Vontobel

Supplement
dated 7 December 2022

to the Base Prospectus for
Constant Leverage Certificates
dated 25 May 2022

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Constant Leverage Certificates

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Vontobel Financial Products GmbH

Frankfurt am Main, Germany

(the "**Issuer**")

Vontobel Holding AG

Zurich, Switzerland

(the "**Guarantor**”)

Investors who have already agreed to purchase or subscribe for the securities before the supplement is published shall have the right according to Article 23 paragraph 2a of the Regulation (EU) 2017/1129 dated 14 June 2017 as amended from time to time (the "**Prospectus Regulation**"), exercisable within three working days after the publication of the supplement, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy referred to in Article 23 paragraph 1 of the Prospectus Regulation arose or was noted before the closing of the offer period or the delivery of the securities, whichever occurs first.

Statement concerning the right of withdrawal

A right of withdrawal is only granted to those investors who had already agreed to purchase or subscribe for the securities before the supplement was published and where the securities had not yet been delivered to the investors at the time when the significant new factor, material mistake or material inaccuracy arose or was noted.

Investors can exercise their right of withdrawal within three working days after the publication of the supplement.

Investors must contact the Issuer (Vontobel Financial Products GmbH, Bockenheimer Landstraße 24, 60323 Frankfurt am Main, Germany; email: vfp-frankfurt@vontobel.com) should they wish to exercise the right of withdrawal.

This supplement dated 7 December 2022 (the "**Supplement**") as well as the Base Prospectus for Constant Leverage Certificates dated 25 May 2022 (the "**Base Prospectus**") are accessible by entry of the respective ISIN on the website prospectus.vontobel.com. In addition, the Issuer will have copies of the Supplement and the Base Prospectus available free of charge.

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1. Reasons for the Supplement

The Issuer announces the following new factor relating to the information included in the Base Prospectus:

> Factor Indices linked to exchange rates should be able to reflect also price movements of the reference instrument with a leverage factor of 21, 22, 23, 24 and 25. This new factor occured on 7 December 2022.

2. Amendments to the Base Prospectus

As a result of the reason for the Supplement mentioned under section 1., the Base Prospectus shall be amended as follows:

In section 8.3 "Factor Indices linked to exchange rates" of the Base Prospectus, the following amendments are made on pages 145 to 147 of the Base Prospectus (additions marked through underlinings <u>in bold</u>).

"**8.3.1 Index description**

[

Index name:	[2][3][4][5][6][7][8][9][10][11][12][13][14][15][16][17][18][19][20]<u>[21][22][23][24][25]</u>[40]X [Long] [Short] Index linked to [*insert name of the Reference Instrument in accordance with the Reference Instrument List in section 9.3.2*] (the "**Factor Index**")
Reference Instrument:	[*insert name of the Reference Instrument in accordance with the Reference Instrument List in section 9.3.2*]
Index Calculation Agent:	Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland
Information Page:	https://indices.vontobel.com [and Reuters page [*screen page*]] [and [*insert other information page, if any:* ●]]

The composition and calculation of the *Factor Index* specified above is described in the following. The *Index Calculation Agent* will make an index guide available on the *Information Page* for each *Factor Index*, containing this description together with the stipulations in the Final Terms. The index guide constitutes the basis for calculating and publishing the *Factor Index*.

A) Index description

[*for Long Factor Indices:* The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][11][12][13][14][15][16][17][18][19][20]<u>[21][22][23][24][25]</u>[40]. An increase in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change in the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore reflects a "long" strategy.

The *Factor Index* consists of a leverage component and a financing component.

<u>Leverage component</u>

The leverage component tracks an investment in the *Reference Instrument*, whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage (*Factor*)*. This leverage effect occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. *An <u>increase</u> in the price of the* Reference Instrument *(as compared to the most recent* Valuation Price *of the* Reference Instrument*) by 2% results in an <u>increase</u> in the* Factor Index *by [2][3][4][5][6][7][8][9][10][11][12][13][14][15][16][17][18][19][20]<u>[21][22][23][24][25]</u>[40] x 2%;*

2. *A <u>decrease</u> in the price of the* Reference Instrument *(as compared to the most recent* Valuation Price *of the* Reference Instrument*) by 2% results in a <u>decrease</u> in the* Factor Index *by [2][3][4][5][6][7][8][9][10][11][12][13][14][15][16][17][18][19][20]<u>[21][22][23][24][25]</u>[40] x 2%.*

<u>Financing component</u>

The financing component reflects the capital costs of taking out a loan in the [*insert currency 2 in accordance with the Reference Instrument List in section 9.3.2* currency that would be incurred to finance the corresponding investment in the [*insert currency 1 in accordance with the Reference Instrument List in section 9.3.2*] currency. Additionally, a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee*).

If the costs of taking out the loan (Interest Rate 2 plus Financing Spread, see below) and the *Index Fee* exceed the interest income on an *Index Calculation Day*, the financing component reduces the value of the *Factor Index*.]

[*for Short Factor Indices:* The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][11][12][13][14][15][16][17][18][19][20][21][22][23][24][25] [40]. A decrease in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change in the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore replicates a "short" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component inversely tracks an investment in the *Reference Instrument*, whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (factor). This leverage effect occurs with either positive or negative movements in the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. *An increase in the price of the* Reference Instrument *(as compared to the most recent* Valuation Price *of the* Reference Instrument*) of 2% results in a decrease in the* Factor Index *by [2][3][4][5][6][7][8][9][10][11][12][13][14][15][16][17][18][19][20][21][22][23][24][25][40] x 2%;*

2. *A decrease in the price of the* Reference Instrument *(as compared to the most recent* Valuation Price *of the* Reference Instrument*) of 2% results in an increase in the* Factor Index *by [2][3][4][5][6][7][8][9][10][11][12][13][14][15][16][17][18][19][20][21][22][23][24][25][40] x 2%.*

Financing component

The financing component reflects the costs of taking out a loan in the [*insert currency 1 in accordance with the Reference Instrument List in section 9.3.2]* currency that would be incurred to finance the corresponding investment in the [*insert currency 2 in accordance with the Reference Instrument List in section 9.3.2*] currency. Additionally, a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee*).

If the costs of taking out the loan (Interest Rate 1 plus Financing Spread, see below) and the *Index Fee* exceed the interest income on an *Index Calculation Day*, the value of the *Factor Index* is reduced on such day.]

B) Index definitions

The definitions below shall apply for the purposes of this index description.

"**Adjustment Date**" means [the first] [the last] [each] Index Calculation Day of [each] [a] calendar month.

"**Valuation Price**" of the *Reference Instrument* for an *Index Calculation Day* means means [- subject to an Intraday Index Adjustment pursuant to section C) 2) - the exchange rate (BFIX) determined by the Reference Exchange for the Reference Instrument Price around 2 p.m. (local time Frankfurt am Main) on that day and published on the website www.bloomberg.com/markets/currencies/fx-fixings].] [the first [[ask][bid] price of the Reference Instrument as observed by the Index Calculation Agent in the international interbank market] [market price determined by the *Index Calculation Agent* in its reasonable discretion, derived from the bid and offer prices for the *Reference Instrument* as available and published on the [Reuters Monitor Service System] [●],] [price for the *Reference Instrument* traded in the international interbank market, as determined by the *Index Calculation Agent* in its reasonable discretion,] after 22:00 CET.]

"**Financing Spread**"

[*for Long Factor Indices:* represents (in the form of a premium over the relevant *Interest Rate*) the financing costs which may be incurred if the long strategy tracked by the *Factor Index* is financed with debt.]

[*for Short Factor Indices:* reflects the current annual cost on an *Index Calculation Day* of acquiring the *Reference Instrument* via a securities lending and repurchase ("repo") transaction.]

The *Financing Spread* on the *Index Start Date* corresponds to the *Initial Financing Spread*. The *Index Calculation Agent* then adjusts the "**Current Financing Spread**" in its due discretion on each *Adjustment Date* to reflect current market conditions and publishes it in accordance with section D) of this index description. The adjusted *Financing Spread* shall apply immediately as from the relevant *Adjustment Date*.

"**Initial Financing Spread**" means [0.1] [0.2] [0.25] [0.3] [0.4] [0.5] [0.6] [0.7] [0.75] [0.8] [0.9] [1.0] [1.1] [1.2] [1.25] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0] [5.5] [6.0] [6.5] [7.0] [7.5] [8.0] [8.5] [9.0] [9.5] [10] [11] [12] [13] [14] [15] [20] [25] [30]% per annum.

"**Trading Day**" means every day on which the *Reference Instrument* is traded on the *Reference Exchange*.

"**Leverage**" means [*for Short Factor Indices:* -][2][3][4][5][6][7][8][9][10][11][12][13][14][15][16][17][18] [19][20][21][22][23][24][25][40]. It describes the impact that a change in the price of the *Reference Instrument* has on the relevant *Factor Index*. [*for Short Indices:* The negative sign for the *Leverage* indicates that the Short *Factor Index* participates inversely in, i.e. in the opposite of, the performance of the *Reference Instrument*.]”