

# Quarterly strategy profile

## Quest Global Sustainable Equities

March 31, 2024  
 Marketing material  
 For professional investors only

### GENERAL INFORMATION

Composite inception:	December 31, 2012	Reference index:	MSCI World
Base currency:	USD	Number of holdings <sup>1</sup> :	c. 120

### PORTFOLIO MANAGERS

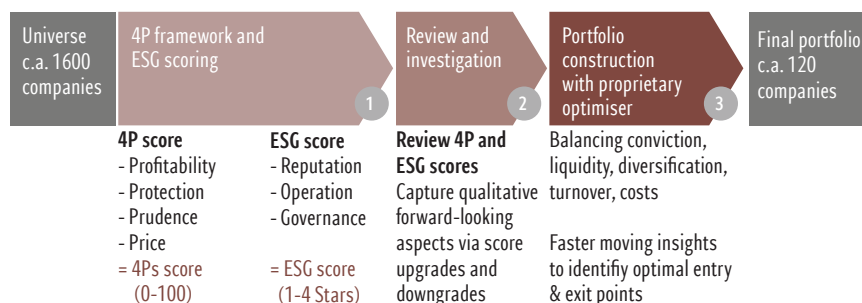
	INDUSTRY EXPERIENCE SINCE	FIRM EXPERIENCE SINCE
Laurent Nguyen	1997	1998
Reda Jürg Messikh, PhD	2007	2007
Pradeep Pratti	1999	2019

### INVESTMENT PHILOSOPHY AND APPROACH

We believe that:

- Investors make systematic mistakes: Financial markets are often mispriced, driven by the next growth story and neglecting established, value-creating businesses. This creates a persistent behavioural bias and investment opportunities.
- Quality companies with attractive valuations and lower risk outperform over time and we identify such companies with our proprietary 4P framework. Integrating an ESG perspective helps identify and manage the risk of company activities and behaviour.
- A quantitative approach removes emotional and behavioural biases and provides breadth in analysis to offer more objective and efficient portfolio construction. Human oversight is important as 'check and balance'.

### INVESTMENT PROCESS OVERVIEW<sup>2</sup>



### BENEFITS OF THE STRATEGY

- Quest Global Sustainable Equities can be viewed as a diversifier due to its lower exposure to growth and deep value.
- The strategy can be considered as an alternative to low volatility strategies that only consider one element in portfolio construction.
- It can offer alpha in challenged markets due to its typically defensive, quality footprint.
- Quest Global Sustainable Equities has embedded ESG characteristics into its investment process since inception in 2012.

<sup>1</sup> Typical number in normal market conditions.

<sup>2</sup> These investment guidelines are internal guidelines which are subject to change at any time and without any notice. Pictet AM Responsible Investment approach: [https://documents.am.pictet/?cat=regulatory-permalink&dtyp=RI\\_POLICY&dla=en&bl=PAM](https://documents.am.pictet/?cat=regulatory-permalink&dtyp=RI_POLICY&dla=en&bl=PAM)

Source: Pictet Asset Management

### COMPOSITE PERFORMANCE

For illustrative purposes

#### Per period and calendar year, % in USD

	COMPOSITE (NET)	COMPOSITE (GROSS)	REFERENCE INDEX (NET)
QTR	6.14	6.25	8.88
YTD	6.14	6.25	8.88
2023	22.89	23.34	23.79
2022	-15.46	-15.01	-18.14
2021	26.60	27.05	21.82
2020	6.44	6.89	15.90
2019	26.95	27.40	27.67
2018	-6.54	-6.09	-8.71
2017	19.99	20.44	22.40
2016	10.69	11.14	7.51
2015	-0.67	-0.22	-0.87
2014	8.94	9.39	4.94
2013	24.24	24.69	26.68

#### Annualized, % in USD

	COMPOSITE (NET)	COMPOSITE (GROSS)	REFERENCE INDEX (NET)
1 year	22.27	22.72	25.11
3 years	9.07	9.52	8.60
5 years	11.02	11.47	12.07
10 years	9.56	10.01	9.39
SI	10.74	11.19	10.73

The net of fees return in this case reflects the deduction of the management fee of 0.45% per annum (which may be lower than the management fee used to calculate the net-of-fees GIPS Compliant return) and is presented as supplemental information.

### IMPORTANT INFORMATION

The published performance represents past data. Past performance is not a guarantee or a reliable indicator of future performance. There is no guarantee that the same yields will be obtained in the future. The value and income of any of your investments may fluctuate with market conditions and may lose some or all its value. The portfolio may be affected by changes in currency exchange rates, which can have an adverse effect on the value or income of the portfolio.

QTR = Quarter; YTD = Year to Date;  
 SI = Since inception

Source: Pictet Asset Management



## REPRESENTATIVE PORTFOLIO INFORMATION<sup>3</sup>

### Statistics over 5 years

Beta <sup>4</sup>	0.89
Annualised volatility (%) <sup>4</sup>	16.53
Information ratio	-0.14
Sharpe ratio	0.53
Max. drawdown (%)	-24.97
Turnover (p.a.) <sup>5</sup>	6.01

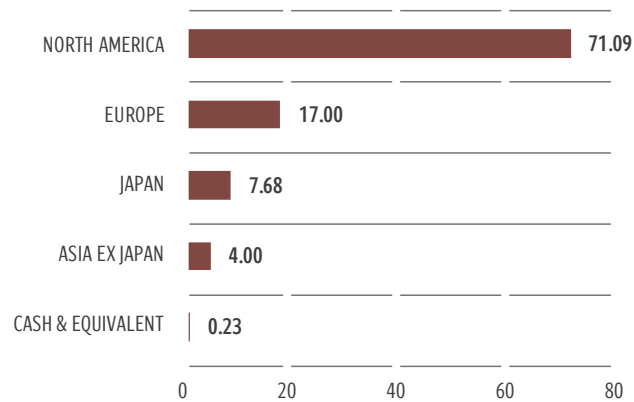
### Statistics as at quarter end

Weighted average market cap	USD 474,687 million
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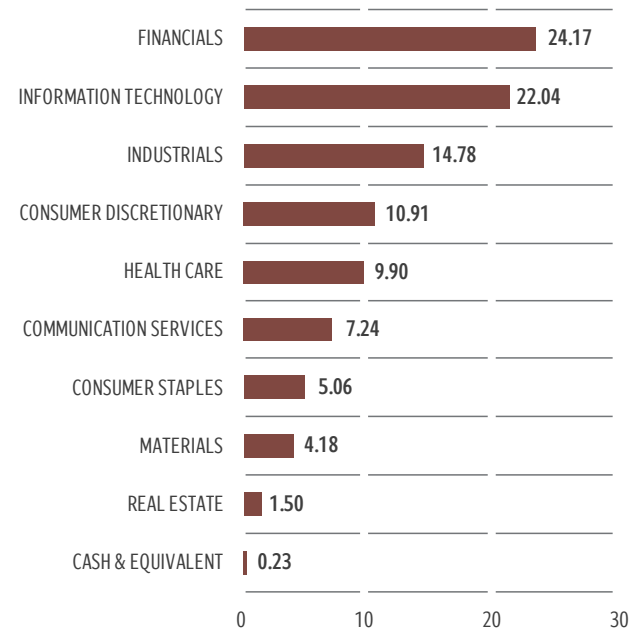
### Top 10 holdings (% of assets)<sup>6</sup>

NAME	COUNTRY <sup>7</sup>	%
Microsoft Corp	United States	5.35
Apple Inc	United States	5.33
Alphabet Inc-CI A	United States	3.49
Home Depot Inc	United States	2.62
Visa Inc-Class A Shares	United States	2.61
Coca-Cola Co/The	United States	2.40
Allianz Se-Reg	Germany	2.22
Accenture Plc-CI A	United States	2.14
Marsh & McLennan Cos	United States	2.11
Illinois Tool Works	United States	2.10

### Regional breakdown (% of assets)



### MSCI sector breakdown (% of assets)



<sup>3</sup> Portfolio information refers to a portfolio that is representative of the strategy presented in this document and included in the composite used in the Composite Performance section.

<sup>4</sup> Relative vs. MSCI World index for comparison only.

<sup>5</sup> Turnover: Please note that the above turnover figure represents the 5Y average of 1Y rolling Cashflow-Adjusted Turnover, which is calculated monthly as  $[(\text{Purchases} + \text{Sales} - (\text{Absolute value of Net Cashflow}))/2]/\text{Average Market Value}$ .

<sup>6</sup> The mentioned financial instruments are provided for illustrative purposes only and shall not be considered as a direct offering, investment recommendation or investment advice. Reference to a specific security is not a recommendation to buy or sell that security.

<sup>7</sup> Refers to country risk exposure.

Effective allocations are subject to change and may have changed since the reporting date.

Source: Pictet Asset Management



## Risk considerations

The portfolio may be exposed to the following risks which may negatively impact its performance:

- Financial Derivatives risk: the leverage resulting from derivatives amplifies losses in certain market conditions.
- Counterparty risk: losses occur when a counterparty does not honor its obligations related to contracts such as over-the-counter derivatives.
- Investments in emerging markets are generally more sensitive to risk events, such as changes in the economic, political, fiscal and legal environment, as well as fraud.
- Investments in Mainland China may be subject to capital restrictions and trading quotas (e.g. QFII and RQFII regimes). The Compartment may encounter difficulties or delays in enforcing its rights in the event of disputes.
- Chinese “Stock Connect” trading programs may be subject to additional risks related to ownership rights, clearing & settlement, trading quotas and operational issues.
- Operational risk: losses resulting from human errors, system failures, incorrect valuation and safekeeping of assets.
- Sustainability risk: ESG related risk events or conditions could cause a material negative impact on the value of the investment if they were to occur.

## COMPOSITE DISCLOSURE

For illustrative purposes only

Composite: Quest Global Sustainable Equities MSCI World, ‘Global Defensive/USD’ Consolidated  
 Benchmark: MSCI WORLD (\$) NRI  
 Currency: USD  
 Returns as of: March 31, 2024  
 Inception date: December 31, 2012  
 Creation date: February 9, 2017

PERIOD	COMPOSITE RETURN (NET%) <sup>8</sup>	COMPOSITE RETURN (GROSS %)	REFERENCE INDEX (%)	COMPOSITE 3YR STANDARD DEVIATION (GROSS % P.A.) <sup>9</sup>	REFERENCE INDEX 3YR STANDARD DEVIATION (GROSS% P.A.) <sup>9</sup>	NUMBER OF PORTFOLIOS <sup>10</sup>	COMPOSITE ASSETS (USD M) <sup>10</sup>	TOTAL FIRM ASSETS (USD M) <sup>10</sup>
2024 YTD	5.97	6.25	8.88	16.08	17.04	3	1,514	272,443
2023	22.66	23.34	23.79	16.36	16.99	3	1,408	270,991
2022	-16.66	-15.01	-18.14	19.18	20.72	4	1,111	235,637
2021	25.86	27.05	21.82	15.51	17.30	4	1,261	283,101
2020	5.96	6.89	15.90	16.37	18.53	4	1,046	251,670
2019	26.43	27.40	27.67	10.47	11.29	5	1,606	206,994
2018	-6.94	-6.09	-8.71	9.57	10.65	2	1,133	172,139
2017	19.61	20.44	22.40	8.71	10.33	2	1,031	195,459
2016	10.18	11.14	7.51	9.75	11.02	2	879	157,225
2015	-1.08	-0.22	-0.87	10.27	10.87	1	932	144,971
2014	8.58	9.39	4.94	-	-	1	756	151,591
2013	23.49	24.69	26.68	-	-	1	469	150,803

<sup>8</sup> The net-of-fees returns are not “swing factor” adjusted and are based on the capital-weighted aggregation of the different portfolios included in this composite. As a consequence, they don’t reflect the real net-of-fees return of any given portfolio.

<sup>9</sup> Ex-post standard deviation; not presented if less than 36 months returns are available.

<sup>10</sup> As of end of period.

Past performance is not a guarantee or a reliable indicator of future performance.

Source: Pictet Asset Management

## Disclosures

### Composite Description

The composite encompasses actively managed portfolios investing in quality companies globally and well diversified across stocks, sectors and regions. The strategy is following sustainable investing. The composite is measured against the MSCI WORLD (\$) (NRI) benchmark.

### Compliance with GIPS, verification and inception date

Pictet AM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Pictet AM has been independently verified by PricewaterhouseCoopers for the periods from December 31, 1990 to December 31, 2022. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm’s policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.



## Definition of the firm and investment

For the purpose of complying with GIPS, the Firm is defined as Pictet Asset Management (Pictet AM) and comprises all assets managed in Switzerland by Pictet Asset Management S.A. (including its branches), in the United Kingdom by Pictet Asset Management Limited (including its branches), in Italy by Pictet Asset Management Ltd Succursale Italiana, in Hong Kong by Pictet Asset Management (Hong Kong) Limited, in Japan by Pictet Asset Management (Japan) Ltd and in Singapore by Pictet Asset Management (Singapore) Pte Ltd.

Portfolios must have a minimum size of 10,000,000 US Dollar in order to be included in the composite. Portfolios are excluded from the composite if their market value falls below 7,000,000.

## Other information

A detailed description of the Global Equities Active investment approach and a full list of all Pictet AM's composites descriptions is available on request.

Additional information regarding policies for calculating and reporting returns, valuing portfolios and preparing compliant presentations are available upon request.

The composite used to be named Quest global equities MSCI World 'Global Defensive/USD' Consolidated and changed to its current name as of January 31, 2022 to better reflect the investment strategy.

## Calculation of risk measures

Composite dispersion is calculated as the equal-weighted standard deviation of the portfolio returns within the composite if there have been more than 4 portfolios in the composite during the entire reporting period. The three-year ex-post standard deviation of the composite and the benchmark is not presented if less than 36 months returns are available. The Sharpe ratio measures the excess return on a risk free investment for a consented risk. In the case of the Sharpe ratio, the risk is calculated from the volatility. The Tracking Error indicates how closely a portfolio follows the index to which it is benchmarked. The Information Ratio measures risk relative to benchmark. The Beta defines the sensitivity of the portfolio to market movements. The presented risk measures are using the same return type than the performance numbers presented in this report. The risk-free rate used to calculate the additional risk measures is the Treasury Bill \$ 3M ESD.

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Source: Pictet Asset Management



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