Compartment aims for the full and complete physical replication of the S&amp;P 500 Index (hereinafter the “Benchmark Index”). It aims to achieve its investment objective by investing in a portfolio of transferable securities or other eligible assets comprising all (or, on an exceptional basis, a substantial number) of the components of the index concerned.</p> <p>The composition of the Benchmark Index may be obtained at the address: <a href="http://www.standardandpoors.com">http://www.standardandpoors.com</a>. As a rule, the Benchmark Index shall be rebalanced four times a year.</p> <p>The a priori tracking error between the change in the value of the underliers of the Compartment and those of the Benchmark Index is expected to be below 0.20% p.a. in normal market conditions.</p> <p>Due to this physical replication, it may be difficult or even impossible to purchase all the components of the Benchmark Index in proportion to their weighting in the Benchmark Index or to purchase certain components due to their liquidity, the investment limits described in the section “Investment Restrictions”, other legal or regulatory limits, transaction and other fees incurred by the Compartment, existing differences and the potential mismatch between the Compartment and the Benchmark Index when the markets are closed.</p>

Features	Pictet-US Equity Selection	Pictet-USA Index
	<p>its costs or risks.</p> <p>The Compartment may also invest in structured products, such as 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.</p> <p>The Compartment may use derivative techniques and instruments for efficient management, within the limits specified in the investment restrictions.</p>	<p>The Compartment may marginally invest in securities that are not part of the benchmark whenever necessary (e.g. when the index is rebalanced, in case of corporate action or to manage cashflows), or in exceptional circumstances such as market disruptions or extreme volatility. As a consequence, there might be substantial differences between the composition of the Compartment's portfolio and that of the Benchmark Index.</p> <p>Because the Compartment aims to physically replicate the Benchmark Index, the composition of the portfolio will not be adjusted, except (if applicable) in an effort to better reproduce the performance of the Benchmark Index. Consequently, the Compartment will not aim to "outperform" the Benchmark Index and will not try to adopt a defensive positioning when markets are declining or considered overvalued. A decline in the Benchmark Index could thus lead to a corresponding decline in the value of the Compartment's shares.</p> <p>Investors should also be aware that rebalancing the Benchmark Index may incur transaction fees that will be borne by the Compartment and may affect the Compartment's net asset value.</p> <p>In addition to the specific risks linked to the physical replication of the Benchmark Index, investors should be aware that the Compartment is more generally subject to market risks (i.e. the risk of the decrease in the value of an investment due to changes in market factors such as exchange rates, interest rates, share prices or volatility).</p> <p>The Compartment may, in application of Article 44 of the 2010 Act, invest up to 20% (and even 35% (for a single issuer) in exceptional market circumstances, particularly in the case of regulated markets where certain transferable securities are largely dominant) of its net assets in the same issuer in order to replicate the composition of its Benchmark Index.</p> <p>The Compartment will hold a diversified</p>

Features	Pictet-US Equity Selection	Pictet-USA Index
		<p>portfolio and could contain convertible bonds.</p> <p>The Compartment will not invest in UCITS and other UCIs.</p> <p>If the manager deems it necessary and in the best interest of the shareholders, and to ensure adequate liquidity, the Compartment may hold liquid instruments such as deposits and money market instruments, among others.</p> <p>If the manager deems it necessary and in the best interest of the shareholders, and to minimise the risk of underperforming the Benchmark, the Compartment may use financial derivative instruments and techniques for efficient management, within the limits specified in the investment restrictions.</p> <p>The Compartment may enter into securities lending agreements and repurchase and reverse repurchase transactions in order to increase its capital or its income or to reduce its costs or risks.</p>
<b>German Investment Tax Act restriction:</b>	At least 51% of the Compartment's net assets shall be invested in physical equities (to the exclusion of ADRs, GDRs, derivatives and of any lent securities) that are listed on a stock exchange.	At least 51% of the Compartment's net assets shall be invested in physical equities (to the exclusion of ADRs, GDRs, derivatives and of any lent securities) that are listed on a stock exchange.
<b>Exposure to total return swaps, securities lending transactions, repurchase agreements and reverse repurchase agreements</b>	<p>The maximum expected level of exposure to securities lending transactions amounts to 5% of the Compartment's net assets.</p> <p>The Compartment does not expect to be exposed to total return swaps, repurchase agreements and reverse repurchase agreements.</p>	<p>The maximum expected level of exposure to securities lending transactions amounts to 5% of the Compartment's net assets.</p> <p>The Compartment does not expect to be exposed to total return swaps, repurchase agreements and reverse repurchase agreements.</p>
<b>Typical Investor Profile</b>	<p>The Compartment is an investment vehicle for investors:</p> <ul style="list-style-type: none"> <li>➤ Who wish to invest in shares issued by companies with headquarters in and/or whose main activities are conducted in the United States.</li> <li>➤ Who are willing to bear variations in market value and thus have a low aversion to risk.</li> </ul>	<p>The Compartment is an investment vehicle for investors:</p> <ul style="list-style-type: none"> <li>➤ Who wish to replicate the performance of the S&amp;P 500 Composite Index.</li> <li>➤ Who are willing to bear variations in market value and thus have a low aversion to risk.</li> </ul>

<b>Features</b>	<b>Pictet-US Equity Selection</b>	<b>Pictet-USA Index</b>
<b>Manager(s)</b>	Ivy Investment Management Company	Pictet Asset Management Limited and Pictet Asset Management SA
<b>Risk management method</b>	The global exposure is calculated using the relative value at risk (VaR), comparing the VaR of the Compartment to the VaR of the S&P 500 Composite index.	The global exposure is calculated using the relative value at risk (VaR), comparing the VaR of the Compartment with the VaR of the S&P 500 Composite Index.
<b>Expected leverage</b>	0%. Depending on market conditions, the leverage may be greater.	0%. Depending on market conditions, the leverage may be greater.
<b>Payment value date for subscriptions and redemptions</b>	Within <b>2</b> Week Days following the applicable Valuation Day.	Within <b>2</b> Week Days following the applicable Valuation Day.
<b>Performance fee</b>	N/A	N/A
<b>SRRI</b>	R EUR: 6 All other share classes: 5	P EUR, I JPY, IS EUR, I EUR and R EUR: 6 All other share classes: 5

## APPENDIX II

### List of share classes of Pictet-US Equity Selection and Pictet-USA Index

The tables below sets out the features and classes available in the Absorbed Compartment:

#### PICTET – US EQUITY SELECTION

Type of share	Activated	ISIN code	Initial min.	Currency of the class	Subscription and redemption currencies	Dividend distribution	Fees (max %) *		
							Management	Service	Depository Bank
I USD	✓	LU0256836254	1 million	USD	USD	–	0.90%	0.30%	0.30%
I dy USD	✓	LU0953040796	1 million	USD	USD	✓	0.90%	0.30%	0.30%
P USD	✓	LU0256840108	–	USD	USD	–	1.80%	0.30%	0.30%
P dy USD	✓	LU0256841411	–	USD	USD	✓	1.80%	0.30%	0.30%
R USD	✓	LU0256842575	–	USD	USD	–	2.50%	0.30%	0.30%
Z USD	–	LU0260655930	–	USD	USD	–	0	0.30%	0.30%
R EUR	✓	LU0372506948	–	EUR	EUR	–	2.50%	0.30%	0.30%
HI EUR	✓	LU0256843623	(1)	EUR	EUR	–	0.90%	0.35%	0.30%
HP EUR	✓	LU0256844860	–	EUR	EUR	–	1.80%	0.35%	0.30%
HR EUR	✓	LU0256845677	–	EUR	EUR	–	2.50%	0.35%	0.30%
I GBP	–	LU1090658540	(1)	GBP	GBP	–	0.90%	0.30%	0.30%

\* Per year of the average net assets attributable to this type of share.

(1) USD 1,000,000 converted to EUR or GBP as at the relevant Valuation Day.

The table below sets out the features and classes available in the Absorbing Compartment:

#### PICTET – USA INDEX

Type of share	Activated	ISIN code	Initial min.	Currency of the class	Subscription and redemption currencies	Dividend distribution	Fees (max %) *		
							Management	Service	Depository Bank
I USD	✓	LU0188798671	1 million	USD	USD	–	0.30%	0.10%	0.30%
I dy USD	✓	LU0953041505	1 million	USD	USD	✓	0.30%	0.10%	0.30%
IS USD	✓	LU0328683478	1 million	USD	USD	–	0.30%	0.10%	0.30%
P USD	✓	LU0130732877	–	USD	USD-EUR	–	0.45%	0.10%	0.30%
P dy USD	✓	LU0208605534	–	USD	USD-EUR	✓	0.45%	0.10%	0.30%
R USD	✓	LU0130733172	–	USD	USD-EUR	–	0.90%	0.10%	0.30%
Z USD	✓	LU0232586924	–	USD	USD	–	0%	0.10%	0.30%
J USD	✓	LU1834886605	100 million	USD	USD	–	0.10%	0.10%	0.30%
JS USD	✓	LU1876525707	100 million	USD	USD	–	0.10%	0.10%	0.30%
I EUR	✓	LU0474966081	(1)	EUR	EUR	–	0.30%	0.10%	0.30%
IS EUR	✓	LU1777194397	(1)	EUR	EUR	–	0.30%	0.10%	0.30%
P EUR	✓	LU0474966164	–	EUR	EUR	–	0.45%	0.10%	0.30%
R EUR	✓	LU0474966248	–	EUR	EUR	–	0.90%	0.10%	0.30%
I GBP	✓	LU0859481052	(1)	GBP	GBP	–	0.30%	0.10%	0.30%
R dy GBP	✓	LU0396247537	–	GBP	GBP	✓	0.90%	0.10%	0.30%
HI EUR	✓	LU0592905094	(1)	EUR	EUR	–	0.30%	0.15%	0.30%

HI dy EUR	–	LU0707830021	(1)	EUR	EUR	✓	0.30%	0.15%	0.30%
HIS EUR	–	LU0368006077	(1)	EUR	EUR	–	0.30%	0.15%	0.30%
HP EUR	✓	LU0592905250	–	EUR	EUR	–	0.45%	0.15%	0.30%
HR EUR	✓	LU0592905508	–	EUR	EUR	–	0.90%	0.15%	0.30%
HZ EUR	✓	LU1401197097	–	EUR	EUR	–	0%	0.15%	0.30%
I JPY	✓	LU0996795224	(1)	JPY	JPY	–	0.30%	0.10%	0.30%

\* Per year of the average net assets attributable to this type of share.

\*\* The conversion costs will be charged to the Compartment.

(1) USD 1,000,000 converted to EUR, GBP or JPY as at the relevant Valuation Day