VIG Emerging Market ESG Equity Investment Fund

B series EUR MONTHLY report - 2024 JUNE (made on: 06/30/2024)



INVESTMENT POLICY OF THE FUND

The aim of the Fund is to share in the performance of companies benefiting from the growth of developing economies, through share price increases or dividend payments of listed companies, either directly (through investments in individual stocks) or indirectly (through ETFs or mutual Funds), while taking environmental, social and governance (ESG) criteria into account. The Fund does not directly invest in shares of Chinese companies within the emerging market universe. The geographical distribution is partly determined by the MSCI Emerging Markets Ex China Index, in which, besides a significant Asian (ex China) focus, European and Latin American companies are also heavily represented, and partly by the MSCI World with Emerging Markets (EM) Exposure Index, in which American and European companies represent the greatest weight. The use of stock and index futures is permitted in order to hedge and effectively build the Fund's portfolio. In selecting the stocks, the Fund pays special attention to the ESG compliance of individual companies; therefore, besides analysing financial factors, portfolio managers also consider environmental, social and governance factors in the investment decision process. The Fund Manager seeks to build a portfolio in which the positive ESG characteristics of companies prevail, i.e. companies with high ESG scores are overrepresented in the portfolio as compared to companies with low ESG scores.

The environmental criterion covers the elements where a business interacts with the environment. This includes, for example, the energy usage, waste management, and emission of pollutants of corporations, as well as the preservation of natural resources. Social criteria include all relations of a corporation with external partners, customers and internal employees. Corporate governance criteria include the legal conditions affecting the reliable operation of a corporation.

Due to the strategy of the Fund, it may also invest in assets denominated in foreign currency. The Fund may hedge some or all of its foreign currency risk using forward currency positions against the target currency, i.e. the settlement currency of the benchmark (USD). The Fund Manager has a discretionary right to reduce the foreign currency risk of positions denominated in a currency other than the target currency, depending on market developments, by entering into hedge transactions. In addition, the use of equity and index futures is permitted in order to effectively build the Fund's portfolio. The Fund records its assets in Hungarian forint (HUF).

MARKET SUMMARY

US equity and bond markets have been mixed recently, mainly influenced by macroeconomic data and other news. Although the pace of growth has not been strong, bond yields have fallen, suggesting that investors have turned to safer assets. There have been some worrying signs in household consumption and the labor market, but overall growth has not yet collapsed. The dollar has remained strong as the Fed still has room to cut rates but has not yet done so. News from the US technology sector had a positive impact on the futures indices, especially with announcements in the areas of artificial intelligence and technology developments.

The main event in Hungarian markets was the HNB's June interest rate decision, with analysts expecting the last rate cut. As expected, the rate was cut by 25 basis points, which temporarily strengthened the forint, but it remained volatile throughout the month. Although business confidence remained weak, the BUX index performed well and consumer confidence improved slightly, giving rise to optimism in the retail sector. The exchange rate of the forint came under pressure, partly due to the impact of political events in France and partly due to domestic inflationary concerns. In the bond markets, demand for government bonds was stable, as investors can obtain real yields in forint terms.

The Fund returned nearly 8.5% during June, slightly outperforming the benchmark index. The Fund was slightly overweight throughout the month. The Fund remained overweight mainly in the Central-Eastern European region, Turkey and the large Asian countries (India, Taiwan, South Korea), while Thailand, Malaysia and Indonesia were underweight. The positions performed quite mixed: while the Asian overweighs, the underweights Indonesia, Thailand and Malaysia also had a positive impact on relative performance, the Turkish and Central-East European overweighs worsened it. The Fund also started the new month with a small overweight and a similar positioning to June.

GENERAL INFORMATION

| Fund Manager: | VIG Investment Fund Management Hungary | |
|---------------------------------------|---|--|
| Custodian: | Unicredit Bank Hungary Zrt. | |
| Main distributor: | VIG Investment Fund Management Hungary | |
| Benchmark composition: | 70% MSCI Emerging Markets ex China Net Return USD Index + 30% MSCI World with EM Exposure Net Total Return Index | |
| ISIN code: | HU0000705934 | |
| Start: | 10/29/2007 | |
| Currency: | EUR | |
| Net Asset Value of the whole Fund: | 21,709,271,740 HUF | |
| Net Asset Value of B series: | 1,519,211 EUR | |
| Net Asset Value per unit: | 1.564600 EUR | |

DISTRIBUTORS

Concorde Securities Ltd., Conseq Investment Management, a.s., ERSTE Group Bank AG Austria, Erste Investment Plc., OTP Bank Nyrt., Raiffeisen Bank cPlc., SC Aegon ASIGURARI DE VIATA SA, VIG Asset Management Hungary Plc.

| SUGGESTED MINIMUM INVESTMENT PERIOD | | | | | | |
|-------------------------------------|--------|------|------|------|------|------|
| 3 mths | 6 mths | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr |

ASSET ALLOCATION OF THE FUND Asset Weight 58.58 % Collective securities International equities 32.71 % T-bills 2.44 % Hungarian equities 1.44 % Current account 4 91 % Liabilities -0.12 % Receivables 0.04 % 0.00 % Market value of open derivative positions Total 100,00 % Derivative products 9.33 % Net corrected leverage 109 31 %

Assets with over 10% weight

Lyxor MSCI Emerging Markets Ex China UCITS ETF



Lower risk

Higer risk

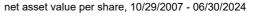
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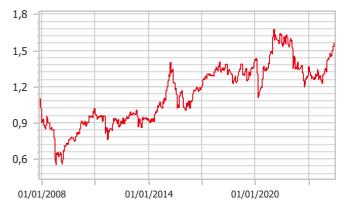


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| NET YIELD PERFORMANCE OF THE SERIES | | | | |
|-------------------------------------|---------------|-----------------|--|--|
| Interval | Yield of note | Benchmark yield | | |
| YTD | 15.59 % | 16.35 % | | |
| From launch | 1.68 % | 2.62 % | | |
| 1 month | 6.64 % | 6.71 % | | |
| 3 months | 6.10 % | 7.04 % | | |
| 2023 | 8.16 % | 11.35 % | | |
| 2022 | -20.33 % | -17.18 % | | |
| 2021 | 4.32 % | 5.24 % | | |
| 2020 | 7.83 % | 9.11 % | | |
| 2019 | 13.91 % | 17.14 % | | |
| 2018 | -10.12 % | -11.18 % | | |
| 2017 | 17.78 % | 20.00 % | | |
| 2016 | 5.17 % | 5.74 % | | |
| 2015 | 0.27 % | 0.80 % | | |
| 2014 | 17.18 % | 17.03 % | | |

NET PERFORMANCE OF THE SERIES





| RISK INDICATORS | |
|---|------------|
| Annualized standard deviation of the fund's weekly yields- based on 1 year | 11.91 % |
| Annualized standard deviation of the benchmark's weekly yields- based on 1 year | 12.46 % |
| Annualized standard deviation of the fund's weekly yields- based on 3 year | 15.61 % |
| Annualized standard deviation of the fund's weekly yields- based on 5 year | 18.10 % |
| WAM (Weighted Average Maturity) | 0.00 years |
| WAL (Weighted Average Life) | 0.00 years |

| TOP 10 POSITIONS | | | | |
|--|-----------------|---|------------|---------|
| Asset | Туре | Counterparty / issuer | Maturity | |
| Lyxor MSCI Emerging Markets Ex China UCITS ETF | investment note | Lyxor MSCI EM Ex China UCITS ETF | | 10.01 % |
| Lyxor MSCI Korea UCITS ETF | investment note | Lyxor MSCI Korea UCITS ETF | | 7.49 % |
| Lyxor MSCI India UCITS ETF | investment note | Lyxor MSCI India UCITS ETF | | 7.46 % |
| S&P500 EMINI FUT Sep24 Buy | derivative | Raiffeisen Hun | 09/20/2024 | 6.11 % |
| NVIDIA Corp | share | NVIDIA Corporation | | 5.14 % |
| iShares MSCI Taiwan UCITS ETF | investment note | iShares MSCI Taiwan UCITS ETF | | 4.70 % |
| iShares MSCI India UCITS ETF | investment note | iShares MSCI India UCITS ETF | | 4.63 % |
| Xtrackers MSCI Taiwan UCITS ET | investment note | Xtrackers MSCI Taiwan UCITS ETF | | 4.60 % |
| iShares MSCI Emerging Markets ex China ETF | investment note | iShares MSCI Emerging Markets ex China ETF | | 4.01 % |
| Lyxor MSCI Brazil UCITS ETF | investment note | Lyxor MSCI Brazil UCITS ETF | | 3.70 % |

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbftv. requirements. It contains the following elements based on the last net asset value of the reporting month: presentation of the assets of the fund regarding asset type of portfolio investment and regarding other categories detailed in its investment policy; list of assets (issuers) representing more than 10% of the portfolio; net asset value of the fund, including the cumulated and the calculated value per unit share. Investors are kindly advised, that past performance of the fund does not guarantee future performance. The returns presented are to be considered without applicable taxes, distribution fees and commissions, fees related to account keeping and other costs in relation with holding an investment fund unit. Information presented in the Portfolio Report are for information purposes only, not intended to serve as investment advice, or any other offer. Investors are kindly advised to carefully read the Key Investors Document and Prospectus of the fund, in order to understand the risks of investing into the fund, and to be able to make an informed investor decision. The referred documents are available at the distribution locations and on the official website of VIG Fund Management Zrt. VIG Investment Fund Management Hungary | 1091 Budapest, Üllői út 1. | +36 1 477 4814 | alapkezelo@am.vig | www.vigam.hu