Vontobel Fund – Emerging Markets Equity

Quarterly commentary 2Q 2024

Key Takeaways

− Emerging markets equities generated positive returns in the second quarter despite divergence across countries as elections created volatility in India and Mexico, exports drove growth in Asia's tech-focused economies, and China took steps to revive its housing market. The Vontobel Fund – Emerging Markets Equity generated positive returns but underperformed the MSCI Emerging Markets Index.

− An overweight to consumer staples combined with stock selection in the sector was the largest detractor from relative performance. Additionally, stock selection in financials detracted from relative returns. On the positive side, stock selection in communication services was the largest contributor to relative performance, followed by an overweight to information technology combined with stock selection in the sector.

− Prime Minister Narendra Modi ultimately declared victory in the recent Indian election with the help of coalition partners. The BJP retained control of all key ministries, which we believe will ensure the continuation of Modi's push for infrastructure development across roads, railways, energy, and manufacturing. We believe this should provide stability to the government's agenda, which should bode well for businesses driven by the infrastructure momentum.

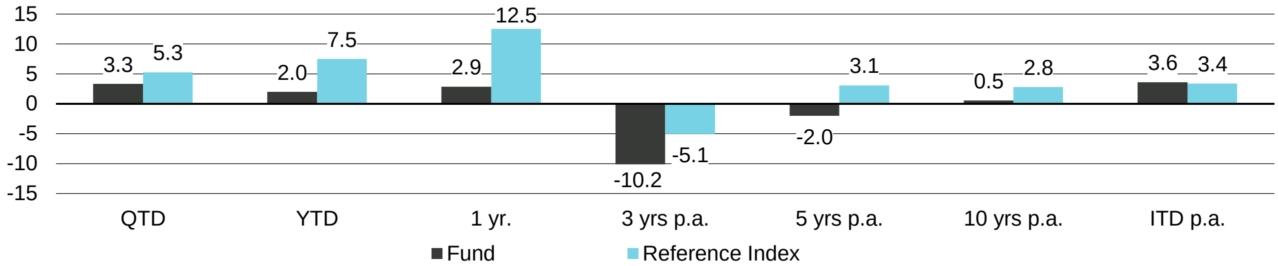
− While China's stimulus has been supportive, recent policy initiatives are too small to make the impact required to revive its property market. We remain cautious on the property, banking, infrastructure, and commodity sectors in China. Instead, we favor companies focused on lower-end consumption in the consumer staples and hospitality sectors, and we continue to be positive on leading names in gaming.

− Given the exuberance around AI, our view is generally positive on the incremental demand growth driven by AI applications, and the resultant demand for high-end semiconductors. Taking a three-to-five-year view, we think risks include over-investment and the potential that a material part of the demand for AI and GPU usage has been pulled forward, but currently the growth risks remain to the upside. We seek businesses with strong competitive advantages, high returns on capital, and predictability through the cycle. This predictability element also means that the core demand levels for technology companies outside of AI should be supportive, and AI-related demand should provide incremental upside. We remain cautious on businesses that are primarily driven by AI.

Fund characteristics

Share class	Vontobel Fund – Emerging Markets Equity I (ISIN LU0278093082)
Reference index	MSCI Emerging Markets TR net
Currency	USD
Inception date	30.3.2007
Reporting Period	30.3.2007-30.6.2024

Historical performance (net returns, in %) as of 28.6.2024 (I-Share class)



	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	2.5	-23.3	-6.0	16.0	18.3	-14.2	34.2	0.7	-8.5	5.9
Ref. index	9.8	-20.1	-2.5	18.3	18.4	-14.6	37.3	11.2	-14.9	-2.2

Past performance is not a reliable indicator of current or future performance. Performance data does not consider any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return of the fund may go down as well as up, e.g. due to changes in rates of exchange between currencies. Performance and characteristics for other share classes will differ from the information discussed herein.

Market Review

Emerging markets gained during the quarter on an improved economic backdrop and AI enthusiasm in certain technology focused markets. Elections created volatility for India as Prime Minister Narendra Modi failed to secure an absolute majority for the BJP in national elections, forcing the creation of a power-sharing coalition. Nonetheless, data showed that India achieved GDP growth of 8.2% in the fiscal year that ended in March, exceeding government forecasts of 7.6%.

China unveiled measures to deal with its property crisis, easing lending rules and encouraging local governments to buy unsold homes; however, prices continued to decline as measures took time to take effect. Other economic indicators remained mixed. While retail sales beat expectations in May, there was renewed weakness in industrial data as the manufacturing PMI in May fell.

In Latin America, there were concerns over increased government spending in Brazil and political intervention in companies like Petrobras. Figures showed the primary budget deficit was higher than expected in May, with deteriorating confidence leading to a sell-off in the Brazilian real. In Mexico, Claudia Sheinbaum's landslide win in the presidential election led to a sharp plunge in the country's stocks as investors worried that her supermajority may give her powers to rewrite parts of the constitution and enact programs that could undermine business in Mexico. In contrast, Sheinbaum's credentials as a climate scientist did raise hopes of spending on clean energy projects that could boost the country's attractiveness to companies expanding away from China.

Elsewhere, strong chip exports related to AI demand in Taiwan helped drive stock market gains which filtered into increases in domestic consumption, enabling the government to increase its full-year GDP growth forecast.

Global Markets Performance (%) as of 30.6.2024	**SECOND QUARTER**	**1 YR**
MSCI All Country World Index	2.87	19.38
MSCI All Country World ex U.S. Index	0.96	11.62
MSCI EAFE (Europe, Australasia, Far East)	-0.42	11.54
MSCI Europe Index	0.55	11.68
MSCI Japan Index	-4.27	13.15
MSCI All Country Asia ex Japan Index	7.20	12.89
MSCI Emerging Markets Index	5.00	12.55
S&P 500 Index	4.28	24.56

Source: FactSet, MSCI, S&P
Expressed in USD.

MSCI Emerging Markets TR net Sector Performance (%) as of 30.6.2024	**SECOND QUARTER**	**1 YR**
Information Technology	11.25	34.30
Communication Services	8.23	2.77
Utilities	5.91	20.00
Consumer Discretionary	5.15	6.38
Industrials	4.11	5.46
Real Estate	3.53	-1.42
Financials	3.40	12.38
Energy	3.18	24.81
Materials	-1.78	-1.94
Consumer Staples	-3.07	-5.93
Health Care	-4.36	-2.83

Source: FactSet, MSCI, S&P
Expressed in USD.

Outlook

− In the recent Indian election, the BJP garnered far fewer seats than in 2019, which surprised the market. However, Prime Minister Narendra Modi ultimately declared victory with the help of coalition partners. The BJP retained control of all key ministries, which we believe will ensure the continuation of Modi's push for infrastructure development across roads, railways, energy, and manufacturing. In our view, the coalition partners are supportive of central government policy although they will require additional support from their respective State constituencies. This should provide stability to the government's agenda, which should bode well for businesses driven by the infrastructure momentum, including our portfolio holdings Power Grid Corporation of India, one of the largest power transmission utilities in the world; Polycab, a leader in wire and cables; and APL Apollo Tubes, the largest producer of structural steel tubes in India.

− With respect to the Mexico election, the ruling Morena party gained a much larger number of seats than expected and fell moderately short of a two thirds supermajority in Congress. That said, the markets are concerned that Morena will push through some controversial policies such as constitutional reform, including a general election for judges on the Supreme court. On the negative side, there has been discussion of an additional tax on the banking sector, where we have moderate exposure. However, strong support for continued growth in minimum wages and broader support for social security programs should benefit our consumption-related holdings, Femsa and Walmex.

− China recently increased stimulus to help fund infrastructure-related spending and reduce the more than 3 years' worth of excess inventory in the property market. However, actual stimulus may be less than 10% of what is required to bring property inventory down to levels that are deemed healthy. Reductions in mortgage rates and removal of purchase restrictions helped boost consumer demand. We believe these policy initiatives are too small to make the impact required to revive the property market. We therefore remain cautious on the property, banking, infrastructure, and commodity sectors. Instead, we favor companies focused on lower-end consumption in the consumer staples and hospitality sectors. Additionally, we continue to be positive on leading names in gaming, such as Tencent and Netease, where the industry is consolidated, and gaming is a cheaper form of entertainment in this constrained consumption environment.

− Given the exuberance around AI, our view is generally positive on the incremental demand growth driven by AI applications, and the resultant demand for high-end semiconductors. While the return on investment for companies launching AI products is questionable, there is a rush to invest in these applications as a competitive response and to find ways to improve efficiency. Taking a three-to-five-year view, we think risks include over-investment and the potential that a material part of the demand for AI and GPU usage has been pulled forward, but currently the growth risks remain to the upside.

− Given the fragmented nature of some technology sub-sectors, we believe it is important to maintain a consistent quality growth framework. That is, we seek businesses with strong competitive advantages, high returns on capital, and predictability through the cycle. This predictability element also means that the core demand levels for technology companies outside of AI should be supportive, and AI-related demand should provide incremental upside. We are more cautious on businesses that are primarily driven by AI. As such, we have established meaningful positions in leading businesses in the logic semiconductor area such as TSMC, which continues to dominate the manufacturing of leading-edge nodes and where AI demand is incremental to its business.

− We are constructive on the memory sector, where the industry has consolidated to three players in DRAM. The industry has behaved rationally with supply cuts of around 20% through 2023. We believe our holding SK hynix will benefit from accelerating demand for HBM memory, which is used in AI servers and where there is a shortage of supply.

− We are more selective in the component industry as the sub-segments are generally competitive. However, we do have a position in Taiwan-based Accton, a leader in white box network switches which are used in AI servers, and where the demand continues to favor faster switches.

− Turkey's Central Bank is focused on re-introducing orthodox monetary policies, reducing inflation to normalized levels, and acting fiscally responsible. We expect the cost of equity to continue to decrease rapidly, valuations to improve, and equity flows to return to the country.

− Greece is one of the few economies growing structurally in Europe, with a market-friendly government in place for the next three years, expected GDP growth above 2% (while the rest of the Eurozone is flat) and the domestic economy benefiting disproportionately from European Recovery Funds. Greek banks trade at a significant discount to European and global peers, despite their higher returns on equity and similar asset quality. Further, the issue of bad debt in Greece has been resolved in the last few years.

Sincerely,
Emerging Markets Equity Portfolio Management Team
Matthew Benkendorf and Ramiz Chelat, CFA

Performance Drivers[1]

The Vontobel Fund – Emerging Markets Equity generated positive results but underperformed the MSCI Emerging Markets Index during the quarter. An overweight to consumer staples combined with stock selection in the sector was the largest detractor from relative performance. Additionally stock selection in financials detracted from relative returns. On the positive side, stock selection in communication services was the largest contributor to relative performance, followed by an overweight to information technology combined with stock selection in the sector.

In the second quarter, on an individual stock basis, Taiwan Semiconductor Manufacturing Company (TSMC), Tencent,

[1] Please see full list of top and bottom 5 contributors at the end of this commentary.

and SK hynix were the top contributors to absolute performance. PT Bank Rakyat, Raia Drogasil, and Fomento Economico Mexicano (Femsa) were the most significant detractors from absolute returns.

Taiwan Semiconductor Manufacturing Company (TSMC), the world-leading semiconductor foundry, delivered first quarter results and second quarter guidance that slightly exceeded expectations. The company continues to benefit from AI-related demand and raised its expectations on data center AI revenue contribution. TSMC guided to low-to-mid-20% growth for full-year 2024, despite macro uncertainty, supported by its broad customer base and tech leadership in N2 and N5 chips.

Tencent reported Q1 better-than-expected earnings, +54% year-over-year. Q1 revenue growth was 6% year-over-year, driven by stronger-than-expected ad sales due to increasing monetization of Video Accounts. Games was flat, which was better than expected. The forward indicators for games are positive with deferred revenue growth +10% year-over-year.

SK hynix, a pure-play memory semiconductor company that specializes in DRAM and NAND flash memory chips, continued to benefit from strong data center demand for DRAM, leading to an increase in pricing and volumes. Hynix expects strong 2Q 2024 pricing for both DRAM and NAND, higher than its original projection earlier in the year. As a critical component in the AI supply chain, we believe SK hynix is well positioned to benefit from an increased cap ex cycle.

On the negative side, shares of PT Bank Rakyat declined despite the company reporting Q1 results that showcased strong net interest income, driven by margin expansion and cost control, and supported by solid loan and deposit growth. This was offset by investor disappointment as the bank noted a deterioration in asset quality for micro and small loans, impacted by high food inflation and weather disruptions to harvest. Management plans to accelerate downgrades and write-offs in the micro and small loans segments in the next few quarters, in addition to slowing down micro loan growth after the strong performance of the last couple of years.

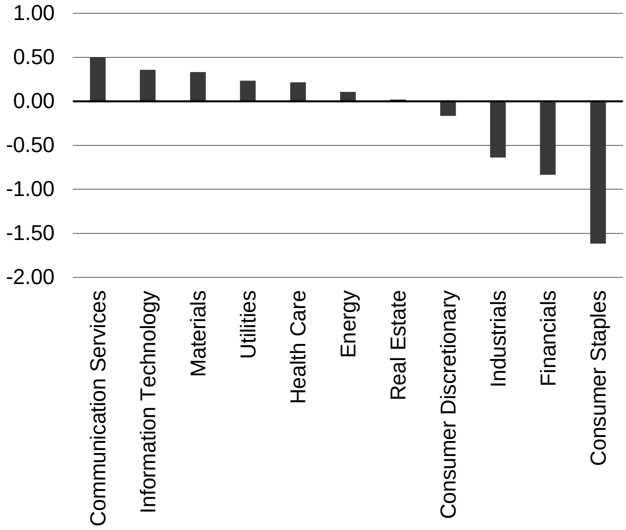
Raia Drogasil, the leading national drug store chain in Brazil, declined on a challenged economic backdrop. The company continues to have a clear lead over regional players with a further expansion and consolidation opportunity in a fragmented marketplace.

Fomento Economico Mexicano (Femsa), the leading operator of convenience stores in Latin America, declined on increased risk at the country level as investor sentiment weakened as the market digests the impact and potential policy implications of Mexico’s recent election surprise.

Attribution

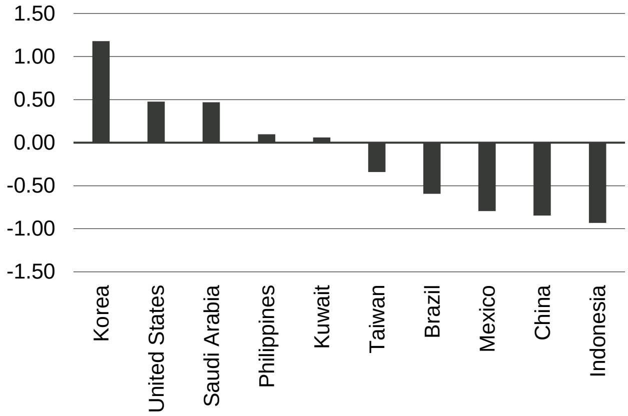
Sector

Vontobel Fund – Emerging Markets Equity vs. MSCI Emerging Markets TR net



Country

Vontobel Fund – Emerging Markets Equity vs. MSCI Emerging Markets TR net



Source: FactSet, MSCI
Attributions for the quarter ending 30.6.2024.
Based on cumulative gross performance (USD) of Vontobel Fund – Emerging Markets Equity. The gross rates of return are presented before the deduction of investment management fees, other investment-related fees, and after the deduction of foreign withholding taxes, brokerage commissions and transaction costs. An investor’s actual return will be reduced by investment advisory fees. Country attribution based on top 5 / bottom 5 countries by total effect. **Past performance is not indicative of future results.** Total Effect: The net effect of the allocation and selection effects. A single-period sector or country’s geometric total effect is calculated by multiplying the product of one plus the allocation effect (AE/100 + 1) by one plus the selection effect (SE/100 + 1) and subtracting one from the result before multiplying by 100.

Portfolio Changes[1]

In the financials sector, we bought Samsung Fire & Marine Insurance (SF&M), the largest non-life insurer in Korea. The company's auto insurance business is the largest and what we believe is the most efficient in the industry, which drives good profitability throughout the cycle. SF&M also has the largest private health insurance business in the country, growing at high-single-digit rates over the medium term. The introduction of a new accounting standard in 2023 has also improved industry dynamics, making competition more rational and increasing profitability.

Also in financials, we entered a position in Turkey's Haci Ömer Sabanci, the holding company for Sabanci Group, one of Turkey's largest industrial and financial conglomerates. We believe the different divisions of the Sabanci conglomerate are significantly undervalued and that the stock trades at a deep discount to NAV. The recent initiatives to unlock value, such as the upcoming IPO of the energy generation business, should help close that discount, while the increase in generation capacity in the energy segment, and international expansion in the materials segment, should become more visible towards the end of the year.

In financials, we also purchased Eurobank Ergasias, one of the four major banking franchises in Greece. Eurobank has a 25% domestic market share and is geographically diversified with some 30% of its net income derived from the high-growth markets of Bulgaria and Cyprus. Eurobank also has a profitable real estate investment portfolio in Greece that contributes to its high returns. We believe that Eurobank's ability to generate a normalized return on equity in the mid-teens is not currently priced in by the market. Consensus may be overlooking the earnings uplift from the soon-to-close acquisition of Hellenic Bank and the significant synergies generated. A recovery in loan growth, the strength of the domestic economy, and a decrease in cost of funding contribute to the likelihood of consensus upgrades and to the stock's potential upside.

In consumer discretionary, we bought Korea's Hyundai Motor Company, the largest automaker in Korea and fifth largest in the world. The company is a leader in the EV segment and is in the midst of a very successful model cycle, despite investing very conservatively in partnership with Kia. We believe Hyundai is well placed to continue to benefit from hybrid and EV growth as the world transitions to low-emission vehicles.

Also in consumer discretionary, we bought China's H World Group (formerly known as Huazhu Hotels Group), which we believe is a well-managed hotel chain operator in China. The company operates across the spectrum from economy to upper-midscale hotels, with over 8,500 locations across China (approximately 90% of the locations are franchised/manachised (managed + franchised) without sacrificing quality). We believe H World is well-positioned to benefit from the growth of both business and leisure domestic travel and increasing chain penetration of Chinese hotels, which significantly lags US and European levels. We expect the company should be a consolidator of market share as it can offer a wide portfolio of brands and best-in-class return on investment for franchisees. Over the next five years, H World is expected to grow revenues by 10% CAGR.

In information technology, we bought Taiwan's E Ink Holdings, which enjoys a monopoly position in e-paper, which is primarily used in consumer electronics (e.g., e-readers/e-notes) and electronic shelf labels. The company has a technology edge that is well protected by patents globally. In addition, it manufactures at a significantly larger scale and lower cost than its peers as it dominates over 90% of the market. We see high barriers to entry in the e-paper industry and expect the competitive dynamics to remain stable. We believe E Ink should be well positioned to capture the structural growth in electronic shelf labels and launches of color e-readers by major brands. Further, E Ink's technology IP and scale serve as a competitive moat.

Also in information technology, we purchased Hon Hai Precision Industry Co, the largest manufacturer in consumer electronics, cloud and networking, and computing. The company has a strong market position in each of its categories due to its scale, vertical integration, robust supply chain, and global manufacturing footprint. Hon Hai's cloud and networking business is well positioned to benefit from the growth in AI servers, as it is a key provider of upstream server components (such as GPU modules, computing chip, switchboards) as well as downstream server/rack assembly for NVIDIA's GB200 rack scale systems. In addition, we expect Hon Hai to earn attractive returns on capital as the higher complexity should increase barriers to entry.

In industrials, we added Turkey's TAV Havalimanlari, which operates 15 airports in Turkey, as well as Kazakhstan, Georgia, Tunisia, North Macedonia, Saudi Arabia, Croatia, and Latvia. The group is 47% owned by France's Aeroports de Paris. We believe TAV is undervalued based solely on the earnings potential from Kazakhstan's Almaty airport, which TAV fully owns, and is experiencing stronger-than-expected passenger growth. More importantly, the new terminal which opened in June doubles capacity and provides higher duty-free revenues and fees per customer. Across the rest of its airports, which are mainly in Turkey, traffic is growing at 8% annually with a solid outlook, given Turkey is an attractive and affordable destination.

Also in industrials, we bought IRB Infrastructure Developers, India's largest toll-road operator, with concessions covering more than 15,000 kilometers of roads across 12 states. The company has over 25 years of experience in the Build-Operate-Transfer space and owns both the concessions and the construction arm that manages construction, as well as operations and management for all group assets. Marquee investors GIC and Cintra (part of Grupo Ferrovial) act as strategic partners to IRB and contribute deep industry knowledge and corporate governance best practices. We believe the business is well positioned to capitalize on the Indian government's $31 billion infrastructure asset monetization plan, and we expect profits to grow in excess of 80% between 2024 and 2027.

Sector and country allocations are as of 30.6.2024 and based on the Vontobel Fund – Emerging Markets Equity.

[1] Purchases provided are the new purchases with positions greater than 50 basis points in the Vontobel Fund – Emerging Markets Equity for the period. Sells provided are all names that were fully liquidated in the Vontobel Fund – Emerging Markets Equity for the period. The holdings may not represent all of the securities purchased, sold, or recommended for advisory clients.

In health care, we bought Bangkok Dusit Medical Services (BDMS), Thailand's largest private hospital operator. The company is well positioned for the increase in health care spending from both domestic and international patients. Since BDMS already has national coverage, it does not have large capex plans but aims to grow by improving utilization across existing facilities. We expect profits will be driven mainly by margin expansion, which has higher predictability than capacity expansions, and should result in compound annual EPS growth of 11% over the next five years.

In Brazilian consumer discretionary, we sold Vivara Participacoes, the largest jewelry store chain in Latin America, due to increased governance concerns. In March, the founder and largest shareholder of Vivara, Nelson Kaufman, returned as CEO, replacing his nephew. After just one week in the role, and following a poorly received investor call, Kaufman stepped up to Chairman, with the company CFO promoted to CEO. Given some of the international aspirations of the new Chairman, we believe governance risk has increased and we exited the position.

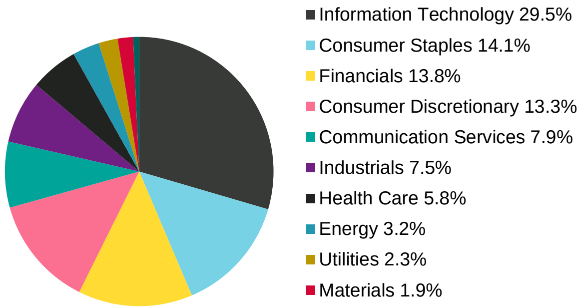
In industrials, we sold Hong Kong's Techtronic Industries, the maker of Milwaukee and Ryobi power tools, after the CEO made a rapid departure from the company. It is likely that many of the easy growth levers have already been pulled under the departing CEO's strategy, but we will continue to monitor the situation as the new management team outlines its strategy. Also in industrials, we sold Mexican airport operator Grupo Aeroportuario del Pacifico to reallocate capital to investments with a better risk-reward balance.

In information technology, we sold India's Infosys after it reported full-year results, missing its annual revenue guidance for the second year in a row. Moreover, the environment has not changed with pullback in discretionary and digital transformation spends, resulting in delayed or cancelled deals. We expect that Infosys will likely underperform rival TCS on revenue growth over the coming year and we believe that the company has lost credibility. Also in information technology, we sold Korean Samsung SDI as battery sales have become more cyclical and growth rates have slowed, weakening our original investment thesis.

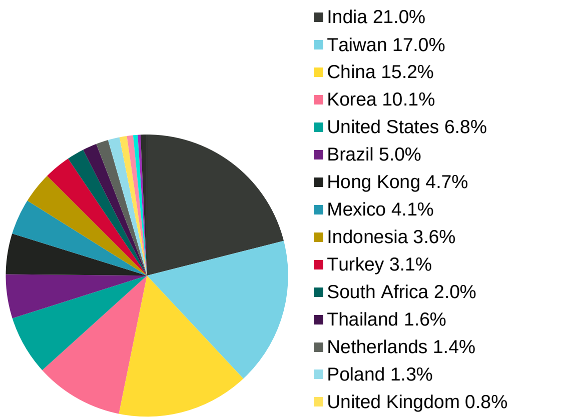
In financials, we sold Singapore's United Overseas Bank Limited as the recent strong share price performance limits future upside. In communication services, we sold PT Telkom Indonesia to reallocate capital to better opportunities.

Allocation

Sector



Country



Portfolio Data

Top 10 Holdings[1]

	SECTOR	COUNTRY	% OF PORTFOLIO
Taiwan Semiconductor Manufacturing Company Limited	Information Technology	Taiwan	9.1
Tencent Holdings Limited	Communication Services	China	6.5
Samsung Electronics Co., Ltd.	Information Technology	Korea	4.4
Reliance Industries Limited	Energy	India	3.2
Nu Holdings Ltd.	Information Technology	United States	2.6
Cipla Limited	Health Care	India	2.6
Accton Technology Corp.	Information Technology	Taiwan	2.6
Raia Drogasil S.A.	Consumer Staples	Brazil	2.5
Eicher Motors Limited	Consumer Discretionary	India	2.5
President Chain Store Corporation	Consumer Staples	Taiwan	2.4
Total			**38.5**

Characteristics

	EMERGING MARKETS EQUITY[1]	MSCI EM
Market Capitalization (US$ bn), weighted average	166.4	155.8
P/E - Forecast 12-month, weighted harmonic average	16.0	12.1
Dividend Yield (%)	1.6	2.6
5 Yr Historical EPS Growth (%)	14.9	14.9
Return on Equity, weighted average (%)	19.4	15.8

Risk Statistics (5 Year)

	EMERGING MARKETS EQUITY[2]	MSCI EM
Annualized Alpha	-4.7	–
Beta	0.9	1.0
Sharpe Ratio	-0.3	0.0
Annualized Standard Deviation	16.6	18.6

Top 5 Contributors[1] by Security (3 Months)

	SECTOR	AVERAGE WEIGHT (%)	CONTRIBUTION TO RETURN (%)
Taiwan Semiconductor Manufacturing Company Limited	Information Technology	8.18	1.69
Tencent Holdings Limited	Communication Services	6.61	1.57
SK hynix Inc.	Information Technology	1.96	0.47
Eicher Motors Limited	Consumer Discretionary	2.55	0.41
KLA Corporation	Information Technology	2.34	0.41

Bottom 5 Contributors[1] by Security (3 Months)

	SECTOR	AVERAGE WEIGHT (%)	CONTRIBUTION TO RETURN (%)
PT Bank Rakyat Indonesia (Persero) Tbk.	Financials	1.96	-0.77
Raia Drogasil S.A.	Consumer Staples	2.82	-0.49
Fomento Economico Mexicano, S.A.B. de C.V.	Consumer Staples	2.20	-0.43
Localiza Rent A Car S.A.	Industrials	1.14	-0.42
Grupo Financiero Banorte, S.A.B. de C.V.	Financials	1.31	-0.33

Top 5 Contributors[1] by Security (1 yr)

	SECTOR	AVERAGE WEIGHT (%)	CONTRIBUTION TO RETURN (%)
Taiwan Semiconductor Manufacturing Company Limited	Information Technology	6.69	3.85
Tencent Holdings Limited	Communication Services	5.99	1.07
Power Grid Corporation of India Limited	Utilities	1.40	0.96
Reliance Industries Limited	Energy	2.64	0.79
KLA Corporation	Information Technology	0.96	0.73

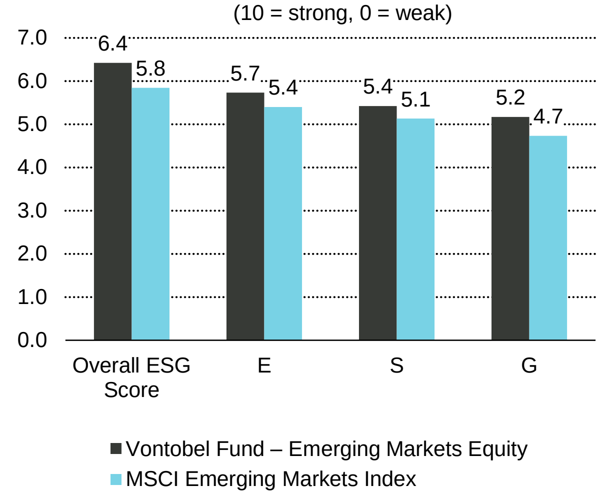
Bottom 5 Contributors[1] by Security (1 yr)

	SECTOR	AVERAGE WEIGHT (%)	CONTRIBUTION TO RETURN (%)
Yum China Holdings, Inc.	Consumer Discretionary	1.98	-1.13
Raia Drogasil S.A.	Consumer Staples	3.16	-0.72
Samsung SDI Co., Ltd	Information Technology	0.57	-0.57
PT Bank Rakyat Indonesia (Persero) Tbk.	Financials	2.77	-0.48
HDFC Bank Ltd.	Financials	3.88	-0.47

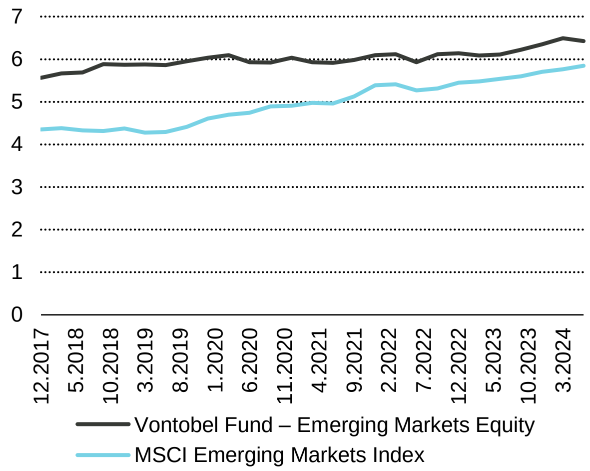
ESG Metrics

Portfolio data as of 30.6.2024
Source: FactSet. All returns are expressed in USD.
[1] Based on the Vontobel Fund – Emerging Markets Equity. Fund holdings and characteristics subject to change. The reader should not assume that an investment in the securities identified was or will be profitable. For more information on the calculation methodology or a complete list of holdings which contributed to overall performance during the period, please contact a Vontobel representative at ClientServices@vontobel.com.
[2] Based on gross performance of the Vontobel Fund – Emerging Markets Equity. The fund's gross rates of return are presented before the deduction of investment management fees, other investment-related fees, and after the deduction of foreign withholding taxes, brokerage commissions and transaction costs. An investor's actual return will be reduced by investment advisory fees.
Past performance is not indicative of future results.

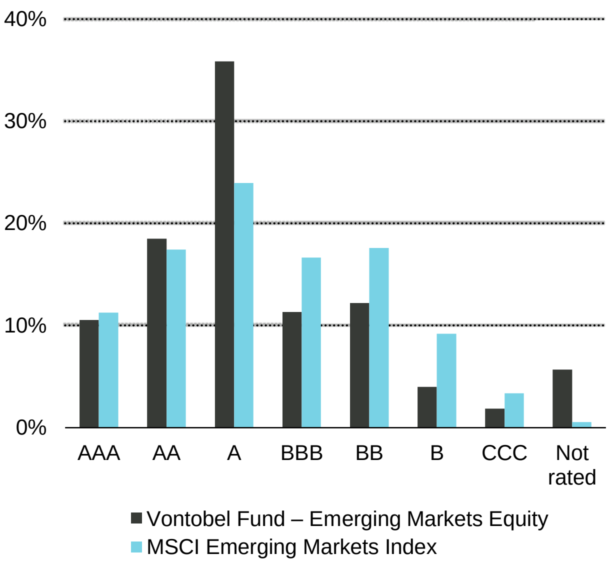
ESG (MSCI) Scores[1]



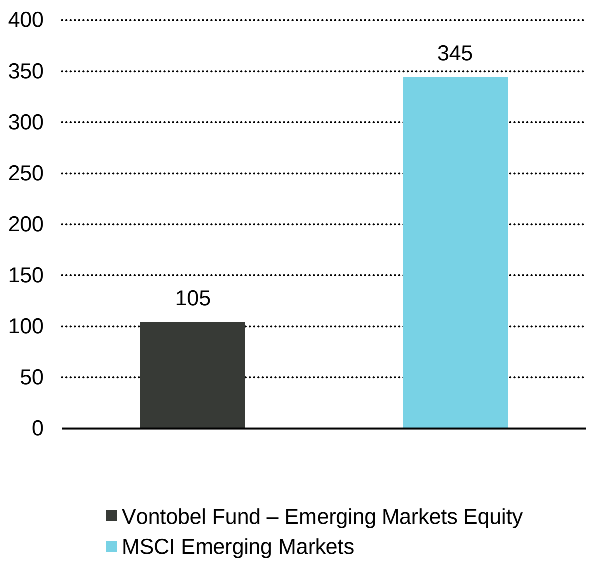
ESG (MSCI) Scores[1] History



ESG (MSCI) Rating Distribution



Weighted Average Carbon Intensity[2] (Scope 1+2)
(tons CO2e/$1M sales)



Past performance is not indicative of future results. As of 30.6.2024. Based on the Vontobel Fund – Emerging Markets Equity.
Source: MSCI ESG Research LLC, FactSet. ESG scores calculated by MSCI ESG Research LLC.
[1] MSCI ESG Overall Score methodology is calculated as a simple weighted average of issuer ESG ratings, where cash is excluded.
[2] Based on a company's most recently reported or estimated Scope 1 + Scope 2 greenhouse gas emissions.

Matthew Benkendorf
CIO Quality Growth
Portfolio Manager
27 years in industry
25 years with Vontobel

Ramiz Chelat, CFA
Managing Director
Portfolio Manager
27 years in industry
17 years with Vontobel

Igor Krutov
Managing Director
Director of Research
30 years in industry
22 years with Vontobel

Investment risks[1]

- Investments in Chinese A-Shares are subject to changes in political, economic and social conditions in China as well as changes in the policies of the PRC government, laws and regulations.
- Investments in emerging markets entail increased liquidity and operational risks as these markets tend to be underdeveloped and more exposed to political, legal, tax and foreign exchange control risks.
- A company's stock price may be adversely affected by changes in the company, its industry or economic environment and prices can change quickly. Equities typically involve higher risks than bonds and money market instruments.
- The sub-fund's investments may be subject to sustainability risks. The sustainability risks that the sub-fund may be subject to are likely to have an immaterial impact on the value of the sub-funds' investments in the medium to long term due to the mitigating nature of the sub-fund's ESG approach. The sub-funds' performance may be positively or negatively affected by its sustainability strategy. The ability to meet social or environmental objectives might be affected by incomplete or inaccurate data from third-party providers. Information on how environmental and social objectives are achieved and how sustainability risks are managed in this sub-fund may be obtained from vontobel.com/sfdr.

[1] The listed risks concern the current investment strategy of the fund and not necessarily the current Portfolio. Subject to change, without notice, only the current prospectus or comparable document of the fund is legally binding.

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