PICTET
Société d'Investissement à Capital Variable
15, avenue J.F. Kennedy
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R.C.S. Luxembourg B 38 034

Notice to the shareholders of the following compartments: Pictet-Latin American Local Currency Debt and Pictet-Short Term Emerging Local Currency Debt

Luxembourg, 29 March 2021

Dear Shareholders,

Notice is hereby given to the shareholders of Pictet – Latin American Local Currency Debt (the "**Absorbed Compartment**") and Pictet – Short Term Emerging Local Currency Debt (the "**Absorbing Compartment**") that the board of directors of Pictet (the "**Fund**") (the "**Board**") has decided to merge the Absorbed Compartment into the Absorbing Compartment (referred jointly as the "**Compartments**") (the entire process being thereafter referred to as the "**Merger**"). The effective date of the Merger will be for the net asset value calculated as at 10 May 2021 (the "**Effective date**").

The reason for the Merger, your options, details of the process including further information on the Absorbing Compartment are explained in this letter.

Please note that the Merger may trigger specific tax costs depending on your personal circumstances and that your tax situation may change following this Merger. You may wish to consult your tax adviser to analyze the tax impact of the Merger for you and, if you wish to, benefit from the redemption of your shares free of charge at any time until the net asset calculation as at 30 April 2021.

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

Suzanne Berg

Benoit Beisbardt

THE REASON OF THE MERGER

The decision has been taken with the aim of rationalizing the range of investment products and in the best interest of the shareholders due to limited commercial capacity.

YOUR OPTIONS

Shareholders of the Absorbed Compartment have the following three options:

1. **Take no action:** your shares will automatically be exchanged, free of charges for shares of the Absorbing Compartment as further described in this table:

Pictet-Latin American Local Currency Debt		Pictet-Short-Term Emerging Local Currency Debt	
Type of Shares	ISIN Code	Type of Shares	ISIN Code
HI EUR	LU0474965513	HI EUR	LU368003488
I dy USD	LU0532860383	I dy USD	LU2273157250
I EUR	LU0325328531	I EUR	LU0366532991
I GBP	LU0859266321	I GBP	LU2273157334
I USD	LU0325327566	I USD	LU0366532488
P CHF	LU0843168229	P CHF	LU0530333185
P dm HKD	LU0760711795	P dm HKD	LU2273157417
P dm USD	LU0476845283	P dm USD	LU2273157508
P dy GBP	LU0366532058	P dy GBP	LU2273157680
P dy USD	LU0325328291	P dy USD	LU0366532645
P EUR	LU0325328614	P EUR	LU03665330223
P USD	LU0325327723	P USD	LU0366532561
R dm USD	LU0852478758	R dm USD	LU2273157763
R EUR	LU0325328705	R EUR	LU0366533296
R USD	LU0325328374	R USD	LU0366539657
Z dy USD	LU0474965430	Z dy USD	LU2273157847
Z USD	LU0325328457	Z USD	LU0366532728

2. **Switch your investment to another compartment** by the Absorbed Cut Off in the conditions set out in the prospectus of the Fund, free of charge. Before requesting the switch, we invite you to read carefully the Key Investor Information Document (KIID) for any compartment you are considering switching into, and for further information, the prospectus of the Fund, all of which are available at www.assetmanagement.pictet or from the Fund's registered office.

3. **Redeem your investment** free of charge by the Absorbed Cut Off Time.

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.

Shareholders of the Absorbing Compartment

As shareholders of the Absorbing Compartment, should you not agree with the Merger, you can request the redemption of your shares free of charges by the Absorbing Cut Off Time.

MERGER TIMELINE

NOTICE SENT TO SHAREHOLDERS	29 March 2021
SUSPENSION OF SUBSCRIPTION IN AND SWITH INTO THE ABSORBED COMPARTMENT	As from the net asset value calculated as at 30 March 2021
DEADLINE TO REDEEM SHARES IN THE ABSORBED COMPARTMENT OR SWITCH INTO ANOTHER COMPARTMENT ("**ABSORBED CUT OFF TIME**")	by 3 pm on 30 April 2021
DEADLINE TO REDEEM SHARES IN THE ABSORBING COMPARTMENT OR SWITCH INTO ANOTHER COMPARTMENT ("**ABSORBING CUT OFF TIME**")	by 3 pm on 30 April 2021
SUSPENSION OF DEALING IN THE ABSORBING COMPARTMENT	No suspension
CALCULATION OF SHARE EXCHANGE RATIO ("**EXCHANGE RATIO DATE**").	The Effective Date
MERGER DATE ("**EFFECTIVE DATE**")	the net asset value calculated as at 10 May 2021 or such later time and date as may be determined by the Board and notified to the shareholders in the Compartments in writing.
CONFIRMATION OF THE MERGER	Each shareholder of the Absorbed Compartment will receive a notification confirming that (i) the Merger has been carried out and (ii) the number of corresponding shares they hold in the Absorbing Compartment after the Merger is complete no later than 2 business after the Effective Date.

MERGER DETAILS AND PROCEDURE

Key difference between the Absorbed Compartment and the Absorbing Compartment (detail below)

While the Absorbed Compartment invest at least two third of its total assets/total wealth in a diversified portfolio of bonds and other debt securities linked to Latin American local emerging debt, the Absorbing Compartment's portfolio invests mainly in a diversified portfolio of bonds, money market instruments and other debt securities linked to local emerging debt.

In any case, the rights of shareholders of the Absorbed Compartment will still be the same.

All the key features of the Compartment and the main differences between them are set out in a table in the section "Differences between the Compartments".

Process prior to Merger

On the Effective Date, all assets and liabilities of the Absorbed Compartment will be transferred to the Absorbing Compartment by way of a contribution in kind of all assets and liabilities, in accordance with article 1(20)(a) of the of the law dated 17 December 2010 on undertakings for collective investment, as amended (the "**2010 Law**"). 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.

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 transaction costs in relation with the rebalancing of the Absorbed Compartment's portfolio will be borne by the Absorbed Compartment.

No rebalancing of the Absorbing Compartment portfolio will occur after the Merger.

Dissolution of the Absorbed Compartment

The Absorbed Compartment will cease to exist as a result of the Merger and thereby will be dissolved on the Effective Date without going into liquidation.

Exchange ratio

The exchange ratio for the Merger will be 6 decimal places and shall be established on the Effective Date (the "**Exchange Ratio Date**").

The exchange ratio is based on the net asset value per share, in effect that day for both Compartments.

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 of the Absorbed Compartment 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.

Costs

Any legal, advisory or administrative costs in relation with the Merger will be borne by the management company of the Fund, Pictet Asset Management (Europe) S.A.

Publication of the Effective Date

This information shall also be made publicly available, when regulatory mandatory, in other jurisdictions where shares of the Absorbing Compartment are distributed.

ADDITIONAL INFORMATION

The following documents are available at the registered office of the Fund on request and free of charge to the shareholders of the Compartments:

- The merger project drawn up by the Board containing detailed information on the Merger in English version (the "**Merger Project**");
- Following the Effective Date, the report of the independent auditor, Deloitte Audit S.à r.l verifying the valuation of assets and liabilities and the applicable exchange ratio as requested by the 2010 Law;
- The article of incorporation of the Fund;
- The prospectus of the Fund;
- The KIID of the Absorbing Compartment.

DIFFERENCES BETWEEN COMPARTMENTS

The table compares the relevant information between the Compartments. Defined terms will have the same meaning as in the prospectus of the Fund.

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 or from the Fund's registered office.

	PICTET – LATIN AMERICAN LOCAL CURRENCY DEBT	PICTET – SHORT – TERM EMERGING LOCAL CURRENCY DEBT
Investment policy and objective	The Compartment's objective is to seek income and capital growth by investing a minimum of two-thirds of its total assets/total wealth in a diversified portfolio of bonds and other debt securities linked to Latin American local emerging debt. Emerging countries in Latin America are defined as those considered, at the time of investing, as industrially developing countries by the International Monetary Fund, the World Bank, the International Finance Corporation (IFC) or one of the leading investment banks. These countries include, but are not limited to, the following: Mexico, Chile, Brazil, Argentina, Colombia, Peru, Belize, Bolivia, Costa Rica, Cuba, the Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Nicaragua, Paraguay, Panama, Puerto Rico, Suriname, Uruguay and Venezuela. Within the limits of point 7 of § 3 of the investment restrictions, the Compartment is authorised to invest up to 100% of its assets in securities issued by any Latin American country, even if it is not an OECD member state. The Compartment may also invest in warrants on transferable securities and indexes and in subscription warrants and may use currency transactions for a purpose other than hedging. The Compartment may also invest up to 25% of its net assets, not including the investments in Non-Deliverable Forwards described below, in structured products, including in particular credit-linked notes and 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. The investments are primarily denominated in the local currencies of the emerging countries in Latin America. In all cases, the Compartment's exposure to these currencies will be at least two-thirds, either by direct or indirect investment or by authorised derivative instruments. The Compartment may also invest up to 20% of its 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. The	The Compartment's objective is to seek income and capital growth by investing mainly in a diversified portfolio of bonds, money market instruments and other debt securities linked to local emerging debt. The Compartment will be mainly exposed to currencies of the emerging countries, either by direct or indirect investments such as through financial derivative instruments. Emerging countries are defined as those considered, at the time of investing, as industrially developing countries by the International Monetary Fund, the World Bank, the International Finance Corporation (IFC) or one of the leading investment banks. These countries include, but are not limited to, the following: Mexico, Hong Kong, Singapore, Turkey, Poland, the Czech Republic, Hungary, South Africa, Chile, Slovakia, Brazil, the Philippines, Argentina, Thailand, South Korea, Colombia, Taiwan, Indonesia, India, China, Romania, Ukraine, Malaysia, Croatia, and Russia. Each direct investment in a debt security will be for a short/medium duration. The residual duration for each investment will not exceed six years. The average residual duration of the portfolio (the "duration") cannot, however, exceed three years. The Compartment may invest up to 30 % of its net assets in bonds and other debt securities denominated in RMB through (i) the QFII status granted to the Managers (ii) the RQFII status 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 status granted to the Managers 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. – The Compartment will however respect the following limits: The Compartment may be exposed to

PICTET – LATIN AMERICAN LOCAL CURRENCY DEBT	PICTET – SHORT – TERM EMERGING LOCAL CURRENCY DEBT

Compartment may be exposed to non-investment grade debt securities (including distressed and defaulted securities for up to 10% of its net assets).
 	
In addition, the Compartment may 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.
 	
The Compartment will not invest more than 10% of its assets in shares or any other similar security, derivative instruments (including warrants) and/or structured products (in particular convertible bonds) whose underliers are, or offer exposure to, equities or similar securities.
 	
By analogy, investments in undertakings for collective investment whose main objective is to invest in the assets listed above are also included in the 10% limit.
 	
The total amount of commitments resulting from currency transactions made for purposes of speculation and hedging may not exceed 100% of the Compartment's net assets. These transactions will be conducted as Non-Deliverable Forwards, forward contracts or other instruments such as options or currency warrants. To achieve this, the Compartment may enter into over-the-counter agreements with leading financial institutions.
 	
The Compartment may conduct non-deliverable forward transactions. A Non-Deliverable Forward is a bilateral financial futures contract on an exchange rate between a strong currency and an emerging currency. At maturity, there will be no delivery of the emerging currency; instead there is a cash settlement of the contract's financial result in the strong currency.
 	
The International Swaps and Derivatives Association (ISDA) has published standardised documentation for these transactions, included in the ISDA Master Agreement. The Compartment may only conduct non-deliverable forward transactions with leading financial institutions that specialise in this type of transaction, and with strict adherence to the standardised provisions of the ISDA Master Agreement.
 	
Pursuant to its investment policy, the Compartment may hold a significant portion of liquid assets and money market instruments that are traded regularly and whose residual
	non-investment grade debt securities, including up to 10% of its net assets, in distressed and defaulted debt securities. The Managers intend to operate the Compartment in a way that high yield debt securities should not exceed 60% of the Compartment's net assets. However, at times where the Managers consider it as appropriate, high yield debt securities could represent, under exceptional circumstances, up to 80% of the Compartment's net assets. The Compartment may 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.
	
	– The Compartment may also invest up to 20% of its net assets (both investments combined):
	  – in asset-backed securities (ABS) and in mortgage-backed securities (MBS) in compliance with Article 2 of the grand-ducal regulation of 8 February 2008
	  › and
	  – 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.
	
	– The Compartment will not invest more than 10% of its net assets in shares or any other similar security, derivative instruments and/or structured products (in particular convertible bonds) whose underlyings are, or offer exposure to, equities or similar securities. By analogy, investments in undertakings for collective investment whose main objective is to invest in the assets listed above are also included in the 10% limit.
	
	– The Compartment may invest up to 25% of its net assets in structured products, with or without

	PICTET – LATIN AMERICAN LOCAL CURRENCY DEBT	PICTET – SHORT – TERM EMERGING LOCAL CURRENCY DEBT
	maturity does not exceed 12 months. In addition, if the manager deems that it is in the best interest of the Shareholders, the Compartment may also hold up to 33% of its net assets in liquid assets and money market instruments that are regularly traded and whose residual maturity does not exceed 12 months. The Compartment may use derivative techniques and instruments for efficient management, within the limits specified in the investment restrictions. Financial derivative instruments may include options, futures contracts on financial instruments, options on such contracts as well as over-the-counter swaps on various types of financial instruments and Total Return Swaps. The Compartment may conduct credit default swap transactions for up to 100% of its net assets. Investments in unlisted securities and in Russia, other than on the Moscow Stock Exchange will not exceed 10% of the Compartment's net assets.	embedded derivatives, such as, in particular, notes, certificates or any other transferable security whose returns are linked to, among others, an index (including indices on volatility), currencies, interest rates, transferable securities, a basket of transferable securities, or an undertaking for collective investment, in accordance with grand-ducal regulation dated 8 February 2008. – The Compartment may also invest up to 10% of its net assets in contingent convertible bonds ("CoCo Bonds"). – Investments in Rule 144A securities may not exceed 30% of the Compartment's net assets. – Investments in unlisted securities and in Russia (other than on the Moscow Stock Exchange), will not exceed 10% of the Compartment's net assets. The Compartment may use derivative techniques and instruments for hedging and/or efficient portfolio management within the limits specified in the investment restrictions. Financial derivative instruments may include options (including currency options), futures, forward exchange contracts (including non-deliverable forwards), swaps (such as but not limited to Credit Default Swaps, Interest Rate Swaps, Credit Default Swap Index and Total Return Swaps). Under exceptional circumstances, 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 cash and Cash Equivalent.
	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. The investment process integrates ESG factors based on proprietary and third-party research to evaluate investment risks and opportunities. When selecting the Compartment's investments, securities of issuers with high sustainability risks may be purchased and retained in the Compartment's portfolio.	
Exposure to total return swaps,	By way of derogation to the maximum exposure referred to in the general part of the Prospectus, no more than 20% of the Compartment's net assets will be subject to total	

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securities lending transactions, reverse repurchase agreements and repurchase agreements	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. The Compartment does however not expect to be exposed to Securities Lending Agreements, Repurchase Agreements and Reverse Repurchase Agreements. The expected level of exposure to total return swaps amounts to 5% of the Compartment's net assets.	
Reference Index	JP Morgan GBI-EM Global Latin America (USD). Used for portfolio composition, risk monitoring, performance objective and performance measurement. The performance of the Compartment is likely to be significantly different from that of the benchmark, because the Manager has significant discretion to deviate from its securities and weightings.	JP Morgan GBI-EM Global 1-3 Years 10% Capped (USD). Used for portfolio composition, risk monitoring, performance objective and performance measurement.
Typical Investor Profile	The Compartment is an actively managed investment vehicle for investors: › Who wish to invest in fixed-income securities from issuers located in emerging countries of Latin America- and/or by holding money market instruments in emerging countries in Latin America. › Who are risk tolerant.	The Compartment is an actively managed investment vehicle for investors: › Who wish to invest in fixed-income securities from issuers located in emerging markets and/or by holding money market instruments of emerging countries. › Who are risk tolerant.
Manager(s)	Manager: Pictet Asset Managament Ltd Sub-Manager: Pictet Asset Management Singapore	Manager: Pictet Asset Management Limited Sub-managers: Pictet Asset Management S.A., PICTET Asset Management Singapore
Risk management method	Absolute value-at-risk approach	
Expected Leverage	400%	350%
Cut-off time for receipt of subscription and redemption orders	By 3:00 pm on the relevant Valuation Day	
Frequency of net asset value calculation	The net asset value will be determined as at each Banking Day (the "**Valuation Day**"). However, the Board 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 Compartment 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**").	

	PICTET – LATIN AMERICAN LOCAL CURRENCY DEBT	PICTET – SHORT – TERM EMERGING LOCAL CURRENCY DEBT
Payment value date for subscriptions and redemptions	Within **3** Week Days following the applicable Valuation Day.	
Currency	USD	
SRRI	5	4
Swing Pricing Mechanism	Maximum 5%	Maximum 2%
Initial minimum subscription amount	I: USD 1 million A: Please refer to www.assetmanagement.pictet P: - R: - Z: -	I: USD 1 million A: Please refer to www.assetmanagement.pictet P: - R: - Z: - J: USD 50 million
Maximum Management fees	I: 1.05% A: 1.05% P: 2.10% R: 3.00% Z: 0%	I: 1.05% A: 1.05% P: 2.10% R: 3.00% Z: 0% J:1.05%
Maximum Service fees(1)	I: 0.40% A: 0.40% P: 0.40% R: 0.40% Z: 0.40%	I: 0.40% A: 0.40% P: 0.40% R: 0.40% Z: 0.40% J:0.40%
Maximum Depositary Bank fees	I: 0.20% A: 0.20% P: 0.20% R: 0.20% Z: 0.20%	I: 0.20% A: 0.20% P: 0.20% R: 0.20% Z: 0.20% J:0.20%

(1) An additional 5 basis point fee applies for hedged share classes