

INVESTMENT POLICY OF THE FUND

The Fund's goal is to achieve capital growth through active portfolio management by investing in green bonds issued by governments and corporations in developed and emerging markets, while also advancing the Fund's sustainability objectives. The Fund Manager integrates sustainability risks and their management into the Fund's investment decision-making process. The Fund aims to promote environmental and/or social characteristics and pursues sustainable investment, thereby falling under Article 9 of the SFDR regulation. The Fund's credit rating restriction is that it may only purchase bonds with an investment-grade rating. With a reasonable risk approach, the Fund seeks the highest possible capital growth, primarily through asset allocation in green bonds available in global bond markets. The Fund's investment strategy is built on sustainable value creation, aiming to develop an actively managed, well-diversified portfolio that considers both sustainability criteria and the fundamentals of its assets. To achieve this, it primarily invests in developed market green corporate and government bonds issued in foreign currencies, and may also hold emerging market green corporate and government bonds. The bond portfolio may also include short- and long-term, fixed or variable rate bonds issued by mortgage banks, other financial institutions, municipalities, or other economic organizations. The Fund's goal is sustainable investment, which it plans to achieve primarily, though not exclusively, through a positive environmental impact within the ESG universe. In pursuit of this, it mainly intends to invest in bonds from countries with low greenhouse gas emission intensity, a strong exercise of civil liberties, and low rates of social violations. Additionally, the Fund plans to invest in bonds of companies with a low ecological footprint, contributing through their activities to solving global environmental issues, such as the transition to a low-carbon economy or a circular economic model. The Fund may hold assets with exposures differing from the base currency up to 100%. The Fund Manager generally hedges currency exposures to the target currency (EUR) at 100%, but may also hold open currency positions depending on market expectations. The Fund invests at least 80% in assets issued and traded outside Hungary.

MARKET SUMMARY

The US stock markets were driven by conflicting events during the month. On the one hand, favorable corporate results (e.g. Apple, Nvidia) and a court ruling that partially invalidated punitive tariffs had a positive impact on the markets. The Nasdaq Composite index closed at new highs. On the other hand, the war between Israel and Iran and strong government communication aimed at reinstating tariffs were negative factors. The dollar weakened due to unfavorable US macro data, while bond yields declined overall. However, declining volatility had a positive effect, encouraging investors to increase their positions and resulting in record capital inflows into the United States. European capital markets were initially positively affected by the expected interest rate cut by the European Central Bank (ECB). Inflation data for May, particularly in Germany and France, were lower than expected, further reinforcing expectations of monetary easing. However, investor optimism was tempered by the continued weakness of the European manufacturing sector, particularly the decline in the automotive industry. The outlook for the economically significant German economy remains unfavorable, as indicated by continued factory closures and layoffs. On a positive note, however, the United Kingdom received further tariff exemptions from the United States on steel and aluminum products, supporting the price of British industrial stocks.

Over the past month, we continued to overweight the portfolio's interest rate risk. Eurozone inflation remained below the European Central Bank's 2% inflation target in May and June, so further interest rate cuts are expected in the second half of the year, which is also supportive for the eurozone bond market. In terms of the fund's positions, we reduced our holdings of Romanian green government bonds, which performed well as political and fiscal uncertainties eased, and used the freed-up capital to purchase Belgian government bonds.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Erste Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Fund has no benchmark
ISIN code:	HU0000733332
Start:	08/05/2024
Currency:	USD
Net Asset Value of the whole Fund:	1,312,350,046 HUF
Net Asset Value of UI series:	12,023 USD
Net Asset Value per unit:	1.061758 USD

DISTRIBUTORS

Conseq Investment Management, a.s.

SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	60.56 %
Corporate bonds	31.85 %
Current account	7.63 %
Liabilities	-0.02 %
Total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %
Assets with over 10% weight	
BTPS 4 10/30/31 (Italian State)	
BGB 1,25% 04/22/33 (Belgian State)	
ROMANI EUR 2036/02/22 5,625% (Romanian State)	
REPUN 4% 2029/07/25 EUR (Government Debt Management Agency Pte. Ltd.)	

RISK PROFILE

1	2	3	4	5	6	7
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← Lower risk Higher risk →

NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	13.95 %	
From launch	6.18 %	
1 month	3.86 %	
3 months	10.39 %	
6 months	13.95 %	

NET PERFORMANCE OF THE SERIES

net asset value per share, 08/05/2024 - 06/30/2025



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	9.25 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	9.25 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	9.25 %
WAM (Weighted Average Maturity)	5.25 years
WAL (Weighted Average Life)	6.10 years

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbtv. 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 | alapkezeslo@am.vig | www.vigam.hu