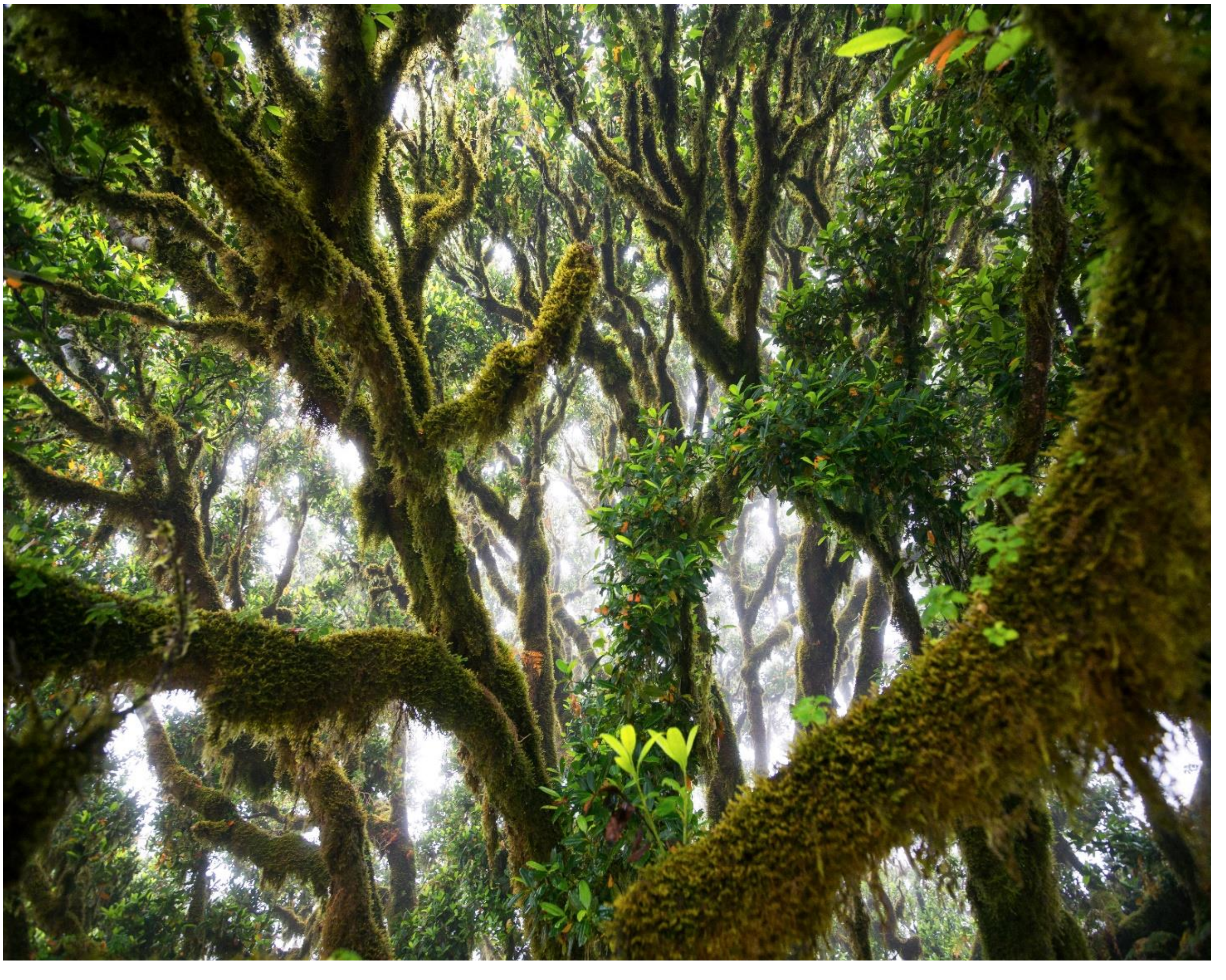
Pictet Thematic Private Equity - Environment Fund I

MARKETING DOCUMENT

March 2023



FOR PROFESSIONAL INVESTORS ONLY

The strategy in brief

Pictet Thematic Private Equity – Environment Fund (the "Fund") is the third thematic fund launched by Pictet Alternative Advisors. Classified as a SFDR Article 8 strategy, the Fund will seek exposure to businesses that can demonstrate a positive contribution to current and future environmental challenges. The Fund's investment strategy will be articulated around five segments of high-conviction : Greenhouse Gas Reduction, Sustainable Consumer, Pollution Control, Circular Economy, and Enabling Technologies.

We believe in diversifying our portfolio by investing both in technologies that are already available in the market and in more innovative technologies that should be scaled in the medium term. This new strategy aims at creating a well-balanced portfolio by investing in top-tier leveraged buyout, growth and venture capital funds with an environmental angle globally.

The Fund will seek to achieve superior financial returns while applying our strict criteria of selecting best in class funds and co-investments in line with its environmental investment objectives. We believe companies providing environmental solutions should deliver a consistent return premium over the long term. The fund will seek to generate investment opportunities from PAA's wider network of GPs and from the network of new environment-focused GP relationships.

We will continue to apply our disciplined fund selection and transaction due diligence expertise, which will be implemented by a dedicated team of experts.

Environmental theme is experiencing a rising awareness from all stakeholders

Rising demand for action in the context of rising emissions and accelerating global warming

Rising capital allocation from investors

Many experienced CEOs, PE Managers, and Advisors are transitioning to the thematic

Maturing market with strong secular growth

700+
Sustainable finance policies worldwide[1]

60%
Citizens think environment should be a top government priority[2]

1000+
Companies committed to Science-Based Targets[3]

450+
Members of Glasgow Financial Alliance[5] for Net Zero[4]

Attractive return expectations

We believe that investing for positive environmental evolution is fully compatible with attractive returns.

Multiple verticals targeted

Strong global policy response (Green New Deal)

Sustained long term growth

Private Equity is a catalyst for innovation

Private Equity is a compelling route for investment in innovative businesses which offer solutions to environmental challenges.
Many of these can only be accessed via private markets.

Building a strong, sustainable economy will take time, patience and capital. Private Equity investors have longer term investment horizons and can actively shape and develop the businesses they fund.

1) Source: UN Principles for Responsible Investment 2021. 2) Source: PEW Research Center 2020
3) Source: Science-Based Targets Progress Report 2020 4) Glasgow Financial Alliance for Net Zero Progress Report 2021
5) A global coalition of leading financial institutions committed to accelerating the transition to a zero-emissions economy by 2050.

The decision to invest in the promoted fund should take into account all the characteristics or objectives of the promoted fund as described in its private placement memorandum

Focused strategy articulated around 5 high conviction segments

Greenhouse Gas Emissions
Batteries & storage, energy efficiency, carbon removal technologies, renewable energy tech & services

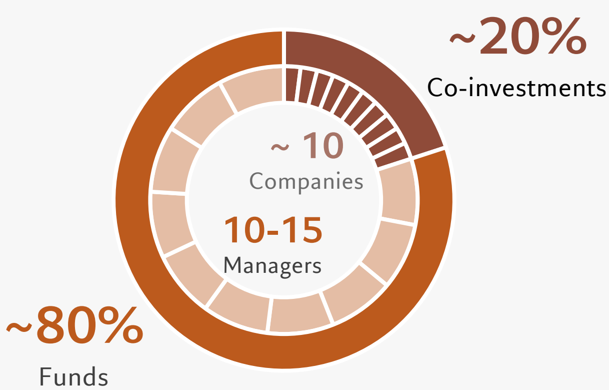
Sustainable consumer
AgTech, food safety, supply chain optimization, FoodTech

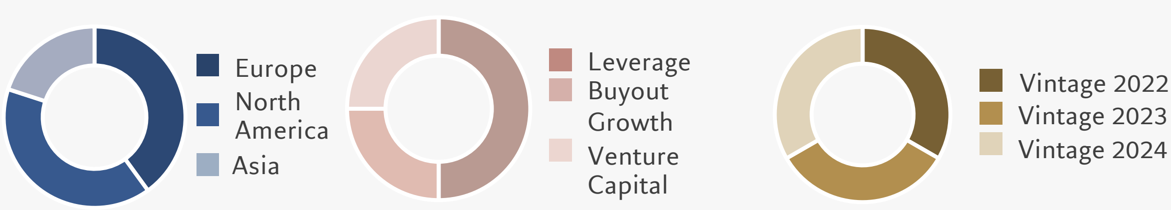
Pollution control
Water quality, air quality, soil preservation, waste treatment

Circular economy
Sharing economy, recycling, resource efficiency, bio-based materials

Enabling technologies
Design & engineering software, sensors & data capture, green chemistry

Portfolio Construction





Illustrative pipeline

GENERAL ATLANTIC · BEYOND NET ZERO · AMBIENTA Environmental Investments · CAPRICORN INVESTMENT GROUP · ENERGY IMPACT PARTNERS · KKR Global Impact

Fund Terms

Legal structure	Pictet Thematic Private Equity SICAV-RAIF – Environment Fund I
AIFM	Pictet Alternative Advisors Europe SA
Target size	USD 250-300m
SFDR Classification	Article 8
Fund type	Closed End (no liquidity)
Closings	• First closing: 01.07.2022 • Final closing: 31.12.2023 (can be amended by the Board)
Investment period	Period from the date of the First Closing through the 3rd anniversary of the date of the Final Closing +1-year extension
Fund term	12 years from final close + 3 x 1-year extension – not exceeding 15 years
Investment policy & restrictions	Mainly primary investments and portion of direct and co-investments. Main considered strategies are leveraged buyout, growth capital and venture capital. The Fund will promote environmental characteristics in accordance with article 8 SFDR by focusing on investments which i) contribute to an environmental objective, ii) decrease carbon footprint, iii) preserve natural resources, and/ or iv) enable or support the objectives herein with innovation & technology. Geographical focus:. Global footprint with focus on North America, Europe and Asia. Investment restrictions: Max deal size of 20% • Borrowing & leverage: Bridge financing line up to 20% of aggregate commitments.
Vintage diversification	Exposure to 2 vintages, ideally 3 vintages
Target return	15 - 20% IRR* (net) / 1.7x – 2.0x MOIC (net)
Cash management & valuation	Cash called (typically quarterly) when needed and distributions made when occurred – fully discretionary Quarterly valuation

Footnote

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Source: Pictet Alternative Advisors, as of 07.03.2023. The objective of return is based on achievement of market assumptions approved by the management company of the fund.
Past performance / target return must not be considered an indicator or guarantee of future performance Changes in foreign-exchange rates may cause the value of an investment to go up or down. Before investing, please always read the relevant Fund documentation (e.g. private placement memorandum) containing information about the Fund and its specific risks. This document can be obtained free of charge at the Swiss Representative Agent. There can be no assurance that these objectives will be achieved. *IRR stands for internal rate of return, MOIC is the Multiple on Invested Capital.

Fund Terms

Equalization fee	3 months' SOFR rate (but not below zero) plus 2 per cent – from capital call corresponding to 1st closing to capital call of late closers						
Share classes / Management fees		**Minimum**	**Years 1-3**	**Years 3-10**	**Years 10-12**	**Average**	**Basis**
	Class P	USD 165'000	0.30%	1.50%	0.30%	1%	Commitment
	Class I	USD 1m	0.24%	1.22%	0.24%	0.81%	Commitment
	Class L	USD 5m	0.22%	1.10%	0.22%	0.73%	Commitment
	Class J	USD 10m	0.19%	0.94%	0.19%	0.63%	Commitment
Subscription fees	**Below 1'000'000**	2.00%					
	From USD 1'000'000 to less than USD 2'500'000	1.50%					
	From USD 2'500'000 to less than USD 5'000'000	1.00%					
	From USD 5'000'000 to less than USD 10'000'000	0.50%					
	USD 10'000'000 and above	0.00%					
Product Risk Ranking (PRR)**	very high (5/5)						
Carried interests	Hurdle rate*: 8% on Carry generating assets (co-investments, direct & secondary investments) Carry rate: 10% - Full catch-up At fund level the earlier of DPI 1 or TVPI 1.2						
Distribution	▪ AIFMD Passport for professional investors: Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Netherlands, Portugal, Spain, Sweden ▪ Other: **UK** (private placement for professional investors), **Singapore** (registration for accredited investors), **Switzerland** (accessible to qualified investors), **Hong Kong** (accessible to professional investors), **Germany** (additional semi-professional registration)						

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Risks of Private Equity Investing (1/2)

The following considerations should be carefully evaluated before making an investment in a private equity investment fund ("PE Fund") or in private equity in general. An investment in a PE Fund involves a number of significant risks and, therefore, should be undertaken only by investors capable of evaluating and bearing the risks of such investment. Risks associated with an investment in a PE Fund include, but are not limited to, the risk factors discussed below and should be carefully evaluated before making an investment in a PE Fund.

No Assurance of Investment Return. There can be no assurance that a PE Fund will be able to generate returns for its investors or that the returns will be commensurate with the risks undertaken. There can be no assurance that any investor will receive any distribution from a PE Fund. All investments involve the risk of loss of capital. Accordingly, an investment in a PE Fund should only be considered by persons who can afford a loss of their entire investment. Past performance is not necessarily indicative of future results or performance and provides no assurance of future results.

Highly Competitive Market for Investment Opportunities. The activity of identifying, completing and realizing attractive private equity and other similar investments is highly competitive and involves a high degree of uncertainty and will be subject to market conditions. PE Funds will be competing for investments with other investment funds, as well as individuals, companies, financial institutions and other investors. Further, over the past several years, an ever-increasing number of private equity funds have been formed and many existing funds have grown in size.

Additional funds with similar investment objectives may be formed in the future. It is possible that competition for appropriate investment opportunities may increase, which may also require a PE Fund potentially to participate in auctions more frequently. The outcome of these auctions cannot be guaranteed, thus potentially reducing the number of investment opportunities available to a PE Fund and potentially adversely affecting the terms, including price, upon which investments can be made. There can be no assurance that a PE Fund will be able to locate, complete and exit investments that satisfy the PE Fund's rate of return or investment objectives, or realize upon their values, or that it will be able to fully invest its committed capital.

Nature of the investment. Investments in unquoted companies are intrinsically riskier than in quoted companies as the unquoted companies may be smaller, more vulnerable to changes in markets and technology and dependent on the skills and commitment of a small management team. Accordingly, no assurances can be given to the success of the respective investment plan and PE Funds manager's ability to carry out such plan in the event the respective management is no longer employed by the investee company. Privately held companies generally maintain less comprehensive financial information than listed companies. Therefore, a PE Fund may make investment decisions, and monitor such investments, after reviewing information which is less comprehensive than that available to an investor in a listed public company.

Investments in unquoted companies can be difficult to realise. Investments will generally be in markets where no liquid clearing mechanism exists. If a PE Fund were ever to need to liquidate some or all of an investment quickly, it may realize significantly less than the asset value attributable to the investment. At the termination of a PE Fund such investments may be distributed in specie so that investors may then become minority shareholders in a number of unquoted companies.

Risks of Private Equity Investing (2/2)

Reliance on Management of Portfolio Companies. PE Funds invest in portfolio companies managed by individuals unrelated to the PE Fund and the investment advisor of a PE Fund. Although the investment advisor of a PE Fund will monitor the performance of each PE Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate the portfolio company on a day-to-day basis. As such, a PE Fund will not have an active role in the day-to-day management of the portfolio companies. Moreover, a PE Fund will not have an opportunity to evaluate the specific investments made or services offered by the portfolio companies. As a result, the returns of a PE Fund will depend in large part on the performance of these unrelated individuals and could be substantially adversely affected by the unfavorable performance of a small number of such individuals. The success of the portfolio companies depends in substantial part upon the skill and expertise of the portfolio company managers. There can be no assurance that the key personnel of each portfolio company will continue to be associated with such portfolio company throughout the life of such portfolio company.

Illiquid and Long-Term Investments. PE Funds invest in companies the securities of which are not, at the time of investment, and may never be, publicly traded. These investments may be difficult to value and to sell or otherwise liquidate and the risk of investing in such companies is generally greater than the risk of investing in publicly traded companies.

Companies whose securities are not publicly traded are not subject to the same disclosure and reporting requirements that are generally applicable to companies with publicly traded securities. Potential investors should have the financial ability and willingness to accept the risks and lack of liquidity associated with an investment in a PE Fund.