

VONTOBEL FUND II
Investment company with variable capital
11-13, Boulevard de la Foire, L-1528 Luxembourg
RCS Luxembourg B131432
(the "Fund")

Luxembourg, 30 June 2020

NOTIFICATION TO SHAREHOLDERS

The board of directors of the Fund (the "Board of Directors") wishes to inform you of a number of changes to the Fund's prospectus (the "Prospectus") which are outlined below:

I. Restatement of the description of the sub-fund Vontobel Fund II – Vescore Active Beta Opportunities (the "Sub-Fund"), its investor profile and change of the calculation methodology of the global exposure

Until 6 August 2020:	As from 7 August 2020:
<p>1 Reference currency</p> <p>EUR</p> <p>2 Investment Objective</p> <p>Vontobel Fund II – Vescore Active Beta Opportunities (the "Sub-Fund") aims to achieve the highest possible capital appreciation.</p> <p>3 Investment Policy</p> <p>The Sub-Fund may acquire the following assets in accordance with 9.1 of the General Part of this Sales Prospectus:</p> <ul style="list-style-type: none"> • Securities; • Money market instruments; • Bank deposits; • Units of UCITS and/or other UCIs and • Derivative financial instruments (derivatives). <p>The Sub-Fund may further acquire so-called other investment instruments in accordance with section 9.2 of the General Part of this Sales Prospectus.</p> <p>The Sub-Fund is composed of at least 51% debt securities and money market instruments with an investment grade rating.</p>	<p>1 Reference currency</p> <p>EUR</p> <p>2 Investment Objective</p> <p>Vontobel Fund II – Vescore Active Beta Opportunities (the "Sub-Fund") aims to achieve a consistent absolute capital appreciation.</p> <p>3 Investment Policy</p> <p>While respecting the principle of risk diversification, the Sub-Fund shall build up an exposure to equity markets, to bond markets, to money markets and to commodity markets as well as to volatility.</p> <p>This exposure to the above markets and asset classes can be achieved either directly by inter alia purchasing equities or equity-like instruments (such as participation certificates), bonds, notes or similar fixed-interest or floating-rate securities and money market instruments or indirectly via derivatives, traded on exchanges or over-the-counter, or via other collective investment schemes, including exchange traded funds.</p> <p>Exposure to commodities may be only indirect via eligible investment funds and derivatives whose underlyings are eligible indices or structured products.</p>

<p>The Sub-Fund may invest more than 35% of its net assets in debt instruments and money market instruments of the Federal Republic of Germany.</p> <p>The Sub-Fund implements an investment strategy, which should actively manage the exposure to market risk (so-called “beta risk”) of the asset classes equities, bonds, commodities and volatility over time. Risk premiums represent the long-term investor compensation from the assumption of beta risk in different asset classes. The actual realization of risk premiums fluctuates in the short-term. Through the use of active exposure management to beta risk, the Sub-Fund should take advantage of opportunities arising from the variability of risk premia over time. Through a broad diversification across several identified risk premiums, a generally more stable performance over all market phases should be achieved. Based on a bond portfolio as a basic investment, the use of derivatives builds a dynamic exposure to the risk premiums of the mentioned asset classes in expectation of a positive return. Volatility will be mapped by using options. Exposure to commodities will be built up by using (i) one or more swaps on eligible commodity indices and/or (ii) eligible UCITS and/or other UCIs. Risk management is intended to limit a possible negative contribution from individual investments.</p> <p>The weighting and consideration of investment policy criteria may vary and result in complete disregard or significant overvaluation of one or more criteria. The criteria are neither concluding nor complete, so that in addition other criteria not mentioned here can be used, in particular to take into account future developments.</p> <p>Due to the proposed investment policy, the frequency of turnover in the fund can fluctuate greatly (and thus trigger different levels of burdens on the fund with transaction costs over time).</p> <p>The Sub-Fund currency is Euro.</p> <p>The Sub-Fund may hold up to 49% of its net assets in cash and/or bank deposits.</p>	<p>The exposure of the Sub-Fund to the equity markets, the bond markets and commodity markets shall amount to at least 51% of the net assets of the Sub-Fund.</p> <p>Volatility shall only be traded through derivatives.</p> <p>The Sub-Fund implements an investment strategy which aims to actively manage the exposure to market risk (so-called “beta risk”) of the asset classes equities, bonds, commodities and volatility over time. Risk premiums represent the long-term investor compensation from the assumption of beta risk in different asset classes. The actual realization of risk premiums fluctuates in the short-term. Through the use of active exposure management to beta risk, the Sub-Fund seeks to take advantage of opportunities arising from the variability of risk premia over time. Through a broad diversification across several identified risk premiums, the aim is to achieve a generally more stable performance over all market phases. Based on a bond portfolio as a basic investment, the use of derivatives builds a dynamic exposure to the risk premiums of the mentioned asset classes with the aim of achieving a positive return. Exposure to commodities will be built up by using (i) one or more swaps on eligible commodity indices or structured products and/or (ii) eligible UCITS and/or other UCIs. Risk management is intended to limit a possible negative contribution from individual investments.</p> <p>The weighting and consideration of investment policy criteria may vary and result in complete disregard or significant overvaluation of one or more criteria. The criteria are neither conclusive nor complete, so that in addition other criteria not mentioned here may be used, in particular to take into account future developments.</p> <p>The Sub-Fund may hold ancillary liquid assets in form of cash or deposits.</p> <p>Up to 10% of the Sub-Funds’ net assets may be invested in eligible UCITS and/or other UCIs.</p> <p>The Sub-Fund may enter into eligible derivative financial instruments as part of</p>
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<p>Up to 10% of the Sub-Funds' net assets may be invested in eligible UCITS and/or other UCIs.</p> <p>The Sub-Fund may enter into eligible derivative as part of the investment strategy for hedging purposes, for efficient portfolio management and to generate additional income, i.e. also for speculative purposes.</p> <p>The Sub-Fund may invest in any derivatives, subject to an appropriate risk management system. The condition is that the derivatives are derived from instruments that may be acquired for the Sub-Fund or from the following underlying assets:</p> <ul style="list-style-type: none"> • interest rates • Exchange rates • Currencies • Eligible financial indices that are sufficiently diversified, provide an adequate benchmark for the market to which they relate and are published in an appropriate manner. <p>These derivatives include, in particular, options, financial futures and swaps, as well as combinations thereof.</p> <p>There can be no assurance that the objectives of the investment policy will be achieved. In particular, there can be no assurance that the investor will receive back all of the assets invested in the Fund.</p> <p>4 Total Return Swaps</p> <p>The Sub-Fund may enter into one or more total return swaps ("TRS") to gain exposure to asset classes as specified above. The use of TRS forms an important part of the investment approach of the Sub-Fund and can also serve hedging purposes.</p> <p>Types of underlyings to TRS may include equities, equity-like transferable securities, participation certificates, eligible financial indices or eligible structured products on commodities or volatility, bonds and money market instruments.</p> <p>The Sub-Fund exposure to TRS expressed as the sum of notionals is expected to range between 30% and 60% of the net assets of</p>	<p>the investment strategy and to generate additional income, i.e. for speculative purposes.</p> <p>These derivatives include, in particular, options, financial futures and swaps, as well as combinations thereof.</p> <p>The derivatives may also be used for hedging purposes.</p> <p>4 Total Return Swaps</p> <p>The Sub-Fund may enter into one or more total return swaps ("TRS") to gain exposure to asset classes as specified above. The use of TRS forms an important part of the investment approach of the Sub-Fund and may also be used for hedging purposes.</p> <p>Types of underlyings to TRS may include equities, equity-like transferable securities, participation certificates, eligible financial indices or eligible structured products on commodities or volatility, bonds and money market instruments.</p> <p>The Sub-Fund exposure to TRS expressed as the sum of notionals is expected to range between 0% to 60% of the net assets of the Sub-Fund. In cases where this range is</p>
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the Sub-Fund. In cases where this range is exceeded, exposures should remain below 80%.

All revenues (less transaction costs) from TRS are accrued to the Sub-Fund.

5 Fees, expenses and commissions

The fees and expenses that may be charged to the Share Classes of the Sub-Fund are described in section 20 "Fees and expenses" of the General Part and further information is available in the Schedule.

6 Benchmark

The benchmark used for the Sub-Fund is the EURIBOR® 3M-TR (EUR). The Benchmark Index for the Sub-Fund is determined by the Management Company and may be amended, if necessary. However, the Sub-Fund does not aim to replicate the benchmark index but seeks to achieve absolute performance independent of the benchmark index.

7 Subscription, Redemption and Conversion of Shares

Shares of the Sub-Fund may be purchased upon notice to the distributor or to the Administrator on any Business Day (= the "Purchase Date"), unless the calculation of the NAV has been temporarily postponed or the subscription requests cannot be temporarily served in accordance with chapter 16 in the General Part. The Shares are purchased at the net asset value per Share of the relevant Class of Shares of the Sub-Fund plus any applicable Sales Charge. Investors must give notice to the Administrator not later than 12:00 (noon) Luxembourg time on the Purchase Date (the cut-off time). The purchase price is calculated on the Valuation Date that is two Business Days following the Purchase Date and is based on the closing prices of the Business Day immediately following the Purchase Date. The purchase price must be received by the Depositary on the next Business Day after the Valuation Date, at the latest.

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Shares of the Sub-Fund may be redeemed upon notice to the distributor or to the

<p>Administrator on any Redemption Date, unless the calculation of the NAV has been temporarily postponed or the redemption requests cannot be temporarily served in accordance with chapter 16 in the General Part. The Shares are redeemed at the net asset value per Share of the relevant Class of Shares of the Sub-Fund minus any applicable Redemption Charge.</p> <p>Investors must give notice to the Administrator not later than 12:00 (noon) Luxembourg time on the Redemption Date (the cut-off time). The redemption price is calculated on the Valuation Date that is two Business Days following the Redemption Date and is based on the closing prices of the Business Day immediately following the Redemption Date. The Fund intends to pay redemption proceeds on the next Business Day after the Valuation Date.</p> <p>These provisions apply to the conversion of shares mutatis mutandis.</p> <p>8 Typical investor profile</p> <p>The Sub-Fund is designed for investors who already have some experience with financial markets. The investor must be prepared and able to accept fluctuations in the value of the units and, if necessary, a significant loss of capital. This Sub-Fund may not be suitable for investors who wish to withdraw their money from the Sub-Fund within a period of less than 3 years. The assessment of the Company does not constitute investment advice, but is intended to give the investor a first indication of whether the Sub-Fund complies with its investment experience, risk appetite and investment horizon.</p> <p>9 Risk Factors</p> <p>Investors are advised to read section 7 "Risk Considerations" of the General Part and should duly note the contents thereof prior to making any investment in the Sub-Fund.</p> <p>The performance of the Fund is influenced in particular by the following factors that give rise to opportunities and risks:</p> <ul style="list-style-type: none"> • Development on the international stock markets. 	<p>Administrator on any Redemption Date, unless the calculation of the NAV has been temporarily postponed or the redemption requests cannot be temporarily served in accordance with chapter 16 in the General Part. The Shares are redeemed at the net asset value per Share of the relevant Class of Shares of the Sub-Fund minus any applicable Redemption Charge.</p> <p>Investors must give notice to the Administrator not later than 12:00 (noon) Luxembourg time on the Redemption Date (the cut-off time). The redemption price is calculated on the Valuation Date that is two Business Days following the Redemption Date and is based on the closing prices of the Business Day immediately following the Redemption Date. The Fund intends to pay redemption proceeds on the next Business Day after the Valuation Date.</p> <p>These provisions apply to the conversion of shares mutatis mutandis.</p> <p>7 Typical investor profile</p> <p>This Sub-Fund is aimed at private and institutional investors with a long-term investment horizon who wish to achieve a consistent absolute capital appreciation over the longer term.</p> <p>8 Risk Factors</p> <p>Investors are advised to read section 7 "Risk Considerations" of the General Part and should duly note the contents thereof prior to making any investment in the Sub-Fund.</p> <p>There can be no assurance that the objectives of the investment policy will be achieved. In particular, there can be no assurance that the investor will receive back all of the assets invested in the Sub-Fund.</p>
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<ul style="list-style-type: none"> • Development on the international futures markets. • Development in the international currency markets. • Company-specific developments. • Exchange rate movements of non-euro currencies against the euro. • Yield changes or price developments on the bond markets. • Development of yield differentials between government and corporate bonds (spread development). • The Fund may temporarily focus its investments more or less strongly on specific sectors, countries or market segments. This can also result in opportunities and risks. • The fund has increased volatility due to its composition and investment policy, i.e. share prices may be subject to significant upward and downward fluctuations within a short period of time. <p>The use of derivatives for investment purposes may have a substantial leverage effect magnifying gains but also having a magnification effect in case of loss.</p> <p>10 Risk Classification</p> <p>The Sub-Fund will apply the relative value at risk method (relative VaR) to determine the global risk entailed in its investments.</p> <p>The risk measure will not exceed double the value of the Sub-Fund's reference portfolio. The reference portfolio consists mainly of equities (MSCI World (EUR)) and bonds (JP Morgan Global Govt Bond Euro).</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. Also, it is to be noted that the levels of leverage might vary quite significantly over time depending on market environment,</p>	<p>Investments in bonds, equities and commodities are subject to price fluctuations at all times.</p> <p>The fund has increased volatility due to its composition and investment policy, i.e. share prices may be subject to significant upward and downward fluctuations within a short period of time.</p> <p>The use of derivatives for investment purposes may have a substantial leverage effect magnifying gains but also having a magnification effect in case of loss.</p> <p>9 Risk Classification</p> <p>The Sub-Fund will apply the absolute value at risk method (absolute VaR) to determine the global risk entailed in its investments.</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. 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. Although this value must be stated, it does not permit any meaningful inference to be</p>
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<p>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>11 Historical performance</p> <p>The performance for each share class of this Sub-Fund can be found in the respective KIID. KIIDs can be obtained from the registered office of the Fund and at vontobel.com/am.</p>	<p>drawn as to the risk generated by the leverage.</p> <p>10 Historical performance</p> <p>The performance for each share class of this Sub-Fund can be found in the respective KIID. KIIDs can be obtained from the registered office of the Fund and at vontobel.com/am.</p>
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Vontobel Asset Management S.A., Munich Branch further appointed Vontobel Asset Management AG, Gotthardstrasse 43, 8002 Zurich, Switzerland, as Sub-Investment Manager for the Sub-Fund effective as of 7 August 2020.

Investors affected by the changes specified here above who do not agree to the changes described above may redeem their shares free of charge until 12.00 (noon) Luxembourg time on 5 August 2020 via the Fund's administrator, distributors and other offices authorized to accept redemption applications.

II. Change of fee information regarding the rendering of services for exercising membership rights fees for Vontobel Fund II – mtX Sustainable Emerging Markets Leaders X

The exercise of membership rights associated with the investments of the sub-fund Vontobel Fund II – mtX Sustainable Emerging Markets Leaders X (the "Sub-Fund") is delegated to Hermes Equity Ownership Services Limited ("Hermes").

Hermes receives fees for its services that were estimated at approximately GBP 15,0000,- per annum. Such estimation shall be expressed in terms of percentage of the net asset value and thus will be amended to 0.05% per annum of the net asset value of the Sub-Fund. Depending on the extend of the activities of Hermes, the actual fees charged to the Sub-Fund in a business year may be above or below the estimated amount.

This amended indication estimated fees does not result in any change of the investment objective, investment policy or investment strategy of the Sub-Fund.

This change will be effective as of 7th August 2020.

III. Miscellaneous

The new version of the Prospectus further contains various updates and clarifications.

In particular, section 21 (Taxation) has been updated and the mechanism for swing pricing has been described in more detail, including but not limited to, the rationale for applying this mechanism, the potential benefits for shareholders, further details on the NAV adjustment mechanism in case of relevant net subscriptions and net redemptions as well as the impacts of using the single swing pricing, particularly on subscribing and redeeming investors.

Furthermore the description of the S share class was amended by adding that fees are charged directly by the company in the Vontobel Group to the investor under the required corresponding agreement between the investor and the relevant company in the Vontobel Group (which includes the management company of the Fund). This change does not have an adverse impact on the existing shareholders of the share class.

These changes are effective as of 30 June 2020.

Investors are advised to consult their own legal, financial and/or tax advisors if they have any questions regarding the above changes.

The current version of the Prospectus may be obtained free of charge from the registered office of the Fund or from the Fund's distributors.

The Board of Directors