

Pictet-Global Environmental Opportunities

Advisor Toolkit
2020

Every time your clients invest they have an environmental impact – let's help make it a positive one.



Introduction

Pictet-Global Environmental Opportunities (GEO) invests in some of the world's most environmentally-responsible companies, and those building products or services to help solve environmental challenges such as climate change, air pollution and a lack of clean water.

The global momentum towards a more sustainable future means that these companies should benefit from substantial growth potential in the years to come.

Pictet Asset Management has been a pioneer in thematic investment for the last 25 years. Today we have around \$45bn in AUM across a range of single-theme and combined strategies.

Source: Pictet Asset Management, as of 31.05.2020



Help your clients get started on their environmental investing journey

We've produced a range of tools and materials to support your discussions with clients. For example, you may wish to:

- 1 Establish their interest through our quiz: *Could the way you invest help save the planet?* [\(link\)](#)
- 2 Introduce the concept of environmental investing – where does it fit? ask clients to become a environmental investing experts via our short *e-learning module* [\(link\)](#)
- 3 Talk to them about the *Five ways that investing could help create a better planet* featured in our Listicle [\(link\)](#)
- 4 Help them quantify the impact they can make with their proposed investment amount and generate their customised email report via our *environmental impact calculator* [\(link\)](#)
- 5 Once they've made their investment, or to maintain their interest in doing so, you could provide any of the additional content listed on our dedicated *campaign microsite* [\(link\)](#)

Environmental Investing – by the numbers

\$2.5trn

Size of the environmental solutions market today¹

\$120bn

Amount invested into European Environmental, Social and Governance (ESG) funds in 2019²

6.5%

Sales growth of companies in the environmental industry³

4.7%

Annualised outperformance of the GEO strategy vs. MSCI ACWI since inception⁴

1, 3, 4 Source: Pictet Asset Management, as at 31.05.2020. 2 Source: Morningstar. Due to a regulatory change and increasing importance of emerging markets in the global equity allocation, the reference index has been changed retrospectively from the MSCI World to the MSCI All Countries (ACWI) on the 1st of January 2020. The strategy is not constrained by MSCI ACWI which is shown for comparison purposes only. The index does not influence portfolio construction and the strategy's investment universe extends beyond the components of the index. Alternative global equity indexes are equally appropriate. Past performance is not a guarantee or a reliable indicator of future performance. These are internal guidelines, subject to changes at any time and without any notice.

Key drivers behind the growth of the environmental sector

1



Environmental degradation. We are damaging the earth's 'life support systems' at a rate unseen in the past 10,000 years by degrading land and freshwater systems, emitting greenhouse gases and releasing vast amounts of agricultural chemicals into the environment.

2



Resource scarcity. As the world becomes more heavily-populated, urbanised and prosperous, demand for energy, food and water rises. However, the planet only has a finite amount of natural resources, making the resource efficiency sector more important than ever.

Key drivers behind the growth of the environmental sector

3



Increased regulation. Public pressure on governments to reverse ecological degradation and safeguard the world's natural resources has led to increasing regulation and unprecedented investment in environmental technology.

4



More sustainable businesses. It might have a carbon footprint rivalling that of a small country, but Amazon has ambitious plans to be carbon neutral by 2040¹ and is investing heavily in electric vehicles and renewable energy sources such as solar panels.

5



Increasing focus on health. The pandemic has highlighted the importance of life science companies and their analytical and diagnostic instruments for hospitals and laboratories, as well as the need for the safe treatment of waste and water to prevent infection.

¹ Source: Bloomberg, Sept 2019. The financial instrument mentioned is provided for illustrative purposes only and should not be considered as an investment recommendation.

Who is interested in investing in the fund?

An environmentally-minded global equity alternative

Investors in the fund are typically looking for an alternative option for their global equity allocation for one of two reasons.

- 1 They believe that sustainable companies that develop products and services seeking to solve environmental challenges have strong growth potential and will outperform the broader global equity market
- 2 They want to have a positive impact with their investments and help solve global environmental issues.

A new wave of investors

84% of Millennials cite investing with a focus on ESG impact as a central goal¹

Millennials are **twice** as likely as non-Millennials to exit an investment position due to objectionable firm activity²

61% of baby-boomers express an interest in ESG investing³

9/10 wealth managers polled believe that the pandemic will result in increased investor interest in ESG investing⁴

1 Source: Morgan Stanley 2 Source: EY 3 Source: Allianz 4 Source: FT/Savanta.

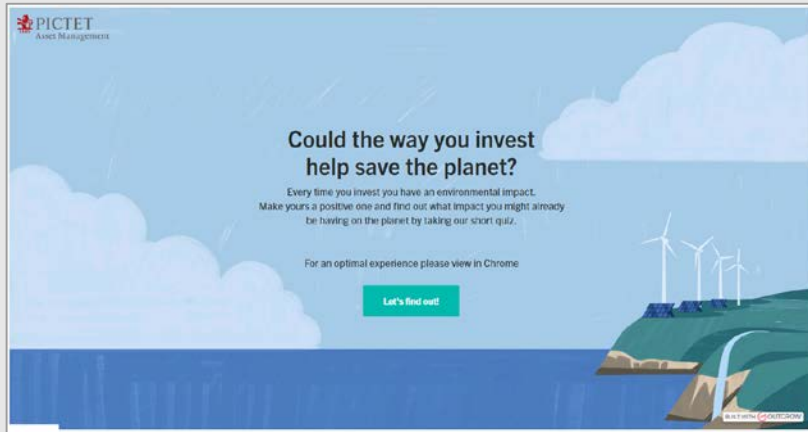
Five reasons to invest in Pictet-Global Environmental Opportunities

- 1 Access investment opportunities in the **fast-growing** \$2.5trn¹ environmental solutions sector
- 2 Make a positive environmental impact by investing in **companies solving challenges** such as pollution and the shortage of clean water and energy
- 3 Avoid the risks associated with **volatile sectors such as oil and gas**, as well as companies causing environmental harm, such as chemicals companies
- 4 Help to **protect against market downturns** via investing in defensive sectors such as water utilities, waste management and life sciences
- 5 Use the fund as a **growth engine** within a global equity allocation, with the potential for diversification and superior returns.

¹Source: Pictet Asset Management, June 2020.

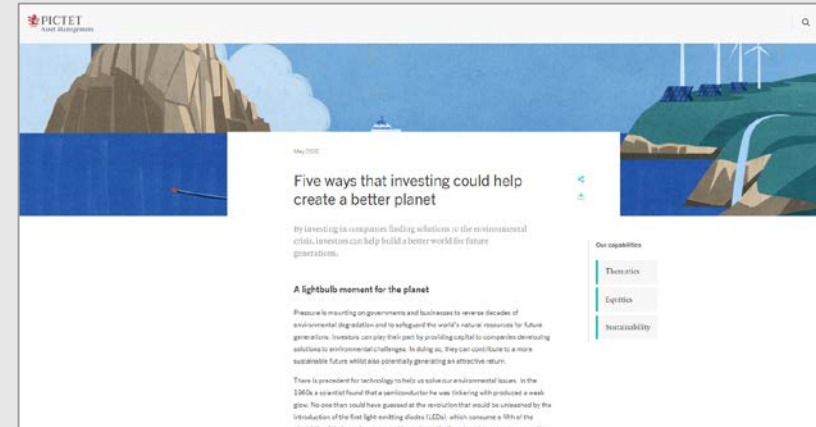
Our marketing tools and materials

1



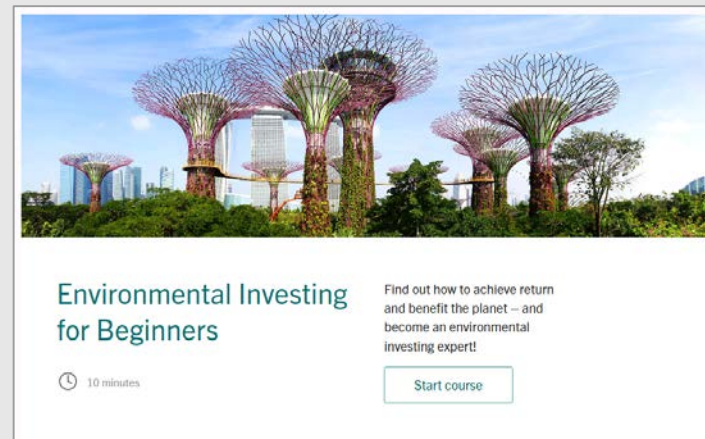
Environmental investing quiz

2



Five ways Listicle

3



Environmental e-learning module

Our marketing tools and materials

4

How much environmental impact can you make?

Investment amount
€ 25000

You can help protect the planet for future generations by investing in companies developing solutions to its most pressing environmental problems, or those aiming to reduce their environmental footprint relative to the broader equities index¹.

Here we show you what your investment's impact could be using the example of our environmental fund. Even a small investment can make a big impact, providing all of the following benefits:

<p>Water saved 204m³ equivalent to 1375 people's average daily consumption</p>	<p>Materials recycled 1500kg equivalent to 152.000 PET plastic bottles</p>	<p>CO₂ saved 4 tons equivalent to 3 flights from London to NY in business class</p>
<p>Waste collected 5200kg equivalent to 3890 people's daily waste</p>	<p>Renewable energy produced 7800kwh equivalent to 51.000km travelled with an electric car</p>	<p>Less fertilizers washed into lakes and oceans 1511g equivalent to not polluting 268m³ of ocean water</p>

Environmental Impact Calculator

5

Every time you invest you have an environmental impact. Make yours a positive one.

As our population grows so does the pressure on our natural resources and the damage caused to the environment as we exploit them.

As an investor, you can help safeguard the planet for future generations while benefiting from exposure to the fast growing companies in the environmental sector. Find out some of the ways your investment can have a positive environmental impact below.

Think you know about investing and its environmental impact? Find out by taking our quiz

How much impact will you make? Enter your investment amount to find out

Campaign Microsite

Risk indicator for the I-USD share class



- › The risk category shown is based on historical data and may not be a reliable indication for the future risk profile of the Share class.
- › The risk category shown is not a target or a guarantee and may change over time.
- › The lowest category does not mean a risk-free investment.
- › Equity investments are subject to high price volatility (variations in net asset value of the Share class) but may offer rewards in line with the risks taken, which is why this Share class is in this risk category.
- › This value is affected by various factors, including:
 - The Compartment offers no capital guarantee or asset protection measures.
 - The Compartment may invest in emerging markets.
 - This asset class is subject to political and economic risks which may have a significant impact on the Compartment's performance and volatility.
 - Because of our investment approach, the Compartment may be exposed to currency risk.

- › The Share class also bears the following risks that are not explained by the synthetic risk indicator:
 - Liquidity risk: when market conditions are unusual or a market is characterised by particularly low volumes, the Compartment may encounter difficulties in valuing and/or trading some of its assets, particularly to satisfy large redemption requests.
 - Operational risk: the Compartment is subject to the risk of material losses resulting from human error or system failures or incorrect valuation of the underlying securities.
 - Counterparty risk: the use of derivatives in the form of contracts with counterparties may imply significant losses if a counterparty defaults and cannot honour its liabilities.
- Investments in mainland China are subject to restrictions by the local regulators, and include among other things: daily and market aggregate trading quotas, restricted classes of shares, capital restrictions and ownership restrictions.

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