Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Vontobel Fund II - mtx Emerging Markets Sustainability Champions (FS_00117)

Legal entity identifier: 222100QEOA31312U5U17

Sustainable investment objective

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: 32.97%**	☐ 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
☐ 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: 64.62%**	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective of the Sub-Fund was met. The Sub-Fund contributed to both social and environmental United Nations Sustainable Development Goals (UN SDGs) by investing in emerging market securities that were identified as Sustainability Champions. The objective was met through the use of the Investment Manager's proprietary UN SDG evaluation framework, the proprietary ESG framework and through application of extensive exclusion criteria. Finally, the Investment Manager applied active stewardship to the Sub-Fund, engaging directly with 8 companies on sustainability factors. Additionally, the Investment Manager's stewardship partner engaged with 5 companies over the reference period. The Investment Manager voted at 645 company ballots, accounting for 100% of eligible ballots over the year.

The Sub-Fund has not designated a reference benchmark for the purpose of attaining the sustainable investment objective.

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 have at least 50% of their revenues (save where alternatives are used) derived from economic activities that are aligned with one or more of the UN SDGs or in certain cases, operational factors or alternative proxies to revenue demonstrate that the economic activities are highly material to advancing the SDGs as evaluated using the UN SDG Alignment Framework (SAF), the Investment Manager's proprietary UN SDG evaluation framework.	100%	Excludes Alrosa*
Percentage of investments in companies that pass the minimum ESG score (as evaluated using the "Minimum Standards Framework", the Investment Manager's proprietary ESG evaluation framework; minimum is set at 2.4 out of 5) set for this Sub-Fund	100%	Excludes Alrosa*
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 (excluded products and/or activities are indicated under the investment strategy section of the pre-contractual disclosure)	0%	
Percentage of investments in companies evaluated as having an overriding Fail Score under the "Minimum Standards Framework"	0%	Excludes Alrosa*
Percentage of investments in companies with an "F-Score" evaluated under the "F-Score" Framework, the Investment Manager's proprietary tool for evaluating severe controversies	0%	
Percentage of investments in companies that are in violation of certain global norms and standards promoted by the Sub-Fund or that are exposed to critical controversies (aka Critical ESG Events), (unless the Investment Manager believes reasonable progress can be attained, for example, through active ownership activities). Such controversies may be related to environmental, social or governance issues.	0%	
Percentage of investments in UN Sanctioned Countries	0%	
The Sub-Fund's carbon footprint relative to the benchmark (evaluated on the basis of each issuer's scope 1 and 2 GHG emissions normalized by the company's enterprise value including cash (EVIC) and multiplied by its weight in the portfolio). The sum of such weighted average carbon footprint is calculated and then compared to that of the benchmark	-86%	As at March 31, 2024, the scope 1+2 WACI of the Sub-Fund was 21.2 and that of the benchmark was 148. Therefore, the Sub-Fund's financed

Sustainability Indicator	Value	Comment
(MSCI Emerging Markets Total Returns Net (USD)).		carbon footprint was 87.2% below that of the benchmark.
Percentage of securities covered by ESG analysis	100%	

*The values included in this report included the investment in Alrosa, a Russian mining company whose shares are blocked from trading. Alrosa failed the Investment Manager's ESG assessment in 2022, however the stock is blocked from trading since the Russia/Ukraine war, therefore the Investment Manager still awaits an opportunity to exit the stock. Alrosa has no weight in the Sub-Fund and is to be seen as a legacy issue that does not qualify for investment in this Sub-Fund.

… and compared to previous periods ?

Sustainability Indicator	year ending on March 31, 2023
Percentage of investments in securities of corporate issuers that have at least 50% of their revenues (save where alternatives are used) derived from economic activities that are aligned with one or more of the UN SDGs or in certain cases, operational factors or alternative proxies to revenue demonstrate that the economic activities are highly material to advancing the SDGs as evaluated using the UN SDG Alignment Framework (SAF), the Investment Manager’s proprietary UN SDG evaluation framework.	100%
Percentage of investments in companies that pass the minimum ESG score (as evaluated using the “Minimum Standards Framework”, the Investment Manager’s proprietary ESG evaluation framework; minimum is set at 2.4 out of 5) set for this Sub-Fund	100%
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 (excluded products and/or activities are indicated under the investment strategy section of the pre-contractual disclosure)	0%

Sustainability Indicator	year ending on March 31, 2023
Percentage of investments in companies evaluated as having an overriding Fail Score under the “Minimum Standards Framework”	0%
Percentage of investments in companies with an “F-Score” evaluated under the “F-Score” Framework, the Investment Manager's proprietary tool for evaluating severe controversies	0%
Percentage of investments in companies that are in violation of certain global norms and standards promoted by the Sub-Fund or that are exposed to critical controversies (aka Critical ESG Events), (unless the Investment Manager believes reasonable progress can be attained, for example, through active ownership activities). Such controversies may be related to environmental, social or governance issues.	0%
Percentage of investments in UN Sanctioned Countries	0%
The Sub-Fund’s carbon footprint relative to the benchmark (evaluated on the basis of each issuer’s scope 1 and 2 GHG emissions normalized by the company’s enterprise value including cash (EVIC) and multiplied by its weight in the portfolio). The sum of such weighted average carbon footprint is calculated and then compared to that of the benchmark (MSCI Emerging Markets Total Returns Net (USD)).	-87%
Percentage of securities covered by ESG analysis	100%

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 not cause significant harm to any sustainable investment objective?

For the Sustainable Investments that the financial product made, the Investment Manager took into account the adverse impacts on sustainability factors by applying a two-step process. Step 1: Identification of potential or confirmed adverse impacts at issuer level, based on tailored thresholds on all principal adverse impact ("PAI") areas covered by Table 1 and selected PAIs covered by Table 2 and 3. Step 2 (In case of potential adverse impact initially identified): Further analysis to assess whether appropriate mitigation measures have been implemented by the issuer (where appropriate - not applied in all cases). This process was 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. If the Investment Manager concluded that the investment was linked to unmanaged and significant harm, then this investment was not considered as a Sustainable Investment.

During the reporting period, the Investment Manager identified two companies with potential adverse impacts (high GHG emissions) under step one. For one, the detailed step two assessment cleared the issuer as sufficiently managing the flagged issue while the other one was sold on financial grounds.

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

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

- *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 took into account the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This process was based on third party data and could be complemented by the Investment Manager's own ESG research capabilities. The Sub-Fund excluded issuers that were (i) in violation of the norms and standards promoted by the Sub-Fund ; (ii) involved in severe controversies. Unless, in either case, the Investment Manager 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.

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

During the reference period, the Investment Manager took into account all the mandatory principal adverse impacts indicators and certain relevant additional indicators. In order to consider these principal adverse impacts, the Investment Manager analyzed to what extent the issuers were exposed to principal adverse impacts on sustainability factors based on in-house research; data sources included ESG data providers, news alerts, and information from the issuers themselves, as well as reasonable estimates or assumptions. Where an issuer was identified by the Investment Manager as having a critical and poorly managed impact in one of the considered principal adverse impacts areas, and where no convincing sign of remedial action nor improvement were observed, the Investment Manager either excluded the issuer in question or decided to use active ownership.

The Investment Manager's screening identified that out of the 44 company holdings in the Sub-Fund as at March 31, 2024, 9 companies had 1 or more principal adverse impacts flagged but none were identified as a fail under the Investment Manager's Do No Significant Harm screening and evaluation framework. Of these flagged companies, 7 were identified under mandatory PAIs and 5 companies were covered by the Investment Manager's engagement plan. In 3 cases the flagged issue concerned board gender diversity, which triggered the initiation of engagement and/or voting activities. In 2 cases, deeper ESG research revealed that the flag was not warranted or that the company's policies and processes for managing the risk were robust. Therefore, the issues were covered by ESG Integration under research and monitoring.

As noted above, Alrosa's Do No Significant Harm flags could not be acted upon.

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: March 31, 2023 to April 1, 2024

Largest investments	Sector	% Assets	Country
Samsung Electronics	Electronics & semiconductors	6.37	Korea, Republic Of
Taiwan Semiconductor Manufacturing	Electronics & semiconductors	4.95	Taiwan
Taiwan Semiconductor Manufacturing ADR	Electronics & semiconductors	4.34	Taiwan
Alibaba Group Holding	Internet, software & IT services	3.49	Cayman Islands
Grupo Financiero Banorte	Banks & other credit institutions	3.11	Mexico
State Bank Of India	Banks & other credit institutions	3.03	India
BYD 'H'	Electronics & semiconductors	2.93	China
HDFC Bank	Banks & other credit institutions	2.82	India
Telkom Indonesia	Telecommunication	2.72	Indonesia
PT Bank Mandiri Persero TBK	Banks & other credit institutions	2.72	Indonesia
Media Tek	Electrical appliances & components	2.70	Taiwan

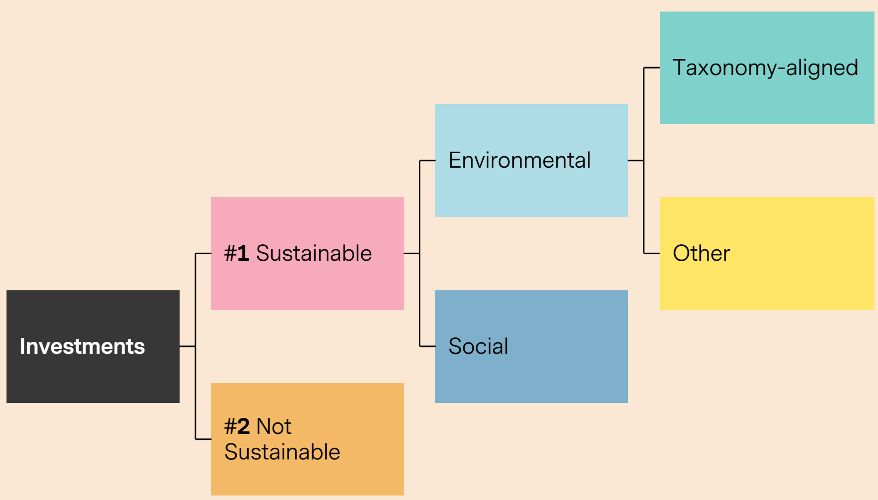
Largest investments	Sector	% Assets	Country
Raia Drogasil	Pharmaceuticals, cosmetics & med. products	2.70	Brazil
NARI Technology 'A'	Mechanical engineering & industrial equip.	2.49	China
Elite Material Co.	Electrical appliances & components	2.27	Taiwan
Accton Technology	Computer hardware & networking	2.24	Taiwan

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The proportion of the investments that contributed to the sustainable investment objective was 97.59%

What was the asset allocation?



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments

97.59% of investments were sustainable investments (#1 Sustainable)

#1A Sustainable - Other environmental (32.97%); #1A Sustainable - Social (64.62%); #2 Not Sustainable - Other (2.41%).

In which economic sectors were the investments made?

Economic sector	
Electronics & semiconductors	26.11
Banks & other credit institutions	19.70
Electrical appliances & components	8.90
Insurance companies	6.76
Internet, software & IT services	6.01
Telecommunication	4.30
Mechanical engineering & industrial equip.	3.99
Pharmaceuticals, cosmetics & med. products	3.96
Miscellaneous consumer goods	2.42
Computer hardware & networking	2.24
Vehicles	2.00
Textiles, garments & leather goods	1.97
Miscellaneous services	1.75
Chemicals	1.65
Building materials & building industry	1.48
Non-ferrous metals	1.37
Miscellaneous trading companies	0.32

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.

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

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.

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:

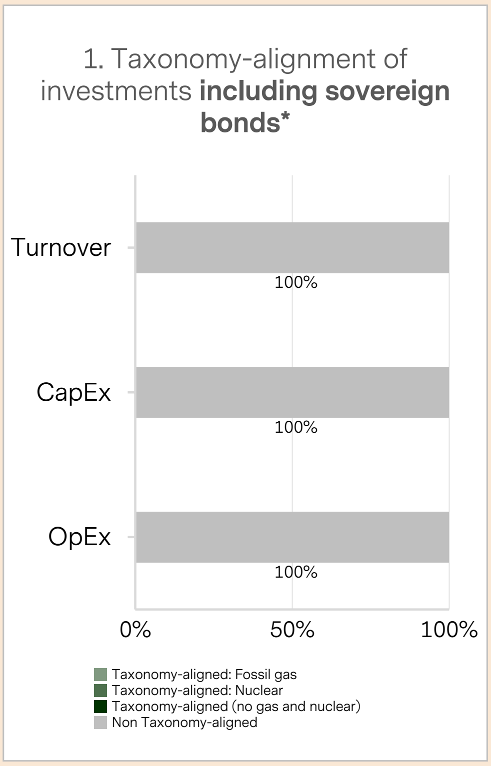
☐ In fossil gas ☐ In nuclear energy

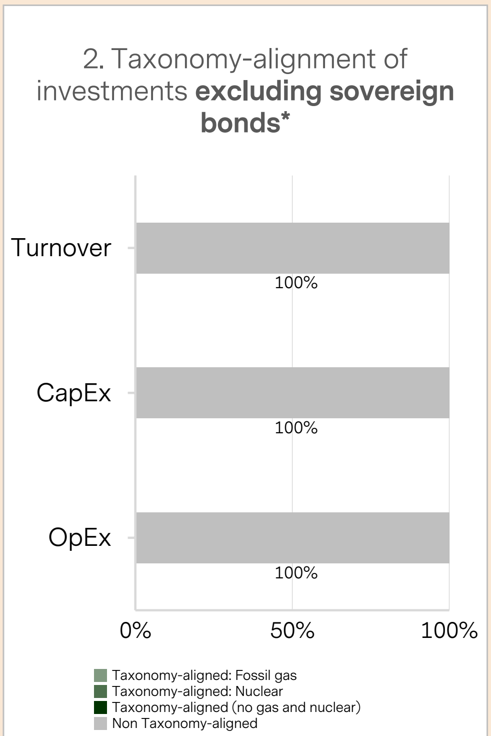
☒ No

[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.

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.





This graph represents 100% 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.

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
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?

32.97% of NAV was invested in companies meeting the Investment Manager's evaluation of sustainable environmental objective. The approach used was the Investment Manager's SDG Assessment Framework and identifying the weights of holdings aligned to SDGs that UNEP identifies as having an environmental objective. Where companies were aligned to both social and environmental SDGs then their portfolio weight was split 50/50 to E and S objectives. The EU Taxonomy was not the selected methodology as the fund has an SDG alignment approach and because the fund invests only in emerging markets where EU Taxonomy reporting is negligible.

Investment share
32.97%

What was the share of socially sustainable investments?

Investment share
64.62%

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 (2.41%)	Liquidity	No minimum environmental or social safeguards were applied

Investments	Purpose	Minimum of environmental or social safeguards
Investments in securities of corporate issuers that do not comply with the binding elements used to attain the sustainable investment objective (Alrosa; 0.00%)	Shares are blocked from trading and could not be sold during the reference period. Considering the company's valuation, the position accounts for 0.00% of the net assets.	No minimum environmental or social safeguards were applied

What actions have been taken to meet the sustainable investment objective 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 financial product have been monitored throughout the reporting period.In addition, the Investment Manager applied active stewardship to the Sub-Fund, engaging directly with 8 companies on sustainability factors, additionally our stewardship partner engaged with 5 companies over the reference period. The Investment Manager voted at 645 company ballots, accounting for 100% of eligible ballots over the year.

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 its sustainable investment objective.