

VONTOBEL FUND

Investment company with variable capital
11-13, Boulevard de la Foire, L-1528 Luxembourg
R.C.S. Luxembourg B38170
(the "Fund")

Luxembourg, 26 January 2024

NOTIFICATION TO INVESTORS OF THE SUB-FUND Vontobel Fund – Value Bond (the "Merging Sub-Fund")

Dear Investor,

The Fund's board of directors (the "Board of Directors") is notifying investors in the Merging Sub-Fund (the "Investors") that it has decided to merge the Merging Sub-Fund with Vontobel Fund – Global Active Bond (the "Receiving Sub-Fund") (the "Merger").

The Merger will take effect as of 4 March 2024 (the "Effective Date"). The relevant net asset values as of 4 March 2024 as well as the exchange ratio, which are used for the exchange of shares of the Merging Sub-Fund into shares of the Receiving Sub-Fund, will be calculated on 5 March 2024.

The purpose of this notification is to inform you of the reasons for the Merger and how it impacts you as required by Article 72 of the Luxembourg law on undertakings for collective investment of 17 December 2010 as amended.

1. RATIONALE FOR THE MERGER

The Board of Directors has decided to proceed with the Merger for the following reasons:

The investment manager of the Merging Sub-Fund and the Receiving Sub-Fund intends to consolidate his product range in order to optimize cost efficiency as the assets of the Merging Sub-Fund are below the minimum amount that the investment manager considers to be sufficient for efficient management in the interests of the investors.

It is also anticipated that the Merger will increase the efficiency of the management of assets as a result of the increased assets under management in the Receiving Sub-Fund following the Merger.

Therefore the Board of Directors believes it to be in the best interest of investors to merge the Merging Sub-Fund into the Receiving Sub-Fund.

2. IMPACT OF THE MERGER ON INVESTORS

The impact of the Merger on Investors is described below:

- The financial year, the valuation principles, voting rights, the cut-off times for subscription, redemption and conversion requests, etc. will remain the same.
- No change of service provider:
The Merger will not result in a change of Management Company, Investment Manager, Depositary, Central Administration, Domiciliary Agent, Legal Advisor or Auditor for the Investors.

- Investors of the distributing Share Classes of the Merging Sub-Fund will be entitled to distributions as contemplated in the Fund's Sales Prospectus. Any dividend accruals of distributing Share Classes of the Merging Sub-Fund will be reflected in the net asset value of the respective Shares of the Receiving Sub-Fund after the Effective Date.

The investment objectives, investment strategies and restrictions of the Receiving Sub-Fund and the Merging Sub-Funds are similar and are further set out in the table below.

Any defined terms used in the below table have the meaning ascribed to such term in the Prospectus of the Merging Sub-Funds and the Receiving Sub-fund, respectively.

Please note the following comparison, including any differences between the Receiving Sub-Fund and the Merging Sub-Fund:

	Merging Sub-Fund	Receiving Sub-Fund
	Vontobel Fund – Value Bond	Vontobel Fund – Global Active Bond
Reference Currency	CHF	EUR
Environmental and/or social characteristics	<p>The pre-contractual disclosure annex 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 (the Pre-Contractual Disclosure) of the Merging Sub-Funds and the Pre-Contractual Disclosure of the Receiving Sub-Fund contain certain differences. The main differences between the Pre-Contractual Disclosure of the Merging Sub-Fund and the Pre-Contractual Disclosure of the Receiving Sub-Fund are in respect of:</p> <ul style="list-style-type: none"> the environmental and /or social characteristics that are promoted including the minimum of sustainable investments the sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted; the binding elements of the investment strategy used to attain each of the environmental or social characteristics that are promoted; the asset allocation planned. <p>The Merging Sub-Fund does not have a minimum share of sustainable investments, whereas the Receiving Sub-Fund commits to invest at least 5% of its nets assets in sustainable investments.</p> <p>More detailed information is available in the Pre-Contractual Disclosures of the Merging Sub-Funds and the Pre-Contractual Disclosure of the Receiving Sub-Fund, which should be read carefully.</p>	
	<p>The Sub-Fund promotes environmental and/or social characteristics within the meaning of Article 8 SFDR by investing in issuers that the Investment Manager considers well-prepared to handle financially material environmental and/or social challenges. Issuers will be selected based on the Investment Manager's ESG framework. In addition, it partially targets instruments providing solutions to environmental challenges i.e. climate change.</p>	<p>The Sub-Fund promotes environmental and/or social characteristics within the meaning of Article 8 SFDR by investing in issuers that the Investment Manager considers well-prepared to handle financially material environmental and/or social challenges. Issuers will be selected based on the Investment Manager's ESG framework. In addition, the Sub-Fund will invest at least 5% of its net assets in sustainable investments by investing in securities of issuers that provide solutions to environmental and social challenges, namely to at least one of the</p>

		actionable themes: climate change mitigation, responsible use of natural resources, addressing basic needs, empowerment
Investment objective	The Sub-Fund aims to achieve a positive absolute return in CHF in any market environment.	The Sub-Fund) aims to outperform its benchmark (Bloomberg Global Aggregate Index (EUR Hedged) over a rolling three-year investment cycle.
Investment policy	<p>While respecting the principle of risk diversification, the Sub-Fund's assets are mainly invested in various bonds and similar fixed and variable rate debt instruments, including contingent convertible bonds (so-called "CoCo Bonds"), convertible bonds and warrant bonds issued by various public and/or private borrowers domiciled worldwide, whereby a maximum of 25% of the Sub-Fund's net assets may be invested in convertible and warrant bonds.</p> <p>Up to 33% of the Sub-Fund's net assets may be invested outside the aforementioned investment universe, including but not limited to bank deposits and money market instruments for liquidity management.</p> <p>The Sub-Fund's investment in CoCo Bonds may not exceed 10% of its net assets.</p> <p>Up to 40% of the Sub-Fund's net assets may be invested in securities issued by issuers that are domiciled in, have their main business activity in or are mainly exposed to non-OECD countries.</p> <p>The Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs. Suitable UCITS and/or other UCIs may include undertakings for collective investment managed by a company belonging to the Vontobel Group.</p> <p>The Sub-Fund may also hold up to 20% of its net assets in bank deposits at sight.</p> <p>Currency or credit risk is actively managed by increasing or decreasing currency or credit exposure through the use of derivative financial instruments. Furthermore, interest rate risk is actively managed by increasing or decreasing interest rate sensitivity (duration) through the use of derivative financial instruments.</p> <p>For the purposes of hedging, in particular credit, currency and interest rate risks as well as for the purpose of achieving the investment objective, the Sub-Fund may</p>	<p>While respecting the principle of risk diversification, the Sub-Fund's assets are mainly invested in fixed-income instruments such as notes, bonds and similar fixed-interest and floating-rate securities, including securities with embedded derivatives such as convertible bonds and contingent convertible bonds (so-called "CoCo" Bonds"), issued or guaranteed by national, supra-national or corporate issuers.</p> <p>Up to 40% of the Sub-Fund's net assets may be invested in securities issued by issuers that are domiciled in, have their main business activity in or are mainly exposed to non-OECD countries.</p> <p>The investment of the Sub-Fund in high yield corporate securities may not exceed 20% of its net assets.</p> <p>In addition, the Sub-Fund may invest up to 20% of its net assets in asset- and mortgage-backed securities (ABS/MBS). The Sub-Fund may invest directly in ABS/MBS or indirectly via to-be-announced instruments (TBAs).</p> <p>The Sub-Fund's investment in CoCo Bonds may not exceed 10% of its net assets.</p> <p>A maximum of 15% of the Sub-Fund's net assets may be invested in convertible bonds and notes.</p> <p>The investment in distressed securities (i.e. securities that are typically rated with a Standard & Poor's rating below CCC- (or an equivalent rating from another rating agency)) may not exceed 5% of the Sub-Fund's net assets.</p> <p>The Sub-Fund may also invest indirectly in the above instruments via UCITS and/or other UCIs, including exchange traded funds and undertakings for collective investment managed by a company belonging to the Vontobel Group.</p> <p>The Sub-Fund may invest up to 10% of its net assets in eligible UCITS and/or other UCIs.</p> <p>The Sub-Fund may also invest up to 33% of its net assets in money market instruments and bank deposits for liquidity management.</p> <p>The Sub-Fund may hold up to 20% of its net assets in bank deposits at sight.</p> <p>The Sub-Fund further engages in active</p>

	<p>employ derivative financial instruments traded on exchange or over-the-counter. The derivative financial instruments shall include, but shall not be limited to, forwards, futures, swaps, including interest rate swaps and total return swaps (TRS), credit derivatives, including credit default swaps, as well as options, including options on foreign currencies, in particular deliverable currencies, swaptions, options on the above derivative instruments and exotic options. The Sub-Fund may enter into one or more TRS to gain or hedge exposure to asset classes as specified above. Types of underlyings to TRS may include, but are not limited to, bonds (including convertible bonds), credit indices and money market instruments. The Sub-Fund exposure to TRS expressed as the sum of notionals is expected to range between 0% and 400% of the net assets of the Sub-Fund. In cases where this range is exceeded, exposures should remain below 450%. All revenues (less transaction costs) from TRS are accrued to the Sub-Fund.</p>	<p>currency management and can build up exposure to various currencies as well as to currency volatility. The Sub-Fund also takes active exposure to volatility via derivatives. Currency risk and credit risk are actively managed by increasing or decreasing currency and credit exposure through the use of derivative financial instruments. Additionally, interest rate risk is actively managed by increasing or decreasing interest rate sensitivity (duration) through the use of derivative financial instruments. For the purposes of achieving the investment objective or for hedging, in particular credit, currency and interest rate risks, the Sub-Fund may employ derivatives traded on exchange or over-the-counter. The derivative instruments include, but are not limited to, forwards, including forward volatility agreements, futures, swaps, including volatility and interest rate swaps, credit derivatives, including credit default swaps, total return swaps ("TRS"), as well as options, including options on foreign currencies, in particular deliverable currencies, swaptions, options on the above derivative instruments and exotic options. The Sub-Fund may enter into one or more TRS to gain or hedge exposure to asset classes as specified above. Types of underlying to TRS may include, but is not limited to, bonds (including convertible bonds), credit indices and money market instruments. The Sub-Fund exposure to TRS expressed as the sum of notional is expected to range between 0% and 400% of the net assets of the Sub-Fund. In cases where this range is exceeded, exposures should remain below 450%. All revenues (less transaction costs) from TRS are accrued to the Sub-Fund.</p> <p>Investment Management Process</p> <p>The Investment Manager applies a flexible approach to global bond and currency management. The Investment Manager aims to maximize the diversification effect of the Sub-Fund's exposure to global rates, credit spreads and currencies through three dimensions: asset classes, investment strategies and time horizons. A structured portfolio construction process aims to</p>
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				<p>balance the allocation of risk across rates, credit and currencies, and to reduce the impact of potential variation around portfolio manager views.</p> <p>The portfolio management team deploys a dynamic top-down macro approach to actively manage portfolios through economic cycles, drawing on internal subject matter expertise in corporate bonds, emerging market bonds and currencies.</p> <p>Long term strategic market views of the Investment Manager are complemented with tactical investment decisions to seek to benefit from trading opportunities arising in volatility markets and aim to dynamically adjust the Sub-Fund portfolio's total risk exposure. The diversification of the Sub-Fund is enhanced by deploying size-constrained directional and relative-value positions.</p> <p>Implementing the aforementioned strategy to achieve the investment objective of the Sub-Fund requires the use of derivative financial instruments that may result in a significantly higher leverage than strategies that do not use derivatives.</p> <p>More details on leverage and on the techniques by means of which this leverage is built up are provided in the section "Risk Measurement Approach" below.</p>		
<p>Charges</p>	<p>Management Fee: Service charge covering all the costs related to investment management and distribution services and which is payable at the end of each month.</p>			<p>Management Fee: Service charge covering all the costs related to investment management and distribution services and which is payable at the end of each month.</p>		
	<p>Share Class & Share Class Currency</p>	<p>Max. Management Fee p.a.</p>	<p>Effective Management Fee p.a.</p>	<p>Share Class & Share Class Currency</p>	<p>Max. Management Fee p.a.</p>	<p>Effective Management Fee p.a.</p>
	<p>N CHF</p>	<p>0.65%</p>	<p>0.22%</p>	<p>HN (hedged) CHF</p>	<p>0.65%</p>	<p>0.40%</p>
	<p>R CHF</p>	<p>0.85%</p>	<p>0.25%</p>	<p>HR (hedged) CHF</p>	<p>0.85%</p>	<p>0.25%</p>
	<p>I CHF</p>	<p>0.425%</p>	<p>0.22%</p>	<p>HI (hedged) CHF</p>	<p>0.425%</p>	<p>0.400%</p>
	<p>B CHF</p>	<p>0.85%</p>	<p>0.34%</p>	<p>H (hedged) CHF</p>	<p>0.85%</p>	<p>0.80%</p>
	<p>A CHF</p>	<p>0.85%</p>	<p>0.34%</p>	<p>AH (hedged) CHF</p>	<p>0.85%</p>	<p>0.80%</p>
	<p>AN CHF</p>	<p>0.65%</p>	<p>0.22%</p>	<p>AHN (hedged) CHF</p>	<p>0.65%</p>	<p>0.40%</p>
<p>In addition, the following rate for the Service Fee, from which the fees for the Management Company, the Depositary, the Administrator and the Domiciliary Agent are</p>			<p>In addition, the following rate for the Service Fee, from which the fees for the Management Company, the Depositary, the Administrator and the Domiciliary Agent are paid, is charged to the</p>			

	<p>paid, is charged to the share class of the Sub-Fund:</p> <p>→ Maximum: 1.0494 % p.a.</p> <p>Other charges and expenses can be charged to the Merging Sub-Fund as described in section 20.4 “Additional fees and costs” of the General Part of the prospectus of the Fund.</p> <p>In addition, commissions may be charged on the issue, redemption and conversion of units.</p> <p>Issuing commission: maximum 5.0%</p> <p>Redemption commission: maximum 0.3%</p> <p>Conversion commission: maximum 1.0%</p>	<p>share class of the Sub-Fund:</p> <p>→ Maximum: 1.0494 % p.a.</p> <p>Other charges and expenses can be charged to the Receiving Sub-Fund as described in section 20.4 “Additional fees and costs” of the General Part of the prospectus of the Fund.</p> <p>In addition, commissions may be charged on the issue, redemption and conversion of units.</p> <p>Issuing commission: maximum 5.0%</p> <p>Redemption commission: maximum 0.3%</p> <p>Conversion commission: maximum 1.0%</p>																												
<p>Performance Fee</p>	<p>The Performance Fee (maximum 20% of outperformance) and the calculation methodology of the Performance Fee of the Merging Sub-Funds and the Receiving Sub-Funds are the same.</p> <p>The Hurdle Rates of the Merging Sub-Funds and the Receiving Sub-Fund are different:</p> <table border="1" data-bbox="437 1070 946 1189"> <tr> <td data-bbox="437 1070 946 1189">ICE BofA SARON Overnight Rate (Ticker: LSF0)+1%</td> <td data-bbox="946 1070 1498 1189">Bloomberg Global Aggregate Index (EUR Hedged)</td> </tr> </table> <p>Shareholders of the Merging Sub-Funds will not continue to benefit from previous High Water Mark of the relevant share classes of the Merging Sub-Funds. These High Water Marks as of the Effective Date will not be kept and not be carried forward to the Receiving Sub-Fund. Therefore, the performance fee of the Merging Sub-Funds will be crystallised as of the Effective Date. The performance fee accrued (if any) will be paid to the Investment Manager as of the Effective Date.</p> <p>The Performance Fee for the investors of the Merging Sub-Fund shall be calculated on the basis of the “High Watermark Principle” and the Hurdle Rate of the Receiving Sub-Fund as from the Effective Date. The first High Water Mark is either identical to the initial issue price of the Share Classes launched on the Effective Date or identical with the High Water Mark of the existing share classes of the Receiving Sub-Fund.</p>		ICE BofA SARON Overnight Rate (Ticker: LSF0)+1%	Bloomberg Global Aggregate Index (EUR Hedged)																										
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<p>Ongoing charges</p>	<table border="1" data-bbox="437 1637 946 1960"> <thead> <tr> <th data-bbox="437 1637 699 1742">Share Class & Share Class Currency</th> <th data-bbox="699 1637 946 1742">Latest Ongoing charges (p.a.)</th> </tr> </thead> <tbody> <tr> <td data-bbox="437 1742 699 1787">N CHF</td> <td data-bbox="699 1742 946 1787">0.56%</td> </tr> <tr> <td data-bbox="437 1787 699 1832">R CHF</td> <td data-bbox="699 1787 946 1832">0.51%</td> </tr> <tr> <td data-bbox="437 1832 699 1877">I CHF</td> <td data-bbox="699 1832 946 1877">0.52%</td> </tr> <tr> <td data-bbox="437 1877 699 1921">B CHF</td> <td data-bbox="699 1877 946 1921">0.68%</td> </tr> <tr> <td data-bbox="437 1921 699 1960">A CHF</td> <td data-bbox="699 1921 946 1960">0.68%</td> </tr> <tr> <td data-bbox="437 1960 699 1960">AN CHF</td> <td data-bbox="699 1960 946 1960">0.56%</td> </tr> </tbody> </table>	Share Class & Share Class Currency	Latest Ongoing charges (p.a.)	N CHF	0.56%	R CHF	0.51%	I CHF	0.52%	B CHF	0.68%	A CHF	0.68%	AN CHF	0.56%	<table border="1" data-bbox="946 1637 1498 1960"> <thead> <tr> <th data-bbox="946 1637 1208 1742">Share Class & Share Class Currency</th> <th data-bbox="1208 1637 1498 1742">Latest Ongoing charges (p.a.)</th> </tr> </thead> <tbody> <tr> <td data-bbox="946 1742 1208 1787">HN (hedged) CHF</td> <td data-bbox="1208 1742 1498 1787">0.69%</td> </tr> <tr> <td data-bbox="946 1787 1208 1832">HR (hedged) CHF</td> <td data-bbox="1208 1787 1498 1832">0.54%</td> </tr> <tr> <td data-bbox="946 1832 1208 1877">HI (hedged) CHF</td> <td data-bbox="1208 1832 1498 1877">0.65%</td> </tr> <tr> <td data-bbox="946 1877 1208 1921">H (hedged) CHF</td> <td data-bbox="1208 1877 1498 1921">1.09%</td> </tr> <tr> <td data-bbox="946 1921 1208 1960">AH (hedged) CHF</td> <td data-bbox="1208 1921 1498 1960">1.09%</td> </tr> <tr> <td data-bbox="946 1960 1208 1960">AHN (hedged) CHF</td> <td data-bbox="1208 1960 1498 1960">0.69%</td> </tr> </tbody> </table>	Share Class & Share Class Currency	Latest Ongoing charges (p.a.)	HN (hedged) CHF	0.69%	HR (hedged) CHF	0.54%	HI (hedged) CHF	0.65%	H (hedged) CHF	1.09%	AH (hedged) CHF	1.09%	AHN (hedged) CHF	0.69%
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<p>Typical investor profile</p>	<p>The Sub-Fund is aimed at private and institutional investors with a medium-term investment horizon, who wish to invest in a broadly diversified portfolio of medium- and long-term fixed and variable interest securities and to achieve a reasonable investment and capital return, while being aware of the associated price fluctuations.</p>	<p>The Sub-Fund is eligible for consideration by investors with a medium-term investment horizon, who wish to invest in a broadly diversified portfolio of medium- and long-term fixed-income securities and who seek to achieve income and capital return. The investors must also be willing to accept investment risks, in particular risks associated with investments in ABS/MBS, corporate securities in investment grade and high yield, CoCo Bonds, emerging market bonds, active currency management and use of derivatives, as well as the ability to withstand volatility.</p>
<p>Summary Risk Indicator (SRI)</p>	<p>SRI: 2 The risk indicator assumes you keep the product for 4 years. We have classified this product as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact our capacity to pay you.</p>	<p>SRI: 3 The risk indicator assumes you keep the product for 4 years. We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact our capacity to pay you.</p>
<p>Risk profile</p>	<p>Investors are advised to read section 7 “Notice Regarding General Risks” of the General Part and should duly note the contents thereof prior to making any investment in the Sub-Fund. Please refer to the details below for information on risks that investments in these Sub-Funds may entail: Leverage is any technique that magnifies exposure to an asset class or to an instrument. Where leverage is applied, the gain is amplified but additionally in the event of losses, the losses are also multiplied compared to the losses if portfolio were unleveraged. Leverage may lead to an increase in volatility of the net asset value of the Sub-Fund and increase the potential for capital losses compared to an unleveraged fund. Investments in higher-yielding and higher-risk bonds are generally considered to be more speculative investments. These bonds typically comprise higher credit risk, higher price fluctuations, a higher risk of capital loss and of ongoing earnings than bonds with a higher credit rating. Higher-yielding, higher-risk bonds are often issued by smaller companies or those that</p>	<p>Investors are advised to read section 7 “Notice Regarding General Risks” of the General Part and should duly note the contents thereof prior to making any investment in the Sub-Fund. Please refer to the details below for information on risks that investments in this Sub-Fund may entail: Leverage is any technique that magnifies exposure to an asset class or to an instrument. Where leverage is applied, the gain is amplified but additionally in the event of losses, the losses are also multiplied compared to the losses if the portfolio were unleveraged. Leverage may lead to an increase in volatility of the net asset value of the Sub-Fund and increase the potential for capital losses compared to an unleveraged fund. Investments in higher-yielding and higher-risk bonds are generally considered to be more speculative investments. These bonds typically comprise higher credit risk, higher price fluctuations, a higher risk of capital loss and of ongoing earnings than bonds with a higher credit rating. Higher-yielding, higher-risk bonds are often issued by smaller companies or those that already have significant levels of debt. Such companies may have more difficulty than larger</p>

	<p>already have significant levels of debt. Such companies may have more difficulty than larger or less heavily indebted companies in making interest and capital payments. Such companies may also be more strongly affected by changing market conditions, such as a weaker economy or higher interest rates.</p> <p>Investments in higher-yielding, higher-risk bonds may also be less liquid than other investments, or the Sub-Fund may only be able to sell such investments at a discount to their actual value.</p> <p>The structure of ABS/MBS and the pools backing them may not be fully transparent and the Sub-Fund may be exposed to greater credit and prepayment risks (extension or contraction risks) depending on which tranche of ABS/MBS is purchased by the Sub-Fund.</p> <p>Contingent convertible bonds (so-called CoCo Bonds) are fixed-income securities with embedded options that financially benefit the issuer, by which a fixed-income security is converted into an equity when certain predetermined conditions are met. Investments in contingent convertible bonds may be adversely impacted depending on the occurrence of specific security features or triggers, linked to regulatory capital minimums, and where the issuer's regulatory authorities express doubts regarding the creditworthiness of the issuer. In such adverse scenarios, the value of such securities could be written down temporarily or permanently and/or coupons cancelled or deferred in order to help the issuer to absorb losses (loss absorption risk). The value of CoCo Bonds could also be unpredictable in the event of such securities being converted into equities at a discounted share price as per pre-determined rules specific to each issue and disclosed in the issuer's prospectus (conversion risk). If the securities are converted into equity following a conversion event, holders would become more sub-ordinated as they become the holder of an equity investment versus holding a debt investment. Further risks of investing in CoCo Bonds are capital structure inversion risk, call extension risk</p>	<p>or less heavily indebted companies in making interest and capital payments. Such companies may also be more strongly affected by changing market conditions, such as a weaker economy or higher interest rates.</p> <p>Investments in higher-yielding, higher-risk bonds may also be less liquid than other investments, or the Sub-Fund may only be able to sell such investments at a discount to their actual value. The structure of ABS/MBS and the pools backing them may not be fully transparent and the Sub-Fund may be exposed to greater credit and prepayment risks (extension or contraction risks) depending on which tranche of ABS/MBS is purchased by the Sub-Fund.</p> <p>Contingent convertible bonds (so-called CoCo Bonds) are fixed-income securities with embedded options that financially benefit the issuer, by which a fixed-income security is converted into an equity when certain pre-determined conditions are met. Investments in contingent convertible bonds may be adversely impacted depending on the occurrence of specific security features or triggers, linked to regulatory capital minimums, and where the issuer's regulatory authorities express doubts regarding the creditworthiness of the issuer. In such adverse scenarios, the value of such securities could be written down temporarily or permanently and/or coupons cancelled or deferred in order to help the issuer to absorb losses (loss absorption risk). The value of CoCo Bonds could also be unpredictable in the event of such securities being converted into equities at a discounted share price as per pre-determined rules specific to each issue and disclosed in the issuer's prospectus (conversion risk). If the securities are converted into equity following a conversion event, holders would become more sub-ordinated as they become the holder of an equity investment versus holding a debt investment. Further risks of investing in CoCo Bonds are capital structure inversion risk, call extension risk and liquidity risk.</p> <p>Distressed securities are the securities of issuers that are in financial distress or near bankruptcy, typically with a Standard & Poor's rating below CCC- (or an equivalent rating from another rating agency). Investments in distressed securities are very speculative and carry a significant risk of capital loss.</p>
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	<p>and liquidity risk.</p> <p>Distressed securities are the securities of issuers that are in financial distress or near bankruptcy, typically with a Standard & Poor's rating below CCC- (or an equivalent rating from another rating agency).</p> <p>Investments in distressed securities are very speculative and carry a significant risk of capital loss.</p> <p>Investors are strongly advised to consult the General Part of the Prospectus for a more detailed description of the risks of investing in CoCo Bonds and distressed securities. In case of doubts, the investors are advised to consult their own financial, legal and/or tax consultant.</p> <p>Liquidity risk refers to the inability of a Sub-Fund to sell a security or liquidate a position at its fair value. A common consequence of reduced liquidity of a security or position is an additional discount on the price to sell or liquidate a position that may lead to a wider bid-ask spread as compared to the bid-ask spread for more liquid securities. In addition, reduced liquidity may have an adverse impact on the ability of the Sub-Fund to meet redemption requests, or to meet liquidity needs in response to a specific economic event in a timely manner. Liquidity risk may increase in the context of derivative transactions where positions may need to be liquidated to post additional collateral to a counterparty e.g. to meet a margin call, following asset price movements. Such liquidity demands may arise regardless of whether a derivative is being used to increase expo-sure or to hedge risks.</p> <p>Currency trading is highly speculative and is strongly dependent on the skills of the Investment Manager to correctly fore-cast the evolution of various currencies. If such forecasts in respect of the relevant currency pair prove to be inaccurate, the Sub-Fund suffers a loss. Active currency trading can therefore lead to substantial losses.</p> <p>Volatility trading is very speculative and is strongly dependent on the skills of the Investment Manager to forecast both future realized market volatility and option-implied volatility. If such forecasts prove to be inaccurate, the Sub-Fund suffers a loss.</p>	<p>Investors are strongly advised to consult the General Part of the Prospectus for a more detailed description of the risks of investing in CoCo Bonds and distressed securities. In case of doubts, the investors are advised to consult their own financial, legal and/or tax consultant.</p> <p>Liquidity risk refers to the inability of a Sub-Fund to sell a security or liquidate a position at its fair value. A common consequence of reduced liquidity of a security or position is an additional discount on the price to sell or liquidate a position that may lead to a wider bid-ask spread as compared to the bid-ask spread for more liquid securities. In addition, reduced liquidity may have an adverse impact on the ability of the Sub-Fund to meet redemption requests, or to meet liquidity needs in response to a specific economic event in a timely manner. Liquidity risk may increase in the context of derivative transactions where positions may need to be liquidated to post additional collateral to a counterparty e.g. to meet a margin call, following asset price movements. Such liquidity demands may arise regardless of whether a derivative is being used to increase expo-sure or to hedge risks.</p> <p>The investments in the emerging markets may be adversely affected by political developments, changes in local laws, taxes and exchange controls in those countries as well as by weaknesses in the settlement processes.</p> <p>Currency trading is highly speculative and is strongly dependent on the skills of the Investment Manager to correctly fore-cast the evolution of various currencies. If such forecasts in respect of the relevant currency pair prove to be inaccurate, the Sub-Fund suffers a loss. Active currency trading can therefore lead to substantial losses.</p> <p>Volatility trading is very speculative and is strongly dependent on the skills of the Investment Manager to forecast both future realized market volatility and option-implied volatility. If such forecasts prove to be inaccurate, the Sub-Fund suffers a loss. Active volatility trading can therefore lead to substantial losses.</p> <p>Investments in bonds are subject to price fluctuations at all times. Investments in foreign currencies are also subject to currency fluctuations.</p>
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	<p>Active volatility trading can therefore lead to substantial losses.</p> <p>Investments in bonds are subject to price fluctuations at all times. Investments in foreign currencies are also subject to currency fluctuations.</p> <p>The Sub-Fund's investments may be subject to Sustainability Risks.</p> <p>The Investment Manager's integration of Sustainability Risks in the investment decision-making process is reflected in its Sustainable Investing and Advisory policy. The Sub-Fund has recourse to either internal and/or external ESG research and integrates financially material Sustainability Risks into its investment decision-making processes. More information on the Sustainable Investing and Advisory policy, and on how the Sustainable Investing and Advisory policy is implemented in this Sub-Fund may be obtained from vontobel.com/SFDR.</p> <p>Main methodological limits</p> <p>In assessing the eligibility of an issuer based on ESG research, there is a dependence upon information and data from third party ESG research data providers and internal analyses which may be based on certain assumptions or hypothesis that render it incomplete or inaccurate. As a result, there is a risk of inaccurately assessing a security or issuer. There is also a risk that the Investment Manager may not apply the relevant criteria of the ESG research correctly or that the Sub-Fund could have indirect exposure to issuers who do not meet the relevant criteria. These risks pose a main methodological limit to the Sustainability strategy of the Sub-Fund.</p> <p>Neither the Fund, nor the Management Company nor the Investment Manager make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of an assessment of ESG research and the correct execution of the Sustainability ESG strategy.</p> <p>The Sustainability Risks that the Sub-Fund may be subject to are likely to have a low impact on the value of the Sub-Fund's investments in the medium to long term due</p>	<p>The Sub-Fund's investments may be subject to Sustainability Risks.</p> <p>The Investment Manager's integration of Sustainability Risks in the investment decision-making process is reflected in its Sustainable Investing and Advisory policy. The Sub-Fund has recourse to either internal and/or external ESG research and integrates financially material Sustainability Risks into its investment decision-making processes. More information on the Sustainable Investing and Advisory policy, and on how the Sustainable Investing and Advisory policy is implemented in this Sub-Fund may be obtained from vontobel.com/SFDR.</p> <p>Main methodological limits</p> <p>In assessing the eligibility of an issuer based on ESG research, there is a dependence upon information and data from third party ESG research data providers and internal analyses which may be based on certain assumptions or hypothesis that render it incomplete or inaccurate. As a result, there is a risk of inaccurately assessing a security or issuer.</p> <p>There is also a risk that the Investment Manager may not apply the relevant criteria of the ESG research correctly or that the Sub-Fund could have indirect exposure to issuers who do not meet the relevant criteria. These risks pose a main methodological limit to the Sustainability strategy of the Sub-Fund.</p> <p>Neither the Fund, nor the Management Company nor the Investment Manager make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of an assessment of ESG research and the correct execution of the Sustainability ESG strategy.</p> <p>The Sustainability Risks that the Sub-Fund may be subject to are likely to have a low impact on the value of the Sub-Fund's investments in the medium to long term due to the mitigating nature of the Sub-Fund's ESG approach.</p>
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	<p>to the mitigating nature of the Sub-Fund's ESG approach.</p>	
<p>Risk measurement approach</p>	<p>The Sub-Fund shall apply the absolute value at risk method (absolute VaR) to determine the global risk entailed in its investments.</p> <p>The global risk for the Sub-Fund will not at any time exceed 20% of the Sub-Fund's net assets.</p> <p>The leverage achieved for investment purposes in the Sub-Fund through the use of derivative financial instruments is calculated using the notional approach. The average leverage achieved over the course of the year is expected to be around 500% or less of the net assets of the Sub-Fund. However, the actual leverage achieved on average may be above or below this value.</p> <p>Also, it is to be noted that the levels of leverage might vary quite significantly over time depending on market environment, where the Investment Manager may decide to increase the Sub-Fund's use of derivatives either to hedge market risks or benefit from investment opportunities.</p> <p>Although this value must be stated, it does not permit any meaningful inference to be drawn as to the risk generated by the leverage.</p>	<p>The global risk resulting from the Sub-Fund's investments is determined using the absolute value at risk method (absolute VaR).</p> <p>The risk measure will not exceed 20% of the net assets of the Sub-Fund.</p> <p>The leverage achieved for investment purposes in the Sub-Fund through the use of derivative financial instruments is calculated using the notional approach. The sum of notionals leverage achieved over the course of the year is expected to be around 500% or less of the net assets of the Sub-Fund. However, the actual sum of notionals leverage achieved on average may be above or below this value.</p> <p>Average leverage may further arise from so-called relative value trades. In these types of trades long positions in securities or eligible derivatives are combined with short positions in eligible derivatives to achieve a net gain via relative price appreciation of the underlying long asset and relative price depreciation of the underlying short position. Where such strategies are implemented through underlying instruments that normally exhibit a low level of volatility, such as fixed-income securities, larger notional position sizes may be entered into by the Investment Manager which, in turn, may result in higher levels of average leverage.</p> <p>It should also be noted that the levels of the sum of notionals leverage might vary quite significantly over time depending on market environment, where the Investment Manager may decide to increase the Sub-Fund's use of derivatives either to hedge market risks or benefit from investment opportunities. Although this value must be stated, it does not permit any meaningful inference to be drawn as to the risk generated by the leverage.</p>
<p>Portfolio rebalancing</p>	<p>Before the Merger, the Investment Manager intends to rebalance the Merging Sub-Fund's portfolio to better align it to the investment policy of the Receiving Sub-Fund. These adjustments might entail transaction costs.</p>	

Single Swing Pricing	Swing Pricing: Yes Maximum Single Swing Pricing Factor: 1.00% Currently applicable Single Swing Pricing Factor: 0.45%	Swing Pricing: Yes Maximum Single Swing Pricing Factor: 1.00% Currently applicable Single Swing Pricing Factor: 0.65%
Distribution countries	AT (Austria) CH (Switzerland) DE (Germany) ES (Spain) GB (United Kingdom) IT (Italy) LI (Liechtenstein) LU (Luxembourg) NL (Netherlands) PT (Portugal) SE (Sweden) SG (Singapore) (institutional investors only)	AT (Austria) CH (Switzerland) DE (Germany) ES (Spain) FI (Finland) FR (France) GB (United Kingdom) IT (Italy) LI (Liechtenstein) LU (Luxembourg) NL (Netherlands) NO (Norway) PT (Portugal) SE (Sweden) SG (Singapore) (institutional investors only)
Minimum initial subscription and holding amount	Not applicable.	Not applicable.
Cut-off	Subscription applications, redemption requests and conversion requests can be sent by fax, by post or by any other communication means accepted by the Administrator and must be received by the Administrator, one of the Fund's distributor or any other duly appointed agent of the Fund on a Business Day before 3.45 p.m. Luxembourg time. The orders received after the relevant cut-off time on any given Business Day shall be deemed to be received on the following Business Day.	
Valuation Day	Daily, normally on each banking day in Luxembourg.	

Settlement Day	The subscription price, including Subscription Fee, taxes, commissions and other fees, where applicable, must have been paid onto the relevant Fund's account within three (3) Business Days following the Subscription Day. The redemption price shall normally be paid no later than three (3) Business Days after the Redemption Day. The Conversion price, if any, must be received by the Depositary of the Fund no later than three (3) Business Days after the Conversion Day.	
Subscription, Redemption and Conversion Fee	The Subscription Fee may amount up to 5% of the net asset value per share. The Redemption Fee may amount up to 0.3% of the net asset value per share. The Conversion Fee may amount up to 1% of the net asset value per share.	
Use of benchmark	The Sub-Fund is actively managed and is not managed with reference to a benchmark.	The Sub-Fund is actively managed. Its benchmark is the Bloomberg Global Aggregate Index (EUR Hedged), which is also used to compare the performance of the Sub-Fund. For the purpose of performance comparison for hedged share classes, a hedged variant of the benchmark in the relevant share class currency may be used.

3. EXCHANGE OF THE SHARES

Investors of the Merging Sub-Fund will receive shares in the same currency in the Receiving Sub-Fund in exchange for all the shares they hold in the Merging Sub-Fund.

The exchange ratio will be calculated on the basis of the net asset value of the Share Classes of the Merging Sub-Fund and the corresponding net asset value of the Share Classes of the Receiving Sub-Fund as of the Effective Date. The following methods will be applied:

1. The exchange ratio will be calculated according to the following formula:

$$X_n = (Y_n \times W_n) / Z_n$$

X_n = Number of shares in the given share class of the Receiving Sub-Fund to be allocated to the investors of the Merging Sub-Fund.

Y_n = Net asset value as of 4 March 2024, per share of the given share class of the Merging Sub-Fund.

W_n = Number of shares issued for the given share class of the Merging Sub-Fund on 4 March 2024.

Z_n = Net asset value per share of the share class of the Receiving Sub-Fund as of 4 March 2024.

The number and price of shares to be received by Investors of the Merging Sub-Fund in the Receiving Sub-Fund may therefore be different, but the overall investment will remain the same.

Investors in the Merging Sub-Fund will not receive any cash payments.

2. Securities identification numbers (ISIN)

The securities identification numbers of the Merging Sub-Fund's Share Classes will be replaced by the securities identification number of the Share Classes of the Receiving Sub-Fund as set out in Appendix 1.

4. OPTION TO REDEEM SHARES IN THE MERGING SUB-FUND WITHOUT CHARGE

In accordance with Article 73 (1) of the 2010 Law, investors in the Merging Sub-Fund have the right to request the redemption of their shares without additional costs.

Redemption applications are to be submitted by 3.45 p.m. (Luxembourg time) on 26 February 2024 at the latest, otherwise investors will participate in the Merger.

In accordance with the provisions of Chapter 8 of the 2010 Law, the redemption, conversion, issue and exchange of shares in the Merging Sub-Fund will be suspended after 26 February 2024, 3.45 p.m. (Luxembourg time) until 4 March 2024, 3.45 p.m. Incoming subscription, conversion and redemption orders for the Merging Sub-Funds and the Receiving Sub-Fund will be rejected during this period of time. Investors may re-submit rejected orders after the Merger, i.e. after 4 March 2024, 3.45 p.m., when subscription, conversion and redemption orders for the Receiving Sub-Fund will be processed again.

5. CONDITIONS

Investors in the Merging Sub-Fund, who do not redeem their shares in accordance with section 4, will receive shares in the same currency in the Receiving Sub-Fund in exchange for all the shares they hold in the Merging Sub-Fund as set out in Appendix 1.

The exchange ratio will be calculated on the basis of the net asset value as of the Effective Date of the Share Classes of the Merging Sub-Fund and the corresponding net asset value of the Share Classes of the Receiving Sub-Fund. The exchange ratios will be calculated using the methods described under section 3.

The Merger will become effective in accordance with the merger proposal as of 4 March 2024. The net asset value as of 4 March 2024 will be calculated on 5 March 2024 in order to determine the exchange ratio set out in section 3.

Investors in the Merging Sub-Fund will not receive any cash payments.

All assets and liabilities of the Merging Sub-Funds will be valued as at the Effective Date as set out in the consolidated Articles of Association and the Fund's Sales Prospectus.

The Merging Sub-Fund's liabilities include unpaid fees which are due and costs reflected in the net assets of the Merging Sub-Fund.

6. MERGER COSTS

The legal, advisory or administrative costs incurred in connection with the preparation and execution of this Merger will not be charged to the Merging Sub-Fund. Any such costs will be borne by the Management Company.

7. TAX IMPACT

The Merger will not subject the Merging Sub-Fund, the Receiving Sub-Fund or the Fund to taxation in Luxembourg.

Investors may however be subject to taxation in their tax domiciles or other jurisdictions where they pay taxes.

Notwithstanding the above and as taxation regimes differ widely from country to country, investors are advised to consult their tax advisers as to the tax implications of the Merger specific to their individual cases.

8. DOCUMENTS AND INFORMATION RELATING TO THE MERGER

Capitalised terms used, but not specifically defined in this notification shall have the same meaning given to such term in the Fund's Sales Prospectus.

A current version of the Fund's Sales Prospectus is available at the Fund's registered office, together with the

audit report, confirmation from the Depositary and the Key Information Documents for all Share Classes affected as well as further information on the Merger free of charge.

Investors are advised to read the enclosed Key Information Documents of the Receiving Sub-Fund. The Key Information Documents for all Share Classes affected and further information on the Merger are also available at vontobel.com/am.

Investors should consult their own financial, legal and/or tax advisors should they have any questions regarding the Merger.

Yours sincerely,

On behalf of the Board of Directors

Appendixes:

- Share Classes of the Merging Sub-Fund and the Receiving Sub-Fund
- Key Information Documents

Appendix 1

Share Classes of the Merging Sub-Fund			Share Classes of the Receiving Sub-Fund		
Share Class & Share Class Currency	Application Of Income	ISIN	Share Class & Share Class Currency	Application Of Income	ISIN
N CHF	Accumulation	LU1683480377	HN (hedged) CHF	Accumulation	LU1683482159
R CHF	Accumulation	LU0420004698	HR (hedged) CHF	Accumulation	LU2054205922
I CHF	Accumulation	LU0278084842	HI (hedged) CHF	Accumulation	LU2269201021
B CHF	Accumulation	LU0218909108	H (hedged) CHF	Accumulation	LU1181655199
A CHF	Distribution (annually)	LU0218908985	AH (hedged) CHF	Distribution (annually)	LU2702256913
AN CHF	Distribution (annually)	LU1683482746	AHN (hedged) CHF	Distribution (annually)	LU2702256830

The subscription currency (CHF) of the Share Class is always hedged against the reference currency (EUR) of the Receiving Sub-Fund. However, the extent of the hedge may slightly fluctuate around the full hedge level.

Appendix 2

Key Information Documents