

**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name:** Vontobel Fund - Global Equity Income (FQ\_00087)

**Legal entity identifier:** FHGZV6FG3E781BD7B132

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

### Did this financial product have a sustainable investment objective?

☒ ☒ ☐ **Yes**

- ☐ It made **sustainable investments with an environmental objective:** \_\_\_\_%
- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ It made **sustainable investments with a social objective:** \_\_\_\_%

☒ ☐ ☒ **No**

- ☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_\_% of sustainable investments
  - ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - ☐ with a social objective
- ☒ It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-Fund were met. The Sub-Fund promoted environmental and social characteristics and invested in issuers that the Investment Manager considered well-prepared to handle financially material environmental and social challenges. Issuers were selected based on the Investment Manager's ESG framework. The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

**Sustainability**

**indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

● **How did the sustainability indicators perform?**

Sustainability Indicator	Value	Comment
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund.	0%	Excluded products and /or activities are indicated under the investment strategy section of the pre-contractual disclosure annex
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	0%	During the reporting period, there were two potential breaches of UNGC standards. After review, a positive outlook has been identified by the Research and ESG Analyst(s) and confirmed by Investment Risk.
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (MSCI All Country World Index TR net).	57.73 tons CO2e/USD million revenue (Sub-Fund) vs 134.64 tons CO2e/USD million revenue (benchmark)	
Percentage of securities covered by ESG analysis	100%	

● **... and compared to previous periods ?**

Sustainability Indicator	year ending on August 31, 2022
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund.	N/A
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	N/A

Sustainability Indicator	year ending on August 31, 2022
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (MSCI All Country World Index TR net).	N/A
Percentage of securities covered by ESG analysis	N/A

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Not Applicable

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not Applicable

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

Not Applicable

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not Applicable

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



**How did this financial product consider principal adverse impacts on sustainability factors?**

The Investment Manager considered a set of principal adverse impacts on sustainability factors in the following areas: controversial weapons (Table 1 – PAI indicator 14: Exposure to controversial weapons), social matters and human rights (Table 1 – PAI indicator 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), greenhouse gas emissions (Table 1 – PAI indicator 3: GHG intensity of investee companies), biodiversity (Table 1 – PAI indicator 7: Activities negatively affecting biodiversity-sensitive areas), and social and employee matters (Table 1 – PAI indicator: 13 Board gender diversity). The Investment Manager applied a process to identify issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research and/or external data sources, including ESG data providers, news alerts, and the issuers themselves. No investment was identified as having a critical and poorly managed impact in any of the adverse impacts areas considered.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: August 31, 2023

Largest investments	Sector	% Assets	Country
PepsiCo	Food & soft drinks	4.25	United States
RELX	Graphics, publishing & printing media	3.93	United Kingdom
Nestlé	Food & soft drinks	3.67	Switzerland
TJX Companies	Retail trade & department stores	3.62	United States
Taiwan Semiconductor Manufacturing	Electronics & semiconductors	3.59	Taiwan
Johnson & Johnson	Pharmaceuticals, cosmetics & med. products	3.23	United States
Coca-Cola	Food & soft drinks	3.21	United States
CME Group	Financial, investment & other diversified comp.	3.13	United States
Mastercard	Financial, investment & other diversified comp.	3.04	United States
Genuine Parts	Vehicles	3.02	United States
Walmart de Mexico	Retail trade & department stores	2.85	Mexico
Power Grid Corporation of India	Energy & water supply	2.82	India
Progressive	Insurance companies	2.78	United States
Comcast	Graphics, publishing & printing media	2.77	United States

Largest investments	Sector	% Assets	Country
Abbott Laboratories	Pharmaceuticals, cosmetics & med. products	2.61	United States

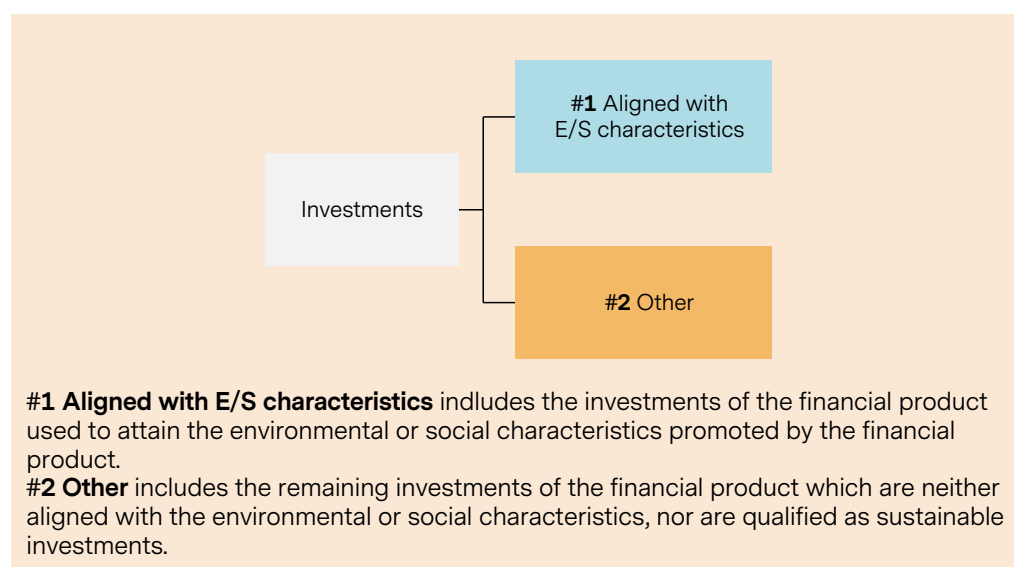


## What was the proportion of sustainability-related investments?

The proportion of sustainability-related investments was 98.54% (assets aligned with environmental and social characteristics).

### ● What was the asset allocation?

**Asset allocation** describes the share of investments in specific assets.



98.54% of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)

#2 Other (1.46%)

● ***In which economic sectors were the investments made?***

Economic sector	
Banks & other credit institutions	17.28
Food & soft drinks	14.89
Financial, investment & other diversified comp.	10.74
Pharmaceuticals, cosmetics & med. products	10.59
Retail trade & department stores	7.79
Graphics, publishing & printing media	6.70
Electronics & semiconductors	5.26
Energy & water supply	3.92
Vehicles	3.02
Chemicals	2.98
Insurance companies	2.78
Internet, software & IT services	2.54
Healthcare & social services	2.24
Mechanical engineering & industrial equip.	2.21
Building materials & building industry	1.99
Telecommunication	1.74
Tobacco & alcoholic beverages	1.35
Real estate	1.07

3.92% of the total value of investments (NAV) were in companies involved in sectors that could be connected to fossil fuels, like "Energy & water supply", "Mining, coal & steel" or "Petroleum/Oil and natural gas". It's important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it's not their main focus.



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?

☐ Yes:

☐ In fossil gas

☐ In nuclear energy

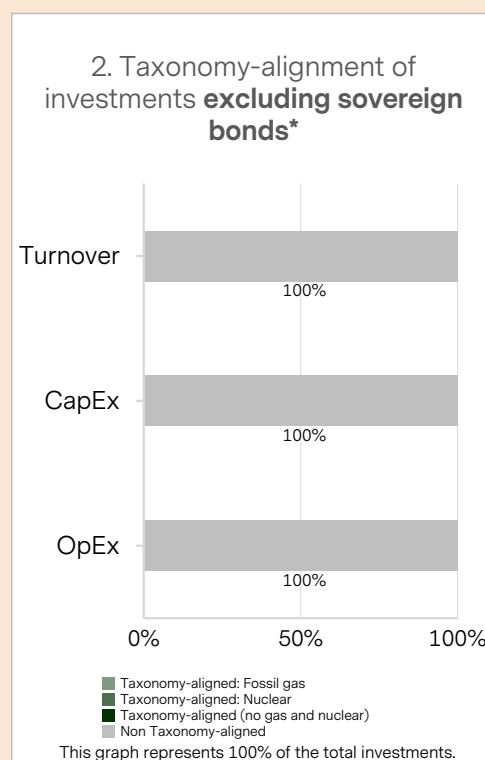
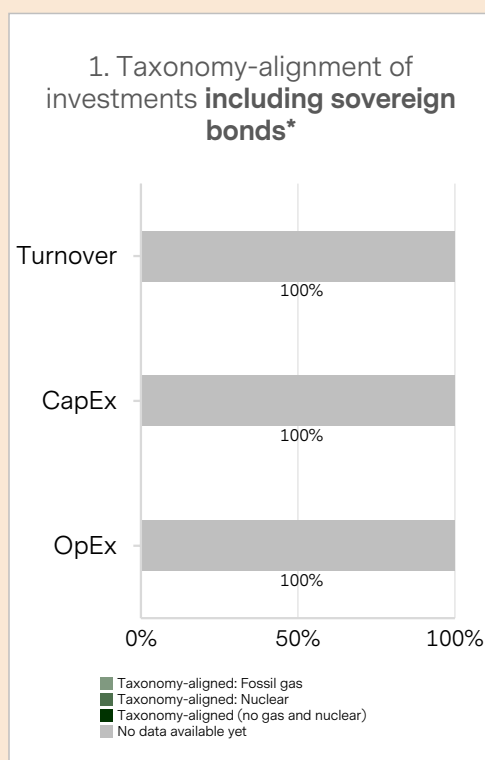
☒ No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.


*The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

● **What was the share of investments made in transitional and enabling activities?**

Activities	Investment share
transitional	0.00%
enabling	0.00%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Period	Investment share
year ending on August 31, 2022	0.00%

**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

Investment share
0.00%



**What was the share of socially sustainable investments?**

Investment share
0.00%



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

Investments	Purpose	Minimum of environmental or social safeguards
Cash (1.46%)	Liquidity management	No minimum environmental or social safeguards were applied.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The binding elements of the investment strategy used for the selection of the investments to attain the environmental and/or social characteristics promoted by this Sub-Fund have been monitored throughout the reporting period.





## How did this financial product perform compared to the reference benchmark?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The financial product has not designated a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.