

Vontobel Fund - TwentyFour Absolute Return Credit Fund AH (hedged)

Approved for Wholesale/Retail investors in: AT, CH, DE, IT, LU.

Investment objective

This bond fund aims to achieve a positive absolute return over a period of three years by keeping a modest level of volatility, while respecting risk diversification.

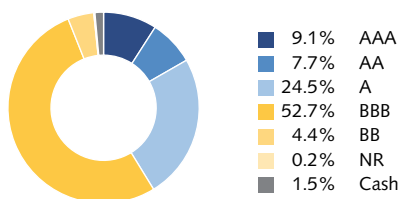
Key features

The fund can invest worldwide, with a focus on Europe, in corporate bonds and similar fixed-interest and floating-rate securities in various currencies of diverse issuers of good quality (investment grade). The fund can use derivative financial instruments for hedging purposes.

Approach

The experienced and diverse investment team takes high-conviction decisions based on rigorous macro-economic, technical and issuer analyses. In line with their continuous assessment of market conditions and future developments, the team allocates interest-rate and credit risks with the aim to benefit from any market environment. They select those securities and instruments within the investment universe in which they see the most rewarding yield and/or hedging values. The team actively adapts the portfolio to invest in attractive opportunities whenever they occur while keeping risks under control.

Rating Structure



Source: TwentyFour Asset Management LLP, 31/12/2020

Fund Data

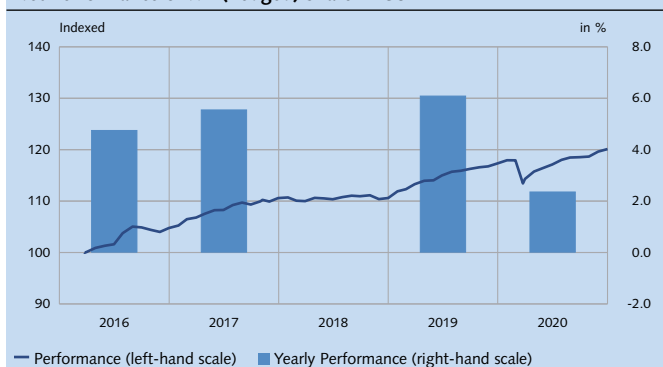
| | |
|---------------------------|---------------------------------|
| Investment manager | TwentyFour Asset Management LLP |
| Fund domicile | Luxembourg |
| Fund name / domicile | Vontobel Fund / Luxembourg |
| Share class currency | USD |
| Net asset value | 100.38 |
| Fund volume in mln | 2,279.32 GBP |
| Share class volume in mln | 3.18 USD |
| Management fee | 0.800% |
| TER (per 31/08/2020) | 1.01% |
| Launch date | 23/03/2016 |
| Last distribution | 3.53 / November |
| ISIN | LU1380459351 |
| Valor | 31903201 |

Net Performance of AH (hedged) Share (in USD and %)

| | 1 mth. | YTD | 2019 | 2018 | 2017 | 3 y. p.a. | 5 y. p.a. | since inception |
|------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------|-----------|-----------------|
| Fund | 0.4 | 2.4 | 6.1 | 0.0 | 5.6 | 2.8 | n.a. | 20.1 |
| | 01.16 – 12.16 | 01.17 – 12.17 | 01.18 – 12.18 | 01.19 – 12.19 | 01.20 – 12.20 | | | |
| Fund | 4.8 | 5.6 | 0.0 | 6.1 | 2.4 | | | |

Source: Vontobel Asset Management AG. Past performance is not a guide to current or future performance. The performance data do not take account of the commissions and costs incurred on issue and redemption. The return of the fund can be a result of currency fluctuations rise or fall. 31/12/2020

Net Performance of AH (hedged) Share in USD



Source: Vontobel Asset Management AG. Past performance is not a guide to current or future performance. The performance data do not take account of the commissions and costs incurred on issue and redemption. The return of the fund can be a result of currency fluctuations rise or fall. 31/12/2020

Key Data

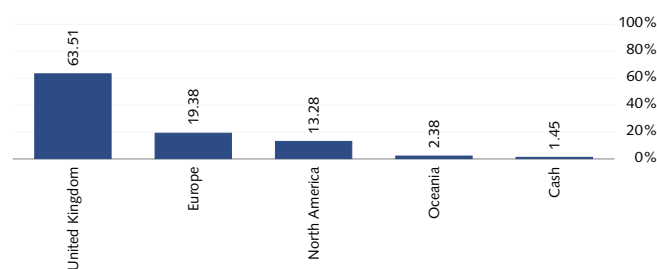
| | |
|------------------------------------|-------|
| Volatility* | 1.24% |
| Sharpe ratio* | 1.32 |
| Interest rate duration (years) | 1.75 |
| Credit duration (years) | 1.86 |
| Yield to worst in GBP** | 1.20% |
| Estimated yield to worst in USD*** | 1.32% |
| Average Rating | A- |
| Number of holdings | 105 |

* Daily since inception

** Based on expected maturity.

*** The yield is converted into share class currency from the portfolio's base currency by adjusting for the estimated monthly cost of hedging the portfolio over 1 year, by calculating the difference between the current two currency 1 month base rates.

Source: TwentyFour Asset Management LLP, 31/12/2020

Regional Exposure

Calculated on a direct exposure

Source: TwentyFour Asset Management LLP, 31/12/2020

Opportunities

- + Broad diversification across numerous securities
- + Investments in foreign currencies might generate currency gains
- + Possible extra returns through single security analysis and active management
- + Gains on invested capital possible
- + Use of derivatives for hedging purposes may increase subfund's performance and enhance returns
- + Bond investments offer interest income and capital gains opportunities on declining market yields
- + Investments in bonds with non-investment grade rating may offer an above-average yield compared with investments in first-class borrowers

Top 10 Holdings

| | |
|--|------|
| 1.75% United States Treasury Notes 2021 | 8.1% |
| 4.375% Global Switch Holdings Ltd 2022 | 2.3% |
| 4.125% Phoenix Group Holdings 2022 | 2.2% |
| 10% Barclays Bank Plc London 2021 | 2.1% |
| 6.5% Pension Insurance Corp PLC 2024 | 2.1% |
| 10% Legal & General Group PLC | 2.0% |
| 3.622% Royal Bank of Scotland Group PLC 2030 | 2.0% |
| 3.875% Argenta Spaarbank NV 2026 | 2.0% |
| 5% BUPA Finance PLC 2023 | 1.9% |
| 5.75% Orange SA 2023 Perp | 1.8% |

Source: TwentyFour Asset Management LLP, 31/12/2020

Risks

- It cannot be guaranteed that the investor will recover the capital invested
- Limited participation in potential of single securities
- Investments in foreign currencies are subject to currency fluctuations
- Success of single security analysis and active management cannot be guaranteed
- Derivatives entail risks relating to liquidity, leverage and credit fluctuations, illiquidity and volatility.
- Interest rates may vary, bonds suffer price declines on rising interest rates.
- High-yield bonds (non-investment-grade bonds/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated bonds.

Important legal information:

This marketing document was produced for Wholesale/Retail clients, for distribution in: CH.

This document is for information purposes only and does not constitute an offer, solicitation or recommendation to buy or sell shares of the fund/fund units or any investment instruments, to effect any transactions or to conclude any legal act of any kind whatsoever. Subscriptions of shares of the fund should in any event be made solely on the basis of the fund's current sales prospectus (the "Sales Prospectus"), the Key Investor Information Document («KIID»), its articles of incorporation and the most recent annual and semi-annual report of the fund and after seeking the advice of an independent finance, legal, accounting and tax specialist. Furthermore and before entering into an agreement in respect of an investment referred to in this document, you should consult your own professional and/or investment advisers as to its suitability for you. In particular, we wish to draw your attention to the following risks: Investments in the securities of emerging- market countries may exhibit considerable price volatility and – in addition to the unpredictable social, political and economic environment – may also be subject to general operating and regulatory conditions that differ from the standards commonly found in industrialised countries. The currencies of emerging-market countries may exhibit wider fluctuations. Investments in riskier, higher-yielding bonds are generally considered to be more speculative in nature. These bonds carry a higher credit risk and their prices are more volatile than bonds with superior credit ratings. There is also a greater risk of losing the original investment and the associated income payments. Investments in derivatives are often exposed to the risks associated with the underlying markets or financial instruments, as well as issuer risks. Derivatives tend to carry more risk than direct investments. There is no guarantee that all sustainability criteria will always be met for every investment. Negative impact on subfund's performance possible due to pursuing sustainable economic activity rather than a conventional investment policy. The structure of ABS/MBS and the pools backing them might be intransparent which exposes the subfund to additional credit and prepayment risks (extension or contraction risks) depending on which tranche of ABS/MBS is purchased by the subfund. Money market investments are associated with risks of a money market, such as interest rate fluctuations, inflation risk and economic instability. Past performance is not a reliable indicator of current or future performance. Performance data does not take into account 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 due to changes in rates of exchange between currencies. The value of the money invested in the fund can increase or decrease and there is no guarantee that all or part of your invested capital can be redeemed. Interested parties may obtain the above-mentioned documents free of charge from the authorised distribution agencies and from the offices of the fund at 11-13 Boulevard de la Foire, L-1528 Luxembourg. Refer for more information on the fund to the latest prospectus, annual and semi-annual reports as well as the key investor information documents ("KIID"). These documents may also be downloaded from our website at vontobel.com/am, the representative in Switzerland: Vontobel Fonds Services AG, Gotthardstrasse 43, 8022 Zurich, the paying agent in Switzerland: Bank Vontobel AG, Gotthardstrasse 43, 8022 Zurich., the paying agent in Germany: the paying agent in Germany: LBBW Landesbank Baden-Württemberg, Große Bleiche 54-56, 55116 Mainz., the paying agent in Austria Erste Bank der oesterreichischen Sparkassen AG, Graben 21, A-1010 Vienna. Refer for more information regarding subscriptions in Italy to the Modulo di Sottoscrizione. For any further information: Vontobel Asset Management S.A., Milan Branch, Piazza degli Affari 3, 20123 Milano, telefono: 0263673444, e-mail clientrelation@vontobel.it. The fund and its subfunds are not available to retail investors in Singapore. Selected sub-funds of the fund are currently recognized as restricted schemes by the Monetary Authority of Singapore. These sub-funds may only be offered to certain prescribed persons on certain conditions as provided in the "Securities and Futures Act", Chapter 289 of Singapore. The fund is not authorised by the Securities and Futures Commission of Hong Kong. It may only be offered to those investors qualifying as professional investors under the Securities and Futures Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution and if you are in any doubt about any of the contents of this document, you should obtain independent professional advice. This information was approved by Vontobel Asset Management Asia Pacific Ltd., which has its registered office at 1901 Gloucester Tower, The Landmark 15 Queen's Road Central, Hong Kong. Although Vontobel Asset Management AG ("Vontobel") believes that the information provided in this document is based on reliable sources, it cannot assume responsibility for the quality, correctness, timeliness or completeness of the information contained in this document. Except as permitted under applicable copyright laws, none of this information may be reproduced, adapted, uploaded to a third party, linked to, framed, performed in public, distributed or transmitted in any form by any process without the specific written consent of Vontobel. To the maximum extent permitted by law, Vontobel will not be liable in any way for any loss or damage suffered by you through use or access to this information, or Vontobel's failure to provide this information. Our liability for negligence, breach of contract or contravention of any law as a result of our failure to provide this information or any part of it, or for any problems with this information, which cannot be lawfully excluded, is limited, at our option and to the maximum extent permitted by law, to resupplying this information or any part of it to you, or to paying for the resupply of this information or any part of it to you. Neither this document nor any copy of it may be distributed in any jurisdiction where its distribution may be restricted by law. Persons who receive this document should make themselves aware of and adhere to any such restrictions. In particular, this document must not be distributed or handed over to US persons and must not be distributed in the USA. TwentyFour is not acting as advisor or fiduciary. Accordingly you must independently determine, with your own advisors, the appropriateness for you of the securities before investing. TwentyFour accepts no liability whatsoever for any consequential losses arising from the use of this document or reliance on the information contained herein.

TwentyFour does not guarantee the accuracy or completeness of information which is contained in this document and which is stated to have been obtained from or is based upon trade and statistical services or other third party sources. Any data on past performance contained herein is no indication as to future performance or that TwentyFour will achieve comparable results or that TwentyFour will be able to implement its investment strategy or achieve its investment objectives. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any modelling or back-testing. All data are given as at the date hereof and are subject to change.

TwentyFour, its affiliates and the individuals associated therewith may (in various capacities) have positions or deal in securities (or related derivatives) identical or similar to those described herein.

TwentyFour Asset Management LLP is registered in England No. OC335015, and is authorised and regulated in the UK by the Financial Conduct Authority, FRN No. 481888. Registered Office: The Monument Building, 11 Monument Street, London, EC3R 8AF. Copyright TwentyFour Asset Management LLP, 2017 (all rights reserved). This document is confidential, and no part of it may be reproduced, distributed or transmitted without the prior written permission of TwentyFour.

Vontobel Asset Management AG
Telefon +41 58 283 71 50
vontobel.com/am

Glossary

Benchmark

An index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance fees.

Beta

A measure of sensitivity - given as the average percentage change in the price of a fund when the market (benchmark) rises or falls by 1%. A value over (under) 1 means that on average the fund exhibits more (less) volatility than the benchmark. The figure is calculated on a 3-yearly basis.

Duration (Modified Duration)

Duration is an indication of how much a bond's price could be affected by a change in interest rates.

Effective Duration

Is a measure of the potential impact on a bond or portfolio price of a 1% change in interest rates across all maturities.

Hedging

Where a Class of Shares is described as hedged ("Hedged Share Class"), the intention is to hedge the Net Asset Value in the Reference Currency of the Sub/Fund into the Currency of the Hedged Share Class.

Information ratio

The information ratio (IR) is a ratio of portfolio returns above the returns of a benchmark to the volatility of those returns

Jensen's Alpha

Yield indicator. If the average return on a security or portfolio is larger than its expected return, the alpha is positive. If the average return is smaller than expected, the alpha is negative.

Management Fee

Is a fee which covers all costs relating to possible services rendered in connection with investment management and distribution. Please refer to the fund's prospectus for a complete description.

NAV

The Net Asset Value (NAV) represents the value per share. It is calculated by dividing the total net asset value of the fund (the value of the fund's assets less its liabilities) by the number of shares outstanding.

Performance Fee

The payment made to an Investment Manager if certain performance levels are achieved (often over and above any levels set out in the investment objective) within a set time period. Please refer to the fund's prospectus for a complete description.

Reference Index

The difference to benchmark is that the reference index is not used for calculation of performance fees.

Sharpe Ratio

The Sharpe ratio indicates the additional reward per unit of risk compared to a risk/free investment. It reveals how much performance was achieved at what level of risk.

TER

The fees and incidental costs charged on the management of collective investment schemes are to be disclosed using the internationally recognized Total Expense Ratio (TER). This ratio expresses the sum of all fees and incidental costs charged on an ongoing basis to the collective investment scheme's assets (operating expenses) taken retrospectively as a percentage of the net assets

Tracking error

Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error.

Volatility

Volatility (or risk or standard deviation) is an indicator of the range of fluctuation of the annualized performance of a fund over a certain period.

Weighted Average Coupon (WAC)

The coupon is the annual interest rate paid by a bond issuer on the face value of the bond.

Yield to Maturity

The rate of return anticipated on a bond if it is held until the maturity date.

Yield to Worst

The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions are used by the issuer.
