

PICTET ASSET MANAGEMENT

# Prospectus and fund contract

Pictet CH Precious Metals Fund

FEBRUARY 2024

Umbrella fund of the “other funds for traditional investments” type under Swiss law

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## FUND PROSPECTUS

This prospectus with integrated fund contract, the key information document<sup>1</sup> and the latest annual or semi-annual report (if published after the latest annual report) govern all subscriptions for units of subfunds.

Only the information contained in this prospectus, the key information document and the fund contract shall be deemed to be valid.

### 1. Information on the umbrella fund and the subfunds

#### 1.1 Constitution of the fund in Switzerland

The fund contract was concluded between Pictet Asset Management SA in its capacity of fund management company, with the approval of Banque Pictet & Cie SA in its capacity of custody bank, submitted to the Swiss Financial Market Supervisory Authority (FINMA) and approved for the first time on 12 August 2009.

#### 1.2 Duration

The duration of the fund is unlimited.

#### 1.3 Tax regulations relevant to the investment funds

##### a. General considerations

The tax-specific consequences outlined below are provided for information only and are based on the prevailing legal situation and current industry practice. Any changes to legislation, court rulings and tax authority practices remain explicitly reserved.

Taxation and other fiscal consequences for investors who hold, sell or buy units of investment funds or units of subfunds are based on the provisions of the tax laws of the country in which the investor is domiciled or otherwise considered a taxpayer (e.g. based on citizenship). Investors' attention is drawn to the fact that the determining domicile is not necessarily that of the individual or legal entity in whose name the units of the fund are held; in certain cases, pursuant to the principle of

transparency, the tax authority will take the domicile of the beneficial owner. Investors are responsible for determining and bearing the tax consequences of their investment; to this end, they are encouraged to use the professional services of a tax adviser.

##### b. Swiss tax

#### 1. Tax provisions applicable to the umbrella fund and the subfunds:

The umbrella fund and its subfunds have no legal personality in Switzerland. They are therefore not subject to income tax or capital gains tax but are transparent, i.e. taxation is applied exclusively and directly to investors.

The Swiss federal withholding tax deducted from the subfunds' domestic income may be reclaimed in full for the corresponding subfund by the fund management company.

Income and capital gains realised abroad may be subject to the relevant withholding tax deductions imposed by the country of investment. To the extent possible, these taxes will be reclaimed by the fund management company on behalf of investors resident in Switzerland under the terms of double taxation treaties or other specific agreements.

#### 2. Tax provisions applicable to investors:

Reinvestments and distributions of income from the subfunds to investors domiciled in Switzerland are subject to federal withholding tax (taxation at source) at the rate of 35%. Capital gains paid by way of a separate coupon are not subject to withholding tax.

Investors domiciled in Switzerland may, depending on their situation, reclaim Swiss withholding tax by declaring the income on which it was paid in their tax returns or by filing a claim for refund with the Swiss Federal Tax Administration.

For foreign investors, on the other hand, the withholding tax is a final tax unless they benefit from a double taxation agreement (DTA) concluded between Switzerland and their country of domicile, enabling some or all of the withholding tax levied

<sup>1</sup> All references to the basic information sheet should be construed as also referring to documents recognised as

equivalent in accordance with article 87 of the Financial Services Ordinance (FinSO).

to be reclaimed, or in the event of an affidavit procedure.

With regard to the latter, upon presentation of an affidavit (confirmation issued by the bank that it is holding the units in its custody on behalf of a foreign investor and that the income will be credited to the latter's account), income may be distributed to foreign investors without the deduction of withholding tax provided that at least 80% is derived from foreign sources. It cannot be guaranteed that at least 80% of the income of a subfund is derived from foreign sources.

Should withholding tax be deducted from income distributed to an investor domiciled abroad owing to a failure to present a declaration of domicile (affidavit), a claim for a direct refund may nevertheless be submitted directly to the Swiss Federal Tax Administration in accordance with Swiss law.

#### *c. Automatic exchange of information*

On 15 July 2014, the Organisation for Economic Co-operation and Development ("OECD") approved the Standard for Automatic Exchange of Financial Account Information providing for the automatic exchange of information in tax matters on an exhaustive and multilateral basis around the world. This Standard encourages countries to obtain information from the financial institutions in their jurisdictions and to exchange this information with other jurisdictions on an annual basis. It sets out the financial account information to be exchanged, the financial institutions required to report, the different types of accounts and taxpayers covered, as well as common due diligence procedures to be followed by financial institutions.

The three acts that make up the legal foundations for the automatic exchange of information (the "AEOI Acts"), i.e. the OECD Multilateral Convention on Mutual Administrative Assistance in Tax Matters, the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information and the Swiss Federal Act on International Automatic Exchange of Information on Tax Matters, require Swiss financial institutions to establish the identity of the owners of financial assets and determine if they reside for tax purposes in countries with which Switzerland exchanges information in accordance with a bilateral agreement on sharing tax information. In such event, the Swiss

financial institutions send the information about the financial accounts of asset holders to the Swiss tax authorities, which in turn automatically forward this information to the relevant foreign tax authorities on an annual basis. As such, information concerning unitholders may be provided to the Swiss tax authorities and other relevant tax authorities pursuant to the regulations in effect.

Under the AEOI Acts, the fund is considered a financial institution. Consequently, unitholders are expressly informed that they are or may be subject to reporting to the Swiss tax authorities and other competent tax authorities, including the tax authorities of their country of residence.

The subfunds do not admit among their unitholders investors that are considered under the AEOI Acts to be (i) natural persons or (ii) passive non-financial entities ("Passive NFE"), including financial entities reclassified as passive non-financial entities. The fund may impose measures and/or restrictions in this respect, including (but not limited to) declining subscription or forced redemption orders, as described in more detail in section 5.5 below and in the fund contract.

Unitholders are encouraged to consult a professional advisor on the tax and other consequences of the implementation of the automatic exchange of information.

The fund reserves the right to decline any subscription if the information provided by any potential investor does not meet the conditions laid down by the AEOI Acts. The above provisions are only some of the different implications of the AEOI Acts. They are based only on their interpretation at this time and are not exhaustive. These provisions must not be construed as tax or investment advice. Investors should seek advice from their financial or tax advisors on all the implications of the AEOI Acts to which they may be subject.

#### *d. European tax*

Under the Agreement of 2005 between Switzerland and the European Union on the taxation of savings, Swiss investment funds are only subject to European savings tax if they are exempt from Swiss withholding tax via the aforementioned affidavit procedure or if the withholding tax retained may be refunded on request.



On 27 May 2015, Switzerland and the EU signed an agreement on the automatic exchange of information in tax matters. This agreement replaces the agreement on the taxation of savings from 2005.

#### *e. US tax*

The US Foreign Account Tax Compliance Act (“FATCA”) aims at preventing US tax evasion by requiring foreign (non-US) financial institutions to report to the US Internal Revenue Service (“IRS”) information on financial accounts held outside the United States by US investors. US securities held by a foreign financial institution that does not comply with the FATCA reporting regime are subject to a US tax withholding of 30% on the income received (the “FATCA Withholding”), since 1 July 2014.

Under the intergovernmental agreement (“IGA”) between the United States and Switzerland on the implementation of FATCA dated 14 February 2013, the subfunds are considered foreign financial institutions. Consequently, unitholders are expressly informed that, if required, they may be subject to reporting to the relevant tax authorities.

The subfunds do not admit as unitholders investors that are considered (i) natural persons, (ii) Passive Non-Financial Foreign Entities (“Passive NFFE”) or (iii) Specified US-Persons under the US FATCA Final Regulations or any applicable IGA. The fund may impose measures and/or restrictions to that effect, which may include declining subscription orders or the compulsory redemption of units, as further detailed in section 5.3 below and in the fund contract, and/or the application of the FATCA Withholding to payments to the account of any unitholder found to qualify as a “recalcitrant account” or “non-participating foreign financial institution” under FATCA. Investors are advised that although the subfunds will attempt to comply with all FATCA obligations, no assurance can be given that they will be able to satisfy such obligations and therefore avoid the FATCA Withholding.

The attention of US taxpayers is drawn to the fact that the fund qualifies as a passive foreign investment company (“PFIC”) under US tax laws and does not intend to provide information that would allow such investors to elect to treat the fund as a qualified electing fund (so-called “QEF election”).

#### 1.4 Accounting year

The accounting year runs from 1 October to 30 September.

#### 1.5 Auditor

PricewaterhouseCoopers SA, with registered office in Geneva, acts as auditor.

#### 1.6 Units

Each subfund is divided into different unit classes. The characteristics of the different unit classes of each subfund are detailed in the annexes to this prospectus.

As a rule, units are not issued in physical form but instead recorded in the accounts. Investors can request the custodian bank to produce a registered share certificate for a fee of CHF 200 per certificate.

In accordance with the fund contract, the fund management company is entitled, with the consent of the custodian bank and the approval of the supervisory authority, to set up, discontinue or merge various unit classes for each subfund at any time.

The unit classes do not constitute segregated pools of assets. Although the costs are in principle charged only to the unit class for which a given service is rendered, it cannot be ruled out that a unit class be held liable for the liabilities of another unit class.

There is no charge for switching between classes. When switching from or into unit classes in category “Z”, the exchange ratio is calculated on the basis of the established net asset values without taking account of the costs of adjusting the portfolio.

#### 1.7 Listing and trading

The units of the fund are not listed on a stock exchange or admitted to trading on regulated markets.

#### 1.8 Terms of subscription and redemption of units of subfunds

Units of funds may be issued or redeemed every bank business day of the week (from Monday to Friday). Units may not be purchased or redeemed

on Swiss bank holidays (Easter, Ascension Day, Whit Monday, Christmas, New Year's Day, National Day) or on 1 May and 24 December. Units may not be purchased or redeemed either on days on which the stock exchanges or markets of the main countries where the subfund is invested are closed, or in the event of exceptional circumstances within the meaning of §17 prov. 2.5 of the fund contract.

Each investor may request, in the event of a redemption, for assets to be transferred to him instead of payment in cash ("redemption in kind"). The application must be submitted along with the redemption request. The fund management company is not obliged to permit redemptions in kind. The fund management company has sole decision-making authority on redemptions in kind and agrees to such transactions only if executing the transactions complies fully with the subfund's investment policy and does not compromise the interests of the other investors. Redemptions in kind are governed for all the subfunds by §17 prov. 2.8 of the fund contract.

The annexes to this prospectus provide for the cut-off times and dates for receiving and calculating subscription and redemption orders for each subfund.

If unit certificates are issued, they must be returned when a redemption request is made.

In the case of a request for a subscription or redemption in cash, incidental costs (costs of adjusting the portfolio, e.g. difference between purchase and sale price, standard brokerage charges, fees, taxes, etc.), as well as **the costs of verifying and maintaining quality standards in the case of physical investments**, incurred when investing the amount paid or selling the portion of the investments being redeemed, are taken into account in accordance with the modalities set out in the Annexes to this prospectus among the following options:

- "Swinging Single Pricing" ("SSP"): This method entails calculating the net asset value by including the costs of adjusting the subfund portfolio ("swung" NAV). Incidental costs are thus borne by the investors subscribing or requesting redemption of units, on the trading day in question. The net flow of issues and redemptions of units determines the volume at which the portfolio requires adjustment. If, on a given

valuation day, unit issues exceed unit redemptions, the fund manager increases the net asset value by the amount of the transaction costs incurred by the subfund when adjusting the portfolio ("swung" NAV). If, on a given valuation day, unit redemptions exceed unit issues, the fund manager reduces the net asset value by the amount of the transaction costs incurred by the subfund when adjusting the portfolio ("swung" NAV). The maximum rate at which the net asset value may be adjusted for each subfund is set forth in the Annexes to this prospectus.

- "Spread":
  - The issue price is determined as follows: the net asset value calculated as at the pricing date, plus the incidental costs incurred by the subfund when investing the amount paid, plus the subscription fee. The amount of the incidental costs and subscription fee is set forth, for each subfund, in the Annexes to this prospectus.
  - The redemption price is calculated as follows: the net asset value calculated as at the pricing date, less the incidental costs incurred by the subfund when selling the portion of the investments being redeemed and less the redemption fee. The amount of the incidental costs and redemption fee is set forth, for each subfund, in the Annexes to this prospectus.

Incidental costs are determined on a flat-rate basis and in principle reflect the average transaction costs; they are reviewed regularly. However, instead of the average transaction costs, the fund management company may take account of the actual amount of the incidental costs, if it deems this appropriate in the relevant circumstances (e.g. amount, general market situation, specific market situation for the investment class concerned). In this case, the adjustment may be greater or less than the average incidental costs.

In the cases mentioned in §17, prov. 2.5 of the fund contract and in any other exceptional case, the maximum rate defined in the Annex of the subfund may be exceeded, provided that the fund management company deems this to be in the interests of all investors. The fund management company notifies the auditors, the supervisory authority and the existing and new investors, without delay and in a

suitable manner, of any decision to exceed the maximum rate.

Incidental costs are not taken into account in cases where the fund management company authorises a redemption in kind rather than in cash, in accordance with §17, prov. 2.8 of the fund contract, or when switching between unit classes within the same subfund.

Subscription and redemption prices are rounded to the nearest 0.01 in the accounting currency.

### 1.9 Use of income

The annexes to this prospectus indicate, for each subfund, the unit classes where the income is capitalised (“Capitalisation unit classes”) and those where the income is distributed annually in the form of a dividend within four months of the end of the year (“Distribution unit classes”).

### 1.10 Investment objectives and policy

Detailed information on the investment policy and restrictions as well as the authorised investment techniques and instruments (in particular derivative financial instruments and their scope) is contained in the fund contract (§§7-15).

#### *a. Investment objectives and investment policy of the subfunds*

The fund management company has chosen to apply a different investment policy for each of the subfunds.

The details of the investment objectives and the investment policy of each subfund are set forth in the annexes to this prospectus.

#### *b. Responsible investment*

The annexes to the subfunds contain pertinent information relating to the inclusion of environmental, social and governance (“ESG”)<sup>2</sup> criteria.

<sup>2</sup> Environmental criteria relate in particular to pollution, climate change and natural resources. Social criteria relate in particular to human rights, employment standards and public health. Governance criteria relate in particular to the

For more information, please consult [www.asset-management.pictet](http://www.asset-management.pictet).

#### *c. Management of collateral*

- The permitted types of collateral:

Assets received as collateral as part of investment techniques or OTC transactions must satisfy the following requirements:

- It is highly liquid and is traded at a transparent price on an exchange or other regulated market open to the public. It can be disposed of at short notice at a price close to the valuation undertaken prior to sale;
- It is valued at least on each trading day. Where price volatility is high, suitable conservative security margins must be applied;
- It is not issued by the counterparty or by a company that belongs to or is dependent on the counterparty's group;
- The credit quality of the issuer is high.

- The required level of collateralisation:

The required level of collateralisation is fulfilled by the following obligations and requirements in the management of collateral:

- The collateral must be diversified appropriately in terms of countries, markets and issuers. Appropriate diversification of issuers is deemed to have been achieved if the collateral of a single issuer held does not correspond to more than 20% of the net asset value. Deviation from this rule is permitted if the collateral is issued or guaranteed by a country or a public-law entity from the OECD or by an international public-law organisation to which Switzerland or a member state of the European Union belongs, or the approval conditions set out in Article 83 paragraph 2 CISO are met. If collateral is provided by more than one counterparty, an aggregate perspective must be ensured;

composition of boards of directors, executive compensation, shareholder rights and business ethics. For sovereign issuers, governance criteria relate in particular to government stability, corruption, the right to privacy and judicial independence.

- The fund management company or its agents must be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent;
- The fund management company or its agents may not re-lend, re-pledge, sell or reinvest collateral pledged or transferred to them or use it as part of a repurchase transaction or to hedge obligations arising from derivative financial instruments. They may only use cash collateral received in the corresponding currency as liquid assets or invest it in high-quality government bonds and directly or indirectly in short-term money market instruments or use it as a reverse repo;
- If the fund management company or its agents accept collateral representing more than 30% of the fund assets, they must ensure that the liquidity risks can be captured and monitored appropriately. Regular stress tests must be carried out that take account of both normal and exceptional liquidity conditions. The controls carried out must be documented;
- The fund management company or its agents must be in a position to attribute any uncovered claims remaining after the realisation of collateral to the securities funds whose assets were the subject of the underlying transactions.

- The determination of security margins:

The fund management company or its agents provide for appropriate security margins.

- The investment strategy and the risks in the event that cash collateral is reinvested:

The collateral strategy

- is geared to all types of assets received as collateral; and
- takes account of characteristics of the collateral such as volatility and the default risk of the issuer.

The risks in the event that cash collateral is reinvested are taken account of in the risk management process.

*d. Use of derivatives by the subfunds*

The fund management company may conclude derivative transactions. However, even in the presence of extraordinary market circumstances, the use of derivatives must not lead to a deviation from the investment objectives or a change in the investment characteristics of the subfunds. The Commitment II approach applies to measuring risk.

Derivatives form an integral part of the investment strategy and are not only used to hedge investment positions.

However, for the **Pictet CH Precious Metal Fund - Physical Gold** sub-fund, the use of derivative financial instruments is only permitted to implement the hedge of the currency risk in the currency hedged unit classes.

Basic forms of derivatives as well as exotic derivatives may be used as described in the fund contract (§12), provided the underlying securities are authorised as investments under the investment policy of the subfund. Derivatives may be traded on a stock exchange or another regulated market open to the public or in OTC (over-the-counter) trading. In addition to market risk, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract may not be able to honour its commitments and may thus cause a financial loss.

In addition to Credit Default Swaps (CDS), all other types of credit derivatives enabling the credit risk to be transferred to the third parties buying the risk (for example, Total Return Swaps [TRS], Credit Spread Options [CSO], Credit Linked Notes [CLN]) may be purchased. The buyers of risk are compensated in the form of a premium. The amount of the premium depends (among other things) on the likelihood of a loss event taking place and the maximum amount of the loss; both factors are generally difficult to assess, which increases the risk associated with credit derivatives. The subfunds may act in either capacity - as buyers or as sellers of risk.

The use of derivative instruments may result in a leverage effect on the subfund's assets or correspond to a short sale. The total exposure to derivatives may be up to 100% of the net assets of a

subfund, and the total exposure of the fund may thus be up to 200% of its net assets.

#### *e. Safekeeping of investments*

The custodian bank or its sub-custodians, in Switzerland only, shall ensure the safekeeping of the subfunds' assets in the form of precious metal.

#### 1.11 Net asset value

The net asset value of a unit of a given class of a subfund is determined by the proportion of this subfund's assets as valued at the market value attributable to the given unit class, less any of this subfund's liabilities that are attributable to the given unit class, divided by the number of units of the given class in circulation, rounded to the nearest 0.01 in the accounting currency.

#### 1.12 Fees and incidental costs

##### *a. Fees and incidental costs charged to the assets of the subfunds (taken from §19 of the fund contract)*

The annexes to this prospectus provide for the fees and incidental costs charged to the assets of each subfund.

#### 1. Fund management company fees:

The fund management company's maximum fee and each of its components for each subfund are detailed in the annexes to this prospectus:

- **Administration fee:** A commission for the administration of each subfund of the fund, which varies depending on the unit classes and is charged on a pro rata basis at the end of each month. The effective applicable rate is mentioned in the annual and semi-annual reports.
- **Management fee:** A commission for the asset management and marketing of the unit classes in categories "I", "J", "P" and "R" at the maximal annual rate set out below; the effective applicable rate is mentioned in the annual and semi-annual reports. If the management of the fund is delegated, part of the management fees may be paid by the fund directly to the managers. In the

case of holders of classes in category "Z", the management fees are billed directly to them.

#### 2. Custodian bank fees:

The custodian bank charges the following fees:

- **Safekeeping fee:** A commission for the safekeeping of the subfunds' assets, the handling of the payment transactions and other tasks mentioned in §4, charged to the net asset value of the subfund's assets at the maximum annual rate provided for in the annexes to the prospectus. The effective applicable rate is mentioned in the annual and semi-annual reports. Furthermore, foreign custody fees and expenses are also charged to the fund's assets;
- A commission for paying the annual income to investors, charged to the gross amount of the distribution at the maximum rate provided for in the annexes to this prospectus. The effective applicable rate is mentioned in the annual and semi-annual reports;
- A commission for paying the proceeds of the liquidation in the event the fund or a subfund is wound up, charged to the net asset value of the units at the maximum rate provided for in the annexes to this prospectus. The effective applicable rate is mentioned in the liquidation report.

In addition, the other fees and incidental costs listed in §19 of the fund contract may be charged to the subfunds.

The effective applicable rates are mentioned in the annual and semi-annual reports.

#### 3. Investments in related collective investment schemes:

In the event of investments in other collective investment schemes that are managed directly or indirectly by the fund management company itself, or a company with which it is related by virtue of common management or control or by way of a substantial direct or indirect stake, no subscription or redemption fees shall be charged. The maximum percentage of the fixed management fees that may be obtained at the level of the target fund will be 1.6%, to which, if applicable, a fee may be added at a maximum of 20% of the performance of the NAV

per unit, pursuant to §19, prov. 4 of the fund contract. The maximum rate of the management fees of the related collective investment schemes in which the subfund invests is to be mentioned in the annual report.

#### 4. Investments in non-related collective investment schemes:

In the case of investments in collective investment schemes that are not managed directly or indirectly by the fund management company itself or that are managed by a company with which the fund management company is not related by virtue of common management or common control or by way of a substantial direct or indirect stake, the maximum percentage of the fixed management fees that may be obtained at the level of the non-related target funds will be 1.6%, to which, if applicable, a fee may be added at a maximum of 20% of the performance of the NAV per unit, pursuant to §19, prov. 5 of the fund contract. The maximum rate of the management fees of the non-related collective investment schemes in which the subfund invests is to be mentioned in the annual report.

##### *b. Total Expense Ratio*

The annexes to this prospectus set forth the total expense ratio regularly deducted from the net asset value of the subfunds.

##### *c. Payment of retrocessions and rebates*

The fund management company and its agents may pay retrocessions to cover activities related to marketing fund units. They serve to compensate services such as:

- Implementing and maintaining a process for subscription, holding or custody of shares;
- Keeping and distributing legal and marketing documents;
- Providing investors with publications and communications;
- Carrying out of diligence duties in domains such as the prevention of money laundering, clarification of client needs and compliance with commercial restrictions;

- Information and response to specific investor enquiries;
- Setting up funds' analysis material;
- Investor relationship management;
- Training client advisors in collective investment schemes;
- Selection, appointment and supervision of sub-distributors.

These retrocessions are not deemed to be rebates even if they are ultimately passed on, wholly or partly, to investors. Recipients of such retrocessions must ensure transparent disclosure and notify investors, unsolicited and free of charge, about the amount of any remuneration they might receive for their marketing activities. On request, recipients of such retrocessions shall disclose the sums they effectively receive for marketing collective investment schemes to investors.

The fund management company and its agents may pass on rebates directly to investors, on request, as part of the activity of marketing fund units. Such rebates serve to reduce fees or costs liable to be incurred by relevant investors. Such rebates are permitted subject to the following conditions:

- they are paid out of the fund management company's fees and not, therefore, charged, as an extra, to the fund's assets;
- they are granted on the basis of objective criteria;
- they are accorded subject to the same conditions in respect of time period and to the same degree to all investors who fulfil the objective criteria and who request a discount.

Rebates are granted by the fund management company on the basis of one or more objective criteria, among these being:

- applicable regulatory requirements;
- the investment volume in a unit class, in a fund or in the Pictet Group's product range;
- the percentage which the investment volume represents relative to the size of the fund or the relevant unit class;
- the amount of fees generated by the investor;

- the investor's financial behaviour, e.g. the date of investment and/or the envisaged investment time-frame;
- support during the fund's launch phase.

Quantity-relevant criteria may be deemed to have been met by the aggregate total of investments held by investors who have used the same investment advisor or consultant.

At the investor's request, the fund management company will disclose, free of charge, the amount of corresponding rebates.

*d. Fees and incidental costs charged to the investor (taken from §18 of the fund contract)*

The annexes to this prospectus provide for the fees and incidental costs charged to the investors in each subfund.

*e. Commission-sharing agreements and pecuniary benefits ("soft commissions")*

The fund management company has not entered into any fee-sharing agreements.

The fund management company may enter into soft commission agreements to the extent permitted and under conditions that comply with best market practices and applicable laws and regulations. In such cases, it shall ensure that the soft commissions or services paid accordingly accrue directly or indirectly to the fund (e.g., financial analyses, market systems and price information systems).

#### 1.13 Consultation of reports

The prospectus including the integrated fund contract, the key information documents and the annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

#### 1.14 Legal form

Pictet CH Precious Metals Fund is a Swiss-registered contractual umbrella fund of the "other funds

for traditional investments" category within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006.

The subfunds are governed by a collective investment agreement known as the fund contract. Under the terms of the contract, the management company undertakes to give investors a stake in the subfund in proportion to the number of fund units held by them, and manage the subfund in its own capacity and on its own behalf in accordance with the provisions of law and the fund contract. The custodian bank is party to the contract, in accordance with the tasks that are incumbent on it by virtue of law and the fund contract.

The fund currently comprises the following subfund:

#### 1. Pictet CH Precious Metals Fund - Physical Gold

Investors are entitled to participate in the assets and income of only that subfund in which they hold units. Liabilities attributable to an individual subfund are borne solely by the said subfund.

#### 1.15 Main risks

The annexes to this prospectus set out the main risks to which each subfund is subject.

#### 1.16 Liquidity risk management

The fund management company ensures appropriate liquidity management. It evaluates the liquidity of each subfund on a weekly and monthly basis, in accordance with different scenarios that it documents. The fund management company has identified the following risks in particular and has implemented the following appropriate measures:

- The risk that the investments may become illiquid, taking account of the minimum time needed to liquidate the individual positions and the associated costs;
- The contribution of the portfolio positions to the subfund's liquidity profile;
- The risk that the subfund's ability to honour requests for redemption and payment may be compromised.

The fund management company defines the redemption policy of each subfund, ensuring its suitability for the liquidity profile of the intended investments.

It regularly conducts quantitative and qualitative analyses in order to evaluate the liquidity risk of each subfund; in so doing, it takes particular account of the number of days needed in order to liquidate the portfolio, the cost of liquidation, and the size of the positions held by the subfund. If these analyses identify exceptions, the fund management company determines the corrective actions required and ensures they are implemented effectively.

## 2. Information on the management company

### 2.1 General information on the management company

Pictet Asset Management SA is the fund management company. The management company has been managing investment funds since it was founded in 1996 as a public limited company with its headquarters at Route des Acacias 60, 1211 Geneva 73.

### 2.2 Further information on the management company

As at 31 December 2023, the management company administered in Switzerland 9 investment funds incorporated under Swiss law comprising a total of 57 subfunds, and the total assets under management of said funds amounted to more than CHF 58 billion on that date. The fund management company also manages assets for the account of institutional clients; at 31 December 2023, the total assets under management of said clients amounted to almost CHF 45 billion.

Furthermore, the fund management company also acts as a representative of foreign undertakings for collective investment.

Pictet Asset Management SA  
60, route des Acacias  
1211 Geneva 73  
[www.assetmanagement.pictet](http://www.assetmanagement.pictet)

## 2.3 Management and administration

The Board of Directors of Pictet Asset Management SA is composed of:

- Mr. Xavier Barde, chairman, Group Chief Risk Officer, Banque Pictet & Cie SA, Geneva
- Mr. Sébastien Eisinger, Managing Partner of the Pictet Group, Chief Executive Officer, Head of Investments, Geneva
- Ms Susanne Haury von Siebenthal, Independent, Geneva

The management has been assigned to:

- Mr. Sébastien Eisinger, Managing Partner of the Pictet Group, Chief Executive Officer, Head of Investments
- Mr. Raymond Sagayam, Vice-Chief Executive Officer, Head of Sales & Client Relationships
- Mr. Philippe de Weck, Chief Investment Officer, Equities
- Mr. Olivier Ginguéné, Chief Investment Officer, Multi Assets & Quants
- Mr. Luca di Patrizi, Head of Intermediaries
- Mr. Derick Bader, Head of Marketing and Products
- Mr. John Sample, Chief Risk Officer
- Mr. Cédric Vermesse, Chief Financial Officer
- Mr. Martin Kunz, Head of Technology and Operations
- Ms Elena Mendez Fraboulet, Chief Investment Risk & Data Officer

## 2.4 Subscribed and paid-up capital

The shareholders' equity of the fund management company amounts to twenty-one million Swiss francs. The shareholders' equity is divided into registered shares and fully paid up.

All of the shareholders' equity is held by the entities of the Pictet Group. Pictet Asset Management SA has shareholders' equity in excess of the maximum amount of twenty million Swiss francs that may be required in accordance with Article 48 CISO.



## 2.5 Delegation of investment decisions and further partial tasks

### *a. Delegation of investment decisions*

Pictet Asset Management SA is responsible for all investment decisions of the subfunds.

### *b. Delegation of the operation of the IT system and the calculation of the net asset value (NAV)*

The calculation of the NAV of the subfunds has been delegated to FundPartner Solutions (Europe) SA in Luxembourg. The specific terms and conditions of the execution of the mandate are set forth in a contract between the fund management company and FundPartner Solutions (Europe) SA. FundPartner Solutions (Europe) SA is recognised for its experience in handling the administrative tasks related to collective investment vehicles.

## 2.6 Exercising membership and creditors' rights

The fund management company exercises the membership and creditors' rights associated with the investments of the funds it manages independently and exclusively in the interests of the investors. The fund management company will, upon request, provide the investors with information on the exercising of membership and creditors' rights.

In the case of scheduled routine transactions, the fund management company is free to exercise membership and creditors' rights itself or to delegate their exercise to the custodian bank or a third party.

In the case of all other events that might have a lasting impact on the interests of the investors, such as, in particular, the exercise of membership and creditors' rights that the fund management company holds as a shareholder or creditor of the custodian bank or other related legal entities, the fund management company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information it receives from the custodian bank, the portfolio manager, the company, proxy voting advisors or other third parties and the press.

## 3. Information on the custodian bank

### 3.1 General information on the custodian bank

The functions of custodian bank are carried out by Banque Pictet & Cie SA, bankers in Geneva since 1805. Banque Pictet & Cie SA is a bank with registered office in Carouge (GE) and subject to the Federal Law on Banks and Savings Banks and regulated by the Swiss Financial Market Supervisory Authority (FINMA).

The precious metals deposited with Banque Pictet & Cie SA remain the property of Pictet Asset Management SA.

### 3.2 Further information on the custodian bank

The custodian bank conducts its activities principally in the areas of wealth management and institutional asset management.

The custodian bank is registered as a Participating Financial Institution pursuant to Sections 1471-1474 of the US Internal Revenue Code (Foreign Account Tax Compliance Act FATCA, including related ordinances, "FATCA").

### 3.3 Processing of subscription and redemption orders

The processing of subscription and redemption orders is delegated to FundPartner Solutions (Europe) SA, Luxembourg. The specific terms and conditions of the execution of the mandate are set forth in a contract between the custodian bank and FundPartner Solutions (Europe) SA. FundPartner Solutions (Europe) SA is recognised for its experience in handling the administrative tasks related to collective investment vehicles.

Even though subscription and redemption orders are processed in Luxembourg, the attention of investors is drawn to the fact that they should continue to send their subscription and redemption orders to Switzerland, either via Pictet Asset Management SA's authorised collective investment distributors, or, in the case of those investors who have an account with Banque Pictet & Cie SA, via Banque Pictet & Cie SA.

Please refer to §5 of the fund contract for information about how FundPartner Solutions (Europe) SA may use investors' personal data.

#### 4. Information on third parties

##### 4.1 Paying agent

Banque Pictet & Cie SA, with registered office in Carouge (GE), has been appointed as paying agent.

##### 4.2 Distributors

Pictet Asset Management SA may enter into agreements with distributors for the marketing and sale of investment funds. These distributors are not compensated directly at the expense of the subfunds.

#### 5. Other information

##### 5.1 General

The annexes to this prospectus give detailed information on the accounting unit of each subfund, together with various pieces of useful information (assets, ISIN code, currency, use of income) about each unit class.

##### 5.2 Publications of the fund and the subfunds

Further information regarding the umbrella fund and the subfunds may be found in the latest annual or semi-annual report. The most recent information may also be consulted at [www.assetmanagement.pictet](http://www.assetmanagement.pictet).

In the event of changes to the fund contract, the management company or the custodian bank, or in the event of the liquidation of the fund or the subfunds, the fund management company shall publish the details via Swiss Fund Data AG ([www.swissfunddata.ch](http://www.swissfunddata.ch)).

Prices are published on every day when units are issued or redeemed on [www.swissfunddata.ch](http://www.swissfunddata.ch), [www.assetmanagement.pictet](http://www.assetmanagement.pictet), as well as any other electronic platforms and/or newspapers selected by the fund management company.

##### 5.3 Sales restrictions and forced redemption

When issuing and redeeming units of subfunds outside Switzerland, the provisions in effect in the country in question shall be binding.

Units of the subfunds of this fund are not at present distributed outside Switzerland.

This fund does not benefit from the passport provided by European Directive 2011/61/EU of 8 June 2011 on alternative investment fund managers (“AIFM Directive”) and there is no intent for it to be the case in the future; the fund also does not comply with the private placement requirements set out by the AIFM Directive and there is no intent for it to be the case in the future. The units of this fund may thus not be marketed (as defined within the context of the AIFM Directive) to investors domiciled or having their registered office in the European Union or in any other State where the AIFM Directive or similar provisions are in force; this applies even within the framework of a possible national private placement regime in force in such State.

Furthermore, units of the subfunds of this fund may not be offered, sold or delivered within the USA. The units have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the “1933 Act”), nor will they be registered or qualify under the securities laws of the States or political sub-divisions of the United States. The units may not be offered, sold, assigned or delivered directly or indirectly in the United States to, on behalf of or for the benefit of any US Person (as defined in regulation S of the 1933 Act), except in certain transactions exempt from the registration requirements of the 1933 Act and all other State laws or securities laws. Units may be offered outside the United States in accordance with the terms and conditions governing exemptions to the registration regulations of the 1933 Act as set forth by regulation S of the Act. Furthermore, units may be offered in the United States to accredited investors within the meaning of Rule 501(a) of the 1933 Act as an exemption to the registration regulations of the 1933 Act as set forth by Rule 506 of the said Act. The fund has not been, and will not be, registered under the United States Investment Company Act of 1940 (the “1940 Act”) and, as such, restricts the number of unit holders that may be US Persons. The fund contract contains provisions intended to prevent US Persons from holding units under circumstances that would cause the fund to violate the laws of the United States, and to enable the fund to make a forced redemption of units if it deems this to be necessary or appropriate for the purpose of ensuring compliance with the laws of

the United States. Furthermore, any affidavit or other document certifying that units have been issued to US Persons shall include a footnote indicating that the units have not been registered and do not qualify under the 1933 Act and the fund is not registered as per the 1940 Act, and shall mention certain limitations regarding their assignment or sale.

For the reasons outlined in section 1.3 above, the units of the subfunds may not be offered, sold, assigned or delivered to, or held by, investors that are (i) natural persons, (ii) passive non-financial foreign entities or (iii) specified US-persons as defined under the US FATCA Final Regulations or any applicable IGA. In conformity with the more detailed information given in the fund contract, the above-mentioned investors may not hold the units of the subfunds, and the units may be compulsorily redeemed if this is considered appropriate in order to ensure that the subfund complies with its status and its obligations under FATCA.

Furthermore, the units of the subfunds may not be offered, sold, assigned or delivered to, or held by, investors that are (i) natural persons or (ii) passive non-financial entities (including entities reclassified as passive non-financial entities) as defined under the AEOI Acts. In conformity with the more detailed information in the fund contract, the above-mentioned investors may not hold units of the subfunds, and the units may be compulsorily redeemed if this is considered appropriate in order to ensure that the subfund complies with its status and its obligations under the AEOI Acts.

The fund management company and the custodian bank may prohibit or restrict the purchase, exchange or transfer of units to individuals or legal entities in certain countries or regions.

## 6. Further investment information

### 6.1 Past results

The Annexes to this prospectus state the past results of each subfund.

### 6.2 Profile of the typical investor

The profile of the typical investor of each subfund is detailed in the annexes to this prospectus.

## 7. Detailed provisions

All other information regarding the umbrella fund or the subfunds, such as the valuation method of the subfunds' assets, the schedule of all fees and incidental costs charged to the investor and the subfunds, as well as the appropriation of net income, are specified in detail in the fund contract.

## ANNEX 1: PICTET CH PRECIOUS METALS FUND - PHYSICAL GOLD

### Information on the subfund

#### Investment policy and objective<sup>3</sup>

The subfund's investment objective is to offer investors an alternative to investing directly in physical gold, with the aim of tracking the changing price of gold after deducting the costs and commissions associated with the subfund.

The subfund's investment policy is similar to that of an 'Article 6 Product' as defined in the European 'Sustainable Finance Disclosure Regulation (SFDR)'<sup>4</sup>.

The fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); in this respect, the fund management company only acquires physical gold that has been mined in compliance with the Responsible Gold Guidance standards of the London Bullion Market Exchange (LBMA), Version 8 (December 2018) or a later version, which applies to gold produced from 2012 onwards. The fund management company therefore only acquires gold from refineries that are LBMA-certified at the time the bars are produced. In certain circumstances (emergency situations), the fund management company may, exceptionally, be unable to acquire gold that meets the above-mentioned standard; it ensures that the non-compliant gold is the first to be sold when honouring requests to redeem units.

#### Accounting currency<sup>5</sup>

The accounting currency of the subfund is the US dollar (USD).

#### Principal risks<sup>6</sup>

The subfund is subject to the risks inherent in any investment, especially:

- Risks relating to a given market

- Exchange rate fluctuations
- Fluctuations in interest rates

The subfund is also subject, in particular, to the following risks:

- Risks associated with the gold market: The price of gold is affected by fundamental and cyclical factors and may be very volatile. This means that a drop in the gold price could lead to a loss that may never be made up. This subfund is intended for investors with a long-term investment horizon.
- Risk concentration: The subfund's investment policy consists of investing mainly in physical gold. The value of a unit will therefore fluctuate strongly with the price of gold. This concentration of risk increases the risk of capital losses regardless of the investor's investment horizon. No more than weak exposure to this subfund is recommended, given the low level of diversification it offers.
- Passive management: The subfund shall be managed passively and its objective shall be to invest in physical gold, and in securities and financial instruments whose prices are linked to the gold price. No active management of any kind will be undertaken with a view to limiting the losses in the case of a drop in the gold price.
- Counterparty risks: The subfund may invest in "metal accounts" with financial institutions. The fund may be the holder of a bank account, booked in ounces of gold, representing a claim to delivery by the bank of the merchandise booked in the account, but the fund will have no ownership rights over the gold. If the financial institution concerned should file for bankruptcy, the claim would be regarded as part of the institution's total debts and would be ranked accordingly by the administrators.
- Change of legal and tax status: A change in the law or in monetary policy that would restrict transactions and transfers of ownership of precious metals could have a negative impact on the

<sup>3</sup> As in section 1.10 of the prospectus

<sup>4</sup> The attention of investors is drawn to the fact that FINMA neither checks nor states an opinion on whether the subfund meets the provisions of the SFDR. Pictet Asset Management SA, as the fund management company, states on its own responsibility that the subfund's

investment policy is similar to that of an SFDR "Article 6" financial product.

<sup>5</sup> As in section 5.1 of the prospectus

<sup>6</sup> As in section 1.15 of the prospectus

fund assets. Value added tax does not apply to purchases of gold. A change in tax status could have negative repercussions on the fund assets.

- **Production risk associated with the emerging countries:** The main gold producers are emerging countries such as China and South Africa. Historically, the political, legislative and economic situation of these countries has generally been more unstable. Unforeseen changes such as measures to restrict the import and export of precious metals, international embargoes etc. could have a negative impact on the gold price.
- **Currency or exchange-rate risks:** The subfund's reference currency is the US dollar. Gold has no face value; it is quoted in dollars. Investors wishing to invest in a class denominated in CHF, EUR or JPY are exposed to currency or exchange-rate risks

The value of the investments is determined by the markets on which they are traded. Asset values can fluctuate considerably depending on the performance of the market in general and of the securities held in the subfund's portfolio. The possibility of a prolonged fall in value cannot be ruled out. There is no guarantee that the investor will recover all the capital he invested, that he will obtain a specified income or that he will be able to return his units to the fund management company at a specified price.

The subfund is also exposed to the following risks:

- **Operational risk:** the subfund is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
- **Settlement risk:** by investing on financial markets, the subfund is subject to risks that an expected payment or delivery of securities will not occur on time or at all.
- **Counterparty risk (including in connection with underlying assets for target funds).**
- **Sustainability risks:** risks in connection with events or situations relating to environmental, social or governance matters that could, if they were to arise, have a significant negative impact on the precious metals supply chain.

#### Profile of the typical investor<sup>7</sup>

The subfund is suitable for investors who:

- Wish to invest indirectly in physical gold
- Favour a long-term investment strategy

#### High risk

#### Subscription and redemption<sup>8</sup>

- **Cut-off days and times:** Units of the subfund may be issued or redeemed on every bank business day in Switzerland, apart from the exceptions mentioned in section 1.8 of the prospectus. Subscription and redemption orders must be received by the custodian bank by 12.00 noon at the latest. Orders received after this cut-off time will be processed on the following bank business day.
- **Pricing date:** The net asset value applicable to the transaction is calculated based on the price decided by the London Gold Fixing at 15:00 (GMT) as far as the value of the gold is concerned and, furthermore, based on the closing prices of the day the order was placed. It is thus not yet known at the time when the order is placed (forward pricing).
- **Calculation date:** The calculation and publication of the net asset value take place on the relevant Pricing date.
- **Settlement date:** The value date of the subscription and redemption payments is two bank business days after the pricing date. However, if the payments cannot be settled in the reference currency of the unit class and/or the subfund on this date because the banks are closed or an inter-bank clearing system is unavailable in the country in question, the value date will be pushed back to the first day on which payments are able to be settled in the currency in question.

<sup>7</sup> As in section 6.2 of the prospectus

<sup>8</sup> As in section 1.8 of the prospectus

Information on the unit classes<sup>9</sup>

## Characteristics

UNIT CLASS	CONDITIONS
I dy USD, I dy CHF, I dy EUR, I dy JPY	<p>These units are available on request to the following categories of investors:</p> <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul>
HI dy JPY	<p>These units are available on request to the following categories of investors:</p> <ul style="list-style-type: none"> <li>qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FINSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;</li> <li>investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;</li> <li>collective investment schemes;</li> <li>pension institutions;</li> <li>not-for-profit institutions.</li> </ul> <p>These units are designed to hedge a substantial portion of the currency risk against the Japanese Yen.</p>
J dy USD	These units are available to investors making an initial investment worth at least USD 50,000,000, or the equivalent
P dy USD, P dy CHF, P dy EUR	These units are not subject to any minimum investment restrictions
HP CHF, HP EUR	<p>These units are not subject to any minimum investment restrictions</p> <p>These units are designed to hedge a substantial portion of the currency risk against the Swiss Franc and the Euro respectively</p>
R dy USD, R dy CHF, R dy EUR	These units are characterised by their management fee and the fact that they do not charge a subscription or redemption fee
Z dy USD, Z dy EUR, Z USD	These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an

## Characteristics

UNIT CLASS	CONDITIONS
	initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group
HZ CHF	<p>These units are available upon request to qualified investors within the meaning of the legislation on collective investment schemes or holders making an initial investment worth the equivalent of at least CHF 500,000 in Pictet funds and who have entered into a management mandate or service agreement with an entity of the Pictet Group.</p> <p>These units are designed to hedge a substantial portion of the currency risk against the Swiss Franc.</p>

## Key Data

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ERENCE CURRENCY	USE OF IN-COME <sup>10</sup>
I dy USD	✓	CH0104848269	USD	Distr.
I dy CHF	✓	CH0104849721	CHF	Distr.
I dy EUR	✓	CH0104849580	EUR	Distr.
I dy JPY	✓	CH0200687900	JPY	Distr.
HI dy JPY	✓	CH0369749111	JPY	Dist.
J dy USD	✓	CH0524257174	USD	Distr.
P dy USD	✓	CH0104850497	USD	Distr.
P dy CHF	✓	CH0104851016	CHF	Distr.
P dy EUR	✓	CH0104850968	EUR	Distr.
HP CHF	✓	CH1268397093	CHF	Cap.
HP EUR	✓	CH1268398026	EUR	Cap.
R dy USD	✓	CH0104851461	USD	Distr.
R dy CHF	✓	CH0104851735	CHF	Distr.
R dy EUR	✓	CH0104851669	EUR	Distr.

<sup>9</sup> As in section 1.6 of the prospectus<sup>10</sup> As in section 1.9 of the prospectus

**Key Data**

UNIT CLASS	AC-TIVE STATUS	ISIN CODE	REF-ER-ENCE CUR-RENCY	USE OF IN-COME <sup>10</sup>
Z dy USD	✓	CH0113947128	USD	Distr.
Z dy EUR	✓	CH0527950908	EUR	Distr.
Z USD	✓	CH1106462463	USD	Cap.
HZ CHF	✓	CH1106462604	CHF	Cap.

**Calculating the costs of adjusting the portfolio<sup>11</sup>**

Incidental costs are determined as described in section 1.8 of the prospectus. They are taken into account as follows:

**Costs of adjusting the portfolio**

CLASSES IN CATEGORIES "I", "J", "P" AND "R"	CLASSES IN CATEGORY "Z"
Swinging Single Pricing; maximum rate <sup>12</sup> : 2%	Spread; maximum rate <sup>13</sup> : 2%

**Fees and expenses<sup>14</sup>****Fees and expenses charged at the time of subscribing or redeeming units**

FEES AND INCIDENTAL COSTS CHARGED TO THE INVESTOR	RATE
Issuing commission paid to distributors in Switzerland and abroad	Up to 5% maximum
Redemption commission paid to distributors in Switzerland and abroad	Up to 1% maximum
Delivery fee for units of subfunds	CHF 200

**Fees and expenses charged to the subfund assets**

FUND MANAGEMENT COMPANY FEE	CUSTODIAN BANK FEES
-----------------------------	---------------------

**Fees and expenses charged to the subfund assets**

Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I dy USD, I dy CHF, I dy EUR, I dy JPY	to a maximum of 0.06%	to a maximum of 0.20%	to a maximum of 0.08%
HI dy JPY	to a maximum of 0.11%	to a maximum of 0.20%	to a maximum of 0.08%
J dy USD	to a maximum of 0.06%	to a maximum of 0.15%	to a maximum of 0.08%
P dy USD, P dy CHF, P dy EUR	to a maximum of 0.06%	to a maximum of 0.40%	to a maximum of 0.08%
HP CHF, HP EUR	0.11% maximum	0.40% maximum	0.08% maximum
R dy USD, R dy CHF, R dy EUR	to a maximum of 0.06%	to a maximum of 0.60%	to a maximum of 0.08%
Z dy USD, Z dy EUR, Z USD	to a maximum of 0.06%	By agreements with each investor	to a maximum of 0.08%
HZ CHF	to a maximum of 0.11%	By agreements with each investor	to a maximum of 0.08%

**One-off fees charged by the custodian bank**

Distribution of annual income to investors	Up to a maximum of 1% of gross distributed amount
Distribution of proceeds from liquidation in the event the fund or subfund is wound up	Up to 0.5% maximum

<sup>11</sup> As in section 1.8 of the prospectus

<sup>12</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>13</sup> Subject to exceptional circumstances as specified in §18, prov. 3 of the fund contract.

<sup>14</sup> As in section 1.12 of the prospectus

TER<sup>15</sup>

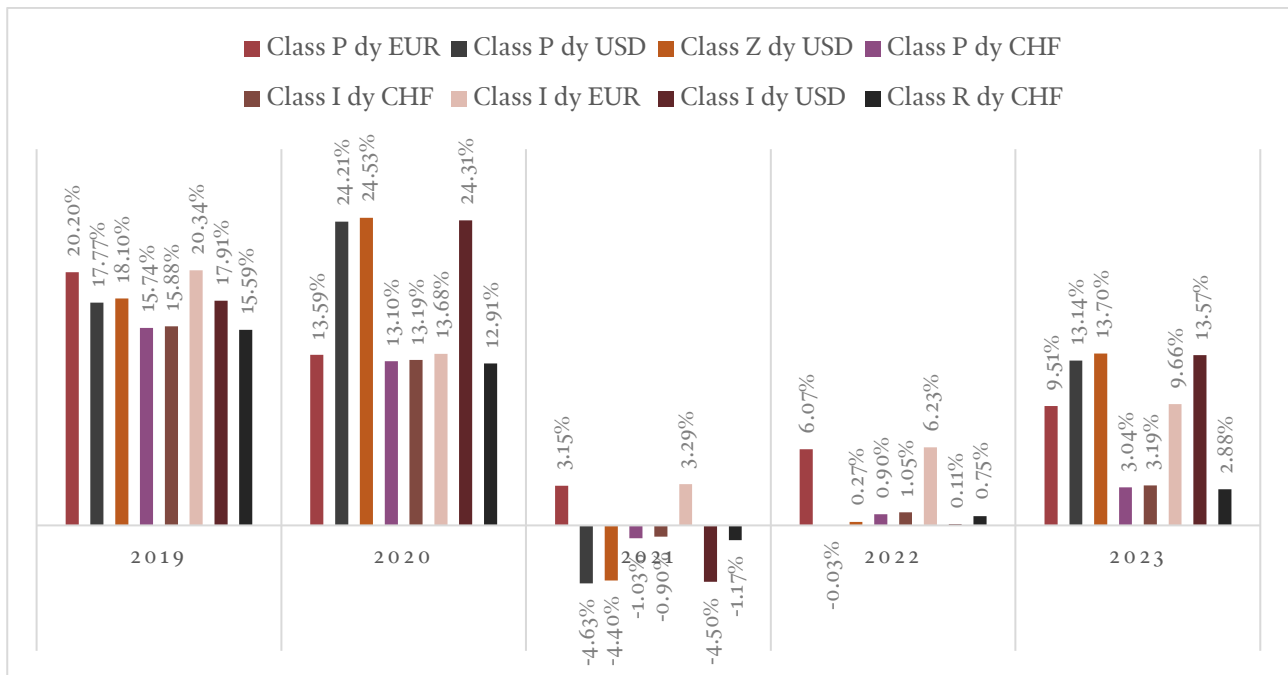
Total Expense Ratio

UNIT CLASS	2021	2022	2023
I dy USD	0.23%	0.23%	0.23%
I dy CHF	0.23%	0.23%	0.23%
I dy EUR	0.23%	0.23%	0.23%
I dy JPY	0.23%	0.23%	0.23%
HI dy JPY	0.28%	0.27%	0.28%
P dy USD	0.38%	0.38%	0.38%
J dy USD	0.20%	0.20%	0.20%
P dy CHF	0.38%	0.38%	0.38%
P dy EUR	0.38%	0.38%	0.38%

Total Expense Ratio

UNIT CLASS	2021	2022	2023
HP CHF	--	--	0.43%
HP EUR	--	--	0.43%
R dy USD	0.53%	0.53%	0.53%
R dy CHF	0.53%	0.53%	0.53%
R dy EUR	0.53%	0.53%	0.53%
Z dy USD	0.08%	0.08%	0.08%
Z dy EUR	0.08%	0.08%	0.08%
Z USD	0.07%	0.08%	0.07%
HZ CHF	0.13%	0.13%	0.13%

Past results<sup>16</sup>



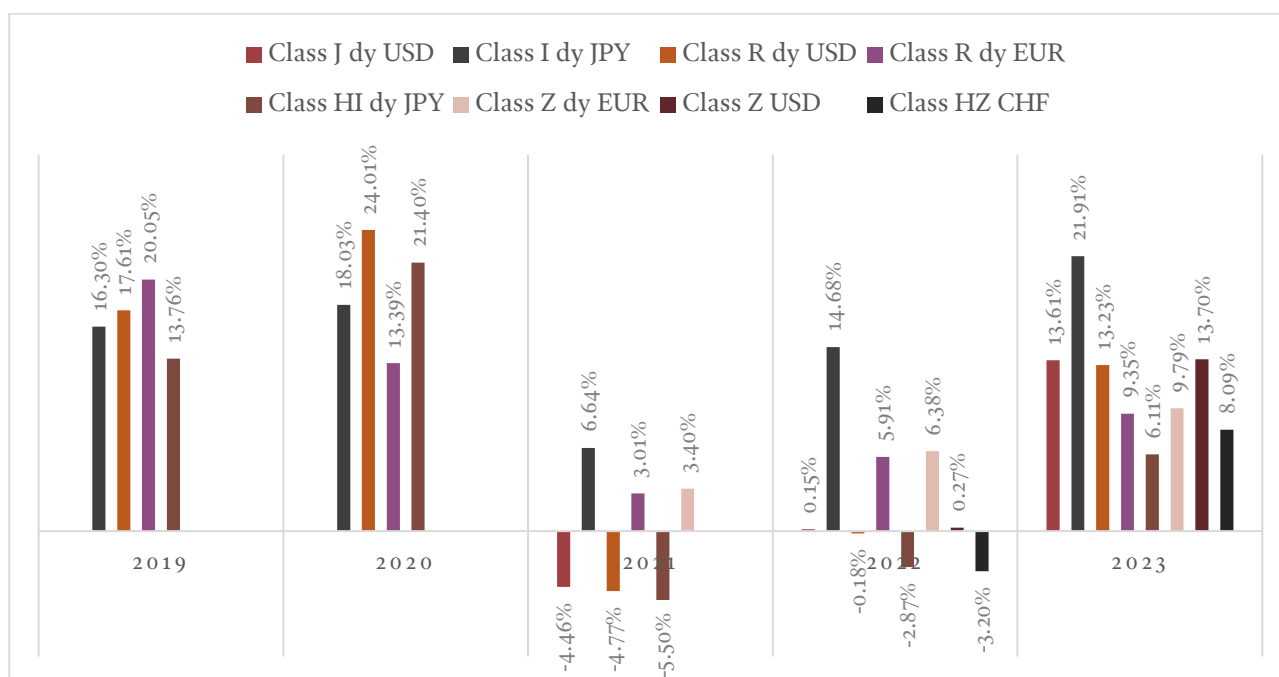
<sup>15</sup> As in section 1.12.b of the prospectus

<sup>16</sup> As in section 6.1 of the prospectus. Past performance is not an indicator of current or future performance. Performance

data does not include the commissions and fees charged at the time of subscribing for or redeeming units







## FUND CONTRACT

### I. Basis

§1. Name of the fund; name and registered office of the fund management company, the custodian bank and the asset manager

1. A contractual umbrella fund, with subfunds, of the “other funds for traditional investments” type has been established under the name of Pictet CH Precious Metals Fund (referred to below as the “fund”) in accordance with Article 25 et seq. in conjunction with Article 70 and 92 et seq. of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (CISA). The fund currently comprises the following subfund:
  - a. Pictet CH Precious Metals Fund - Physical Gold
2. The fund management company is Pictet Asset Management SA, Route des Acacias 60, 1211 Geneva 73.
3. The custodian bank is Banque Pictet & Cie SA, Route des Acacias 60, 1211 Geneva 73.
4. The fund management company has not appointed an asset manager; it makes investment decisions for the subfunds.

### II. Rights and obligations of the parties to the contract

#### §2. The fund contract

The legal relationship between the investors on the one hand and the fund management company and the custodian bank on the other shall be governed by the present fund contract and the applicable provisions of the legislation on collective investment schemes.

#### §3. The fund management company

1. The fund management company manages the subfunds at its own discretion and in its own name, but for the account of the investors. It decides in particular on the issue of units, the investments and their valuation. It calculates the net asset value of the subfunds and determines the subscription and redemption prices of units as well as distributions of income. It exercises all rights associated with the umbrella fund and subfunds.
2. The fund management company and its agents are subject to the duties of loyalty, due diligence and disclosure concerning the subfunds and the umbrella fund. They act independently and exclusively in the interests of the investors. They implement the organisational measures that are necessary for proper management. They account for the collective investment schemes they

administer, look after or represent and they disclose all fees and costs charged directly or indirectly to the investors, as well as remuneration from third parties, particularly commissions, rebates and other pecuniary benefits.

3. The fund management company can delegate to third parties investment decisions as well as specific tasks for all subfunds or for individual subfunds, provided this is in the interests of efficient management. It commissions only persons who have the necessary abilities, knowledge and experience to perform these tasks, and who have the required authorisations. It instructs and carefully monitors the third parties it commissions. Investment decisions may be delegated only to asset managers who have the required authorisation. Investment decisions may not be delegated to the custodian bank or to other companies whose interests may conflict with those of the fund management company or the investors. The fund management company remains responsible for compliance with prudential obligations and ensures that the interests of the investors are preserved when tasks are delegated. The fund management company is liable for the actions of the persons to whom it entrusts tasks, as if they were its own actions.
4. The fund management company may with the consent of the custodian bank submit a change to the present fund contract to the supervisory authority for approval (see §27) and may also establish further subfunds with the approval of the supervisory authority.
5. The fund management company can merge the individual subfunds with other subfunds or with other investment funds pursuant to the provisions set down under §24, convert them into a different legal form of collective investment scheme in accordance with the provisions of §25, and wind up the individual subfunds pursuant to the provisions set down under §26.
6. The fund management company is entitled to receive the fees stipulated in §§18 and 19. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.

#### §4. Custodian bank

1. The custodian bank is responsible for the safe-keeping of the assets of the subfunds. It handles the subscription and redemption of fund units as well as managing payment transactions on behalf of the subfunds.
2. The custodian bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organisational measures that are necessary for proper management. They account for the collective investment schemes they administer, look after or represent and they disclose all fees and costs charged directly or indirectly to the investors, as well as remuneration from third parties, particularly commissions, rebates and other pecuniary benefits.
3. The custodian bank is responsible for maintaining the accounts and securities accounts, but may not access their assets independently.
4. It guarantees that in the case of transactions relating to the assets of the subfunds, the counter-value is deposited within the usual time limit. It informs the fund management company if the counter-value is not reimbursed within the standard time frame and demands that the counterparty replace the value of the assets, to the extent that this is possible.
5. The custodian bank manages the registers and accounts required so as to be able to distinguish at all times the assets held in custody for the different collective investment schemes. In the case of assets which cannot be taken into custody, it checks the title of the fund management company and keeps records of its findings.
6. The custodian bank ensures that the fund management company complies with the law and the fund contract. It checks that the calculation of the net asset values and of the subscription and redemption prices of the units as well as the investment decisions are in compliance with the law and the fund contract, and that the income is appropriated in accordance with the fund contract. The custodian bank is not responsible for the choice of investments made by the fund management company in accordance with the investment regulations.

7. The custodian bank is entitled to receive the fees stipulated in §§18 and 19. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.
8. The custodian bank is not responsible for the safekeeping of the assets of the target funds in which the subfunds invest, unless this task has been delegated to it.

#### §5. Investors

1. The investor base is not restricted. For certain classes, restrictions in accordance with §6, prov. 3 are possible. The fund management company together with the custodian bank ensures that investors comply with the provisions relating to the investor base.
2. On concluding the contract and making a payment in cash, the investor acquires a claim against the fund management company in respect of the units acquired, in the form of a participation in the assets and income of a subfund of the umbrella fund. The investor's claim is evidenced in the form of fund units.
3. Investors are entitled to participate in the assets and income of only that subfund in which they hold units. Liabilities attributable to an individual subfund are borne solely by the said subfund.
4. The investors are obliged only to remit payment, in cash, for the units of the subfund to which they subscribe. They shall not be held personally liable for the liabilities of the fund or the subfunds.
5. Investors may at any time request that the fund management company supply them with the necessary information regarding the basis on which the net asset value per unit is calculated. If investors express an interest in more detailed information about specific business transactions effected by the fund management company, such as the exercising of membership and creditor rights, or on risk management, or on redemptions in kind, they must be given such information by the fund management company at any time. The investors may request at the courts of the registered office of the fund management company that the auditors or another expert

investigate the matter which requires clarification and furnish the investors with a report.

6. Investors may terminate the fund contract at any time and demand that their share in the subfund concerned be reimbursed in cash. Instead of a cash payment, a reimbursement in kind may be made in accordance with §17, prov. 2.8, at the investor's request and with the consent of the fund management company. In the case of the **Pictet CH Precious Metals Fund - Physical Gold** subfund, the investor in a subfund has the right to redeem his units in kind (with the exception of investors domiciled or having their registered office in Japan, for whom the possibility of redemption in kind is excluded), instead of reimbursement in cash, in the form of physical delivery of gold bars each weighing approximately 12.5 kg of a minimum purity of 995 thousandths. Redemptions in kind may be possible in the form of bars of other weights, subject to the prior approval of the custodian bank and the fund management company. More detailed information is set out in §§17 and 18, and in the prospectus. Exceptions in this regard are events of a political, economic, military or any other nature which prevent or render very difficult a reimbursement in kind, such that the redemption in kind could not reasonably be expected of the custodian bank.
7. The units may not be offered, sold, assigned or delivered to, and may not be held by, investors that are:
  - a. natural persons,
  - b. passive non-financial foreign entities ("Passive NFFE"), or
  - c. specified US persons,
 as these terms are defined by the US Foreign Account Tax Compliance Act ("FATCA"), the US FATCA Final Regulations and/or any applicable intergovernmental agreement in respect of the implementation of FATCA. Investors will be required to provide evidence of their status under FATCA by means of relevant tax documents, in particular a "W-8BEN-E" form from the US Internal Revenue Service, which must be renewed on a regular basis as per applicable regulations.

8. The units may not be offered, sold, assigned or delivered to, and may not be held by, investors that are:
- a. natural persons, or
  - b. passive non-financial entities ("Passive NFE"), including financial entities that have been reclassified as passive non-financial entities, as defined under the Standard for Automatic Exchange of Financial Account Information in Tax Matters and the Common Reporting Standard and common diligence rules of the OECD (together, the "AEOI Standards"). Investors must provide proof of their status by means of any pertinent documentation.
9. Each investor who subscribes to a unit class thereby certifies that the access requirements are met. If requested, investors are obliged to provide the fund management company, the custodian bank and their agents with proof that they comply with or continue to comply with the provisions set forth in the law or the fund contract in respect of participation in a subfund or unit class. Furthermore, they are obliged to inform the custodian bank, the fund management company or their agents immediately once they no longer meet these prerequisites. The fund management company, the custodian bank and their agents reserve the right to prevent the acquisition or continuation of ownership or beneficial ownership of units by any person in breach of any law or regulation, whether Swiss or foreign, or which might expose the fund or its unitholders to adverse regulatory or tax consequences (including under FATCA or the AEOI Standards), including by declining subscription orders or by forcing redemption pursuant to prov. 12 and 13.
10. By subscribing for and continuing to hold units, investors acknowledge that their personal data may be collected, recorded, stored, transferred, processed and generally used by the fund management company, the custodian bank or their agents, which may be established outside Switzerland but are subject to an equivalent degree of confidentiality. Such data shall be used, in particular, for the purposes of account administration, anti-money laundering and counter-terrorist financing identification, tax identification, or for the purpose of compliance with FATCA or the AEOI Standards. The personal data of investors may have to be reported to the IRS; the personal data of any unitholder may also be reported to the Swiss tax authorities and exchanged with the tax authorities of any relevant jurisdiction, including those of the investor's country of residence.
11. A subfund or unit class may be "soft closed", meaning that it remains closed to new subscriptions if the fund management company decides that closure is necessary in order to protect the interests of the existing investors. Soft closing a subfund or unit class applies to new subscriptions or a switch within the subfund or unit class, but not to redemptions, transfers or switches out of the subfund or unit class. The subfund or unit class may be soft closed without the investors being notified.
12. The fund management company in conjunction with the custodian bank must make a forced redemption of the units of an investor at the current redemption price if:
- a. this is necessary to safeguard the reputation of the financial market, and in particular to combat money laundering;
  - b. the investor no longer meets the legal, regulatory, contractual or statutory requirements for participation in a subfund.
13. The fund management company in conjunction with the custodian bank can also make a forced redemption of the units of an investor at the current redemption price if:
- a. the participation of the investor in a subfund of the investment fund is such that it could have a significant detrimental impact on the economic interests of the other investors, in particular if the participation could result in tax disadvantages for the umbrella fund and/or a subfund in Switzerland or abroad, including in particular any tax or other liabilities that may derive from any requirements imposed by FATCA or the AEOI Standards or any breach thereof;
  - b. the investor has acquired or holds their units in violation of provisions of a law to which they are subject either in Switzerland or abroad, or of the present fund contract or the prospectus;
  - c. there is a detrimental impact on the economic interests of the investors, in particular in cases

where individual investors seek by way of systematic subscriptions and immediate redemptions to achieve a pecuniary gain by exploiting the time differences between the setting of the closing prices and the valuation of the subfund's assets (market timing).

#### §6. Units and unit classes

1. The fund management company can establish different unit classes and can also merge or dissolve unit classes for each subfund at any time subject to the consent of the custodian bank and the approval of the supervisory authority. All unit classes entitle the holder to a share in the total assets of the subfund concerned, which are not segmented. This share may differ due to class-specific costs or distributions or class-specific income and the various classes may therefore have different net asset values per unit of a given subfund. Class-specific costs are covered by the assets of the subfund as a whole.
2. Notification of the establishment, winding up or merger of unit classes shall be published in the media of publication. Only mergers shall be deemed a change to the fund contract pursuant to §27.
3. The various unit classes of the subfunds may differ from one another in terms of their cost structure, reference currency, currency hedging, policy with regard to distribution or reinvestment of income, the minimum investment required and investor eligibility. Fees and costs are charged only to the unit class for which the respective service is performed. Fees and costs that cannot be unequivocally allocated to a unit class shall be charged to the individual unit classes on a pro rata basis in relation to their share of the subfund's assets.
4. Unless otherwise specified in this fund contract, the reference currency of each unit class is as stated in the name of the class or, alternatively, in the name of the subfund.
5. "Distribution units" within the meaning of §22 are indicated by the mention "dy".
6. The possibility to redeem units in kind is excluded for investors domiciled or having their registered office in Japan.

7. Each subfund may have different unit classes, a list of which is specified in the prospectus. The unit classes potentially available for each subfund at present are as follows.

#### *Unit classes in category "I"*

- a. Unit classes in category "I" are available on request to investors who, at the time of subscription, are:
  - > qualified investors referred to in Art. 4, paragraphs 3-5 of the Federal Act on Financial Services of 15 June 2018 (FinSA), who are investing (i) in their own name and (ii) on their own behalf or on behalf of their clients as part of a discretionary management or written fee-based advice mandate;
  - > investors who have entered into a management, advisory or other service agreement with an entity of the Pictet Group;
  - > collective investment schemes;
  - > pension institutions;
  - > not-for-profit institutions.
- b. The following unit classes are available in this category:
  - > I dy CHF, I dy EUR, I dy USD, I dy JPY
  - > HI dy JPY: These units are designed to hedge a substantial portion of the currency risk against the Japanese Yen. The currency hedging service provided to the investors who opt for this unit does not apply to the assets of the compartment; it is managed and executed independently from the investment strategy carried out by the manager, a segregated account is dedicated to these units. The maximum duration of the forwards used for the hedging shall not exceed 120 days.

#### *Unit classes in category "J"*

- a. Unit classes in category "J" are available on request to investors making an initial investment worth at least USD 50,000,000, or the equivalent.
- b. The following unit classes are available in this category:

> J dy USD

#### *Unit classes in category "P"*

- a. Unit classes in category "P" are not subject to any quantitative restrictions.
- b. The following unit classes are available in this category:

> P dy CHF, P dy USD, P dy EUR

> HP CHF, HP EUR: These units are designed to hedge a substantial portion of the currency risk against the Swiss Franc, respectively the Euro. The currency hedging service provided to the investors who opt for this unit does not apply to the assets of the compartment; it is managed and executed independently from the investment strategy carried out by the manager, a segregated account is dedicated to these units. The maximum duration of the forwards used for the hedging shall not exceed 120 days.

#### *Unit classes in category "R"*

- c. Unit classes in category "R" are characterised by their management fee and the fact that they do not charge a subscription or redemption fee.
- d. The following unit classes are available in this category:

> R dy CHF, R dy USD, R dy EUR

#### *Unit classes in category "Z"*

- a. Unit classes in category "Z" are available on request to qualified investors within the meaning of the legislation on collective investment schemes or investors making an initial investment worth at least USD 500,000, or the equivalent in Pictet funds and who have concluded a discretionary management or service agreement with an entity of the Pictet Group.
- b. The following unit classes are available in this category:
  - > Z dy CHF, Z dy EUR, Z dy USD
  - > HZ CHF: These units are designed to hedge a substantial portion of the currency risk against the Swiss Franc. The currency

hedging service provided to the investors who opt for this unit does not apply to the assets of the compartment; it is managed and executed independently from the investment strategy carried out by the manager, a segregated account is dedicated to these units. The maximum duration of the forwards used for the hedging shall not exceed 120 days.

8. In principle, units shall not take the form of actual share certificates but shall exist purely as book entries. Investors may request delivery of a registered unit certificate at their own expense. The issue of unit certificates made out to bearer is not permitted. The current costs are stated in the prospectus. They are not, however, entitled to demand that fractions of units be issued in the form of certificates. If unit certificates have been issued, they must be returned at the latest with the application for redemption.
9. The fund management company and the custodian bank are obliged to instruct investors who no longer meet the prerequisites for holding a unit class to ensure within 30 calendar days that their units are redeemed pursuant to §17, transferred to a person who does meet the aforementioned prerequisites, or switched into units of another unit class of the subfund concerned whose prerequisites they do meet. If an investor fails to comply with this demand, the fund management company may, in cooperation with the custodian bank, make a forced switch into another unit class of the subfund concerned pursuant to §5, prov. 12 or, should this not be possible, force the redemption of the units in question.

### III. Investment Policy Guidelines

#### A. Investment principles

##### §7. Compliance with investment guidelines

1. In selecting individual investments for each subfund, the fund management company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below. These percentages relate to the assets of the individual subfunds at market value

and must be complied with at all times. The individual subfunds must have fulfilled the terms of the investment restrictions no later than six months after the subscription date (launch).

2. If the limits are exceeded as a result of market-related changes, the investments must be restored to the permitted level within a reasonable period, taking due account of the investors' interests. If the limits relating to derivatives pursuant to §12 below are exceeded due to a change in the delta, this is to be rectified within three bank business days at the latest, taking due account of the investors' interests.

#### §8. Investment policy

1. Within the framework of the specific investment policy of each subfund, the fund management company may invest the assets of the individual subfunds in the investments listed below. The risks involved in these investments are set forth in the prospectus.

a. Derivatives, if the underlying securities are permitted as investments under the fund contract. The derivatives are either traded on a stock exchange or other regulated market open to the public, or are traded OTC. Investments in OTC transactions are permitted only if

- i. the counterparty is a regulated financial intermediary specialising in such transactions, and
- ii. the derivatives can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner.

Derivatives may be used pursuant to §12.

b. Structured products, if

- i. the underlying securities are derivatives pursuant to lit. a, structured products pursuant to lit. b, units in collective investment schemes pursuant to lit. c, financial indices, interest rates, exchange rates, credits or currencies, and
- ii. the underlying securities are permitted as investments under the fund contract.

The structured products are either traded on a stock exchange or other regulated market open

to the public, or are traded OTC. OTC transactions are permitted only if

- i. the counterparty is a regulated financial intermediary specialising in such transactions, and
  - ii. the OTC products can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner.
- c. Units of other collective investment schemes (target funds), provided that:
- i. their documents restrict investments for their part in other target funds to a total of 10%;
  - ii. these target funds are subject to provisions equivalent to those pertaining to securities funds or to funds of the “other funds for traditional investments” type in respect of the purpose, organisation, investment policy, investor protection, risk diversification, asset segregation, borrowing, lending, short-selling of securities and money market instruments, the issuing and redemption of fund units and the content of the semi-annual and annual reports; and
  - iii. these target funds are authorised as collective investment schemes in their country of domicile and are subject there to supervision which is equivalent to that in Switzerland and which serves to protect investors, and that international legal assistance is ensured.

Subject to the provisions of §19, the fund management company may acquire units of target funds that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a substantial direct or indirect stake (“related target funds”).

d. Precious metals.

- e. Sight or time deposits with terms to maturity not exceeding twelve months with banks domiciled in Switzerland or in a member state of the European Union or in another country provided that the bank is subject to

supervision in this country which is equivalent to the supervision in Switzerland.

- f. Unless otherwise provided in its investment policy, each subfund is authorised to invest in investments other than those specified in lts. a to e above up to a total of 10% of its total assets. The following are not permitted:
  - i. investments in commodities and commodity certificates as well as
  - ii. actual short-selling in relation to investment of all kinds.

### *Pictet CH Precious Metals Fund - Physical Gold*

#### 2. In respect of the **Pictet CH Precious Metals Fund - Physical Gold** subfund:

- a. The fund management company shall, after deduction of the liquid assets, invest at least 85% of total assets in:
  - i. Physical gold in the form of standard bars each weighing approximately 12.5 kg of a purity of not less than 995 thousandths;
  - ii. Physical gold in the form of ingots of different exact weights of a purity of not less than 995 thousandths. These ingots may be of the following exact weights only: 1 kg, ½ kg, ¼ kg, 200g, 100g, 50g, 20g, 10g, 5g, 100 ounces, 50 ounces, 25 ounces, 10 ounces, 5 ounces and 1 ounce.
- b. In addition, up to 15% of the subfund's assets may be invested in:
  - i. Gold via a metal account;
  - ii. Sight and time deposits within the meaning of §9 of the fund contract;
  - iii. and, up to 10% of the subfund's assets, Gold ETFs and other collective investment schemes on Gold.
- c. The subfund shall be managed passively and its objective shall be to track the price of gold. It will therefore invest in physical gold, and in securities and financial instruments whose prices are linked to the gold price. No active management of any kind will be undertaken with a view to limiting the losses in the case of a drop in the gold price.
- d. The use of derivative financial instruments is not permitted for this subfund, except to

implement the hedge of the currency risk in the currency hedged units.

- e. The fund management company includes ESG criteria (taking account of extra-financial risks and opportunities, in addition to financial analysis, when making investment decisions); in this respect, it only acquires physical gold that has been mined in compliance with a recognised standard for responsibly sourced gold. In certain circumstances (emergency situations), the fund management company may, exceptionally, be unable to acquire gold that meets the above-mentioned standard; it ensures that the non-compliant gold is the first to be sold when honouring requests to redeem units.
3. Derivatives are subject to counterparty risk, in addition to market risk; in other words, there is a risk that the contracting party may not honour its commitments and may thus cause a financial loss.
4. The fund management company ensures that the liquidity of the subfunds is managed appropriately. The details are set forth in the prospectus.

#### §9. Cash

The fund management company may also hold liquid assets for each subfund in an appropriate amount in the accounting currency of the subfund concerned and in any other currency in which investments are permitted. Liquid assets comprise bank deposits at sight or on demand with maturities of up to twelve months.

#### **B. Investment techniques and instruments**

##### §10. Securities lending and precious metals lending

The fund management company does not engage in securities-lending or precious metals-lending transactions.

##### §11. Securities repurchase agreements

The fund management company does not engage in securities repurchase agreements.



## §12. Derivative financial instruments

1. The fund management company may execute derivatives transactions. It shall ensure that even under extreme market conditions, the financial effect of the use of derivatives does not result in a deviation from the investment objectives set out in the fund contract and the key information document, and that it does not change the investment character of the fund. Furthermore, the underlyings of the derivatives must be permitted investments for the subfund in accordance with the present fund contract.
2. The Commitment II approach will be used for the assessment of risk. The overall exposure of a subfund associated with derivatives may therefore not exceed 100% of the subfund's net assets and the overall exposure of the fund may not exceed a total of 200% of the fund's net assets. Taking into account the possibility of temporary taking up credit in the maximum amount of 10% of the fund's net assets in accordance with §13 prov. 2, the fund's total exposure may rise to up to 210% of the fund's net assets. The overall exposure is calculated in accordance with Art. 35 CISO-FINMA.
3. The fund management company may in particular use basic forms of derivatives such as call and put options whose value at expiration is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference is preceded by the opposite algebraic sign, credit default swaps (CDS), swaps whose payments are dependent in both a linear and a non-path-dependent manner on the value of the underlying or on an absolute amount, as well as future and forward transactions whose value is linearly dependent on the value of the underlying. It may also use combinations of basic forms of derivatives as well as derivatives whose economic mode of operation cannot be described by a basic form of derivative or by a combination of basic forms of derivatives (exotic derivatives).
4.
  - a. Counter-positions in derivatives of the same underlying and counter-positions in derivatives and in investments in the same underlying may be netted with one another, notwithstanding the netting of the derivatives, if the derivative transaction has been concluded solely for hedging purposes in order to eliminate the risks connected with the derivatives or investments acquired, if major risks are not neglected and if the amount attributed to the derivatives is calculated in accordance with Art. 35 CISO-FINMA.
  - b. Where, during hedging, the derivatives do not relate to the same underlying as the asset to be hedged, the following conditions in addition to those stipulated under lit. a must be fulfilled by the hedge. Derivative transactions must not be based on an investment strategy aimed at realising a gain. Furthermore, the derivative must result in a demonstrable reduction in risk, the risks of the derivative must be balanced out, the derivatives, underlyings, or assets that are to be netted must relate to the same class of financial instruments, and the hedging strategy must remain effective even under exceptional market conditions.
  - c. Where interest rate derivatives are predominantly used, the amount to be included in the total exposure arising from derivative instruments can be determined using internationally recognised duration-netting rules provided that the rules result in a correct determination of the risk profile of the investment fund, the material risks are taken into account, the use of these rules does not generate an unjustified level of leverage, no interest-rate arbitrage strategies are pursued, and the leverage of the investment fund is not increased either by applying these rules or through investments in short-term positions.
  - d. Derivatives that are used solely for currency hedging purposes and do not result in leverage or contain additional market risks may be netted when calculating the overall exposure arising from derivatives without having to meet the requirements set out under lit. b.
  - e. Payment obligations in respect of derivatives must at all times be covered by near-money assets, debt securities and rights or equities that are traded on an exchange or other regulated market open to the public, in accordance with collective investment schemes legislation.
  - f. Where the fund management company, by means of a derivative, enters into a commitment to physically deliver an underlying asset, the derivative must be covered by the

corresponding underlyings or by other investments if the investments and underlyings are highly liquid and may be bought or sold at any time upon delivery being requested. The fund management must have access at all times and without restriction to these underlyings or investments. The derivatives shall be broken down by the fund management company into the three risk categories of market risk, credit risk and currency risk. If a derivative entails risks in different categories, it shall be included in each of the corresponding risk categories with its underlying equivalent. In the case of futures, forwards and swaps, the underlying equivalent is determined by taking the product of the number of contracts and the contract value. In the case of options, it is determined by taking the product of the number of contracts, the contract value and the delta (provided the latter has been calculated).

5. The fund management company may use both standardised and non-standardised derivatives. It may conclude transactions in derivative financial instruments on a stock exchange or another regulated market open to the public or in OTC (over-the-counter) trading.
6.
  - a. The fund management company may conclude OTC transactions only with regulated financial intermediaries that specialise in such types of transactions and can ensure proper execution of the contract. If the counterparty is not the custodian bank, the said counterparty or the guarantor must have a high credit rating.
  - b. It must be possible to value an OTC derivative reliably and verifiably on a daily basis and to sell, liquidate or close out the derivative at market value at any time.
  - c. If the market price for an OTC derivative is not available, it must be possible at all times to determine the price at any time using appropriate valuation models that are recognised in practice, based on the market value of the underlyings from which the derivative was derived. Before such a contract is concluded with regard to such a derivative, specific offers must in principle have been obtained from at least two counterparties. Basically, the contract must be concluded with the counterparty that

submitted the most advantageous offer from a pricing perspective. Any derogations from this principle are permitted for reasons linked to the distribution of risks or when other elements of the agreement, such as the counterparty's solvency or service offering result in another offer being made which, overall, will be more advantageous for the investors. Furthermore, it is possible to waive the request for offers from at least two counterparties in exceptional circumstances in order to best serve investors' interests. The conclusion of the agreement and the setting of the price, must be clearly documented.

- d. As part of OTC transactions, the fund management company and its agents may only accept collateral that meets the requirements set forth in Art. 51 CISO-FINMA. The issuer of the collateral must be highly solvent and the collateral may not be issued by the counterparty or by a company that forms part of the counterparty's group or that is dependent on the counterparty. The collateral must be very liquid, must be traded at a transparent price on a stock market or other regulated market that is open to the public and must be valued on at least every stock market trading day. With regard to collateral management, the fund management company or its agents must fulfil the obligations and requirements within the meaning of Art. 52 CISO-FINMA. In particular, they must ensure appropriate diversification of the collateral in terms of countries, markets and issuers. Diversification in terms of issuers is deemed to be appropriate when the collateral held in relation to a single issuer does not exceed 20% of the net asset value. Exceptions may be made with regard to investments issued or guaranteed by public-law institutions as defined in Article 83 CISO. Moreover, the fund management or its agents must at all times have the power and the capacity, without any intervention by or the agreement of the counterparty, to dispose of the collateral should the counterparty fail. The collateral provided must be held by the custodian bank. The collateral provided may be held in safekeeping by a third-party depository subject to supervision, at the fund management's request, if ownership of the collateral has not been transferred and if the third-party depository is independent of the counterparty.

7. In respect of compliance with the statutory and contractual restrictions (maximum and minimum limits), derivatives must be dealt with in accordance with the legislation on collective investment schemes.
8. The prospectus contains further information on
  - the importance of derivatives as part of the investment strategy;
  - the effect of the use of derivatives on the risk profile of the subfunds;
  - the counterparty risks of derivatives;
  - credit derivatives;
  - the increased volatility resulting from the use of derivatives and the increased overall exposure (leverage effect);
  - the strategy with regard to collateral.

#### §13. Borrowing and lending

1. The fund management company may not grant loans for the subfunds' account.
2. The fund management company may for each subfund borrow the equivalent of up to 10% of the net assets on a temporary basis. It may not borrow for the purpose of executing investments.

#### §14. Encumbrance of the subfunds' assets

1. The fund management company may not pledge or cede as collateral a subfund's net assets.
2. The subfunds' assets may not be encumbered with guarantees. An exposure-increasing credit derivative is not deemed to be a guarantee within the meaning of this clause.

### C. Investment restrictions

#### §15. Risk diversification

1. The regulations below on risk diversification must include the following:
  - a. investments pursuant to §8, with the exception of index-based derivatives, provided the index is sufficiently diversified, is representative of the market it relates to and is published in an appropriate manner;

- b. liquid assets pursuant to §9;
  - c. claims against counterparties arising from OTC transactions.
2. The regulations on risk distribution apply to each subfund individually.
3. Companies which form a group in accordance with international accounting regulations are deemed to be a single issuer.
4.
  - a. Including derivatives and structured products, the fund management company may invest up to a maximum of 10% of the assets of a subfund with the same issuer.
  - b. The total value of the derivatives of issuers in which more than 5% of the total assets of a subfund are invested may not exceed 40% of the total assets of a subfund. The rules set out in provs. 5 and 6 are excepted.
5. In respect of liquid assets, the fund management company may, including derivatives, invest up to a maximum of 15% of the total assets of a subfund in sight and term deposits with the same bank. Both liquid assets pursuant to §9 and investments in bank deposits pursuant to §8 are included in this limit.
6. The fund management company may invest up to a maximum of 5% of the total assets of a subfund in OTC transactions with the same counterparty. If the counterparty is a bank that has its registered office in Switzerland or in a member state of the European Union or in another state where it is subject to a level of supervision comparable to that exercised in Switzerland, this limit will be raised to 10% of the total assets of each subfund. If claims arising from OTC transactions are guaranteed by collateral in the form of liquid assets in accordance with articles 50 to 55 CISO-FINMA, such claims are not taken into consideration when calculating the counterparty risk.
7. Investments, assets and claims issued by the same issuer/borrower pursuant to prov. 4 to 6 above may not exceed in total 15% of the total assets of a subfund.
8. Investments pursuant to prov. 4 above issued by the same group of companies may not in total exceed 20% of the total assets of a subfund.

9. The fund management company may invest a maximum of 20% of the total assets of a subfund in units of the same target fund.
10. The fund management company may acquire for the assets of a subfund up to a maximum of 25% of the units of other collective investment schemes.

#### IV. Calculation of the net asset values and subscription and redemption of units

##### §16. Calculation of the net asset value and application of swinging single pricing

1. The net asset value (NAV) of each subfund and the share of assets attributable to the individual classes are calculated in the accounting currency (AC) of the subfund concerned, at the market value as at the end of the financial year and for each day on which units are issued or redeemed. The net asset value will not be valued on days when the stock exchanges or markets in the countries where the subfund is invested are closed (e.g. on bank holidays and days when exchanges are closed). The fund management company may also calculate NAVs on dates on which units are not issued or redeemed ("non-tradable NAV"), such as when the last day of a calendar month falls on a Saturday, Sunday or bank holiday; these non-tradable NAVs may be published but may only be used for producing performance measurement calculations and statistics (in particular so that comparisons can be made with the benchmark indices) or for calculating fees, and may not in any circumstances be used as a basis for subscription or redemption orders.
2. Securities traded on a stock exchange or another regulated market open to the public are valued at the current prices paid on the main market. Other investments or investments for which no current market value is available shall be valued at the price which would probably be obtained in a diligent sale at the time of the valuation. In such cases, the fund management company shall use appropriate and recognised valuation models and principles to determine the market value.
3. For the **Pictet CH Precious Metals Fund - Physical Gold** subfund, the value of the gold will be calculated on the basis of the price decided by the London Gold Fixing at 15:00 (GMT).
4. Bank deposits are valued on the basis of the amount due plus accrued interest. If there are significant changes in the market conditions or the credit rating, the valuation principles for time deposits will be adjusted in line with the new circumstances.
5. The net asset value of a unit of a given class of a subfund is determined by the proportion of this subfund's assets as valued at the market value attributable to the given unit class, less any of this subfund's liabilities that are attributed to the given unit class, divided by the number of units of the given class in circulation. The net asset value of each subfund is rounded to the nearest AC 0.01.
6. The share of the market value of the net assets of a subfund (a subfund's assets less liabilities) attributable to the respective unit classes is determined for the first time at the initial issue of more than one class of units (if this occurs simultaneously) or at the initial issue of a further unit class. The calculation is made on the basis of the assets accruing to the subfund concerned for each unit class. The proportion is recalculated whenever one of the following events occurs:
  - a. when units are issued and redeemed;
  - b. on the pertinent date for distributions, provided that
    - i. such distributions are made only for individual unit classes (distribution classes) or provided that
    - ii. the distributions of the various unit classes differ when expressed as a percentage of the respective net asset values or provided that
    - iii. different commissions or costs are charged on the distributions of the various unit classes when expressed as a percentage of the distribution;
  - c. when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued costs and commissions) to the various unit classes, provided that the liabilities of the various unit classes are different when expressed as a percentage of the respective net asset value, especially if

- i. different commission rates are applied for the various unit classes or if
  - ii. class-specific costs are charged;
- d. when the net asset value is calculated, as part of the allocation of income or capital gains to the various unit classes, provided that the income or capital gains stem from transactions made solely in the interests of one unit class or in the interests of several unit classes but disproportionately to their share of the net assets of a subfund.
7. When, for a given day, the total amount of issues and redemptions of units in categories “I”, “J”, “P” and “R” within the subfund leads to a rise or fall in the net asset value, the net asset value assessed is revised upwards or downwards (“swinging single pricing”). The maximum adjustment is 2% of the net asset value assessed. Incidental fees (difference between purchase and sale price, standard brokerage charges, fees, taxes, etc.), as well as the costs of verifying and maintaining quality standards in the case of physical investments, arising from an investment or sale relating to the net flow of assets into or out of the subfund are taken into account in this calculation. The adjustment leads to a rise in the NAV assessed if the net flow corresponds to a rise in the number of units in the subfund. The adjustment leads to a fall in the NAV assessed if the net flow corresponds to a decrease in the number of units. The net asset value after applying the swinging single pricing method is adjusted in accordance with the first sentence under this point. These portfolio adjustment costs are not taken into account in cases where the fund management company authorises a redemption in kind rather than in cash, in accordance with §17. Instead of the average incidental costs, the fund management company may take account of the actual amount of the incidental costs, if it deems this appropriate in the relevant circumstances (e.g. amount, general market situation, specific market situation for the investment class concerned). In this case, the adjustment may be greater or less than the average incidental costs. In the cases mentioned in §17, prov. 2.5 and in any other exceptional case, the maximum rate of 2% of the net asset value assessed may moreover be exceeded, provided that the fund management company deems this to be in the interests of all investors. The fund management company

notifies the auditors, the supervisory authority and the existing and new investors, without delay and in a suitable manner, of any decision to exceed the maximum rate.

## §17. Subscription and redemption of units

### 1. Subscription and redemption

For all subfunds, subscription and redemption orders for units are accepted on the day the orders are placed, up to a certain cut-off time specified in the prospectus. The definitive subscription and redemption price of the units is determined based on the closing prices on the pricing date, which may not precede the day the order was placed. Details are given in the prospectus. The subscription and redemption of fractional units are authorised.

### 2. Calculation of the net asset value and method of accounting for incidental costs

1. The subscription and redemption price is determined by the net asset value per unit as calculated as at the pricing date; details are given in the prospectus.
2. Method of accounting for incidental costs:
  - a. For unit classes in categories “I”, “J”, “P” and “R”: Incidental costs are accounted for in accordance with the swinging single pricing method, as described and subject to the exceptions specified in §16, prov. 8 of the fund contract.
  - b. For unit classes in category “Z”: At the time of issuance, any incidental costs (normal brokerage fees, commissions, other fees, etc.) incurred by the fund on average in connection with investing the amount paid are added to the net asset value. In the case of a redemption, the incidental costs incurred by the fund on average in connection with the sale of the unit are deducted from the net asset value. The applicable rate may not exceed 2%.
  - c. As an exception to the above, incidental costs are not taken into account in cases where the fund management company authorises a redemption in kind rather than in cash, in accordance with §17, or when switching between unit classes within the same subfund. When switching from or into unit classes in

categories “Z”, the exchange ratio is calculated on the basis of the established net asset values without taking account of the costs of adjusting the portfolio. In the cases mentioned in §17, prov. 2.5 and in any other exceptional case, the maximum rate of 2% of the net asset value assessed may moreover be exceeded, provided that the fund management company deems this to be in the interests of all investors. The fund management company notifies the auditors, the supervisory authority and the existing and new investors, without delay and in a suitable manner, of any decision to exceed the maximum rate.

- d. For the **Pictet CH Precious Metals Fund - Physical Gold** subfund, requests for redemption in kind are handled in accordance with the conditions set out in prov. 8 below.
3. A subscription fee pursuant to §18 may be added to the net asset value or a redemption fee according to §18 may be deducted from the net asset value upon the issuing or redemption of units.
  4. The fund management company may suspend the issue of units at any time, and may decline applications for the subscription or switching of units.
  5. The fund management company may temporarily and by way of exception defer repayment in respect of units of a subfund in the interests of all investors:
    - a. if a market which is the basis for the valuation of a significant proportion of the fund's assets is closed, or if trading on such a market is restricted or suspended;
    - b. in the event of a political, economic, military, monetary or other emergency;
    - c. if, owing to exchange controls or restrictions on other asset transfers, the collective investment scheme can no longer transact its business;
    - d. in the event of large-scale redemptions of units of the subfund that could significantly affect the interests of the remaining investors.
  6. The fund management company shall immediately apprise the auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify the investors in a suitable manner.

7. No units of a subfund shall be issued as long as the repayment in respect of units of this subfund is deferred for the reasons stipulated under prov. 5, lit. a to c.
8. With the exception of investors domiciled or having their registered office in Japan, for whom the possibility of redemption in kind is excluded, the investor has the right to demand, instead of reimbursement in cash, the redemption of his units in kind: that is, the exchange value of his units in the form of the precious metal in which the subfund invests (redemption in kind), i.e. bars each weighing approximately 12.5 kg with a minimum purity of 995 thousandths. Redemptions in kind may be possible in the form of bars of other weights, subject to the prior approval of the custodian bank and the fund management company. Physical delivery to investors who request that their units be redeemed in kind is undertaken on the following conditions:

#### Redemption order:

- i. The request for redemption in kind must be submitted in writing (letter or fax), at the same time as the repayment request.
- ii. When requesting redemption in kind, the investor must specify:
  - o The delivery address for the precious metal, which can be delivered only to banking institutions in Switzerland. No deliveries are made outside Switzerland.
  - o Details of where to transfer the cash balance.

#### Time and method of delivery:

- iii. Delivery is made in the form of bars each weighing approximately 12.5 kg of a minimum purity of 995 thousandths, within 20 bank business days of the request for redemption in kind;
- iv. In principle, only bars each weighing approximately 12.5 kg of a purity of at least 995 thousandths are delivered;
- v. Subject to the approval of the custodian bank and the fund management company, and upon request, the investor may be permitted, depending on availability and delivery times, to take delivery of ingots of an exact weight, which may be of the exact

- weights given below only: 1 kg, ½ kg, ¼ kg, 200g, 100g, 50g, 20g, 10g, 5g, 100 ounces, 50 ounces, 25 ounces, 10 ounces, 5 ounces and 1 ounce, and not standard bars each weighing approximately 12.5 kg. The investor is liable for the additional costs of manufacture and other expenses (such as processing costs or a reduction in value resulting from a lesser degree of purity);
- vi. The delivery times for ingots of an exact weight (as defined above), and which are not standard bars each weighing approximately 12.5 kg, are decided on a case-by-case basis, with due regard to market circumstances, but shall not exceed 60 bank business days from the request for redemption in kind;
  - vii. The right to repayment in kind in the form of bars each weighing approximately 12.5 kg is limited to the bars actually held by the subfund. Thus, if requests for redemptions in kind exceed the total number of bars held by the subfund, said bars will be divided out in proportion to the units held by the investors requesting the redemption in kind, with the remaining sum paid in cash;
  - viii. The custodian bank and the fund management company reserve the right to decline to deliver bars each weighing approximately 12.5 kg, provided they have good cause, such as the inability to deliver during an emergency of a political, economic, military or other nature (travel restrictions, civil disorder, etc.);
  - ix. The difference between the value of the unit for which redemption is requested and the amount reimbursed in kind will be paid in cash. The difference is calculated with reference to the weight and purity of the gold;
  - x. If an emergency of a political, economic, military or other nature (travel restrictions, civil disorder, etc.) arises, the custodian bank and the fund management company reserve the right to deliver the physical gold to whichever place and in whatever manner they consider most appropriate.
- Expenses:
- xi. Before the gold is delivered, the expenses mentioned in section 1.12 of the prospectus and §18 of the contract will be charged to the investor, as will the other expenses (such as the cost of processing the metal, delivery, insurance and taxes);
  - xii. If an amount is still payable in cash, the expenses, taxes and costs incurred by the redemption in kind will be deducted directly from the balancing payment;
  - xiii. The fund management company reserves the right to bill the investor for the expenses separately;
  - xiv. If a request for redemption in kind cannot be honoured, and in order to allow for the incidental costs, reimbursement in cash is calculated according to the “Swinging Single Pricing” (SSP) method, in accordance with §16, prov. 8 of this fund contract.
- Consequences of delivery:
- xv. Delivery results in ownership of the gold passing from the fund management company to the investor;
  - xvi. The transfer of ownership occurs at the moment the precious metal is handed over to the carrier appointed to deliver it to the address of the banking institution nominated by the investor to receive the delivery.
- Special regulations governing redemptions in kind:
- xvii. For redemptions in kind, the fund management company prepares a report containing details of the individual securities transferred, the market value of these securities on the reference date of the transfer, the number of units redeemed in return and any settlement balance in cash.
  - xviii. The custodian bank shall examine the duty of loyalty demonstrated by the fund management company in relation to each redemption in kind, especially the calculation of the value of the assets transferred. The custodian bank shall without delay notify the auditors of any reservations or breaches of which it becomes aware.

xix. Transactions involving redemptions in kind are stated in the annual report.

9. Under exceptional circumstances such as those referred to in prov. 5 and in the interests of the remaining investors in the investment fund, the fund management company reserves the right to reduce all redemption requests (gating) on days when the total sum of redemptions exceeds 10% of the assets of a subfund. Under these circumstances, the fund management company may decide, at its sole discretion, to reduce all redemption requests proportionately and to the same extent. The remaining share of redemption requests must then be considered as received on the next order day and be processed under the conditions prevailing on that day. Thus, there is no preferential treatment given to deferred redemption requests.

The fund management company shall immediately notify the audit company, the supervisory authority and the investors of its decision to introduce and suspend gating in an appropriate manner.

## V. Fees and incidental costs

### §18. Fees and incidental costs charged to the investor

1. When units are issued, the investor may be charged an issuing commission of up to 5% of the net asset value by the distributors in Switzerland or abroad; the maximum applicable rate is shown in the prospectus. The fund management company does not charge an issuing commission.
2. On redemption of units, a redemption fee of up to 1% of the net asset value may be charged to the investor; the current maximum applicable rate is set out in the prospectus. The fund management company does not charge a redemption fee.
3. The averaged incidental costs related to the sale or purchase of the investments (normal brokerage fees, commissions, taxes, etc.) incurred by the subfund for the purpose of investing amounts paid in and/or selling investments corresponding to redeemed units may be charged to

the investor in accordance with the methods described above in §17, prov. 2.2. Details of how the above-mentioned incidental costs are charged to investors or to the fund are set out in the prospectus. The applicable rate may not exceed 2%. In the cases mentioned in §17, prov. 2.5 and in any other exceptional case, the maximum rate of 2% of the net asset value assessed may however be exceeded, provided that the fund management company deems this to be in the interests of all investors. The fund management company notifies the auditors, the supervisory authority and the existing and new investors, without delay and in a suitable manner, of any decision to exceed the maximum rate.

4. The custodian bank charges the investor for the usual bank commissions and fees for the delivery of registered units. The current costs are stated in the prospectus.
5. Switching from one subfund to another incurs the incidental costs mentioned in §17, prov. 2, whereas switching from one class to another does not incur a charge. However, when switching to a class with the aim of hedging the currency risk (classes whose name includes "H"), the specific fees relating to setting up this hedge are taken into account using the methods described in §17, prov. 2.2.
6. The expenses associated with the physical delivery of the precious metal in question will be charged to the investor.

### §19. Fees and incidental costs charged to the fund's assets

1. The management company and the custodian bank are entitled to the following commissions:
  - a. Fund management company fee:

The maximum rate of the total fee to which the fund management company is entitled shall not exceed the sum of the management fee and the administration fee described below.

- Administration fee: For the administration of each subfund of the fund, the fund management company charges the assets of the subfunds concerned an annual fee in accordance with the maximum rates stated below, charged on a pro rata basis at the end of each month. The effective



applicable rate is mentioned in the annual and semi-annual reports.

- Management fee: For managing and marketing the subfunds, the fund management company charges the assets of the subfunds concerned a management fee for the unit classes in categories “I”, “J”, “P” and “R” at the maximum rates given below. The effective applicable rate is mentioned in the annual and semi-annual reports. If the management of the fund is delegated, part of the management fee may be paid by the fund directly to the managers. In the case of holders of unit classes in category “Z”, the management fees are billed directly to them by agreement with each investor.

Where applicable, the fund management company will disclose in the prospectus if it pays retrocessions to investors and/or portfolio distribution commissions.

#### b. Custodian bank fee:

- Safekeeping fee: For the safekeeping of the subfunds' assets, the handling of the payment transactions and the other tasks listed under §4, the custodian bank charges an annual fee in accordance with the maximum rates stated below, charged on the total value of the subfund assets attributable to each class. The effective applicable rate is mentioned in the annual and semi-annual reports. Furthermore, foreign custody fees and expenses are also charged to the subfund's assets;
- For the distribution of annual income to the investors, the custodian bank charges a commission not exceeding 1% of the gross amount of the distribution. The effective applicable rate is mentioned in the annual and semi-annual reports.
- For the distribution of liquidation proceeds in the event of the winding up of the fund or of a subfund, the custodian bank shall charge a commission not exceeding 0,5% of the net asset value of the units. The effective applicable rate is mentioned in the liquidation report.

The maximum rates of the fees set out above are as follows for each subfund:

#### Pictet CH Precious Metals Fund - Physical Gold

	FUND MANAGEMENT COMPANY FEE		CUSTODIAN BANK'S FEES
Unit class	Administration fee, annual rate	Management fee, annual rate	Safekeeping fee, annual rate
I dy USD, I dy CHF, I dy EUR, I dy JPY	to a maximum of 0.06%	to a maximum of 0.20%	to a maximum of 0.08%
HI dy JPY	to a maximum of 0.11%	to a maximum of 0.20%	to a maximum of 0.08%
J dy USD	to a maximum of 0.06%	to a maximum of 0.15%	to a maximum of 0.08%
P dy USD, P dy CHF, P dy EUR	to a maximum of 0.06%	to a maximum of 0.40%	to a maximum of 0.08%
HP CHF, HP EUR	to a maximum of 0.11%	to a maximum of 0.40%	to a maximum of 0.08%
R dy USD, R dy CHF, R dy EUR	to a maximum of 0.06%	to a maximum of 0.60%	to a maximum of 0.08%
Z dy USD, Z dy EUR, Z USD	to a maximum of 0.06%	By agreements with each investor	to a maximum of 0.08%
HZ CHF	to a maximum of 0.11%	By agreements with each investor	to a maximum of 0.08%

2. Furthermore, the fund management company and the custodian bank shall be entitled to reimbursement of the following costs incurred in the course of executing the fund contract:

- a. costs for the purchase and sale of the investments, specifically normal brokerage fees, commissions, taxes and duties, as well as costs for the verification and maintenance of quality standards in the case of physical investments;

- b. the supervisory authority's fees in relation to the establishment, amendment, liquidation or merger of the fund or any subfunds;
  - c. the supervisory authority's annual fees;
  - d. the audit firm's fees for annual auditing as well as certification in the case of establishments, amendments, liquidation or merger of the fund or any subfunds;
  - e. fees for legal and tax advisors in connection with the establishment, modification, liquidation or merger of funds or any subfunds, as well as generally upholding the interests of the fund and its investors;
  - f. notary and commercial register expenses for registration in the Commercial Register of licensees under the collective investment schemes legislation;
  - g. the cost of publishing the net asset value of the fund or its subfunds, together with all the costs of providing notices to investors, including translation costs, provided such costs cannot be ascribed to any failure on the part of the fund management company;
  - h. the cost of printing legal documents as well as the fund's annual and semi-annual reports;
  - i. the cost of any registration of the fund with a foreign supervisory authority, and specifically the commission levied by the foreign supervisory authority, translation costs and remuneration for the representative or paying agent abroad;
  - j. costs relating to the exercising of voting rights or creditors' rights by the fund, including the cost of fees paid to external advisors;
  - k. costs and fees relating to intellectual property registered in the name of the fund or with rights of use for the fund;
  - l. all costs incurred through any extraordinary steps taken to safeguard the interests of investors by the fund management company, asset manager of collective investment schemes or custodian bank.
3. The costs mentioned under prov. 2, lit. a will be offset directly against the stated acquisition or sales value of the respective investments. Moreover, the incidental costs incurred in connection with the purchase or sale of investments when issuing or redeeming units will be calculated in accordance with §17, prov. 2.2.
4. The fund management company and its agents may, according to the provisions of the prospectus, pay retrocessions to compensate for marketing fund units and give discounts to reduce the fees and costs of the investment fund and/or its subfunds payable by the investor.
  5. If the fund management company acquires units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a substantial direct or indirect stake ("related target funds"), the maximum percentage of the fixed management fees that may be obtained at the level of the target fund will be 1.6%, to which, if applicable, a fee may be added at a maximum of 20% of the performance of the NAV per unit. However, the fund management company may not charge to the subfund any subscription or redemption fees for the related target funds. If the fund management company invests in units of a related target fund pursuant to the above definition which has a lower actual (flat-rate) management fee than the actual management fee pursuant to prov. 1 above, the fund management company may, instead of charging the aforementioned management fee, charge the difference between the actual management fee of the investing subfund and the actual (flat-rate) management fee of the related target fund.
  6. Fees may be charged only to the subfund for which the respective service has been performed. Costs which cannot be charged to an individual subfund are charged to the various subfunds in proportion to their share of the fund's total assets.

## VI. Financial statements and audits

### §20. Financial statements

1. The accounting currency of the **Pictet CH Precious Metals Fund - Physical Gold** subfund is the US dollar (USD).
2. The financial year runs from 1 October to 30 September.

3. The management company publishes an annual report for the fund within four months of the close of the financial year.
4. The management company publishes a semi-annual report for the fund within two months of the close of the first half of the financial year.
5. The investor's right to obtain information under §5, prov. 5 remains reserved.

#### §21. Audit

The auditors shall examine whether the fund management company and the custodian bank have acted in compliance with the legal and contractual provisions and the code of conduct of the Asset Management Association Switzerland that may be applicable to them. The annual report contains a short report by the auditors on the published annual financial statements.

### VII. Appropriation of net income

#### §22.

1. For distribution units, the net income of each subfund is distributed annually per unit class to the investors within four months of the end of the financial year, in the accounting currency of the subfund. The fund management company may make additional interim income distributions. Up to 30% of the net income of a unit class may be carried forward to the new account. A distribution may be waived and the net income may be carried forward to the new account under the following conditions:
  - a. the net income for the current financial year and the income carried forward from previous years for a subfund or unit class are less than 1% of the net asset value of the subfund or unit class, and
  - b. the net income for the current financial year and the income carried forward from previous years for a subfund or unit class are less than one unit of the accounting currency of the subfund or unit class.
2. For capitalisation units, the net income of each subfund is reinvested annually in assets of the

subfund in question for reinvestment within four months of the end of the financial year. If the net income in a financial year including income carried forward from previous financial years is less than CHF/USD/EUR 1, or JPY 1,000, reinvestment (capitalisation) may be waived and the entire net income may be carried forward to the new account of the subfund concerned, subject to any taxes and duties on the reinvestment (capitalisation).

3. Realised capital gains from the sale of assets and rights may be distributed by the management company or retained for reinvestment.

### VIII. Publication of official notices by the umbrella fund and subfunds

#### §23.

1. The media of publication of the fund and subfunds is deemed to be the print media or electronic media specified in the prospectus. Notification of any change of the medium of publication shall be published in the media of publication.
2. The following information shall in particular be published in the media of publication: summaries of material amendments to the fund contract, indicating the offices from which the amended wording may be obtained free of charge; any change of fund management company and/or custodian bank; the creation, winding up or merger of unit classes; and the announcement of the winding up of the fund or of a subfund. Amendments that are required by law and that do not affect the rights of investors or are of an exclusively formal nature may be exempted from the duty to publish, subject to the approval of the supervisory authority.
3. Each time units are issued or redeemed, the fund management company shall for all unit classes publish the subscription and redemption prices of units or the net asset value, or for unit classes in categories "I", "J", "P" and "R" an adjusted net asset value (or "swung" NAV) calculated by applying the swinging single pricing method pursuant to §16, prov. 8, together with a note stating "excluding commission", in the print or electronic media specified in the prospectus. The

prices shall be published at least twice per month. The weeks and weekdays on which publications are made shall be specified in the prospectus.

4. The prospectus including the fund contract, the key information document, as well as the annual and semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

## IX. Restructuring and winding up

### §24. Mergers

1. Subject to the consent of the custodian bank, the fund management company can merge individual subfunds with other subfunds or other investment funds by transferring the assets and liabilities - as of the time of the merger - of the subfund(s) or fund(s) being acquired to the acquiring subfund or fund. The investors of the subfund or fund being acquired shall receive units in the acquiring subfund or fund to the equivalent value. The fund or subfund being acquired is terminated without liquidation on the date the merger takes place, and the fund contract of the acquiring fund or subfund shall also apply to the fund or subfund being acquired.
2. Subfunds and funds may be merged only if:
  - a. provision for this is made in the relevant fund contracts;
  - b. they are managed by the same fund management company;
  - c. the relevant fund contracts are basically identical in terms of the following provisions:
    - i. investment policy, investment techniques, risk diversification, and risks associated with the investment;
    - ii. the appropriation of net income and capital gains from the sale of goods and rights;
    - iii. the type, amount and calculation of all fees, and the subscription and redemption fee together with the incidental costs for the purchase and sale of the investments (brokerage fees, charges, duties) that may be charged to the assets of the fund or subfunds or to the investors;
3. If the merger is likely to take more than one day, the supervisory authority may approve limited deferment of repayment in respect of the units of the funds or subfunds involved.
4. The fund management company must submit the proposed merger together with the merger schedule to the supervisory authority for review at least one month before the planned publication of the intended changes to the fund contract. The merger schedule must contain detailed information on the reasons for the merger, the investment policies of the funds involved and any differences between the acquiring fund or subfund and the fund or subfund being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the funds, as well as a statement from the auditors.
5. The fund management company shall publish the proposed changes to the fund contract pursuant to §23, prov. 2, and details of the proposed merger and its timing, together with the merger schedule, at least two months before the planned date of merger, in accordance with the methods of publication of the funds or subfunds involved. In this notice, the fund management company must inform the investors that they may lodge objections against the proposed changes to the fund contract with the supervisory authority within 30 days from the final publication, or request cash redemption of their units.
6. The auditors must check immediately that the merger is being carried out correctly, and shall submit a report containing their comments in this regard to the fund management company and the supervisory authority.
7. The fund management company shall without delay inform the supervisory authority of the
  - iv. the redemption conditions;
  - v. the duration of the contract and the conditions of winding up;
- d. the valuation of the fund or subfund assets, the calculation of the exchange ratio and the transfer of the assets and commitments of the funds or subfunds take place on the same day;
- e. no costs arise as a result for either the fund or subfunds or the investors. This is subject to the provisions of §19, prov. 2, lit. a.

conclusion of the merger and shall publish the confirmation from the auditors regarding the proper execution of the merger and the exchange ratio without delay in the media of publication of the funds or subfunds involved.

8. The fund management company shall mention the merger in the subsequent annual report of the acquiring fund and also in any semi-annual report that may be published prior to the annual report. If the merger does not take place on the last day of the usual financial year, an audited closing statement must be produced for the fund(s) or subfund(s) being acquired.

#### §25. Change of legal form

1. Under Swiss law, the fund management company may, with the consent of the custodian bank, convert a subfund of the investment fund into a subfund of a SICAV, with the subfund's assets and liabilities being transferred to the subfund investing in the SICAV at the time of the conversion. The investors of the subfund being converted shall receive units of equivalent value in the investing subfund of the SICAV. On the conversion date, the subfund concerned is dissolved without liquidation and the SICAV's investment regulations apply to the investors in the converted subfund, who become investors in the SICAV subfund.
2. A subfund may be converted into a subfund of a SICAV only if:
  - a. The fund contract provides for this and the SICAV's investment regulations expressly stipulate it;
  - b. The investment fund and the SICAV are managed by the same fund management company;
  - c. The SICAV's fund contract and investment regulations are in principle identical in terms of the following provisions:
    - i. investment policy (including liquidity), investment techniques (securities lending, repurchase and reverse repurchase agreements, derivatives), borrowing and lending, pledging the assets of the collective investment scheme, risk distribution and investment risks, the type of collective investment, investor eligibility, unit classes/share classes and the calculation of the net asset value.
    - ii. the appropriation of net income and capital gains from the sale of goods and rights;
    - iii. the appropriation of net income and the obligation to inform;
    - iv. the type, amount and calculation method of all fees, the issue and redemption commission together with the incidental costs for the purchase and sale of investments (brokerage commissions, fees, duties) that may be debited to the assets of the subfund or SICAV or charged to the investors or shareholders, subject to the incidental costs specific to the legal form of the SICAV;
    - v. the terms of issue and redemption;
    - vi. the duration of the contract or the SICAV;
    - vii. the medium of publication.
  - d. the valuation of the assets of the participating collective investment schemes, the calculation of the exchange ratio and the transfer of the assets and commitments take place on the same day;
  - e. no costs arise as a result for either the subfund or SICAV or for the investors or shareholders.
3. If the conversion is likely to take more than one day, FINMA may approve limited suspension of redemptions.
4. Before the expected publication, the fund management company submits details of the planned conversion and the intended changes to the fund contract to FINMA for review, together with the conversion schedule. The conversion schedule must contain detailed information on the reasons for the conversion, the investment policies of the collective investment schemes involved and any differences between the subfund being converted and the subfund of the SICAV, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the collective investment schemes, as well as a statement from the auditors.
5. The fund management company must publish any changes to the fund contract pursuant to §23, prov. 2, and details of the proposed conversion and its timing, together with the conversion

- schedule, at least two months before the planned date, in the medium of publication of the sub-fund being converted. In so doing, it makes the investors aware that they have an opportunity to request redemption of their units or to lodge an objection with the supervisory authority regarding the intended changes to the fund contract, within 30 days of publication.
6. The auditing company of the investment fund or SICAV (if different) must check immediately that the conversion is being carried out properly, and submits a report containing their comments in this regard for the attention of the fund management company, the SICAV and the supervisory authority.
  7. The fund management company immediately informs FINMA of the completion of the conversion and submits to it the auditor's confirmation that the conversion has been carried out properly and the report on the conversion in the medium of publication of the participating investment fund.
  8. The management company of the fund or the SICAV must make reference to the conversion in the next annual report of the investment fund or SICAV and also in any semi-annual report that may be published prior to the annual report.
5. Once the fund contract has been terminated, the fund management company may liquidate the subfund concerned forthwith. If the supervisory authority has ordered the winding up of a sub-fund, it must be liquidated forthwith. The custodian bank is responsible for the payment of the liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in instalments. The fund management company must obtain authorisation from the supervisory authority before making the final payment.

## X. Changes to the fund contract

### §27.

1. If changes are made to the present fund contract, or if the merger of unit classes or a change of the fund management company or of the custodian bank is planned, the investor may lodge an objection with the supervisory authority within 30 days after the corresponding publication. In the publication, the fund management company informs the investors of the changes to the fund contract that are covered by FINMA's audit and confirmation of compliance with the law. In the event of a change to the fund contract (including the merger of unit classes), the investors can also demand the redemption of their units in cash, subject to the contractual period of notice.
2. Exceptions in this regard are cases pursuant to §23 prov. 2 that have been exempted from the regulations governing publications and disclosure, with the approval of the supervisory authority.

## XI. Applicable law and place of jurisdiction

### §28.

1. The umbrella fund and the individual subfunds are subject to Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, the Ordinance on Collective

### §26. Duration and winding up of the subfunds and fund

1. The subfunds have been established for an indefinite period.
2. The fund management company or the custodian bank may wind up the fund by terminating the fund contract without notice
3. Individual subfunds may be wound up by order of the supervisory authority, in particular if, at the latest one year after the expiry of the subscription period (launch) or a longer period approved by the supervisory authority at the request of the custodian bank and the fund management company, the subfund does not have net assets of at least 5 million Swiss francs (or the equivalent).
4. The fund management company shall inform the supervisory authority of the winding up immediately and shall publish notification in the media of publication.

Investment Schemes of 22 November 2006 and the FINMA Ordinance on Collective Investment Schemes of 27 August 2014.

2. The place of jurisdiction is the court at the fund management company's registered office.
3. The French version is binding for the interpretation of the present fund contract.
4. The present fund contract shall take effect on 11 May 2023.
5. The present fund contract replaces the fund contract dated 24 March 2023.

When approving the fund contract, FINMA verifies only the provisions pursuant to Article 35a para. 1 lits. a-g CISO and controls their compliance with the law.

**This fund contract was approved by the Swiss Financial Market Supervisory Authority (FINMA) on 11 May 2023.**

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