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 II - Active Beta (FM_00129)

Legal entity identifier: 2221005PIXP5MRX7VZ80

Environmental and/or social characteristics

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.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental 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 15.70% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

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. It adhered to the positive and negative screening criteria set in the pre-contractual disclosure. In addition, the Sub-Fund held 15.7% of sustainable investments by investing in certified green bonds at the end of the reporting period. The Sub-Fund's ESG approach was amended during the reporting period by changing the business activity screening and changing to a proprietary rating approach factoring in financial materiality and climate concerns.

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%	
Percentage of investments in securities of sovereign issuers, that are considered "non-democratic"	0%	
Percentage of investments in securities of sovereign issuers that are not a party to conventions on chemical and biological weapons.	0%	
Percentage of investments in securities of issuers that pass the minimum ESG Rating that has been set for this Sub-Fund	100%	
Percentage of investments in securities of issuers that pass the minimum Climate score that has been set for this Sub-Fund	78.7%	
Percentage of investments in securities of issuers that are in violation of global norms and standards promoted by the Sub-Fund or that are exposed to critical controversies	0%	
Percentage of investments in green, social or sustainability bonds in the securities portfolio or in investment funds that invest mainly in such bonds	15.7%	

… and compared to previous periods ?

Sustainability Indicator	year ending on March 31, 2023
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%
Percentage of investments in securities of sovereign issuers, that are considered "non-democratic"	0%
Percentage of investments in securities of sovereign issuers that are not a party to conventions on chemical and biological weapons.	0%
Percentage of investments in securities of issuers that pass the minimum ESG Rating that has been set for this Sub-Fund	100%

Sustainability Indicator	year ending on March 31, 2023
Percentage of investments in securities of issuers that pass the minimum Climate score that has been set for this Sub-Fund	N/A
Percentage of investments in securities of issuers that are in violation of global norms and standards promoted by the Sub-Fund or that are exposed to critical controversies	0%
Percentage of investments in green, social or sustainability bonds in the securities portfolio or in investment funds that invest mainly in such bonds	7.7%

Please note that the above indicators do not reflect the ones valid at the end of previous reporting periods. The approach regarding the Sub-Fund has been updated by increasing the sustainable investment target from 5% to 15%, which explains the lower green bond quota in the previous reporting period. In the prospectus coming into effect in January 2024, the rating in use was changed to the investment manager's proprietary scores focusing on financial materiality for the rating and on climate for the newly introduced climate scores.

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 Sub-Fund invested 15.7% in green bonds. These investments were considered sustainable. The green bonds' objective is to enable capital-raising and investment for new and existing sound and sustainable projects with environmental benefits, that foster a net-zero emissions economy and protect the environment (example: renewable energy, pollution prevention and control, environmentally sustainable management of living natural resources and land use)"

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?

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 include 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

- *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) promoted by the Sub-Fund ; (ii) involved in severe 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 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:
For corporates: greenhouse gas emissions (Table 1 - PAI indicator 3 GHG intensity 1, 2), controversial weapons (Table 1 - PAI 14 exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)), social matters and human rights (Table 1 - PAI indicator 10 share of companies involved in violation of UN Global Compact Principles and OECD Guidelines For Multinational Enterprises);
For sovereigns and supranationals: environmental aspects (Table 1 - PAI indicator 15 GHG intensity) and social matters (Table 1 - PAI 16 investee countries subject to social violations).

The Investment Manager followed 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 in the portfolio was identified as having a critical and poorly managed impact in one of the considered principal adverse impacts areas.

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: April 1, 2023, to March 31, 2024

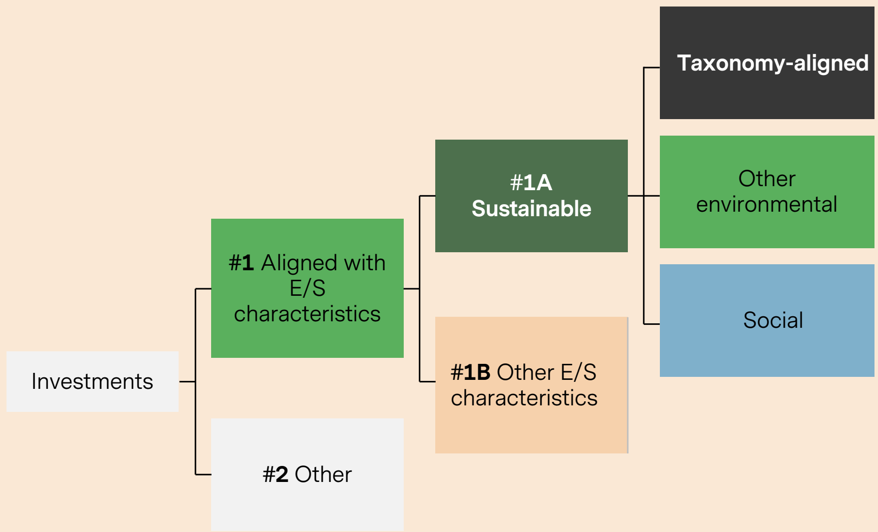
Largest investments	Sector	% Assets	Country
Land Niedersachsen	Cantons, federal states, counties, provinces etc.	4.75	Germany
Land Berlin	Cantons, federal states, counties, provinces etc.	3.80	Germany
Land Hessen	Cantons, federal states, counties, provinces etc.	3.77	Germany
Land Rheinland-Pfalz	Cantons, federal states, counties, provinces etc.	3.38	Germany
Berlin Hyp AG	Banks & other credit institutions	3.11	Germany
Nordrhein-Westfalen Land	Cantons, federal states, counties, provinces etc.	2.84	Germany
Land Rheinland-Pfalz	Cantons, federal states, counties, provinces etc.	2.57	Germany
Investitionsbank Schleswig-Holstein	Banks & other credit institutions	2.52	Germany
Hansestadt Bremen Landschatz	Cantons, federal states, counties, provinces etc.	2.49	Germany
European Investment Bank	Supranational organisations	2.47	Luxembourg
Land Hamburg	Cantons, federal states, counties, provinces etc.	2.37	Germany
NRW Bank	Banks & other credit institutions	2.34	Germany
LFA Foerderbank Bayern	Banks & other credit institutions	2.33	Germany
DZ Hyp	Mortgage & funding institutions	2.30	Germany
Land Niedersachsen	Cantons, federal states, counties, provinces etc.	2.13	Germany

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 74.1% (assets aligned with environmental and social characteristics).

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

74.10%	of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)
15.70%	of investments were sustainable investments (#1A Sustainable). These sustainable investments were included under assets aligned with E/S characteristics (#1 Aligned with E/S characteristics)

#1A Sustainable - Other environmental (15.7%); #2 Other (25.9%)

In which economic sectors were the investments made?

Economic sector	
Cantons, federal states, counties, provinces etc.	51.55
Banks & other credit institutions	31.01
Supranational organisations	5.74
Mortgage & funding institutions	3.82

0% of the total value of investments (NAV) were in companies involved in sectors that could be associated to fossil fuels ('Energy & water supply', 'Mining, coal & steel', 'Petroleum/Oil and natural gas'). It is important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it is not their main focus. The Sub-Fund might invest in bonds labelled as green, social or sustainability bonds. These bonds typically fund projects that are not related to fossil fuels, even if the companies issuing them may be active in sectors that could be associated to fossil fuels.

To comply with the EU Taxonimy, 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.

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.

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

None of the sustainable investments with an environmental objective were aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

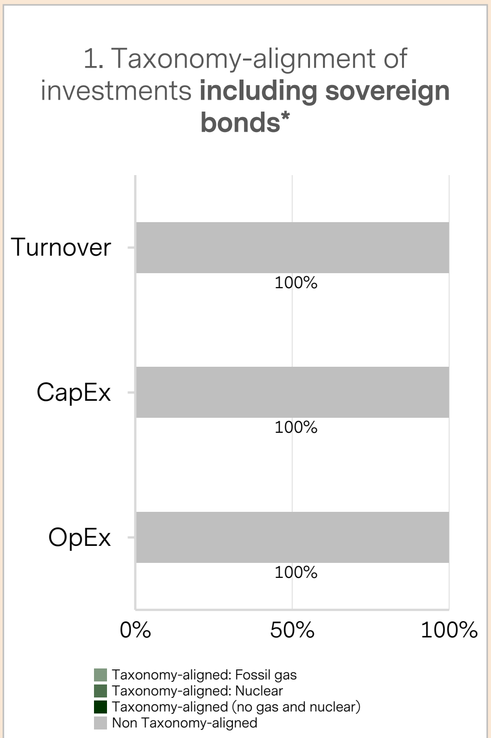
☐ Yes:

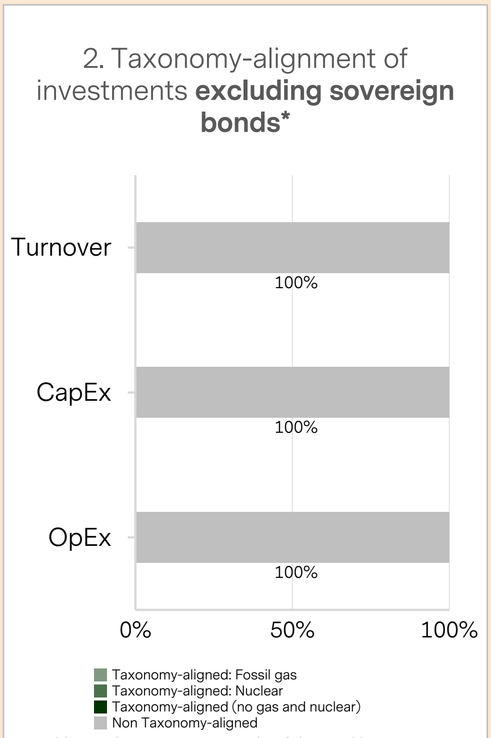
☐ In fossil gas ☐ In nuclear energy

☒ 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.

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.





This graph represents 35.04% of the total investments.

* 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.

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

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

Activities	Investment share
transitional	0.00%
enabling	0.00%

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

Period	Investment share
year ending on March 31, 2023	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?

The positive contribution of the sustainable investments were not (fully) aligned with the criteria for environmentally sustainable economic activities under the EU Taxonomy and the Investment Manager did not have sufficient equivalent information to conclude its assessment.

Investment share
15.70%

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 and futures (5.8%)	Liquidity management and strategy implementation	None
Bonds with missing climate scores (20.1%)	Investments	Controversy process, sufficient rating not part of excluded activity

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. The Sub-Fund’s securities were subject to pooled engagement activities undertaken by a third-party engagement service provider. The screening approach used within the Sub-Fund has been changed to focus more on financial materiality and to include climate considerations.

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.