



**Logo on screen: Three vertical lines stand parallel in the shape of the letter 'M'.**

Text On Screen: Manulife. Portfolio Insights.

**Featuring:**

**Gertjan Van Der Geer. Senior Investment Manager, Thematic Equities Team, Pictet Asset Management.**

**Funds Managed:**

**Manulife Global Thematic Opportunities Fund.**

**Manulife Global Thematic Opportunities Class (“GTO”)**

**Gertjan sits in a brightly lit office, wearing a dark suit with a white shirt and red tie.**

**Text On Screen: Why did you get into the business?**

Gertjan: I got started in the business as a kid I was always obsessed with equity markets, I loved stocks.

**Text On Screen: Who is Pictet Asset Management?**

Gertjan: Pictet Asset Management is the asset management arm of Pictet in Geneva, a large asset management, wealth management organization represents approximately 190 to 200 billion dollars of assets under management.

**Text On Screen: Describe the Pictet Thematic Equities Team.**

Gertjan: So, the Thematic Equity Team is approximately 20 to 25% of our total assets under management. It's one of our core competencies. What we do is we run single thematic strategies and broader global equity portfolios based on thematic strategies. We have dedicated fund management teams for each thematic strategy. And what we do is we use a mega-trend based approach to global investing.

**Text On Screen: What is Thematic Investing?****Gertjan gestures with his hands as he speaks.**

Gertjan: Copenhagen Institute of Future Studies, they have identified 14 mega-trends that are there to stay for the next decades to come. Things such as acceleration and complexity, commercialization, globalization, sustainability, etc. We combine these themes, these mega-trends to turn them into investment themes by seeing how certain of these mega-trends interact and really push part of that investible market. Think of sustainability, one of the mega-trends. Sustainability is an extremely important driver to the water investment universe. Why, because too much water is wasted. So there is, it's an enormous push in the water space for water-saving technologies that will reduce the consumption, reduce the wastage of water which is becoming a very sparse commodity in certain parts of the world.

**Text On Screen: How is Manulife GTO constructed?**

Gertjan: Portfolio construction really is the identification of the highest conviction ideas in the underlying theme, investment themes. And then really drilling down into the opportunities that we are given from these underlying theme funds. So, we have an opportunity list of about 110 stocks, but we want about 50 to 70 in the portfolio. So, the list of opportunities are the stocks that our theme fund managers are extremely positive about, think will out perform their investment universe, but we are really, we really wanna focus on the most attractive combination. So, we're looking for companies with a good sustainable competitive advantage that are attractively valued where the moment, where they're investing wisely to build up on that momentum. So we narrow down that list of 110 to about 50 to 70. The group that we think is the most attractive combination to construct a portfolio.

**Text On Screen: Can Manulife GTO act as a core global equity holding?****Gertjan continues to gesture with his hands as he speaks.**

Gertjan: So, for me, if you look at thematic investing, you have single thematic strategies, and they tend to be more niche oriented or specialties. But if you start combining these different thematic strategies into one, or picking the best stocks within the different thematic strategies, you come up with something that is truly global, core global equity by combining all of these, you get broader based thematic exposure, and by global thematic opportunities, you truly get access to all the underlying themes, but only their highest conviction holdings.

**Text On Screen: How do you manage short term volatility?**

Gertjan: We're long term investors. It's based on secular long-term trends. So, if for any reason parts of the theme that we're investing in are under attack, or not in vogue today, it could give us a great opportunity to build on those positions. So, the way we look at our portfolio is that if we're comfortable owning that position, if it's cheaper tomorrow, we should own more of it. So that's one. On the other hand, if we're increasingly worried about valuation, we should own less of those stocks. So, for us it is extremely important to have a solid valuation framework for each company that we invest. There's no point in investing in a stock if the market values it correctly based on our thematic framework. So, if there's no more upside left, we'll look elsewhere, we'll sell the position, and we'll buy another position that still does offer that upside. So, during periods of market volatility, we go back, we reassess every position that we have. And if we still think it's a great opportunity, we'll add to it.

**Text On Screen: How did you end up in thematic investing?**

Gertjan: I started off my career in the wealth management business and I was, after a few years of that, I became responsible for running a style of investments which was actually already thematic. So, we were running global active equities. And we were thinking thematically in the way we composed that portfolio. Later on, I became fund manager in the thematic... Thematic fund. And I came to Pictet in Geneva ten years ago because I had the opportunity to do it at the firm which basically invented thematic investing.

**Gertjan smiles.**



**Logo On Screen:**

**The Manulife logo pushes onto the centre of the screen and changes from white to green. It's three vertical lines stand parallel, in the shape of the letter 'M'. A glare briefly appears behind the logo.**

**Text On Screen: Manulife.**

**Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the fund facts as well as the prospectus of the mutual funds before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.**

**Manulife Funds and Manulife Corporate Classes are managed by Manulife Investments, a division of Manulife Asset Management Limited. Manulife, Manulife & Stylized M Design, and Stylized M Design are trademarks of The Manufacturers Life Insurance Company and are used under license.**