

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

# Sustainable Emerging Markets Local Currency Bond

ISIN	LU0563307981
Share Class	I
Currency	USD

a sub-fund of Vontobel Fund

This fund is managed by Vontobel Asset Management S.A., which is part of Vontobel Group.

This fund is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

## Objectives and investment policy

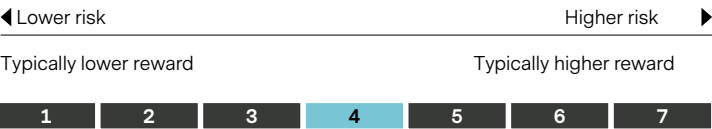
This actively managed sub-fund aims to outperform the market of sovereign local currency emerging debt over a medium term on a risk-adjusted basis, while respecting the ESG strategy. It promotes environmental or social characteristics, but does not have sustainable investment as its objective. It is categorized as Article 8 SFDR.

- It mainly invests in fixed-income instruments, convertible bonds and similar securities. It may fully invest in non-investment grade (high yield) assets while the exposure to distressed securities is limited to 10%. It may invest up to 10% of its net assets in securities traded on the China Interbank Bond Market via Bond Connect and may also hold cash.
- It invests in accordance with the ESG strategy of the investment manager. **Type of approach:** There are two explicit ways ESG is integrated into the management of the sub-fund: **a) Exclusion Part:** it refrains from investing in securities issued by issuers from non-democratic countries in accordance with the classification of a third-party research provider. **Measurable objective:** This criterion leads to excluding more than 20% of the investment universe. **Investment universe:** sovereign local currency emerging markets debt. **b) Modified Best-in-Class Part (Positive Screening):** the sub-fund also applies an ESG approach based upon an in-house sustainability model. It is essentially a best-in-class approach, based on the comparison of the ESG characteristics of countries and - on an ancillary basis - supranational issuers. **Threshold:** 100% of the

securities in the sub-fund have the sustainability selection criteria applied to it. **Main methodological limits:** potential inconsistency, inaccuracy or lack of availability of ESG data issued by third party providers. **More details on the above can be found in the prospectus.** The sub-fund mainly invests in securities denominated in various emerging market currencies and issued or guaranteed by public, semi-public or supranational borrowers domiciled in, having business activities in or exposed to emerging markets. Up to 33% of the sub-fund's net assets may be exposed, in compliance with the ESG strategy of the sub-fund, to debt and money market instruments outside the aforementioned investment universe.

- The sub-fund may use derivatives to achieve the investment objective and for hedging purposes. Currency, credit and interest rate risks may be actively managed through the use of derivative financial instruments.
- The sub-fund is not managed with reference to a benchmark. The portfolio manager has full investment discretion within the predefined investment limits.
- Any income generated will be reinvested and included in the value of your shares.
- Buying and selling securities entails transaction costs payable in addition to the charges listed.
- Redemption of shares: daily when banks in Luxembourg are open for normal business (see prospectus for details and exceptions).
- I shares are exclusively reserved for institutional investors.

## Risk and reward profile



The indicator above does not signal the risk of a potential loss, but indicates the fluctuations in the sub-fund's share price in the past.

- The share class is assigned to this category because its share price can fluctuate moderately due to the investment policy applied.
- The historical data used to calculate the profile cannot be used as a reliable guide to the future risk profile of the sub-fund.
- The risk category shown is not guaranteed and may change.
- Even the lowest risk category is not entirely free of risk.

When assigning a sub-fund's share class to a risk category, it may be the case that not all risks are taken into account. Such risks include risks in connection with exceptional market events, operational errors, legal and political events. You can find a detailed list of the risks in the "Notice regarding special risks" section in the general part of the sales prospectus. The following risks have no direct influence on this

category, but may still be important:

- Investments in securities with a lower credit quality means there is an increased risk that an issuer may fail to meet its obligations. The value of this investment may fall if an issuer's credit rating is downgraded.
- Using derivatives creates significant leverage and entails valuation risks and operational risks. Leverage magnifies gains but also losses. Over-the-counter derivatives involve corresponding counterparty risks.
- The sub-fund also includes sustainability criteria in its investment process. This may mean that the sub-fund's performance is more positive or negative than a conventionally managed portfolio.
- Distressed securities have a higher credit and liquidity risk as well as uncertainty in any potential bankruptcy proceedings.
- 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.
- Investments in Chinese bonds 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.

## Charges

The charges you pay are used to pay the costs of running the fund, including the costs for managing, marketing and distributing it. These charges reduce the return on your investment.

### ONE-OFF CHARGES TAKEN BEFORE OR AFTER YOU INVEST

<b>Entry charge</b>	5.00%
<b>Exit charge</b>	0.30%
<b>Conversion fee</b>	1.00%

This is the maximum that might be taken out of your money before it is invested / before the proceeds of your investment are paid out.

### CHARGES TAKEN FROM THE FUND OVER A YEAR

<b>Ongoing charges</b>	0.89%
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### CHARGES TAKEN FROM THE FUND UNDER CERTAIN SPECIFIC CONDITIONS

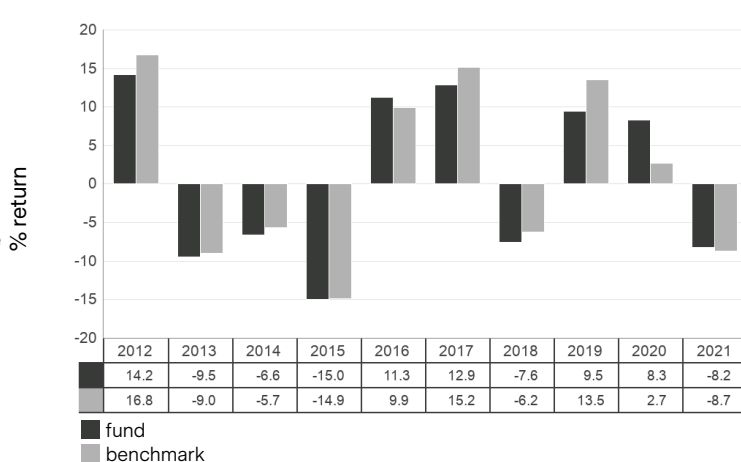
#### Performance fee

not charged

## Past performance

The chart shows past performance based on full calendar years. One-off charges are not included when calculating performance.

- Past performance is not an indicator of current or future returns.
- The stated performance of the share class includes ongoing charges, but excludes one-off charges.
- Shares were first issued for this share class in 2011.
- The sub-fund uses the benchmark J.P. Morgan GBI-EM Global Diversified Composite USD for performance comparison only.
- Past performance of the fund is shown in the currency of the share class (USD).



## Practical information

- The fund's depositary is RBC Investor Services Bank S.A.
- The sales prospectus, up-to-date semi-annual and annual reports, share prices and other practical information are available free of charge at [www.vontobel.com/AM](http://www.vontobel.com/AM) in English and German.
- To obtain the documents, you can also contact Vontobel Asset Management S.A., 18, rue Erasme, L-1468 Luxembourg.
- The fund is subject to Luxembourg tax law. This may have an impact on your investment in the fund, depending on where you live. If you have any questions in this regard, please contact your tax advisor.
- Information re. the current remuneration policy, including a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding the remuneration and

The one-off charges shown are maximum figures. In some cases, you might pay less – you can find this out from your financial advisor.

The figure for ongoing charges is based on the past twelve months as at 28/02/2022. This figure may vary from year to year. It does not include:

- The fund's transaction costs except for those paid by the fund when buying or selling shares of other collective investment schemes.
- You can find more information on costs in the "Fees and expenses" section of the general part of the sales prospectus, available at [www.vontobel.com/AM](http://www.vontobel.com/AM).

benefits, is available at

[www.vontobel.com/AM/remuneration-policy.pdf](http://www.vontobel.com/AM/remuneration-policy.pdf) and will be provided for free in hardcopy upon request.

- This sub-fund is part of an umbrella fund. The various sub-funds are not liable for one another, i.e. only the gains and losses of this sub-fund are relevant for you as an investor. You can request the conversion of some or all of your shares in the sub-fund in accordance with the "Conversion of shares" section, unless stipulated otherwise in the special part of the sales prospectus.
- Vontobel Asset Management S.A. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the fund.