

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

Luxembourg, 28 October 2022

NOTIFICATION TO SHAREHOLDERS

The board of directors of the Fund (the “Board of Directors”) wishes to inform you of the following changes to the Fund’s current prospectus dated January 2022 (the “Prospectus”):

1. Amendments to the investment policies of the sub-funds

The investment policies of all sub-funds will be further detailed by including instruments that the sub-funds may also invest in such as:

- depositary receipts, such as American Depositary Receipts (ADRs), Global Depositary Receipts (GDRs) and European Depositary Receipts (EDRs),
- Real estate equities and closed-ended real estate investment trusts,
- initial public offerings
- money market instruments and/or bank deposits for liquidity management.

Each sub-fund may also hold up to 20% of its net assets in bank deposits at sight.

**2. Amendment of the investment policies of the sub-funds Vontobel Fund II -
Vescore Active Beta
Vescore Active Beta Opportunities
(the “Sub-Funds”)**

The Sub-Funds will promote environmental and/or social characteristics in accordance with Article 8 SFDR and will not have as its objective a sustainable investment.

The Sub-Funds will promote environmental and/or social characteristics by investing its direct securities holdings in accordance with sustainability criteria set by the Investment Manager including an investment of at least 5% in sustainable investments that are green, social and sustainable bonds which comply with internationally recognized standards such as ICMA.

The risk profile of the Sub-Funds will be adapted accordingly.

3. Renaming of the sub-fund

Vontobel Fund II – mtX Sustainable Emerging Markets Leaders X (the “Sub-Fund”) and changes in its investment profile and investment policy as well as in the SFDR categorization

The Sub-Fund’s name shall be changed to Vontobel Fund II – mtX Emerging Markets Sustainability Champions.

The Sub-Fund shall be re-categorized under the Sustainable Finance Disclosure Regulation (“SFDR”) from Article 8 to Article 9 SFDR.

In addition to aiming to generate long-term capital growth in USD, the Sub-Fund shall have a sustainable investment objective to contribute towards UN Sustainable Development Goals (UN SDGs) by investing in emerging markets securities which the Investment Manager identifies as Sustainability Champions.

While respecting the principle of risk diversification, the Sub-Fund invests at least 80% of its net assets in

- equities and equity-like transferable securities,
- participation certificates including, but not limited to depositary receipts, such as American Depositary Receipts (ADRs), Global Depositary Receipts (GDRs) and European Depositary Receipts (EDRs) and including real estate equities and transferable securities issued by companies that qualify as closed-ended real estate investment trusts, which are listed or traded on a Regulated Market or on one of the markets referred to in section 9 “Investment and Borrowing Restrictions” of the General Part, and,
- comparable instruments issued by or for companies that are based in or conduct the majority of their business in or are exposed to an emerging market, and which are identified as Sustainability Champions by the Investment Manager.

Sustainability Champions are companies that:

- (i) contribute significantly to at least one of the UN SDGs as evaluated by the Investment Manager using its proprietary UN SDG evaluation framework; and
- (ii) pass a detailed evaluation of their environment, social and governance (ESG) operational performance using the Investment Manager’s proprietary ESG framework; and
- (iii) comply with the extensive exclusion criteria that the Investment Manager has set to avoid investments in certain economic activities that are harmful to society and environment.

The Sub-Fund may also invest in initial public offerings, may hold bank deposits at sight up to 20% of its net assets and use derivative financial instruments for hedging purposes.

It may not invest in other collective investment schemes for the purpose of building up its exposure to the investment universe.

The typical investor profile will be amended and read as follows:

This Sub-Fund is aimed at private and institutional investors with a long-term investment horizon, who wish to invest sustainably 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.

4. Changes in the investment policy of the sub-fund Vontobel Fund II – Megatrends (the “Sub-Fund”)

The Sub-Fund’s investment policy will be further detailed by including that the Sub-Fund may not use other collective investment schemes for the purpose of building up its exposure to the investment universe anymore.

The Subscription Fee rate for the Share Classes of the Sub-Fund that apply a Subscription Fee, will be increased from 3% to 5% of the net asset value per share.

5. Changes in the investment policy of the sub-fund Vontobel Fund II – Global Impact Equities (the “Sub-Fund”)

The investment policy of the Sub-Fund will be complemented as follows:

At least 80% (previously: 67%) of the Sub-Fund's net assets will be exposed to the equity markets by investing its assets in equities, equity-like transferable securities, including deposit receipts, such as ADRs and GDRs, and including real estate equities and transferable securities issued by companies that qualify as closed-ended real estate investment trusts etc. issued by companies worldwide whose economic activities contribute to an environmental objective and/or a social objective in the Investment Manager’s opinion.

The scope of applicable exclusions of companies will be described in more detail by excluding companies that produce controversial weapons and issuers that have a meaningful percentage of their power generation capacity in nuclear and coal and, in addition, issuers that derive more than a minimal percentage of revenues from the following activities: mining of uranium and coal extraction, the production of alcohol and tobacco, the involvement in gambling, pornography and fur.

6. Appointment of Vontobel Asset Management Inc. as Sub-Investment Manager for the sub-fund Vontobel Fund II – Fixed Maturity Emerging Markets Bond 2026 (the “Sub-Fund”)

Vontobel Asset Management AG, the Investment Manager of the Sub-Fund, may appoint Vontobel Asset Management Inc. as Sub-Investment Manager for the Sub-Fund.

7. Amendments to investment restrictions applicable to various sub-funds

a) Specification of asset divestment from a sub-fund

The following stipulation will be included in section 9.4 (d) of the Prospectus and applies to all sub-funds of the Fund:

The Investment Manager of a Sub-Fund usually divests from an asset that does not comply anymore with applicable sanctions, minimum credit ratings, certain exclusion and/or sustainability criteria as described in a Sub-Fund’s investment policy (or annex with regards to “Environmental and/or social characteristics” or “Sustainable Investment objective”) within a time period to be determined by the Investment Manager without exceeding in principle three

months after such breach was detected, considering prevailing market conditions, the legal and regulatory framework applicable to the relevant asset (e.g. in relation to sanctions) and taking due account of the best interests of the shareholders to the extent possible and in view of the legal context. The Board of Directors or the Management Company may decide to further postpone the rectification of such a breach or decide to carry out the divestment in several instalments over a longer period of time in exceptional cases, provided this is considered to be in the best interests of the shareholders.

b) Determination of a Large Redemption

The Board of Directors may resolve in the interests of investors, if redemption applications received on any Redemption Day for the Sub-Funds

- Vontobel Fund II – Vescore Active Beta
- Vontobel Fund II – Vescore Active Beta Opportunities
- Vontobel Fund II – Duff & Phelps Global Listed Infrastructure
- Vontobel Fund II – KAR US Small-Mid Cap
- Vontobel Fund II – Megatrends
- Vontobel Fund II – Global Impact Equities
- Vontobel Fund II – mtX China A-Shares Leaders

amount to more than 10% (previously: 5%) of its respective net assets, to defer the execution of the redemption applications and to settle them over two or several Business Days on a pro rata basis ("gates"), so that no more than 10% (previously: 5%) of the net assets of the relevant Sub-Fund is affected on any single Business Day.

8. Miscellaneous

The new version of the Prospectus contains various additional updates and clarifications including an update of the composition of the board of conducting officers of the Management Company of the Fund.

The changes described above in the sections 1 to 5 and 7 shall be effective as of 30 November 2022. The change described above in the section 6 shall be effective as of 2 January 2023.

Investors affected by the changes specified in the sections 1 to 5 and 7 here above who do not agree with the changes described in the relevant section may redeem their shares free of charge by the relevant cut-off time on 28 November or 29 November 2022 (as applicable for the relevant Sub-Fund) and on 30 December 2022 for investors affected by the change specified in the section 6, via the Fund's administrator, distributors and other offices authorized to accept redemption applications.

Investors should consult their own legal, financial and/or tax advisors if they have any questions regarding the changes described in this notice.

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