

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Vontobel Fund - Absolute Return Bond (EUR) (FF_00077)

Legal entity identifier: 529900DZ5E6DQ6YJLA73

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

It made **sustainable investments with an environmental objective:** ___%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:** ___%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-Fund were met. The Sub-Fund promoted environmental and social characteristics by investing in issuers that the Investment Manager considered well-prepared to handle financially material environmental and/or social challenges. Issuers were selected based on the Investment Manager's ESG framework. In addition, it partially targets instruments providing solutions to environmental challenges, i.e. climate change. The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes. The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

Sustainability

indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● **How did the sustainability indicators perform?**

Sustainability Indicator	Value	Comment
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund	0%	Excluded products and /or activities are indicated under the investment strategy section of the pre-contractual disclosure annex
Percentage of investments in securities of sovereign issuers with UN and EU sanctions	0%	
Percentage of investments in securities of corporate issuers that pass the minimum MSCI ESG rating that has been set for this Sub-Fund (determined based on the lowest decile, potentially subject to the Investment Manager's review)	100%	
Percentage of investments in securities of corporate issuers that pass the minimum environmental rating that has been set for this Sub-Fund (applied unless the corporate issuer has an MSCI ESG rating between A and AAA; minimum is set between 2.4 and 6.5 out of 10, depending on the sector)	98.14%	The exposure consisted of two issuers (Israel Electric and Corporação Andine de Fomento) for which the environmental score fell below the minimum threshold. For Israel Electric, the environmental rating was 3.9, while the minimum rating to obtain was 5.65. For Corporação Andine de Fomento, the environmental rating was 3.6 and needed a score of 4.26. Due to the illiquid market, the positions could not yet be sold.
Percentage of investments in securities of sovereign issuers that pass the minimum ESG rating that has been set for this Sub-Fund (determined based on the lowest decile based on a proprietary methodology)	100%	
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies. Such controversies may be related to environmental, social or governance issues.	0%	
Percentage of investments in green and/or sustainability bonds	6.4%	
Percentage of securities covered by ESG analysis	Exclusions: 100% Controversies and UNGC: 91.97%	

Sustainability Indicator	Value	Comment
	Screening: 89.03%	

● **... and compared to previous periods ?**

Sustainability Indicator	August 31, 2022
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund	N/A
Percentage of investments in securities of sovereign issuers with UN and EU sanctions	N/A
Percentage of investments in securities of corporate issuers that pass the minimum MSCI ESG rating that has been set for this Sub-Fund (determined based on the lowest decile, potentially subject to the Investment Manager's review)	N/A
Percentage of investments in securities of corporate issuers that pass the minimum environmental rating that has been set for this Sub-Fund (applied unless the corporate issuer has an MSCI ESG rating between A and AAA; minimum is set between 2.4 and 6.5 out of 10, depending on the sector)	N/A
Percentage of investments in securities of sovereign issuers that pass the minimum ESG rating that has been set for this Sub-Fund (determined based on the lowest decile based on a proprietary methodology)	N/A
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies. Such controversies may be related to environmental, social or governance issues.	N/A
Percentage of investments in green and/or sustainability bonds	N/A
Percentage of securities covered by ESG analysis	N/A

● **What were the objectives of the sustainable investments that the financial**

product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts

are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

Not applicable.

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered a set of principal adverse impacts on sustainability factors in the following areas: controversial weapons (Table 1 – PAI indicator 14: Exposures to controversial weapons), social matters and human rights (Table 1 – PAI indicator 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), climate and other environment-related indicators (Table 1 – PAI indicator 1: GHG emissions (Scope 1 and 2), Scope 1 GHG emissions, Scope 2 GHG emissions, Total GHG emissions (Scope 1 and 2), PAI indicator 2: Carbon footprint, PAI indicator 3: GHG intensity of investee companies, PAI indicator 4: Exposure to companies active in the fossil fuel sector, PAI indicator 5: Share of non-renewable energy consumption and production, PAI indicator 6: Energy consumption intensity per high impact climate sector, PAI indicator 7: Activities negatively affecting biodiversity-sensitive areas, PAI indicator 8: Emissions to water, PAI indicator 9: Hazardous waste and radioactive waste ratio), and social aspects for sovereigns (PAI indicator 16: Investee countries subject to social violations). The Investment Manager applied a process to identify issuers that are exposed to principal adverse impacts on

sustainability factors based on in-house research and/or external data sources, including ESG data providers, news alerts, and the issuers themselves. No investment was identified as having a critical and poorly managed impact in any of the principal adverse impacts areas considered.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: August 31, 2023

Largest investments	Sector	% Assets	Country
Vontobel Fund - Credit Opportunities E USD **	Investment or pension funds/trusts	9.75	Luxembourg
Spain	Countries & central governments	2.76	Spain
Germany	Countries & central governments	2.12	Germany
Intesa Sanpaolo	Banks & other credit institutions	1.92	Italy
Peru Payroll Deduction	Mortgage & funding institutions	1.70	Cayman Islands
Axa	Insurance companies	1.58	France
Banco Santander	Banks & other credit institutions	1.57	Spain
Barclays	Banks & other credit institutions	1.30	United Kingdom
Goldman Sachs	Banks & other credit institutions	1.30	United States
Standard Chartered	Banks & other credit institutions	1.26	United Kingdom
BP Capital Markets	Financial, investment & other diversified comp.	1.26	United Kingdom
Caixabank	Banks & other credit institutions	1.19	Spain
Raiffeisen Schweiz Genossenschaft	Banks & other credit institutions	1.18	Switzerland
Zurich Finance Ireland	Financial, investment & other diversified comp.	1.18	Ireland
Mizuho Financial Group	Financial, investment & other diversified comp.	1.15	Japan

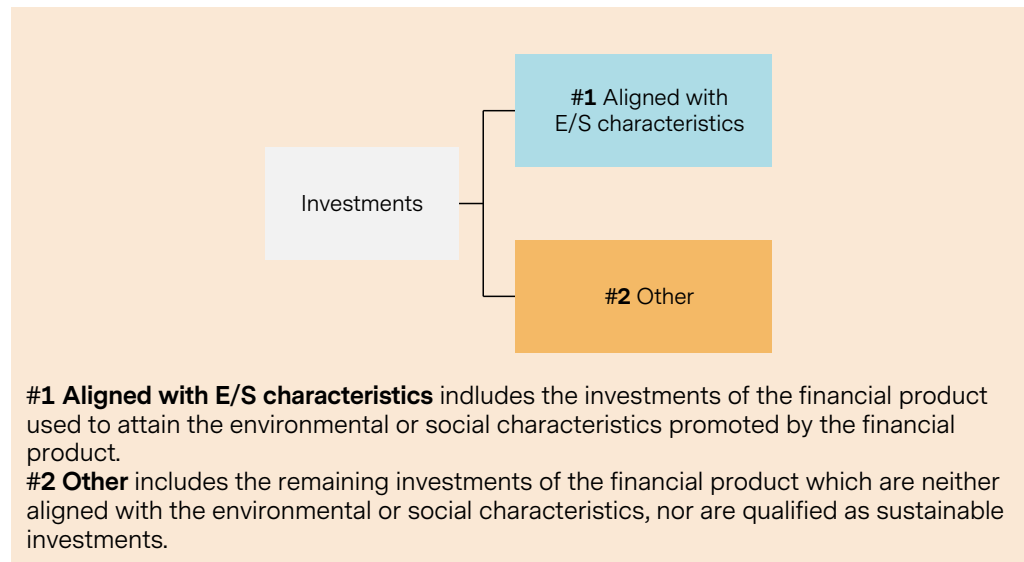


What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The proportion of sustainability-related investments was 77.54% (assets aligned with environmental and social characteristics).

● **What was the asset allocation?**



77.54% of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)

#2 Other (22.46%)

● ***In which economic sectors were the investments made?***

Economic sector

Banks & other credit institutions	32.25
Financial, investment & other diversified comp.	15.60
Investment or pension funds/trusts	10.35
Insurance companies	7.76
Countries & central governments	7.05
Telecommunication	2.77
Real estate	2.01
Mortgage & funding institutions	1.70
Petroleum/Oil and natural gas	1.68
Supranational organisations	1.49
Traffic & Transportation	0.98
Forestry, paper & forest products	0.96
Electrical appliances & components	0.88
Miscellaneous services	0.79
Graphics, publishing & printing media	0.58
Energy & water supply	0.36
Pharmaceuticals, cosmetics & med. products	0.08

2.04% of the total value of investments (NAV) were in companies involved in sectors that could be connected to fossil fuels, like "Energy & water supply", "Mining, coal & steel" or "Petroleum/Oil and natural gas". It's important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it's not their main focus. Also, the Sub-Fund might invest in bonds labeled as green, social, or sustainability bonds. These bonds typically fund projects unrelated to fossil fuels, even if the companies issuing them can be active in sectors with potential links to fossil fuels.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?

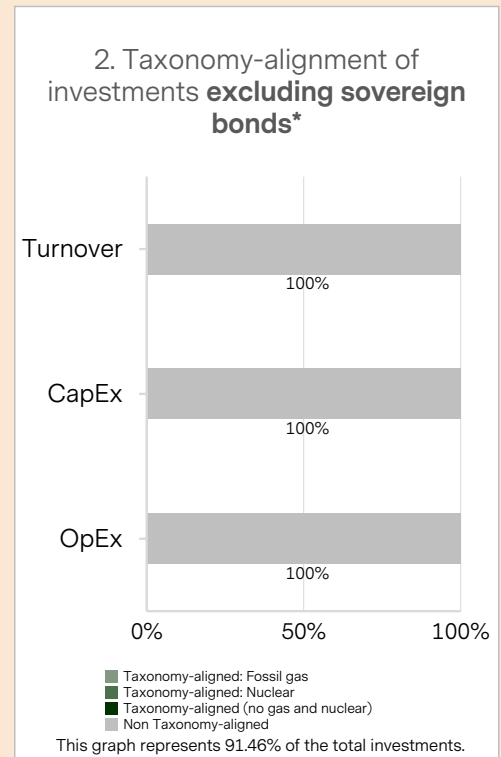
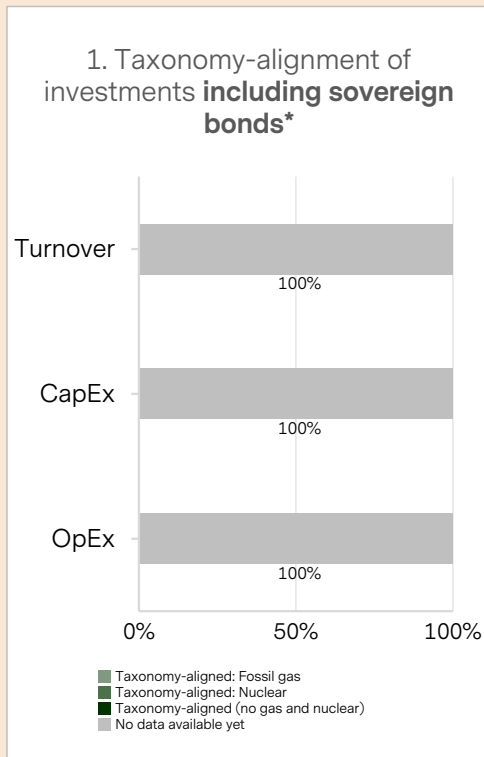
- Yes:
- In fossil gas In nuclear energy
- No

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What was the share of investments made in transitional and enabling activities?**

Activities	Investment share
transitional	0.00%
enabling	0.00%

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Period	Investment share
August 31, 2022	0.00%

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Investment share
0.00%



What was the share of socially sustainable investments?

Investment share
0.00%



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Investments	Purpose	Minimum of environmental or social safeguards
Cash (11.30%)	Liquidity management	No minimum environmental or social safeguards were applied.
Derivatives (1.41%)	Hedging	No minimum environmental or social safeguards were applied.
Funds (9.75%)	Investment/ Diversification	No minimum environmental or social safeguards were applied.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The binding elements of the investment strategy used for the selection of the

investments to attain the environmental and/or social characteristics promoted by this Sub-Fund have been monitored throughout the reporting period.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The financial product has not designated a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.