

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

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: Vontobel Fund – Sustainable Emerging Markets Local Currency Bond **Legal Entity Identifier:** 529900GEEVRYUGQ2C28

Environmental and/or social characteristics

| Did this financial product have a sustainable investment objective? | |
|--|--|
| <div><div><div></div><div></div></div><div><input type="checkbox"/> YES</div></div> | <div><div><div></div><div></div></div><div><input checked="" type="checkbox"/> NO</div></div> |
| <div><div><input type="checkbox"/> It made sustainable investments with an environmental objective: ____%</div><div><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</div><div><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</div><div><input type="checkbox"/> It made sustainable investments with a social objective: ____%</div></div> | <div><div><input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 24.06% of sustainable investments</div><div><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</div><div><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</div><div><input checked="" type="checkbox"/> with a social objective</div><div><input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</div></div> |



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 partially 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, as described in the pre-contractual disclosure annex for the Sub-Fund. In addition, the Sub-Fund invested 24.06% in sustainable investments by investing in securities of issuers that provide solutions to environmental and social challenges, namely to at least one of the actionable themes: climate change mitigation, responsible use of natural resources, addressing basic needs, empowerment. The Taxonomy alignment of sustainable investments was established based on reports provided by the issuers. The Sub-Fund also invested in environmentally sustainable investments that were not Taxonomy-aligned because the Investment Manager only used reported alignment data from issuers, not considering estimates provided by third-party data providers; the EU Taxonomy technical screening was still incomplete for climate change mitigation and adaptation and did not cover all environmental objectives (the remaining 4 objectives) as of the reporting date, the Investment Manager therefore performed additional analysis of the issuers.

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?

During the reference period, the attainment of the environmental and social characteristics promoted by the Sub-Fund has been measured with the sustainability indicators, as presented in the table below:

| Sustainability Indicators | Value | Comments |
|---|---|----------|
| Percentage of investments in securities of sovereign issuers, that are considered "non-democratic", based on a third-party research provider (Freedom House) | 0% | |
| Percentage of investments in securities of sovereign issuers with UN or international sanctions | 0% | |
| 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 (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues | 0% | |
| Percentage of investments in supranational issuers that pass the minimum ESG rating that has been set for this Sub-Fund (based on a proprietary methodology, minimum is set at 50 out of 100) | 100% | |
| Percentage of investments in securities of issuers that provide solutions to at least one of the actionable themes (climate change mitigation, responsible use of natural resources, addressing basic needs, empowerment) and that qualify as sustainable investments | 24.06% | |
| Sub-Fund's weighted average ESG rating (for securities of sovereign issuers) compared to its Benchmark, namely J.P Morgan GBI-EM Global Diversified Composite USD (based on a proprietary methodology) | Sub-Fund: 62.72 Benchmark: 58.19 | |
| Percentage of securities covered by ESG analysis | 100% | |

... And compared to previous periods?

| Financial year of the Fund ending on 31 August | 2024 | 2023 |
|---|-------|-------|
| Sustainability Indicators | Value | Value |
| Percentage of investments in securities of sovereign issuers, that are considered "non-democratic", based on a third-party research provider (Freedom House) | 0% | 0% |
| Percentage of investments in securities of sovereign issuers with UN or international sanctions | 0% | 0% |
| 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 (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues | 0% | 0% |

| | | |
|---|---|---|
| Percentage of investments in supranational issuers that pass the minimum ESG rating that has been set for this Sub-Fund (based on a proprietary methodology, minimum is set at 50 out of 100) | 100% | 100% |
| Percentage of investments in securities of issuers that provide solutions to at least one of the actionable themes (climate change mitigation, responsible use of natural resources, addressing basic needs, empowerment) and that qualify as sustainable investments | 24.06% | 23.25% |
| Sub-Fund's weighted average ESG rating (for securities of sovereign issuers) compared to its Benchmark, namely J.P Morgan GBI-EM Global Diversified Composite USD (based on a proprietary methodology) | Sub-Fund: 62.72 Benchmark: 58.19 | Sub-Fund: 62.04 Benchmark: 58.38 |
| Percentage of securities covered by ESG analysis | 100% | 100% |

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objective of the sustainable investments that the financial product partially made was to invest in securities of issuers that provide solutions to environmental and social challenges, namely to at least one of the actionable themes: climate change mitigation, responsible use of natural resources, addressing basic needs, empowerment. The assessment was conducted by the Investment Manager, based on quantitative ESG indicators and qualitative assessment of products, technologies, services or projects. The qualitative assessment considered research related to peer group and scientific studies. To qualify as sustainable investment, the issuer had a significant part of its activities related to these solutions, linked to at least one of the actionable themes. The Investment Manager required a minimum threshold of revenues or capital expenditure or operational expenditure or allocated funding of at least 20% (depending on the products, technologies, services or projects, an appropriate metric was used; for example, for financial institutions, the Investment Manager would prefer “allocated funding”, if relevant). If a security complied with this minimum requirement, the entire investment was considered a sustainable investment (provided that do no significant harm and, where applicable, good governance criteria were met, as described below), either with an environmental (climate change mitigation, responsible use of natural resources) or a social (addressing basic needs, empowerment) objective.

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

In order to ensure that the Sustainable Investments of the Sub-Fund do not cause significant harm to any environmental or social investment objective, the Sub-Fund takes into account all the mandatory principal adverse impacts indicators and ensures that the Sub-Fund's investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as further outlined below.

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

For the Sustainable Investments that the Sub-Fund partially made, the Investment Manager took into account the adverse impacts on sustainability factors by applying the following process: The Investment Manager applied a process to identify the investments' exposure to principal adverse impacts on sustainability factors based on in-house research; data sources included ESG data providers, news alerts, and the issuers themselves. Where no reliable third-party data was available, the Investment Manager made reasonable estimates or assumptions. No investment was identified as having a critical and poorly managed impact in any of the considered principal adverse impacts areas during the reference period.

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

The Sub-Fund has a controversy monitoring process in place, that among others takes into account the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This process is based on third party data and may be complemented by the Investment Manager's own ESG research capabilities. The Sub-Fund excludes issuers that are (i) in violation of the norms and standards (defined under the investment strategy section of the pre-contractual disclosure annex) promoted by the Sub-Fund; (ii) involved in critical controversies. Unless, in either case, the Investment Manager has identified a positive outlook (i.e., through proactive response by the issuer, proportionate rectification measures already announced or taken, or through active ownership activities with reasonable promise of successful outcomes).

The EU Taxonomy sets out a “do no 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 EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU 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 the following adverse sustainability indicators for the Sub-Fund’s investment strategy:

| Table | Number | Principal Adverse Impact Indicator |
|-------|--------|--|
| 1 | 1 | Scope 1 GHG emissions |
| 1 | 1 | Scope 2 GHG emissions |
| 1 | 1 | Total GHG emissions (Scope 1 and 2) |
| 1 | 2 | Carbon footprint |
| 1 | 3 | GHG intensity of investee companies |
| 1 | 4 | Exposure to companies active in the fossil fuel sector |
| 1 | 5 | Share of non-renewable energy consumption |
| 1 | 5 | Share of non-renewable energy production |
| 1 | 6 | Energy consumption intensity per high impact climate sector NACE B, C, D, F, H and L |
| 1 | 7 | Activities negatively affecting biodiversity-sensitive areas |
| 1 | 8 | Emissions to water |
| 1 | 9 | Hazardous waste and radioactive waste ratio |
| 1 | 10 | Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises |
| 1 | 11 | Share of investments in investee companies without policies to monitor compliance with, or mechanisms to handle grievance/complaints in relation to the UNGC principles or OECD Guidelines for Multinational Enterprises |
| 1 | 12 | Unadjusted gender pay gap |
| 1 | 13 | Board gender diversity |
| 1 | 14 | Share of investments in investee companies involved in the manufacture or selling of controversial weapons |
| 1 | 15 | GHG intensity of investee countries |
| 1 | 16 | Number of investee countries subject to social violations |
| 1 | 16 | Percentage of 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 considered principal adverse impacts areas. As a result of such screening, the Investment Manager did not invest in certain companies and issuers.



What were the top investments of this financial product?

The top investments of the Sub-Fund are detailed below:

| Largest investments | Sector | % Assets | Country |
|---------------------------------|---|----------|----------------|
| Bond Malaysia | Public administration and defence; compulsory social security | 5.47 | Malaysia |
| Bond Poland | Public administration and defence; compulsory social security | 5.32 | Poland |
| Bond Brazil | Public administration and defence; compulsory social security | 3.93 | Brazil |
| Bond Mexico | Public administration and defence; compulsory social security | 3.39 | Mexico |
| Bond Malaysia | Public administration and defence; compulsory social security | 2.90 | Malaysia |
| Bond Czech Republic | Public administration and defence; compulsory social security | 2.89 | Czech Republic |
| Asian Development Bank | Manufacturing | 2.81 | Philippines |
| Bond Indonesia | Public administration and defence; compulsory social security | 2.79 | Indonesia |
| Inter-American Development Bank | Financial and insurance activities | 2.62 | United States |
| EBRD | Financial and insurance activities | 2.62 | United Kingdom |
| Asian Development Bank | Financial and insurance activities | 2.49 | Philippines |
| Bond South Africa | Public administration and defence; compulsory social security | 2.36 | South Africa |
| Bond Botswana | Public administration and defence; compulsory social security | 2.32 | Botswana |
| Bond Chile | Public administration and defence; compulsory social security | 2.21 | Chile |
| Bond Hungary | Public administration and defence; compulsory social security | 2.19 | Hungary |

The portfolio proportions of investments presented above are an average over the reference period, based on the Sub-Fund's holdings at the quarter-ends of the financial year.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/09/2023-31/08/2024

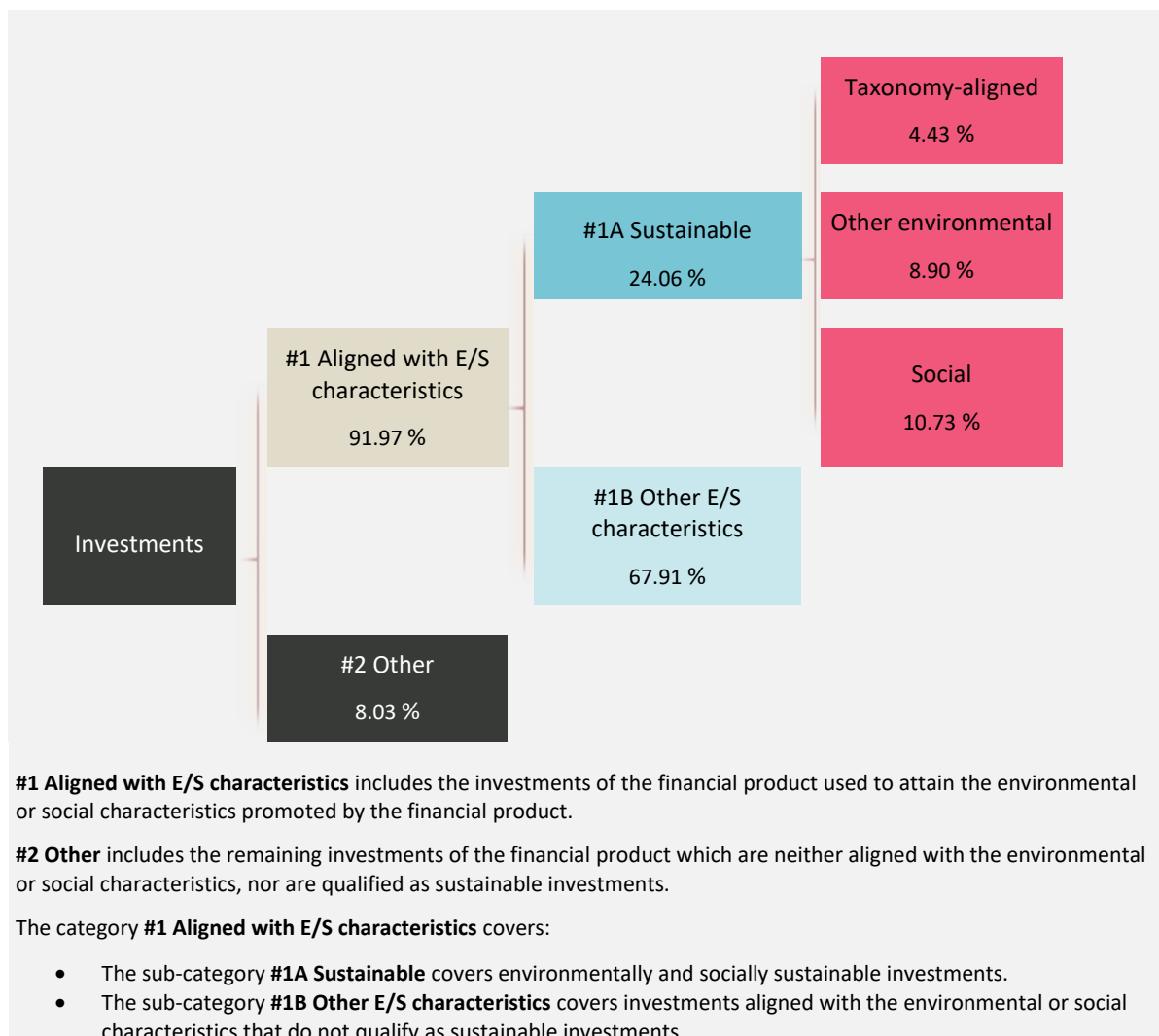


What was the proportion of sustainability-related investments?

The proportion of sustainability-related investments was 91.97% (assets aligned with environmental and social characteristics).

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



Depending on the potential usage of derivatives as part of this Sub-Fund's investment strategy, the exposure detailed above could be subject to variability as the portfolio's total value of investments (NAV) may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this Sub-Fund, please refer to its pre-contractual disclosures and the investment policy described in the Sales Prospectus.

In which economic sectors were the investments made?

The Sub-Fund's investments were made in the economic sectors detailed below:

| Top sector | Sub- sector | Proportion (%) |
|---|---|----------------|
| Public administration and defense; compulsory social security | Administration of the State and the economic and social policy of the community | 70.78 |
| Financial and insurance activities | Other financial service activities, except insurance and pension funding | 15.52 |
| Manufacturing | Manufacture of wearing apparel | 2.94 |
| Financial and insurance activities | Monetary intermediation | 1.21 |
| total of remaining sectors with a proportion < 1.0% | | 1.02 |

The portfolio proportions of investments presented above are an average over the reference period.

0% of the total value of investments (NAV) were in companies involved in sectors that could be connected to non-renewable energy sources, such as "Electricity, gas, steam and air conditioning supply (NACE code D)", "Mining and quarrying (NACE code B)" or "Manufacture of coke and refined petroleum products (NACE code C19)". It's important to note that even companies categorized under different NACE codes might still have some involvement with non-renewable energy-related activities, even if it's not their main focus. Additionally, the Sub-Fund might invest in bonds labeled as green, social, or sustainability bonds. These bonds typically fund projects unrelated to non-renewable energy, even if the companies issuing them can be active in sectors with potential links to non-renewable energy sources.



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

● *Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?*¹

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.

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

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.

☐ Yes

☐ In fossil gas

☐ In nuclear energy

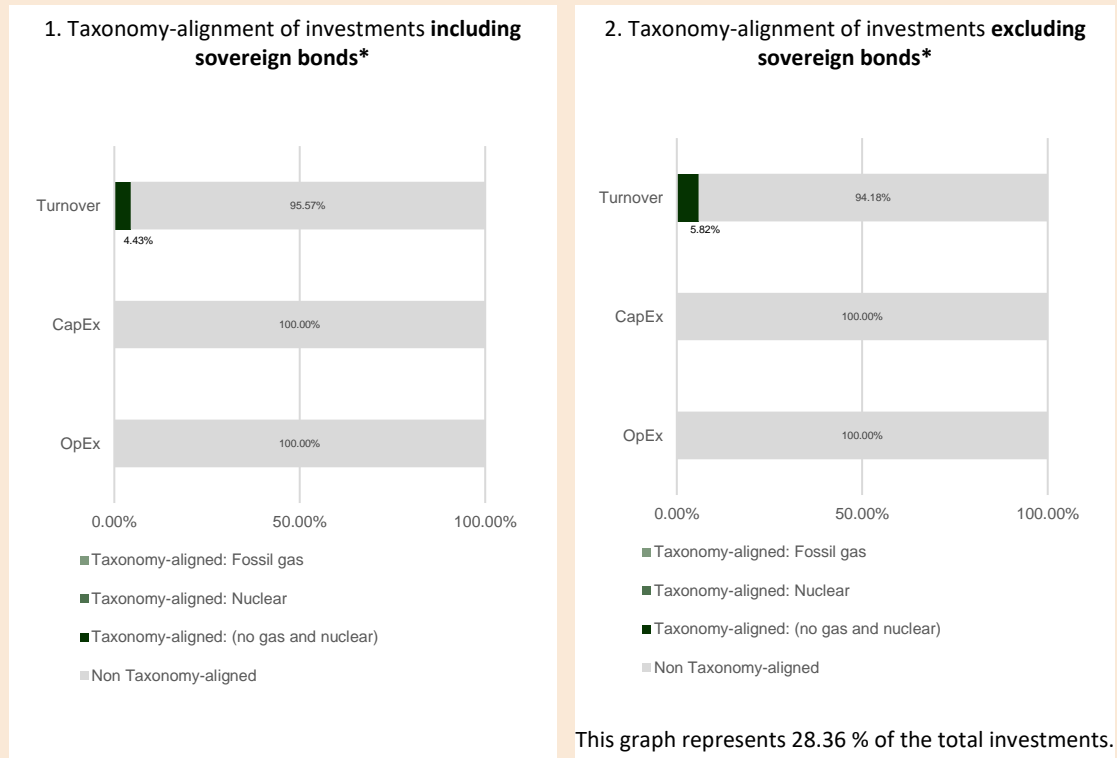
☒ No

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 objective -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** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting 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

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

The share of investments made in transitional and enabling activities was 0 %.

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

| Percentage of investments aligned with EU Taxonomy | |
|--|------|
| 2024 | 2023 |
| 4.43 | 0 |

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?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 8.90% for this Sub-Fund.

For these issuers, the economic activity was not yet covered under the EU Taxonomy, the positive contribution was not (fully) aligned with the criteria for environmentally sustainable economic activities under the EU Taxonomy, or the issuer did not fall under the reporting scope of the EU Taxonomy, and the Investment Manager did not have sufficient equivalent information to conclude its assessment.

What was the share of socially sustainable investments?

The Sub-Fund invested 10.73% in sustainable investments with a social objective.



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

The “Other” investments represented 8.03% of the Sub-Fund’s Net Asset Value and consisted of:

- Cash and cash equivalent investments (8.03%), for liquidity management purposes.

Environmental or social safeguards were applied and assessed on all “other” assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIs managed by other management company and (iii) on cash and cash equivalent investments described above.



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. Their application led to the exclusion of 21.6% of the investments considered prior to the application of the investment strategy (i.e. sovereign local currency emerging debt market).



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

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

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