

Vontobel

Statement on the integration of Sustainability Risks in the re- numeration policies

Vontobel Holding AG

Content

1. Introduction and Scope	3
2. Vontobel Holding AG	3
2.1. Vontobel's philosophy and the link to the Compensation Policy	3
2.2. Pay for Performance Principles	3
2.3. Governance and Controls	3
3. Additional Information for Vontobel Asset Management SA	3
3.1. Identified Staff	3
3.2. Deferral arrangement	3
3.3. Specific Measures	4

1. Introduction and Scope

This policy statement details how Vontobel Holding AG and its subsidiaries ("Vontobel") integrates Sustainability Risks in their remuneration policies. This policy statement conforms to Articles 5 of the Regulation (EU) 2019/2088 ("SFDR").

2. Vontobel Holding AG

The Compensation Policy of Vontobel Holding AG aims to describe the main compensation principles considered at Vontobel. It includes information on the compensation structure, Vontobel's philosophy and values as well as the governance and control structure in place for the adoption and implementation of the compensation system. The Compensation Policy describes the key elements of the fixed and variable components of Vontobel's compensation system and elaborates on the link between the compensation system and the business strategy, the defined objectives, values and long-term interests, also including Environmental, Social and Governance (ESG) risks and goals of Vontobel. For more information, please refer to the relevant section on compensation in our annual report available at www.vontobel.com.

2.1. Vontobel's philosophy and the link to the Compensation Policy

Vontobel is a globally operating financial expert with Swiss roots. Vontobel stands for long-term and sustainable commitment towards the employees and shareholders. Vontobel attaches great importance to a clear definition and communication of the philosophy it follows. The philosophy of Vontobel aims to promote a performance-oriented culture, foster teamwork, and to take a prudent approach to risk. Furthermore, ESG risks and goals are assessed, monitored and reviewed by Vontobel's Risk and ESG Committees on a regular basis to ensure sustainable long-term growth. The consideration and alignment of ESG risks and goals within Vontobel's Compensation Policy suits the purpose to embed ESG principles in Vontobel's corporate values. Vontobel encourages entrepreneurial spirit and empowers employees to take ownership of their work and bring opportunities to life. Vontobel appeals to each individual to express their independent perspective, regardless of the consensus view.

Vontobel follows the principle of every individual playing a significant part in creating the Vontobel experience. This Compensation Policy aims to give all employees of Vontobel an understanding of the reward principles, structures, and processes. The Compensation Policy outlines the link between the compensation system and the business strategy on a global level. A crucial part of the strategy is a fair employee compensation that is compliant with the regulatory requirements in Vontobel's operative markets.

2.2. Pay for Performance Principles

The principle of "pay for performance" lies at the heart of Vontobel's total compensation system. Excellent employee performance and contributions to the long-term success of Vontobel should be rewarded accordingly. The compensation system is designed to motivate employees at all levels and is geared toward incentivizing future performance while not inducing excessive risk-taking.

2.3. Governance and Controls

It is the responsibility of the Boards of Directors of the respective legal entities to ensure that Vontobel's principle of always complying with all applicable regulations and even going beyond the minimum requirements in important areas is adhered to. In addition, the BoD is responsible for ensuring that the compensation system and level of pay do not expose Vontobel to an intolerable level of risk, including financial, reputational and ESG risks. The individual nature of the regulations that apply to Vontobel entities means that local policies may apply within the scope of this global policy and that these local policies may need to be amended whenever the regulatory landscape changes. Local entities shall consider ESG risk and objectives in their local policies in alignment with the global ESG and Risk framework.

3. Additional Information for Vontobel Asset Management SA

3.1. Identified Staff

Vontobel Asset Management SA (VAMSA) has determined the categories of Identified Staff for which certain remuneration practices apply. These are:

- Members of the Executive Management of VAMSA
- Branch Heads
- Responsible for Control functions (Compliance, Risk Management, Internal Audit)
- any employee receiving total remuneration that falls within the remuneration bracket of Members of the Executive Management
- any employee whose activities have material impact on the risk profile of the company or group

3.2. Deferral arrangement

The variable compensation of identified staff complies with the following:

- a substantial portion, and in any event at least 50%, of any variable remuneration component consists of units of the VAMSA managed UCITS or AIF, equivalent ownership interests, or share-linked instruments or equivalent non-cash instruments. These instruments shall be subject to an appropriate retention policy designed to align incentives with the interests of VAMSA and the UCITS that it manages and the investors of such UCITS;
- a substantial portion, and in any event at least 40%, of the variable remuneration component, is deferred over a period which is appropriate in view of the holding period recommended to the investors of the UCITS concerned and is correctly aligned with the nature of the risks of the UCITS in question. The period referred to in this point shall be at least three years; remuneration payable under deferral arrangements vests no faster than on a pro-rata basis; in the case of a variable remuneration component of a particularly high amount, at least 60% of the amount shall be deferred;

3.3. Specific Measures

VAMSA monitors that employees do not use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements.

VAMSA guarantees that variable remuneration paid is not paid through vehicles or methods that facilitate the avoidance of the applicable regulatory requirements of the AIFM Law and UCITS V Directive.

VAMSA reserves the right to, and if deemed necessary, will take action against an Employee who has engaged in fraudulent activity based on which he/she has been rewarded variable compensation.

Such corrective measures (including malus and claw-back) will be applied to relevant persons for whom it appears that they did not act in the interest of the client(s).