

## **VONTOBEL FUND**

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

Luxembourg, 3 June 2019

### **NOTIFICATION TO INVESTORS OF THE SUB-FUND Vontobel Fund – New Power (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 – Clean Technology (the “Acquiring Sub-Fund”) (the “Merger”).

The Merger will take effect as of 12 July 2019 (the “Effective Merger Date”). The relevant net asset values as of 12 July 2019 as well as the exchange ratio, which are used for the exchange of shares of the Merging Sub-Fund into shares of the Acquiring Sub-Fund, will be calculated on 15 July 2019.

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 propositions of Vontobel Fund – New Power and Vontobel Fund – Clean Technology are both built around investment opportunities arising from fundamental sector changes due to environmental stress, climate change, resource limitations and technological advances. The investment manager of the Merging Sub-Fund and the Acquiring Sub-Fund (the “Investment Manager”) believes that the converging drivers in climate and environmental investment themes require a broader approach than pursued by the Merging Sub-Fund. Such broader approach should cover the entire environmental ecosystem. Going forward, the Investment Manager is of the view that a holistic approach as pursued by the Acquiring Sub-Fund should have the potential to be more successful by

tackling a broader opportunity set.

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 Acquiring 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 Acquiring Sub-Fund.

## **2. IMPACT OF THE MERGER ON INVESTORS**

The impact of the Merger on Investors is described below:

- As both the Merging Sub-Fund and the Acquiring Sub-Fund are sub-funds of the Fund, the financial year, the valuation principles, voting rights 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.
- Reference Currencies of the Merging and Acquiring Sub-Fund  
Both the Acquiring Sub-Fund and the Merging Sub-Fund have EUR as their Reference Currency.
- Investors of the distributing Share Classes of the Merging Sub-Fund will be entitled to distributions as contemplated in the 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 Share Classes of the Acquiring Sub-Fund after the Effective Merger Date.

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

	<b>Merging Sub-Fund</b>	<b>Acquiring Sub-Fund</b>
	<b>Vontobel Fund – New Power</b>	<b>Vontobel Fund – Clean Technology</b>
<b>Reference</b>	EUR	EUR

<b>Currency</b>		
<b>Investment objective</b>	The Sub-Fund aims to achieve aims to achieve good investment returns in EUR.	The Sub-Fund aims to achieve the highest possible capital growth in EUR.
<b>Investment policy</b>	<p>While respecting the principle of risk diversification, the Sub-Fund's assets are invested mainly in equities, equity-like transferable securities, participation certificates etc. issued by companies worldwide that use new technologies and processes to enable more environmentally sound and sustainable power production or more ecological energy consumption.</p> <p>Up to 33% of the Sub-Fund's assets may be invested outside the aforementioned investment universe.</p> <p>The Sub-Fund may also hold cash.</p>	<p>While respecting the principle of risk diversification, the Sub-Fund's assets are mainly invested in shares, equity-like transferable securities, participation certificates etc. issued by companies worldwide that operate in the clean technology sector. The clean technology sector primarily involves the two main themes of energy efficiency (such as energy security and conservation as well as energy quality and infrastructure, etc.) and future technologies for the environment (such as recycling, waste disposal, filter technologies, etc.).</p> <p>Up to 33% of the Sub-Fund's assets may be invested outside the aforementioned investment universe.</p> <p>The Sub-Fund may also hold cash.</p>
<b>Use of derivatives</b>	The Sub-Fund may, for the purposes of hedging (incl. currency hedging), efficient portfolio management and achieving the investment objective, make use of derivative financial instruments.	The Sub-Fund may, for the purposes of hedging (incl. currency hedging), efficient portfolio management and achieving the investment objective, make use of derivative financial instruments.
<b>Risk profile</b>	<p>Reference to the provisions on risk in the General Part of the Sales Prospectus.</p> <p>Investments in bonds and equities are subject to price fluctuations at all times.</p> <p>Investments in foreign currencies are also subject to currency fluctuations.</p>	<p>Reference to the provisions on risk in the General Part of the Sales Prospectus.</p> <p>Investments in bonds and equities are subject to price fluctuations at all times. Investments in foreign currencies are also subject to currency fluctuations.</p>

<b>Risk classification</b>	The global risk resulting from the Sub-Fund's investments is determined using the commitment approach.	The global risk resulting from the Sub-Fund's investments is determined using the commitment approach.																																																																																										
<b>Fees</b>	<p>Summarising the sections of the Sales Prospectus to which reference is made.</p> <p><b>Management Fee:</b> Service charge covering all the costs related to investment management and distribution services and which is payable at the end of each month.</p> <table border="1" data-bbox="453 904 954 2018"> <thead> <tr> <th>Share Class &amp; Share Class currency</th> <th>Max. Management Fee</th> <th>Effective Management Fee</th> </tr> </thead> <tbody> <tr><td>A EUR</td><td>1.65%</td><td>1.65%</td></tr> <tr><td>B EUR</td><td>1.65%</td><td>1.65%</td></tr> <tr><td>I EUR</td><td>0.825%</td><td>0.825%</td></tr> <tr><td>R EUR</td><td>1.65%</td><td>0.25%</td></tr> <tr><td></td><td></td><td></td></tr> <tr><td>H (hedged) CHF</td><td>1.65%</td><td>1.65%</td></tr> <tr><td>N EUR</td><td>1.25%</td><td>0.825%</td></tr> <tr><td>H (hedged) USD</td><td>1.65%</td><td>1.65%</td></tr> <tr><td></td><td></td><td></td></tr> <tr><td>C EUR</td><td>2.65%</td><td>2.25%</td></tr> <tr><td></td><td></td><td></td></tr> <tr><td>H (hedged)</td><td>1.65%</td><td>1.65%</td></tr> </tbody> </table>	Share Class & Share Class currency	Max. Management Fee	Effective Management Fee	A EUR	1.65%	1.65%	B EUR	1.65%	1.65%	I EUR	0.825%	0.825%	R EUR	1.65%	0.25%				H (hedged) CHF	1.65%	1.65%	N EUR	1.25%	0.825%	H (hedged) USD	1.65%	1.65%				C EUR	2.65%	2.25%				H (hedged)	1.65%	1.65%	<p>Summarising the sections of the Sales Prospectus to which reference is made.</p> <p><b>Management fee:</b> Service charge covering all the costs related to investment management and distribution services and which is payable at the end of each month.</p> <table border="1" data-bbox="967 904 1495 2018"> <thead> <tr> <th>Share Class &amp; Share Class currency</th> <th>Max. Management Fee</th> <th>Effective Management Fee</th> </tr> </thead> <tbody> <tr><td>A EUR</td><td>1.65%</td><td>1.65%</td></tr> <tr><td>B EUR</td><td>1.65%</td><td>1.65%</td></tr> <tr><td>I EUR</td><td>0.825%</td><td>0.825%</td></tr> <tr><td>R EUR</td><td>1.65%</td><td>0.25%</td></tr> <tr><td></td><td></td><td></td></tr> <tr><td>A CHF</td><td>1.65%</td><td>1.65%</td></tr> <tr><td>B CHF</td><td>1.65%</td><td>1.65%</td></tr> <tr><td>H (hedged) CHF</td><td>1.65%</td><td>1.65%</td></tr> <tr><td>N EUR</td><td>1.25%</td><td>0.825%</td></tr> <tr><td>H (hedged) USD</td><td>1.65%</td><td>1.65%</td></tr> <tr><td></td><td></td><td></td></tr> <tr><td>N CHF</td><td>1.25%</td><td>0.825%</td></tr> <tr><td>C EUR</td><td>2.65%</td><td>2.25%</td></tr> <tr><td></td><td></td><td></td></tr> <tr><td>AN CHF</td><td>1.25%</td><td>0.825%</td></tr> <tr><td>N GBP</td><td>1.25%</td><td>0.825%</td></tr> </tbody> </table>	Share Class & Share Class currency	Max. Management Fee	Effective Management Fee	A EUR	1.65%	1.65%	B EUR	1.65%	1.65%	I EUR	0.825%	0.825%	R EUR	1.65%	0.25%				A CHF	1.65%	1.65%	B CHF	1.65%	1.65%	H (hedged) CHF	1.65%	1.65%	N EUR	1.25%	0.825%	H (hedged) USD	1.65%	1.65%				N CHF	1.25%	0.825%	C EUR	2.65%	2.25%				AN CHF	1.25%	0.825%	N GBP	1.25%	0.825%
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GBP					
HN (hedged) GBP	1.25%	0.825%			
HN (hedged) CHF	1.25%	0.825%	HN (Hedged) CHF	1.25%	0.825%
AN EUR	1.25%	0.825%	AN EUR	1.25%	0.825%
HN (hedged) USD	1.25%	0.825%	HN (Hedged) USD	1.25%	0.825%
C USD	2.65%	2.25%	C USD	2.65%	2.25%
S EUR	0%	0%	S EUR	0%	0%
<p>In addition, the following rate for the <b>Service Fee</b>, from which the fees for the Management Company, the Depositary, the Administrator and the Domiciliary Agent are paid, is charged to the Share Class of the Sub-Fund:</p> <p>→ Maximum: 0.08745 % per month [=1.0494 % p.a.]</p> <p>→ Effective: 0.31% p.a. for all Share Classes with exception of the S Share Class (0.18% p.a.).</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>In addition, the following rate for the <b>Service Fee</b>, from which the fees for the Management Company, the Depositary, the Administrator and the Domiciliary Agent are paid, is charged to the Share Class of the Sub-Fund:</p> <p>→ Maximum: 0.08745 % per month [=1.0494 % p.a.]</p> <p>→ Effective: 0.31% p.a. for all Share Classes with exception of the S Share Class (0.18% p.a.) and the N GBP Share Class (0.065% p.a.).</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>		

<b>Ongoing charges</b>			
The ongoing charges figures are based for both the Merging Sub-Fund and the Acquiring Sub-Fund on the current Key Investor Information Documents dated 15 February 2019.			
Share Class & Share Class currency	Ongoing charges	Share Class & Share Class currency	Ongoing charges
		A CHF	2.05%
A EUR	2.05%	A EUR	2.05%
AN EUR	1.20%	AN CHF	1.22%
		AN EUR	1.21%
		B CHF	2.05%
B EUR	2.05%	B EUR	2.05%
C EUR	2.65%	C EUR	2.64%
C USD	2.66%	C USD	2.66%
H (hedged) USD	2.11%	H (hedged) USD	2.13%
H (hedged) CHF	2.10%	H (hedged) CHF	2.08%
HN (hedged) CHF	1.27%	HN (hedged) CHF	1.25%
HN (hedged) USD	1.26%	HN (hedged) USD	1.26%
I EUR	1.19%	I EUR	1.19%
HN (hedged) GBP	1.22%	N GBP	0.97%
H (hedged) GBP	2.10%	N CHF	1.25%
		N EUR	1.22%
N EUR	1.24%	R EUR	0.64%
R EUR	0.64%	S EUR	0.23%
S EUR	0.23%		
<b>Profile of the typical investor:</b>	This Sub-Fund is aimed at private and institutional investors with a long-term investment horizon, who wish to invest in a broadly diversified portfolio of shares and medium and long-term fixed and variable interest securities and to achieve a reasonable investment return and capital gains, while being aware of the associated price fluctuations.	This Sub-Fund is aimed at private and institutional investors with a long-term investment horizon, who wish to invest in a broadly diversified portfolio of shares and to achieve a reasonable investment return and high capital gains, while being aware of the associated price fluctuations.	

- **Rebalancing of the portfolio**

Ahead of the Merger, the Investment Manager of the Merging Sub-Fund does not intend to rebalance the portfolio of the Merging Sub-Fund.

- **SRRI (synthetic risk and return indicator)**

The synthetic risk and return indicator in the Key Investor Information Documents for the Share Classes of the Merging Sub-Fund, which is six (6), will not change as a result of the merger.

### **3. EXCHANGE OF THE SHARES**

Investors in the Share Classes H (hedged) GBP and HN (hedged) GBP of the Merging Sub-Fund will receive shares of the Share Class N GBP of the Acquiring Sub-Fund in exchange for all the shares they hold in Classes H (hedged) GBP and HN (hedged) GBP in the Merging Sub-Fund. The Investors of these Share Classes should note that the subscription currency of the Share Class N GBP of the Acquiring Sub-Fund is not hedged against the Reference Currency EUR of the Sub-Fund and may therefore be exposed to currency fluctuations.

Investors in the other share classes of the Merging Sub-Fund will receive shares in the same currency and Share Class in the Acquiring 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 Acquiring Sub-Fund as of the Effective Merger Date. The following methods will be applied:

1. For the Share Classes C USD (ISIN: LU0571081347) and S EUR (ISIN: LU1687389517) of the Merging Sub-Fund an exchange ratio of 1:1 will be used. The launch price of the new C USD and S EUR Share Classes of the Acquiring Sub-Fund will correspond to the last calculated NAV of the Share Classes of the Merging Sub-Fund, with the consequence that the number and price of shares to be issued in the new C USD and S EUR Share Classes of the Acquiring Sub-Fund will correspond to the number and price of shares of the C USD and S EUR Share Classes of the Merging Sub-Fund as of the Effective Merger Date. The new C USD and S EUR Share Classes of the Acquiring Sub-Fund will be launched on the Effective Merger Date.

and

2. For the other Share Classes, 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 current Share Class of the Acquiring Sub-Fund that are assigned to the Investors in the Merging Sub-Fund.

$Y_n$  = Net asset value as of 12 July 2019 (Effective Merger Date) per share of the Merging Sub-Fund's Share Class.

$W_n$  = Number of issued shares in the Share Class of the Merging Sub-Fund on 12 July 2019 (Effective Merger Date).

$Z_n$  = Net asset value per share of the share class of the Acquiring Sub-Fund as of 12 July 2019 (Effective Merger Date).

In respect of the other Share Classes, the number and price of shares to be received by Investors of the Merging Sub-Fund in the Acquiring 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.

- 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 Acquiring Sub-Fund as set out in Appendix 1.

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

Investors in the Merging Sub-Fund are notified that they have the right to redeem their shares from the date of this communication until 5 July 2019 at no additional charge other than the charges withheld by the Fund to cover transaction costs in compliance with applicable law.

Redemption orders must be received via the Fund's Administrator, distributors and other entities authorized to accept redemption applications prior to 2.45 pm (CET) on 5 July 2019. Any Investor that does not make such a redemption request will become an investor



in the Acquiring Sub-Fund.

Shares in the Merging Sub-Fund will not be redeemed, converted or issued between 8 July 2019 and the Effective Merger Date. Incoming subscription, conversion and redemption orders for the Merging Sub-Fund will be rejected during this period of time. Investors may re-submit rejected orders after the Merger from 15 July 2019, *i.e.* when subscription, conversion and redemption orders for the Acquiring Sub-Fund will be processed again.

## **5. CONDITIONS**

Investors in the Share Classes H (hedged) GBP and HN (hedged) GBP of the Merging Sub-Fund, who did not redeem their shares according to section 4, will receive shares of the Share Class N GBP of the Acquiring Sub-Fund in exchange for all the shares they hold in these Share Classes in the Merging Sub-Fund as set out in Appendix 1.

Investors in other Share Classes in the Merging Sub-Fund, who did not redeem their shares in accordance with section 4, will receive shares in the same currency and corresponding Share Class in the Acquiring 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 Merger Date of the Share Classes of the Merging Sub-Fund and the corresponding net asset value of the Share Classes of the Acquiring Sub-Fund. The exchange ratios will be calculated using the methods described under section 3.

The Merger will become effective in accordance with the common merger proposal as of 12 July 2019. The net asset value as of 12 July 2019 will be calculated on 15 July 2019 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 Merger 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. 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 Investor Information Documents for all Share Classes affected as well as further information on the Merger free of charge.

Investors are kindly requested to read the enclosed Key Investor Information Documents of the Acquiring Sub-Fund. The Key Investor Information Documents for all Share Classes affected and further information on the Merger are also available at [www.vontobel.com/am](http://www.vontobel.com/am).

**Investors are advised to 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 Acquiring Sub-Fund
- Key Investor Information Documents

## Appendix 1

Share Classes of the Merging Sub-Fund		Share Classes of the Acquiring Sub-Fund	
Share Class & Share Class Currency	ISIN	Share Class & Share Class Currency	ISIN
A EUR	LU0138258404	A EUR	LU0384405519
B EUR	LU0138259048	B EUR	LU0384405600
I EUR	LU0278090906	I EUR	LU0384405949
R EUR	LU0420009143	R EUR	LU0385068894
		A CHF	LU1407930350
		B CHF	LU1407930780
H (hedged) CHF	LU0469623622	H (hedged) CHF	LU1407930947
N EUR	LU0952815248	N EUR	LU1598842364
H (hedged) USD	LU0469623895	H (hedged) USD	LU1618348079
		N CHF	LU1683484957
C EUR	LU0138259550	C EUR	LU1651443175
		AN CHF	LU1683484874
H (hedged) GBP	LU0469623978		
HN (hedged) GBP	LU1683486655	N GBP	LU1618348236
HN (hedged) CHF	LU1368732373	HN (Hedged) CHF	LU1683485095
AN EUR	LU1683486499	AN EUR	LU1683485178
HN (hedged) USD	LU1683486572	HN (Hedged) USD	LU1683485251
C USD	LU0571081347	C USD	LU1956006941
S EUR	LU1687389517	S EUR	LU1956006784

**Appendix 2**

**Key Investor Information Documents**