

**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**

**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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** Vontobel Fund – TwentyFour Monument European Asset Backed Securities

**Legal Entity Identifier:** 2221003MIZ7HZMHFER60

## Environmental and/or social characteristics

<b>Did this financial product have a sustainable investment objective?</b>	
<p><span style="color: green;">●●</span> <input type="checkbox"/> <b>YES</b></p> <p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective: ___%</b></p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective: ___%</b></p>	<p><span style="color: grey;">●</span> <input checked="" type="checkbox"/> <b>NO</b></p> <p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 23.71% of sustainable investments</p> <p style="margin-left: 20px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>



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

The environmental and/or social characteristics promoted by the Sub-Fund were met.

The Sub-Fund promoted the environmental and / or social characteristics by investing in issuers that the Investment Manager considered well prepared to handle financially material environmental and social challenges. Issuers were screened in accordance with the Investment Manager’s view of appropriate sustainability parameters as measured in Investment Manager’s proprietary Environmental (E) and Social (S) scoring model. Information on the scoring model is available in the pre-contractual disclosure annex for the Sub-Fund. The Sub-Fund avoided investments in issuers involved in certain economic activities that are harmful to society and the environment.

In addition, since January 2024 the Sub-Fund partially invested in sustainable investments by investing in securities of issuers that contributed to either an environmental (climate change mitigation, climate change adaptation) or a social (empowerment) objective based on the Investment Manager’s assessment.

With effect from January 2024, the Sub-Fund committed to invest at least 15% of its net assets in sustainable investments.

As at the financial year-end, the Sub-Fund had 96.05% of its net asset value invested in issuers that qualify as aligned with environmental and/or social characteristics, which included 23.71% of its net assets in sustainable investments.

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?**

During the reference period, the attainment of the environmental and social characteristics promoted by the Sub-Fund has been measured with the sustainability indicators, as presented in the table below:

Sustainability Indicators	Value	Comments
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 securities of corporate issuers that pass the minimum combined E&S score (set at 25 out of 100) and the minimum ESG score (set at 34 out of 100) that has been set for this Sub-Fund as described in the investment strategy section of the pre-contractual disclosure annex.	96.05%	

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

Financial year of the Fund ending on 31 August	2024	2023
Sustainability Indicators	Value	Value
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%	0%
Percentage of investments in securities of corporate issuers that pass the minimum combined E&S score (set at 25 out of 100) and the minimum ESG score (set at 34 out of 100) that has been set for this Sub-Fund as described in the investment strategy section of the pre-contractual disclosure annex.	96.05%	91.61%

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

The objective of the sustainable investments that the Sub-Fund partially made was to invest in securities of issuers that contributed to either an environmental (climate change mitigation, climate change adaptation) or a social (empowerment) objective. In addition to following good governance, the investment must not have been classified as “Significant Harm” and must have been classified as “In transition” (which includes a commitment to transition) or “Positive contribution”, based on an evaluation conducted by the Investment Manager.

If a security complied with these requirements, the entire investment was considered a sustainable investment.

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

In order to ensure that the Sustainable Investments of the Sub-Fund do not cause significant harm to any environmental or social investment objective, the Sub-Fund takes into account all the mandatory principal adverse impacts indicators and ensures that the Sub-Fund’s investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as further outlined below.

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

For the sustainable investments that the Sub-Fund partially made, the Investment Manager took into account the indicators for adverse impacts on sustainability factors by applying the following process: The Investment Manager applied a process to identify the investments’ exposure to principal adverse impacts on sustainability factors based on in-house research; data sources include ESG data providers, news alerts, and the issuers themselves. Where no reliable third-party data was available, the Investment Manager made reasonable estimates or assumptions. No investment was identified as having a critical and poorly managed impact in any of the considered principal adverse impacts areas.

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

The Sub-Fund has a controversy monitoring process in place, that among others takes into account the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This process is based on third party data and may be complemented by the Investment Manager's own ESG research capabilities. The Sub-Fund excludes issuers that are (i) in violation of the norms and standards (defined under the investment strategy section) promoted by the Sub-Fund; (ii) involved in critical controversies. Unless, in either case, the Investment Manager has identified a positive outlook (i.e., through proactive response by the issuer, proportionate rectification measures already announced or taken, or through active ownership activities with reasonable promise of successful outcomes).

*The EU Taxonomy sets out a "do no 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 EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU 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:

Table	Number	Principal Adverse Impact Indicator
1	1	Total GHG emissions (Scope 1 and 2)
1	14	Share of investments in investee companies involved in the manufacture or selling of controversial weapons
1	17	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels
1	18	Share of investments in energy-inefficient real estate assets

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 principal adverse impact areas considered.

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

The top investments of the Sub-Fund are detailed below:

Largest investments	Sector	% Assets	Country
Storm	Residential mortgage-backed securities	3.35	Netherlands
Green Lion 2023-1	Residential mortgage-backed securities	3.14	Netherlands
Goldman Sachs International	Residential mortgage-backed securities	2.50	United Kingdom
Aque	Collateralized loan obligations	2.31	Ireland
Delphinus	Residential mortgage-backed securities	2.17	Netherlands
Twin Bridges	Residential mortgage-backed securities	2.10	United Kingdom

**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 list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01/09/2023-31/08/2024

SC Germany Consumer	Consumer asset-backed securities	2.06	Luxembourg
Holmes Master Issuer 1 A1	Residential mortgage-backed securities	1.93	United Kingdom
Together Asset Backed Securitisation	Residential mortgage-backed securities	1.82	United Kingdom
Capital Four CLO III 3X A	Collateralized loan obligations	1.81	Ireland
Arbour	Collateralized loan obligations	1.78	Ireland
Together Asset Backed Securitisation	Residential mortgage-backed securities	1.74	United Kingdom
CLONP 1X AR	Collateralized loan obligations	1.70	Ireland
Strab 2022	Residential mortgage-backed securities	1.69	United Kingdom
Twin Bridges	Residential mortgage-backed securities	1.67	United Kingdom

The portfolio proportions of investments presented above are an average over the reference period, based on the Sub-Fund's holdings at the quarter-ends of the financial year.

Due to limitations in the coverage and accuracy of NACE classifications for asset-backed securities, the sector classifications used for the Sub-Fund represent the specific pool of underlying loan or credit assets for each asset-backed security in order to better reflect exposure to that asset class.

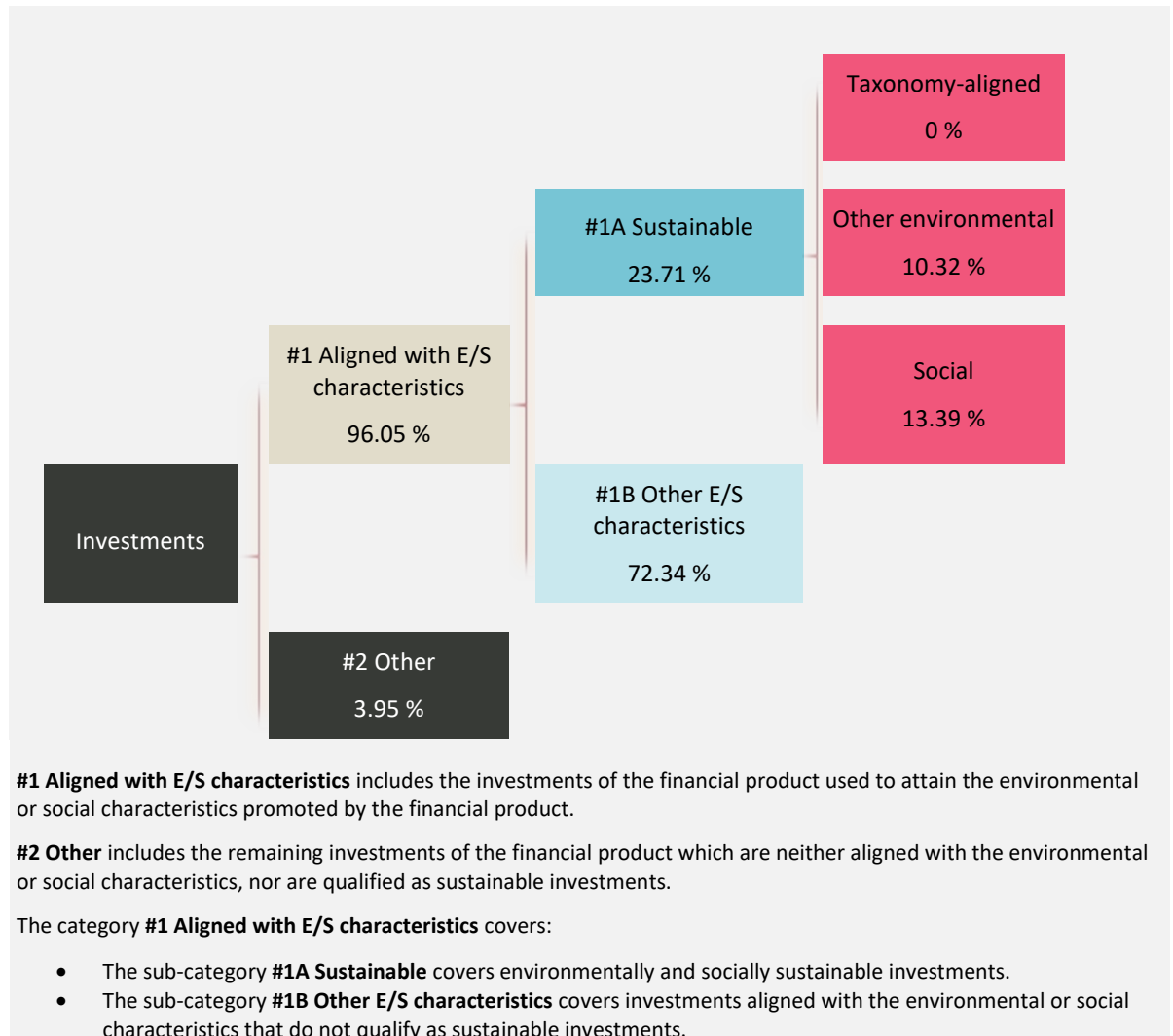


## What was the proportion of sustainability-related investments?

The proportion of sustainability-related investments was 96.05% (assets aligned with environmental and social characteristics).

### What was the asset allocation?

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



Depending on the potential usage of derivatives as part of this Sub-Fund's investment strategy, the exposure detailed above could be subject to variability as the portfolio's total value of investments (NAV) may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this Sub-Fund, please refer to its pre-contractual disclosures and the investment policy described in the Sales Prospectus.

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

The Sub-Fund’s investments were made in the economic sectors\* detailed below:

Top sector	Sub-sector	Proportion (%)
Asset-backed securities	Residential mortgage-backed securities	41.95
Asset-backed securities	Collateralized loan obligations	30.71
Asset-backed securities	Auto Loans	7.60
Asset-backed securities	Consumer asset-backed securities	3.16
Asset-backed securities	Leases	1.07
total of remaining sectors with a proportion < 1.0%		14.48

The portfolio proportions of investments presented above are an average over the reference period.

\*Due to limitations in the coverage and accuracy of NACE classifications for asset-backed securities, the sector classifications used for the Sub-Fund represent the specific pool of underlying loan or credit assets for each asset-backed security in order to better reflect exposure to that asset class.



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

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

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

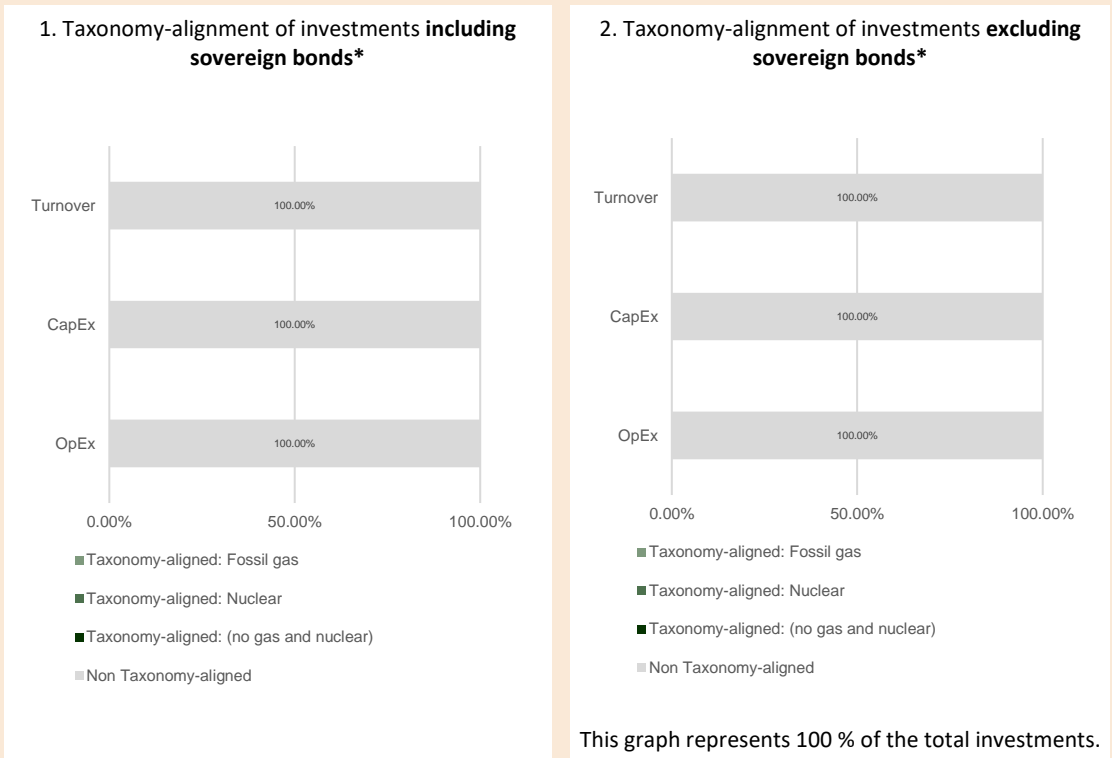
- Yes
  In fossil gas
  In nuclear energy
- No

<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 objective -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** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting 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

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

The share of investments made in transitional and enabling activities was 0 %.

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

Percentage of investments aligned with EU Taxonomy	
2024	2023
0	0

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 sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy was 10.32% for this Sub-Fund.

The investment manager did not make a commitment to investments under the reporting scope of the EU Taxonomy and did not have sufficient information to conclude an assessment on this.

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

The Sub-Fund invested 13.39 % in sustainable investments with a social objective.



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

The “Other” investments represented 3.95 % of the Sub-Fund’s Net Asset Value and consisted of:

- Cash (3.95%) for liquidity management purposes.

Environmental or social safeguards were applied and assessed on all “other” assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIs managed by other management company and (iii) on cash and cash equivalent investments described above.



### **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?**

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

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