

Vontobel Share Participation Plan

Brochure for employees

Version valid from 1 July 2014



Please note that the enclosed Regulations on the Vontobel Share Participation Plan (including appendices) are the legally binding document and thus prevail over this brochure.

Preface

Dear staff member

I am very pleased to be able to present you the Vontobel Share Participation Plan. It is the desire of the Board of Directors and the Group Management that you should participate in the future success of our group through this share participation plan.

Your dedication to Vontobel is of central concern to us. This transparent and long-term oriented system is designed to strengthen your connection with Vontobel and will enable you to participate directly in the long-term group performance. Of course, we hope that this will also encourage you to top performances. As an employee, you contribute largely to the success of Vontobel, which is why you should be a co-owner and benefit appropriately.

In the following, we will present the plan in more detail for you to get a picture. We are convinced that this balanced model enables us to take the various demands and interests into account. I would like to thank you for your commitment to the benefit of Vontobel, and I am looking forward to continued successful cooperation and teamwork.



A handwritten signature in blue ink, which appears to read "Z. Staub". The signature is fluid and cursive.

Dr. Zeno Staub
CEO Vontobel

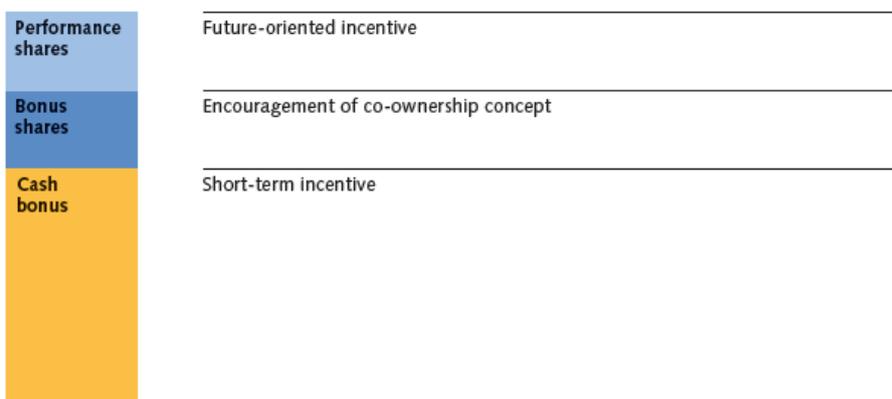
The Vontobel Share Participation Plan – an overview

The Share Participation Plan represents an attractive component of our overall remuneration strategy and forms part of the variable salary. This modern and flexible part of your salary will, in the context of the bonus payments, enable you to become a shareholder of Vontobel Holding AG at favourable conditions. The Share Participation Plan was implemented in spring 2005. Group Management and the Board of Directors offer this long-term salary component on an annually recurring basis until it is possibly ceased. The variable remuneration is based on the performance of Vontobel, the relevant business unit's share in the overall results and on individual results that are assessed in the MbO and employee evaluation processes. The variable

remuneration is composed of the following three elements: the cash bonus, the bonus shares and the performance shares.

A substantial part of the annual bonus is paid out in cash (cash bonus). With this component, we intend to give you an immediate reward for your performance in the past year. By being allocated bonus shares, you become a shareholder and thus a co-owner of Vontobel. Finally, the performance shares are the long-term, future-oriented incentive part of your remuneration. This component allows you to participate in Vontobel's business success and rewards you for your loyalty.

Figure 1: Elements of variable remuneration

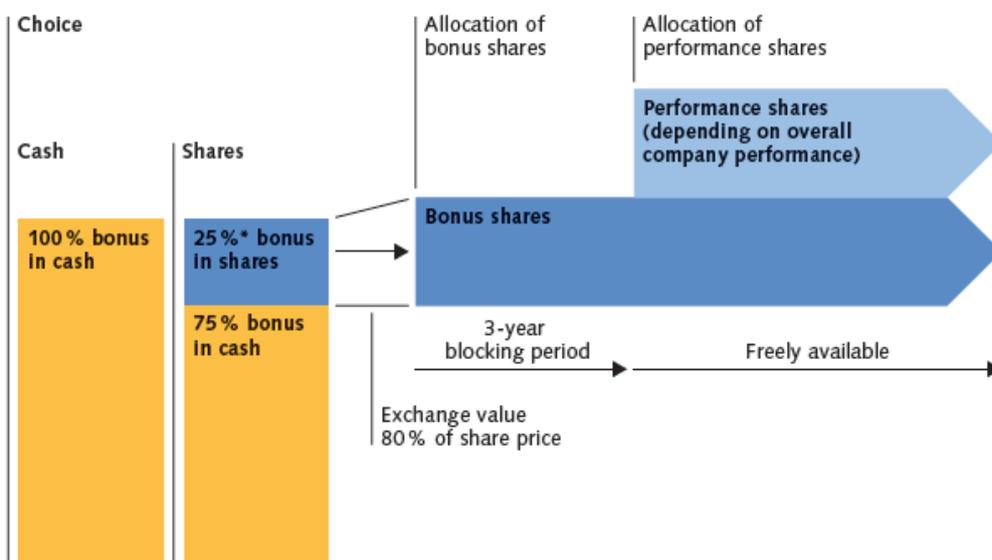


By participating in the Share Participation Plan, you are entitled to receive 25% of your bonus in the form of shares of Vontobel Holding AG (bonus shares). The remaining bonus amount will be paid in cash. The participation in the Plan is voluntary in most cases (see fig. 3).

If you decide to purchase the bonus shares, you receive them at a price of favourable 80% of the regular share price. The bonus shares are blocked for three years upon allocation and

may not be sold during this period; however, they immediately bear a dividend and voting power provided you have been recorded in the company's share register. Furthermore, the Plan enables you to receive further shares in the future, so-called performance shares, free of charge. The performance enables you to receive further shares in the future, so-called performance shares, free of charge. The performance shares are automatically entered in your safe-custody account..

Figure 2: The Share Participation Model



*50% compulsory for members of Group Management
 *25% compulsory for bonus parts exceeding CHF 100,000

Persons entitled to participate and terms and conditions for participating

principle, all Vontobel employees receiving a bonus are entitled to participate in this attractive Share Participation Plan¹. The only prerequisite for participating is an employment contract that is not under notice at the time of the bonus payment. You may invest 25% of your bonus in the Share Participation Plan. Up to a bonus amount of CHF 100,000, the employee may decide whether or not to partake in the Plan (i. e. no participation or 25% participation). If the bonus is higher

than CHF 100,000, 25% of the amount exceeding CHF 100,000 will automatically be invested in the Share Participation Plan. The exchange closing rate of December 31 is used for converting the amount CHF 100,000 into the currency of the country concerned.

For the members of Group Management, it is compulsory to invest 50% of their bonuses in the Share Participation Plan. The Share Participation Plan is offered every year, i. e. you can decide again each year whether you want to invest the voluntary part of your bonus in the Plan or not.

Figure 3: Summary of participation in Share Participation Plan

	Choice to participate in the Share Participation Plan	Obligation to participate in the Share Participation Plan
Employees	25% of the bonus amount up to CHF 100,000	25% of the bonus amount exceeding CHF 100,000
Group Management	Not applicable	50% of the entire bonus amount

¹ Exceptions: employees of companies in countries in which the Plan cannot be executed due to legal or administrative reasons.

Bonus shares

As mentioned in the preface, you will be entitled to purchase the bonus shares at a reduced price, as you will receive Vontobel registered shares at 80% of the regular share price (average closing prices during the month of December). If you invest in shares, your overall bonus will thus increase by 6.25% vis-à-vis a pure cash bonus (see fig. 4).

(a share price of CHF 25 was used for the calculation, which represents the value of the share at the time that this brochure was drafted). Unless the bonus is paid out in Swiss Francs, the closing rate of December 31 is used for calculating the number of bonus shares (the relevant bonus amount in Swiss Francs is converted in order to calculate the number of bonus shares).

The calculation of bonus shares and the economic advantage gained against a bonus paid entirely in cash is shown below

Figure 4: Calculation of bonus shares

Bonus amount	CHF 10 000
Voluntary investment of 25% in the Share Participation Plan (CHF 10,000 x 25%)	CHF 2 500
Share price of a Vontobel share (average price of December)	CHF 25
Reduced purchase price of shares (CHF 25 x 80%)	CHF 20
Number of bonus shares (CHF 2,500/CHF 20)	125 Aktien
Market price of bonus shares (125 shares x CHF 25)	CHF 3 125

Cash versus Share Participation Plan

Cash	Share Participation Plan	
Cash: CHF 10 000 (100%)	Cash	CHF 7 500
	Bonus shares (market value)	CHF 3 125
	Total	CHF 10 625 (106.25%)
	plus	
	The opportunity to receive further shares (so-called performance shares) free of charge at a later point in time	

Your bonus shares will be **blocked for three years** and may neither be sold, pledged nor transferred during that period. However, they are voting shares and entitled to a dividend immediately upon allocation provided you have been recorded in the company’s share register. Once the shares have been transferred to you, they remain in your possession. Upon expiry of the three-year blocking period, you may dispose of your shares at your own discretion.

Performance shares

Only if you have decided to partake in the Share Participation Plan will you be entitled to receive so- called performance shares in the future. These shares are automatically allocated to you three years after the transfer of your bonus shares. Performance shares may be freely disposed of immediately upon their allocation, i. e. they are not subject to a blocking period.

The **number of performance shares** you are allocated depends on Vontobel’s business performance during the three-year performance period. The average ROE² and the average BIS total capital ratio³ form the basis for the calculation of the result. The annual ROE and the semi-annual BIS total capital ratio values may be found in the annual reports (see www.vontobel.com) .

For a distribution of performance shares, a minimum average ROE of 4% must be achieved. If this limit is met, you will receive performance shares.

If the average ROE is between 4% and 6%, 25% performance shares are issued three years after the bonus shares are issued. The BIS total capital ratio does not have an influence on this (see point 2 of the table below).

From 6% average ROE and depending on the average BIS total capital ratio, the entitlement to performance shares increases without restrictions.

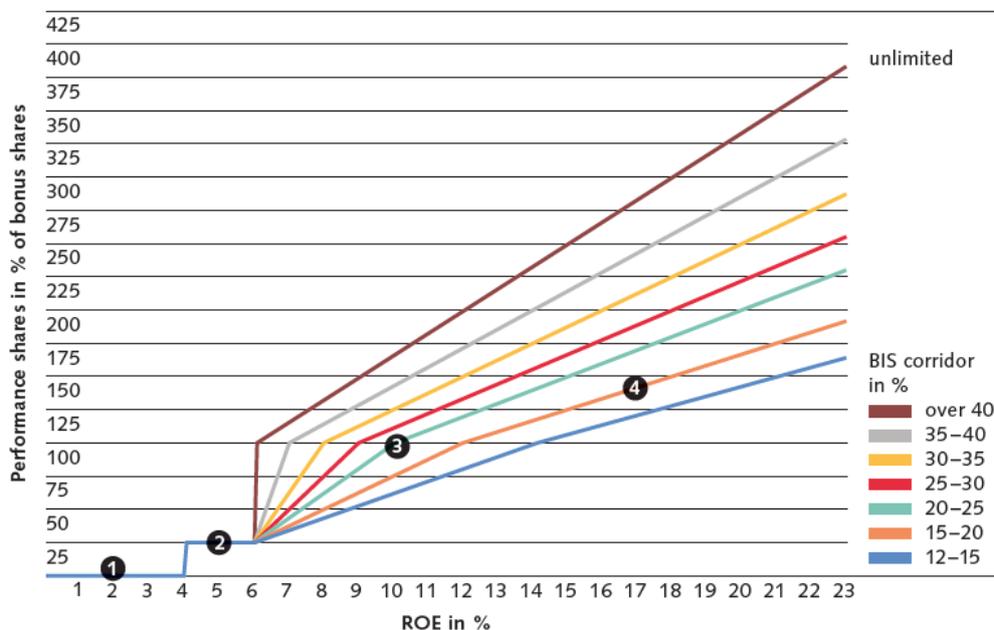
The distribution rates are contained in the table below. The number of performance shares is stated in percent of the bonus shares purchased.

This way, at an average ROE of 10% and an average BIS total capital ratio of 20 to 25%, an employee will receive 100% performance shares after the three-year performance period from a current perspective, i. e. the same number of performance shares he or she received in bonus shares at the beginning of the performance period (see point 3 of the table below)..

² The BIS total capital ratio is the ratio of own funds (total capital) to the risk-weighted assets of a bank.

³ The BIS total capital ratio is an internationally recognised key figure for representing a bank’s solidity and risk tolerance.

Figure 5: Distribution rates for performance shares

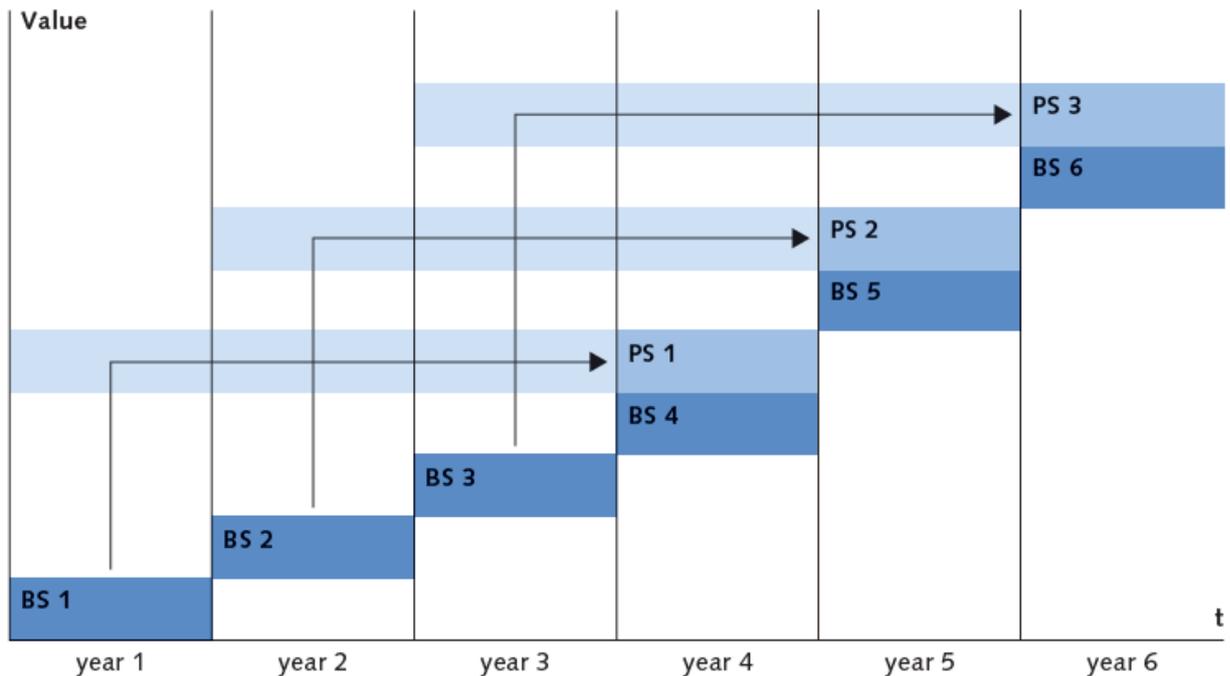


The BIS total capital ratio/BIS corridor “12–15%” applies from 1.1.2013 and applies for the first time to plan edition 2013 (bonus payments for the 2012 financial year). BIS corridor “10–15%” applies to plans that are already running as at

1.1.2013 (in accordance with Share Participation Plan Regulations, Article 15).

Since the plan is offered every year, you may benefit from further bonus shares or performance shares. Figure 6 shows the mechanism for Plan editions over several years.

Figure 6: Overview of Plan editions for several years



BS = bonus shares PS = performance shares

Additional calculations

With the following calculations on the basis of the example in figure 4, we intend to show you the advantages of the Share Participation Plan. Table 1 below contains four sample

calculations with different allocations of performance shares. The corresponding reference points 1–4 are shown in figure 5.

Table 1: Sample calculations 1

	Assumptions	Result	Detailed calculation*	Reference point (fig. 5)
Example I	Ø ROE (year 1/2/3) < 4%	0 performance shares	0% performance shares (0 x 125 bonus shares)	1
Example II	Ø ROE (year 1/2/3) = 5% BIS-ratio does not have any impact	32 performance shares	25% performance shares (0.25 x 125 bonus shares)	2
Example III	Ø ROE (Year 1/2/3) = 10% Ø BIS-ratio of 20-25%	125 performance shares	0% performance shares (1.00 x 125 bonus shares)	3
Example IV	Ø ROE (year 1/2/3) = 17% Ø BIS-ratio of 15-20%	178 performance shares	0% performance shares (1.42 x 125 bonus shares)	4

* For information on how to determine the number of performance shares see table in Appendix 1 of the enclosed Regulations..

Rising share prices make this Plan even more attractive. Table 2 below shows the long-term potential for value appreciation in consideration of different share price developments. Furthermore, table 2 provides you with an overview of the different advantages of payment in cash

versus participation in the Share Participation Plan. The calculations in table 2 are based on the results in table 1. For year 4, various share prices have been assumed (between CHF 15 and CHF 50).

Table 2: Sample calculations 2

Example	I	II	III a	III b	IV
Bonus shares year 1		125	125	125	125
Performance shares year 4		0	32	125	178
Total number of shares year 4		125	157	250	303
Share price assumption for year 4 (CHF)		15	20	25	35
Value of share package year 4 (CHF)		1 875	3 140	6 250	15 150
Payment in cash year 1 (CHF)		7 500	7 500	7 500	7 500
Total long-term value of bonus in year 4 (CHF) (= x)*		9 375	10 640	13 750	22 650
Payment in cash year 1 with no participation in Plan (CHF) (= y)*		10 000	10 000	10 000	10 000
Difference between y and x		-6.25%	+6.40%	+37.50%	+126.50%

* Gross (before tax and social security contributions)

Termination of employment

If you leave Vontobel during the term of the Plan, this has various effects on your holdings: Bonus shares which have already been allocated to you are irrevocably acquired and continue to be subject to the blocking period after termination of employment. After the three-year blocking period, you may freely dispose of your bonus shares. In the event of death or disability, you or your heirs may apply for early unblocking of the shares.

Any entitlement to performance shares expires if you or the employer terminate the employment or if the employment is terminated by mutual agreement; no pro rata temporis payment of performance shares is effected. In the event of retirement, death or disability, the performance shares are allocated on a pro rata temporis basis.

Figure 7: Overview of effects in case of termination of employment

Reason for termination	Effects on bonus shares	Effects on performance shares
<ul style="list-style-type: none"> - Termination by employee - Termination without notice or regular termination by employer - Termination by mutual agreement 	<ul style="list-style-type: none"> - No effects (bonus shares are acquired irrevocably after allocation and remain blocked) 	<ul style="list-style-type: none"> - Entitlement to future allocations expires; there is no entitlement to any compensation. - Shares which have already been definitely allocated continue to be at free disposal.
<ul style="list-style-type: none"> - Early or regular retirement - Death - Disability 	<ul style="list-style-type: none"> - No effects in the event of early or regular retirement (bonus shares are acquired irrevocably after allocation and remain blocked). - In the event of death or disability, premature unblocking of bonus shares may be requested 	<ul style="list-style-type: none"> - Pro rata temporis allocation on the basis of the years and months elapsed in the performance period. - The relevant performance (Ø ROE and BIS ratio) for the allocation of performance shares is based on the published and available figures. In the case of leaving in the first year of the performance period, the previous year's figures are considered.

Tax and social security law issues

For information on the treatment of benefits from the Share Participation Plan with regard to tax and social security law issues, please refer to the relevant information sheets, which can be downloaded from the HR portal each year. These documents provide general information on the applicable

legislation in your country. Please consult this information for the correct taxation of the monetary benefits.

Administration of the shares

Your bonus shares are deposited at Bank Vontobel AG in Zurich. You must therefore ensure to open a corresponding

safe-custody account in due time. The information and documents required for opening a safe-custody account may be ordered by the Employee-Desk. You will find the contact information on the Vontobel Intranet under My Page/Employee-Desk. During the entire blocking period (except for cases in which a premature unblocking is possible, i. e. in the event of death or disability), the bonus shares are kept in this safe-custody account. The performance shares are automatically transferred to the same safe-custody account at Bank Vontobel AG. After the three-year blocking period, you may continue to keep the bonus and performance shares in the safe-custody account at Bank Vontobel AG, transfer them to another designated safe-custody account or sell them. As an employee, you do not have to pay any administrative costs for your safe-custody account. If the shares are sold, the usual transfer costs (at staff conditions) are charged.

If the employment is terminated, the bonus shares remain blocked until the end of the three-year blocking period (in the safe-custody account at Bank Vontobel AG), and the administrative costs for this period are borne by Vontobel. At their unblocking, the shares must be transferred to a safe-custody account designated by you, or sold.

Any performance shares allocated to you or bonus shares unblocked at the time of the termination of your employment must be transferred to a safe-custody account designated by you, or sold (at staff conditions).

Action to be taken by employees

After the communication period at the end of February, you will receive access to the online share selection tool on the HR Portal for two weeks. By filling in the online form, you decide on the form in which you wish to receive your bonus (either bonus shares and payment in cash, or only payment in cash). Any online forms submitted after the deadline will not be taken into consideration, i.e. the non-compulsory part is paid in cash.

If you have not yet opened a safe-custody account with Bank Vontobel AG, we would ask you to do so in due time.

Contact for questions

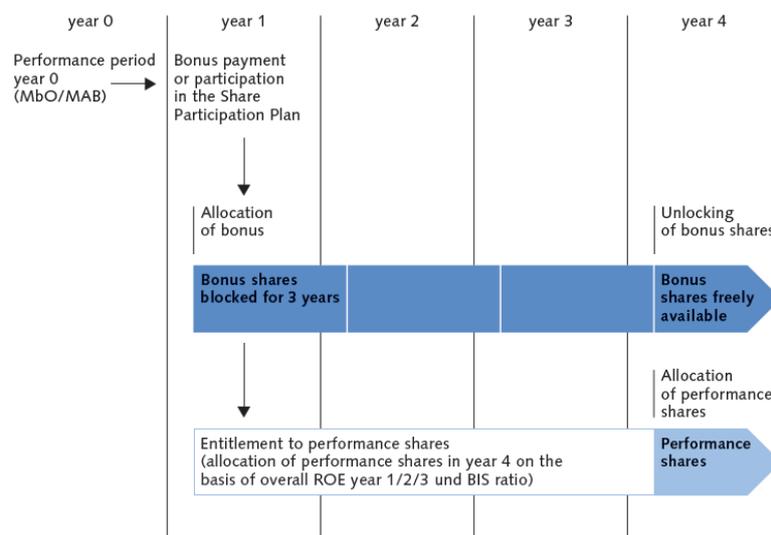
If you have questions regarding the Share Participation Plan, please do not hesitate to contact Group Human Resources (Compensation & Benefits or HR Business Partner) or the HR office in charge at your company.

Summary

The most important issues of the Share Participation Plan can be summarised as follows:

1. The Share Participation Plan on a group-wide level has been effective since spring 2005, while the revised version came into force on 1 January 2014.
2. You have the option (in certain cases you are obliged) to receive your bonus partly in the form of shares of Vontobel Holding AG (bonus shares) instead of a payment in cash. Thereby,
 - the bonus shares may be purchased at 80% of the market price;
 - the allocation of bonus shares and the transfer of ownership is performed with voting power and dividend entitlement provided you have been recorded in the company's share register;
 - the bonus shares are subject to a **three-year blocking period**.
3. you participate in the Share Participation Plan, you may receive additional shares in the form of performance shares after three years. Thereby,
 - the number of performance shares depends on the business results during the performance period;
 - the return on equity (ROE) and BIS total capital ratio are used for calculating the business results;
 - allocation of the performance shares is performed three years after allocation of the bonus shares (risk of losses in the case of termination of employment contract);
 - the performance shares are freely available with immediate effect and not subject to any blocking period.

Figure 8: Summary of most important Plan details for the performance period from from year 1 to year 3



Final remarks

The Board of Directors of Vontobel Holding AG and Group Management plan to realise this Share Participation Plan on an annual basis. However, the Board of Directors of Vontobel Holding AG reserves the right to modify the Share Participation Plan at any time or to cease offering it if necessary.

This brochure serves to present and explain the Vontobel Share Participation Plan. Please note that the enclosed Vontobel Share Participation Plan Regulations are the legally binding document for all parties involved and thus prevail over this brochure.