



**PROSPECTUS ON**  
**VIG DEVELOPED MARKET SHORT TERM**  
**BOND**  
**INVESTMENT FUND**

FUND MANAGEMENT COMPANY  
**VIG Asset Management Hungary Closed Company Limited by Shares**  
(H-1091 BUDAPEST, ÜLLŐI ÚT 1.)

CUSTODIAN  
**Raiffeisen Bank Ltd.**  
H-1133 Budapest, Váci street 116-118.

**EFFECTIVE AS OF:**  
**14. OCTOBER 2024.**

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## DEFINITION OF TERMS

<b>UCITS</b>	undertakings for the collective investment in transferable securities
<b>UCITS Fund Manager</b>	an investment fund management company managing one or more UCITSs as regular business
<b>UCITS Directive</b>	Directive 2009/65/EC on undertakings for collective investment in transferable securities
<b>Fund</b>	VIG Developed Market Short Bond Investment Fund
<b>Base currency</b>	HUF, i.e. Hungarian Forint. It is the currency in which the Fund records its assets. The Fund may even invest a portion of its assets in securities issued in a currency differing from its base currency.
<b>Fund Management Company</b>	VIG Asset Management Hungary Closed Company Limited by Shares
<b>ÁKK</b>	Államadósság Kezelő Központ Zártkörűen Működő Részvénytársaság (Government Debt Management Agency Public Ltd in Hungary)
<b>Investment Fund</b>	a collective investment form set up under the conditions defined in Act XVI of 2014 on collective investment forms and their managers
<b>Investment unit</b>	a transferable security issued in series by the Investment Fund as issuer in the manner and with formalities defined in the Collective Investment Act, providing receivables and other rights against the investment fund as defined in the fund rules of the investment fund
<b>Investor</b>	the holder of the investment unit or any other collective investment security
<b>Target country</b>	a country on the capital market of which the Fund makes investment or intends to make investment strategically
<b>Dematerialized security</b>	It is an aggregate of data created, recorded, transmitted and registered in electronic way, in the manner as defined in the Capital Market Act and in special law, containing the content requirements of a security in identifiable manner
<b>EU</b>	European Union
<b>EEA state</b>	any member state of the European Union and any other states being parties to the Agreement on the European Economic Area
<b>Supervisor</b>	National Bank of Hungary (earlier: Hungarian Financial Supervisory Authority)

<b>FIFO Principle</b>	the first purchase of a specific security in the portfolio is sold first
<b>Distributor</b>	The Fund Management Company and further dealers participating in the sale of Investment units. For current list see item 1.6 of the Prospectus.
<b>Distribution sites</b>	Sites appointed by the Distributor for sale of the Investment units of the Fund. The list of distribution sites is accessible at the website of the Fund Management Company: <a href="https://www.vigam.hu/">https://www.vigam.hu/</a>
<b>Distribution day</b>	all business days in Hungary, except the events of suspension or interruption of the distribution, for which day the net asset value is assessed.
<b>G20</b>	G20 is an organisation comprising the world's 19 largest economies and the European Union.
<b>Collective Investment Act</b>	Act XVI of 2014 on collective investment forms and their managers, and on the amendment of certain financial laws
<b>Fund rules</b>	a regulation containing special rules of the Fund, prepared pursuant to the Collective Investment Act, specifying the general contract conditions between the Fund Management Company and the Investors
<b>Auditor</b>	KPMG Hungária KftPricewaterhouseCoopers
<b>Publication sites</b>	websites <a href="https://www.vigam.hu/">https://www.vigam.hu/</a> and <a href="https://kozzetetelek.mnb.hu/">https://kozzetetelek.mnb.hu/</a>
<b>Custodian</b>	Raiffeisen Bank Ltd.
<b>Order</b>	Order to buy, redeem or switch investment units
<b>MNB</b>	National Bank of Hungary
<b>Net asset value</b>	value of assets in the portfolio of the investment fund, including receivables from lending, reduced by total liabilities encumbering the portfolio, including the accrued expenses
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>Civil Code</b>	Act V of 2013 on the Civil Code
<b>Own capital</b>	the own capital of the Investment Fund is equal, at the beginning, to the product of multiplication of the nominal value and the piece number of the investment units; in the course of its operation, own capital is identical with the total net asset value of the Investment Fund
<b>Series</b>	In the name of an investment fund investment units can be issued that constitute one or more series, have the same nominal value within the same series and incorporate the same rights. The Fund rules and the Prospectus determine in details the characteristics of the individual series by which they deviate from each other.

**SFDR (Sustainable Finance Disclosure Regulation)** **Regulation** Regulation (EU) 2019/2088 of the EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019 on sustainability-related disclosures in the financial services sector

**Taxonomy regulation** Regulation (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 establishing a framework for the promotion of sustainable investment and amending Regulation (EU) 2019/2088

**Prospectus** a document prepared according to the Collective Investment Act for public issue of Investment units

**T day** the date of placing an order for executing a deal

**Capital Market Act** Act CXX of 2001 on Capital Market

**Client account** an account kept for a client, which is exclusively aimed at the execution of orders placed to the debit of the balance of the investment service, commodity exchange service and the payment based on the liability included in the security.

## **I. Information regarding the Investment Fund**

### **1. Basic data of the Investment Fund**

#### **1.1. Name of the Investment Fund**

VIG Fejlett Piaci RövidKötvény Befektetési Alap

*English name: VIG Developed Market Short Term Bond Investment Fund*

*Czech name: VIG Fond Krátkodobých Dluhopisů Vyspělých Trhů*

#### **1.2. Short name of the Investment Fund**

VIG Developed Market Short Term Bond Fund

#### **1.3. Seat of the Investment Fund**

H-1091 Budapest, Üllői út 1.

#### **1.4. Name of the Investment Fund Management Company**

VIG Asset Management Hungary Closed Company Limited by Shares

#### **1.5. Name of the Custodian**

Raiffeisen Bank Ltd.

#### **1.6. Name of the Distributor**

VIG Asset Management Hungary Closed Company Limited by Shares

further distributors:

Conseq Investment Management, a. s.

OTP Bank Nyrt.

#### **1.7. Operating form of the Investment Fund (private or public)**

The Investment Fund is public.

#### **1.8. Type of the Investment Fund (open-end or closed-end)**

The Investment Fund is open-end.

#### **1.9. Duration of the Investment fund (unlimited or limited); if the duration is limited, indicate the expiry date of the duration**

The Investment Fund has an unlimited duration.

#### **1.10. Indicate whether the Investment Fund is a harmonized fund according to the UCITS Directive.**

The Investment Fund is harmonized according to the UCITS Directive.

**1.11. Number, marking of the series issued by the Investment Fund; indicate the characteristics of the individual series by which they deviate from each other**

Series	Difference
VIG Developed Market Short Term Bond Investment Fund (Series E, EUR)	fund management fee rate
VIG Developed Market Short Bond Term Investment Fund (Series EI, EUR)	fund management fee rate
VIG Developed Market Short Bond Term Investment Fund (Series U, USD)	currency, management fee rate, currency-hedged series
VIG Developed Market Short Bond Term Investment Fund (Series UI, USD)	currency, management fee rate, currency-hedged series

**1.12. Primary asset category type of the Investment Fund (securities or real estate fund)**

The Investment Fund is a securities fund.

**1.13. Indicate if the pledge for protecting the capital of the Investment Fund and/or for the return is secured by a bank guarantee or a surety assurance (capital and/or return guarantee) or it is supported by the detailed investment policy of the investment fund (capital and/or return protection); state the item in the fund rules that contains the conditions for it in details.**

Not applicable.

**1.14. Other information regarding the relevant subject**

Circle of distributors:

The Fund Management Company distributes all investment unit series of the Fund.

Distribution abroad:

Following the notification procedure of the Fund, the Investment unit series of the Fund become accessible even abroad. The Fund rules contain the special conditions for distribution abroad, which are highlighted in the relevant items.

**2. Decisions regarding the Investment Fund**

**2.1. Depending on the operating form and type of the investment fund, the date of acceptance of the Fund Rules, the Prospectus, the Key Investor Information Document and the Announcement by the Fund Management Company or its statement thereto, the number of the decision of the Fund Management Company (by issues, i.e. by series)**

Series	BoD Resolution No	Date of BoD Resolution
VIG Developed Market Short Term Bond Investment Fund (Series E, EUR)	7/2023.	15. June 2023.
VIG Developed Market Short Term Bond Investment Fund (Series EI, EUR)	7/2023.	15. June 2023.
VIG Developed Market Short Term Bond Investment Fund (Series U, USD)	7/2023.	15. June 2023.
VIG Developed Market Short Term Bond Investment Fund (Series UI, USD)	7/2023.	15. June 2023.

**2.2. Depending on the operating form and type of the Investment Fund, the number and date of the decision of the Supervisory Authority on the approval of the Fund Rules, the Prospectus, the Key Investor Information Document and the Announcement on authorization of public issue (by series)**

Series	Number of Supervisory Authority Decision	Date of Supervisory Authority Decision
VIG Developed Market Short Term Bond Investment Fund (Series E, EUR)	H-KE-III-452/2023.	13 July 2023
VIG Developed Market Short Term Bond Investment Fund (Series EI, EUR)	H-KE-III-452/2023.	13 July 2023
VIG Developed Market Short Term Bond Investment Fund (Series U, USD)	H-KE-III-452/2023.	13 July 2023
VIG Developed Market Short Term Bond Investment Fund (Series UI, USD)	H-KE-III-452/2023.	13 July 2023

**2.3. Number and date of the decision on registration of the Investment Fund by the Supervisory Authority**

H-KE-III-452/2023.	13 July 2023.
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**2.4. Registration number of the Investment Fund in the register kept by the Supervisory Authority**

1111-875
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**2.5. Depending on the operating form and type of the Investment Fund, the numbers and dates of decisions of the Fund Management Company on the amendment of the Fund rules, the Prospectus and the Key Investor Information Document**

BoD Resolution No	Date of BoD Resolution
5/2023.	28. March 2023
7/2023.	15. June 2023

**2.6. Numbers and dates of Supervisory Authority decisions on the approval of amendment of the Fund rules**

Number of Supervisory Authority Decision	Date of Supervisory Authority Decision
H-KE-III-452/2023.	13. July 2023

**2.7. Other information regarding the relevant subject**  
Not applicable.

### **3. Risk profile of the Investment Fund**

#### **3.1. Goal of the Investment Fund**

The main objective of the Fund is to grow the Euro savings held in the Fund, while undertaking low-interest and credit risk. The Fund primarily purchases bonds of issuers with a short maturity, denominated



in Euros, and falling into the investment category. It aims to generate returns for investors through interest and exchange rate gains on these bonds.

The Fund Manager invests the savings held in the Fund in Euro-denominated, short-term bonds. The Fund Manager assumes low interest rate risk, with the average remaining maturity (modified duration) of the Fund's portfolio exceeding 6 months but not exceeding 2.5 years. The Fund also adopts a cautious strategy in taking credit risks: it can invest up to 10% of the Fund's assets in bonds issued by non-investment-grade or unrated issuers. The Fund primarily invests in developed market government securities but may also include bonds from financial institutions, corporations, municipalities, as well as time deposits and repurchase agreements. A smaller portion of the Fund's portfolio may be invested in emerging markets. The Fund may also hold collective investment forms and fine-tune its portfolio through derivative transactions (exchange-traded and OTC transactions). The Fund exclusively invests in Euro-denominated securities, and any foreign currency holdings are for liquidity management and currency hedging purposes and may be kept in bank deposits or cash.

The Fund keeps record of its assets in euros (EUR). The Fund does not have a benchmark. The Fund does not qualify as a money market fund authorized and operating under Regulation (EU) 2017/1131 on money market funds. At least 80% of the Fund's assets are held in securities issued outside of Hungary.

### **3.2. Profile of the characteristic investors who are targeted with the investment units of the Investment Fund**

The Fund is primarily targeted to Investors who intend to invest at least for the proposed minimum investment period and who find the value indicated on a scale ranging from 1 to 7 on the risk/profit profile acceptable in comparison to their risk-bearing appetite.

<b>Series</b>	<b>Proposed minimum investment period</b>	<b>Risk rating</b>
VIG Developed Market Short Term Bond Investment Fund (Series E, EUR)	6 months	2 (low)
VIG Developed Market Short Term Bond Investment Fund (Series EI, EUR)	6 months	2 (low)
VIG Developed Market Short Term Bond Investment Fund (Series U, USD)	6 months	2 (low)
VIG Developed Market Short Term Bond Investment Fund (Series UI, USD)	6 months	2 (low)

### **3.3. The asset categories in which the Investment Fund can invest, with special reference to the fact whether the application of derivative transactions is permitted for the Investment Fund**

The Fund Manager invests the savings held in the Fund in short-term bonds denominated in euros. The Fund Manager assumes a low interest-rate risk; the modified duration of the portfolio is more than 6 months, but may not be higher than 2.5 years. The Fund also follows a cautious strategy in terms of assuming credit risk, investing a maximum of just 10% of its assets in bonds of non-investment grade or non-credit rated issuers. The Fund primarily invests in developed-market government securities, but this can also be supplemented by credit-institution, corporate and/or municipal bonds, as well as by term deposits and repo transactions. The Fund can also invest a small part of its portfolio in emerging markets. In addition, the Fund may invest in collective investment forms, and can fine-tune the design of its portfolio through the use of derivatives (stock-exchange and OTC transactions). The Fund invests exclusively in securities denominated in euros, and may hold currency assets in bank deposits or bank accounts only for the purpose of liquidity management and currency hedging. It is not possible to make individual investor decisions in the Fund.

**3.4. Call attention to the item of the Fund rules of the Investment Fund that contains presentation of the risk factors of the Investment Fund**

The risk factors of the Investment Fund are contained in Item 26 of the Fund rules

**3.5. The purpose (implementation of coverage or investment purposes) and possible effect of application of derivative transactions on the development of risk factors**

On behalf of the Fund, the Fund Management Company is allowed to enter into derivative transactions only for the purpose of achieving the investment goals formulated in the Fund rules, for investment assets. Due to their nature, the derivative transactions bear much higher risks, which can be reduced by using appropriate investment techniques, but cannot be fully excluded.

**3.6. If, on the basis of its investment policy, the consolidated risk exposure of the investment fund against a specific institution, which risk exposure arises from investments in transferable securities or money market instruments issued by that institution, from deposits at that institution and from unlisted derivative transactions, may exceed 20 percent of the assets of the investment fund, call attention to the special risks arising therefrom**

*In accordance with Section 8 (4) of Government Decree 78/2014, the consolidated risk exposure of the Fund cannot exceed 20% of the assets of the Fund.*

**3.7. If the Investment Fund mainly invests in asset categories not belonging to the transferable securities or financial instruments or adapts a certain index, call attention to this element of the investment policy of the Investment Fund**

Not applicable.

**3.8. In the event that, due to the possible composition of the portfolio or to the applicable management technique, the net asset value of the Investment Fund may strongly fluctuate, call attention to this fact**

Not applicable.

**3.9. If, based on the authorisation of the Supervisory Authority, the Investment Fund may invest even 100% of its assets in various transferable securities and money market instruments issued by an EEA Member State, its self-government, by a third country or an international organization in which one or several member states are members, call attention to this fact**

Taking into account the intended share of each portfolio element as set out in the Management Regulations, the Fund may invest up to 100% of its assets in bonds issued or guaranteed by Member States of the European Union.

**3.10. Other information regarding the relevant subject**

The reference benchmark used for the Fund (benchmark, reference index) shall be produced by a benchmark indicator managing organization that is included in the register referred to in Article 36 of Directive 2009/65 / EC (ESMA register), or use a benchmark for public policy purposes produced by a public authority, thus Article 2 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 amending Regulation (EU) No 596/2014 (Benchmark Regulation) ( Paragraph 2 is excluded from the scope of the Regulation.

Results of the assessment of the probable impact of the sustainability risk on the return of the offered financial product:

*(disclosure as per Article 6 (1) a) of the SFDR*

The return of financial products offered by the Fund Manager, like that of investment funds, may be impacted by sustainability risks (e.g. climate risk, transition risk, extra costs due to the use of fossil fuels). These effects generally occur within a longer investment period, up to 10 years or more, and regarding

their results, they may even have a significant impact on the return of a given financial product, thereby possibly deteriorating their performance. (For example, due to increased attention on environmental considerations, a company operating in a given sector, may be subject to a disadvantage if it fails to switch from a “traditional” operating model to a more modern and environmentally sustainable operation method). The above can typically impact the given company’s market perception, and thus its market value in the long run, which factor is duly taken into account by the Fund Manager in the course of the asset selection decisions.

The degree of sustainability risks may differ for each financial product, which the Fund Manager continuously monitors and duly informs investors, as required by law.

In the case of the Fund, the Fund Manager hereby informs investors that the portfolio does not fall into the category of a financial product that promotes specific environmental or social characteristics or a combination thereof as defined in the SFDR Regulation (EU 2019/2088) or a financial product aimed at a sustainable investment. In selecting the investments upon which this financial product is based, the Fund Manager does not take into account the specific EU criteria for environmentally “sustainable” business activities (Taxonomy Regulation, EU 2020/852), as this product does not intend to meet enhanced sustainability criteria.

#### **4. Accessibility of information to the investors**

##### **4.1. Naming of the place where the prospectus, the fund rules, the key investor information document, the reports serving regular information as well as the announcements designed for extraordinary information, including the information regarding payments to the investors and redemption of investment units can be accessed**

The Fund Management Company publishes all regular or extraordinary information and announcements regarding the Fund at the official Publication sites of the Fund. The official Publication sites of the Fund are the websites <https://kozzetelek.mnb.hu> and <https://www.vigam.hu>.

The public Prospectus as well as the Key Investor Information Document prepared for public issue of the investment units of the Fund can be inspected at the distribution sites and in the headquarters of the Fund Management Company.

##### **4.2. Other information regarding the relevant subject**

Not applicable.

#### **5. Taxation information**

This information was compiled at the date of preparation of the Prospectus (16 June 2021.) taking into consideration the Hungarian legislation in effect. As this information may change after the Prospectus is completed, therefore, it is the Investor’s responsibility to get acquainted with the relevant rules in effect, prior to buying the Investment Units. The Fund Management Company does not assume liability for such occurrences where lack of knowledge of the legislative rules on taxation by the Investor caused damage. In the event that, due to changes in the taxation legislative rules, the investors should pay withholding tax on yield profit or exchange gain achieved on the investment units, the Fund Management Company and the Distributor informs the investors that it does not assume liability for the deduction of withholding tax.

Pursuant to Govt Decree 205/2023. (V. 31.) on the alternative application during the state of emergency of Act LII of 2018 on the Social Contribution Tax, natural persons are subject to an obligation to pay social contribution tax on the amount of their interest income as per Section 65 of Act CXVII of 1995 on Personal Income Tax taken into account as the base for the personal income tax payable on interest income.

**Distribution abroad:** The Fund Management Company calls the investors' attention to the fact that detailed review of the taxation laws is essential in making their investment decision and to the fact that in case of sale to a foreign country, the taxation rules may be different.

#### **5.1. Brief summary of elements of the taxation scheme applicable to the investment fund that can be relevant for the investors**

At the time of preparation of the Prospectus, the profit of the Fund is not encumbered with any tax payment liability in Hungary. If interest rate, dividend or price gain and any other possible earning arises on foreign investments, it may occur that tax is charged on these gains in the source country (in the country where the gain arises). The taxation of earnings arising on foreign investments is determined by the internal laws of the relevant country and, if appropriate, the convention for the avoidance of double taxation between the relevant country and Hungary.

At the time of preparation of this Prospectus the investment units are encumbered by special tax. The tax base is quarterly the average asset value of the investment unit series of the Fund and the annual tax rate is 0.05% of the tax base. The tax payable is assessed, collected from the Fund, declared and paid by the Fund Management Company.

#### **5.2. Information on the deduction encumbering the yield and exchange gain paid to the investors at source**

- a) According to the Hungarian legislation effective at the time of the Prospectus, the rate of interest tax payable to domestic private persons on the return of Investment units is 15%, which is deducted by the distributor when they are sold. The investment units can be deposited on a long-term investment account on the return of which the distributor does not deduct any tax.
- b) According to the Hungarian legislation effective at the time of the Prospectus, the return on Investment units may increase/reduce the taxable revenues of domestic legal persons and business associations without legal personality on which, pursuant to the taxation rules in effect, they have to pay tax. At the time of preparation of the Prospectus, the corporate tax rate is 9% respectively. If, upon request of the Investor, the return on Investment unit is broken down, then corporate tax has to be paid only on the exchange gain and interest component of the return but not on the portion of return that results from dividends.
- c) Taxation of foreign private persons, legal persons and business association without legal personality: If there is a convention on avoidance of double taxation between Hungary and the own country for taxation of the investment unit holder, then the taxation of the income is subject to the domestic laws or the laws of his own country. In lack of such a convention, the Hungarian tax rules applicable to non-residents apply. The Distribution fulfils the tax deduction obligation on the basis of the relevant taxation convention and the domestic taxation rules.

## **II. Information regarding offering**

### **6. Issue of investment units**

Not applicable.

### **III. Detailed information regarding intermediate bodies**

#### **7. Information regarding the investment management company**

The Investment Management Company manages both UCITIS funds and alternative investment funds (AIF).

##### **7.1. Name and company form of the Investment Fund Management Company**

VIG Asset Management Hungary Closed Company Limited by Shares

##### **7.2. Seat of the Investment Fund Management Company**

H-1091 Budapest, Üllői street 1., Hungary

##### **7.3. Registration number of the Investment Fund Management Company**

Cg. 01-10-044261

##### **7.4. Date of foundation of the investment fund management company, if the company is founded for a limited period, indicate the period**

29 November 1999

##### **7.5. If the investment fund management company manages other investment funds as well, list of them**

VIG Alfa Total Return Investment Fund, VIG Czech Short Term Bond Investment Fund, VIG Emerging Market ESG Equity Investment Fund, VIG Central European Equity Investment Fund, VIG Hungarian Bond Fund, VIG Emerging Europe Bond Investment Fund, VIG Developed Markets Government Bond Investment Fund, VIG Opportunity Developed Markets Equity Investment Fund, VIG Maraton ESG Multi Asset Investment Fund, VIG MegaTrend Equity Investment Fund, VIG Hungarian Money Market Investment Fund, VIG MoneyMaxx Emerging Market Total Return Investment Fund, VIG Ozon Annual Capital Protected Investment Fund, VIG Panorama Total Return Investment Fund, VIG Polish Bond Investment Fund, VIG Polish Equity Investment Fund, VIG Polish Money Market Investment Fund, VIG Premium Umbrella Fund, VIG Russia Equity Investment Fund, VIG Smart Money Fund of Funds, VIG Tempo Umbrella Fund, VIG BondMaxx Total Return Bond Investment Fund

##### **7.6. The amount of other assets managed**

642.634.898.599 Ft (2022.12.31.)

##### **7.7. Members and positions of executive and supervisory bodies performing the operative management of the work organization of the Investment Fund Management Company, indicating their major activities conducted outside the relevant company where they are of significance for the relevant company**

Péter Kadocsa CEO and Chairman of the Management Board, Member of the Supervisory Board of Aegon Magyarország Pénztárszolgáltató Zrt., and deputy-chairman of the Supervisory Board

Bálint Kocsis Chief Administration Officer, deputy-CEO, member of the Management Board does not conduct any major activity which is of significance for the Fund Management Company.

András Loncsák person in charge of investment management activities, trading of investment instruments and listed products, member of the Management Board does not conduct any major activity which is of significance for the Fund Management Company.

László Kovács Chief Business Development Officer, member of the Management Board, does not conduct any major activity which is of significance for the Fund Management Company.

Zsolt Kovács Head of Sales, Member of the Management Board, deputy-CEO and member of the Management Board of Vienna Insurance Group Hungary Insurance Ltd

Kinga Huray Member of the Supervisory Board

Álmos Mikesy Member of the Supervisory Board

Dr Andreas Grönbichler Member of the Supervisory Board

Gerhard Lahner Member of the Supervisory Board, Member of the Management Board, Vienna Insurance Group

Gábor Lehel Member of the Supervisory Board, Member of the Management Board, Vienna Insurance Group

Gerald Weber Member of the Supervisory Board, Head of Department, Asset Management, Vienna Insurance Group

**7.8. Amount of subscribed capital of the investment management company, indicating the portion already paid**

HUF 1,000,000,000.-, which was fully paid up (data from 31.12.2019).

**7.9. Own capital amount of the investment management company**

4.579.752.000Ft (2022.12.31.)

**7.10. Number of employees of the investment fund management company**

Average statistical headcount was 58 people in 2022. 12. 31.

**7.11. Indicate the activities and tasks for which the investment fund management company may use the services of third persons**

Not applicable.

**7.12. Indicate the enterprises used for investment management**

Not applicable.

**7.13. Detailed description of the remuneration policy of the UCITS management company (such as: method of calculation of the remuneration and benefits, persons responsible for the determination of the remuneration and benefits, if there is a remuneration committee, the names of the members of the remuneration committee)**

At VIG Asset Management, the work of our colleagues creates value for our clients, which is why we have developed working conditions and an incentive system that allows employees who do excellent work to be retained in the long term and also attracts new talent. This requires a competitive remuneration system in addition to work-friendly conditions and ongoing training.

Our remuneration philosophy is based on monitoring the labor market and developing appropriate references. Part of our philosophy is to ensure that employees who meet expectations are adequately remunerated. To this end, in addition to a fixed income, we use variable pay in certain jobs, primarily in the area of asset management and sales.

At the same time, our remuneration policy only supports healthy risk-taking, thus preventing our colleagues from taking excessive risks that go beyond the mandate. The considered risks also include the sustainability risks, this way supporting the holding's vision that responsible investment practice may create value on the long run. To this end, we make risk indicators part of the interest system, among others, we also use longer-term performance data in the evaluation, and in the case of colleagues with a decisive role in risk-taking (so-called identified), we pay 50% of the variable remuneration, with a three-year deferral. Who. This allows the reward to be reduced or withdrawn in the event of excessive risk-taking after the end of the assessment period. Over the three years, the accrued portion will be invested in key investment funds managed by VIG Asset Manager, strengthening the interest in the good performance of the funds. A designated group of employees may also receive an annual variable salary (bonus) depending on performance. Employees involved in the bonus: members of the Board of

Directors, fund managers and analysts, senior colleagues in the sales area, and the head of the finance and settlement area. The Fund Manager intends to reward excellent performance for the employees involved in this area on personalized terms. Based on the classification of employees working in the above areas, the maximum bonus that can be paid can reach 100 percent of annual income in the case of excellent performance. Maximum performance is achieved when all set goals are exceeded. The setting of personalized goals is the responsibility of the line manager, while its approval is the responsibility of the Chairman and Chief Executive Officer, excluding the job descriptions of the members of the Board of Directors and the identified employees. In their case, the objectives are set under the supervision of Risk Management, while their approval is the responsibility of the Chairman of the Supervisory Board. The fulfillment of the objectives will be assessed, monitored and approved in accordance with the above. In determining the amounts that can be paid out as a bonus, in addition to achieving the individual goals, the size of the bonus frame calculated and approved by the remuneration committee of the VIG Group appears as an additional consideration.

VIG Asset Management Co. has developed and continuously maintains its remuneration policy in such a way that it complies with the sectoral legal requirements governing fund managers and other regulatory requirements, in particular the NBH's recommendation on financial institutions' remuneration policy. In addition to the above, the Fund Manager always takes into account the remuneration principles of the VIG Group during the development of its remuneration rules.

The remuneration policy is approved by the Supervisory Board of VIG Asset Management and is implemented by the Board of Directors, which is audited annually by internal audit

#### **7.14. Summary of remuneration policy of the UCITS Fund Management Company**

For our investors the work of employees of the Fund Management Company creates a value, therefore we developed such working conditions and incentive system by which employees performing excellent work can be maintained for the long run. The monitoring of the labour market and the development of adequate references provides the basis for the Remuneration philosophy of the Fund Management Company. It is also part of our philosophy that employees performing above the expectations should get an adequate remuneration; for this purpose, we apply a variable payment in addition to the fixed income, with special regard to the Asset Management and Sales Departments.

#### **7.15. Statement by the UCITS Fund Management Company that detailed description of the Remuneration Policy set out in item 7.1.3 hereof is accessible through a website (at the same time giving the reference linking to the website) and that it is also available in printed form if requested.**

Detailed abstract of the Remuneration Policy of the Fund Management Company is accessible on the website of the Fund Management Company (<https://www.vigam.hu>) and can be inspected in printed form at the distribution sites.

### **8. Information regarding the Custodian**

The Custodian shall act as custodian of the Fund's assets, and is responsible for the supervision of the Fund to the extent determined by and in accordance with the effective laws, legal provisions and requirements. The Custodian shall perform its supervisory tasks in compliance with the effective laws, legal provisions and requirements, as well as pursuant to the Custody Contract.

#### ***Outsourcing and conflict of interests***

According to the terms and conditions of the Custodian Agreement, the Custodian is entitled to outsource some of its custodian activities. As a rule, it is without prejudice to the liability of the Custodian if it assigns part of its assets deposited to third persons. The use of security accounting systems does not qualify as delegation of the custodian task.

At the time of submission of this Prospectus, the Custodian entered into written agreements with the following entities, in which it transferred the implementation of safekeeping/recording tasks related to certain deposited assets:

The outsourcing was needed for implementation of safe custody of foreign securities. Furthermore, the laws of certain countries may stipulate that the safe custody of certain financial instruments shall be performed by local service providers. We call the investors' attention to the fact that it may happen that no prudential regulation applies to such local service providers, including the minimum capital requirements, and it also may happen that other local service providers do not comply with these requirements either. In lack of such efficient prudential regulation and supervision, the investors need to calculate with further risks.

In order that the Custodian should be exempt of its related liability, the Custodian needs to show proper professional skills, due diligence and attention when selecting, maintaining the assignment and supervising the operation third persons to be commissioned with safe custody so that these third persons should have the professional skill, competence and professional impeccability permanently, which is necessary for to the transfer of the liabilities concerned. The Custodian supervises the activity of persons commissioned with protection of value to the necessary extent, and it shall be ascertained from time to time that whether the assigned persons continue to properly perform the tasks delegated to them. The Custodian's responsibility is not influenced by the fact that it transferred certain custodian functions affecting the assets of the Funds to a third party.

Sometimes, a conflict of interests may arise between the Custodian and the assigned person, for example, in the event that the assigned person or his subcontractor is an enterprise within the Group of Companies, which receives remuneration for some other custodian service provided to the Fund. In case of a conflict of interest that may arise during the usual course of business, the Custodian is obliged to comply with the laws in effect.

Upon request, the Custodian provides up-to-date information on the assigned persons, their subcontractors and the conflicts of interest that may arise.

### ***Reuse of the assets by the Custodian***

On the basis of the Custodian Agreement, the Custodian agreed upon that neither the Custodian nor the third persons commissioned with the custodian function are allowed to re-utilize the financial instruments of the Fund.

Reuse of instruments in safe custody with the Custodian is allowed in the following events:

- the instruments are reused on the Fund's account
- the Custodian implements the instructions of the Fund Management Company acting on behalf of the Fund
- the reuse serves the Fund's benefit and occurs in the investors' interests, and
- the transaction is secured with liquid collateral provided to the UCITS in form of ownership transfer according to Regulation 575/2013/EU, the market value of which is not lower than the value increased by premium of the reused instrument

### ***Terms and conditions of the Custodian Agreement***

The assignment given to the Custodian was established by the Custodian Agreement signed by the Custodian and the Fund Management Company acting in the name of the Fund in 2020.

### ***Termination of the Custodian Agreement***



The Custodian Agreement provides for that it remains in effect until any of the parties terminates it in writing with a period of notice of minimum 60 days, even though the termination may be made with immediate effect in certain cases, for example in the case of insolvency of the Custodian. In case of (scheduled) replacement or dissolution of the Custodian, the Fund Management Company appoints the successor of the Custodian, taking the prevailing laws into consideration. Replacement of custodian cannot be initiated without the permission of the National Bank of Hungary.

### ***The Custodian's liability for damages***

The Custodian is liable to the Fund or the Fund's investors for loss of the deposited financial instruments, defined pursuant to the Collective Investment Act, by the Custodian or the third persons commissioned with custody management. In case of financial instruments in safe custody, the Custodian shall make the same type of financial instruments or money equivalent to such instruments available to the Fund or the Fund Management Company acting in the name of the Fund. The Custodian cannot be called to account in the case that it can prove that the loss of instruments occurred due to such an external event beyond its important influence, which could have been avoided despite its every reasonable effort.

The Custodian is liable for all damages affected the investors due to deliberate and negligent violation of its obligations. In case of direct liability of the Custodian against the investors, unless otherwise provided by law, the investors cannot raise claim against the Custodian, but they have to request the Fund Management Company to do so in their name. The investors may raise these claims directly against the Custodian only if the Fund Management Company (for any reason) does not accept to fulfil their request. The Custodian Agreement contains liability exclusions clauses to the favour of the Custodian, which do not apply to cases that arise as a result of non-fulfilment of the Custodian's obligation relating to the proper professional skill, due diligence and attention or due to the negligence, deliberate failure or fraudulent conduct by the Custodian.

### ***Other provisions of the Custodian Agreement***

The Custodian Agreement fall within the scope of the laws of Hungary and the Hungarian courts are competent to judge all disputed issues and claims arising from the Custodian Agreement or those related to the Custodian Agreement.

#### **8.1. Name and company form of the custodian**

Raiffeisen Bank Ltd.

#### **8.2. Seat of the custodian**

H-1133 Budapest, Váci street 116-118.

#### **8.3. Registration number of the custodian**

01-10-041042

#### **8.4. Core business of the company**

NACE 64.19'08 Other monetary intermediation

#### **8.5. Scope of activities of the custodian**

NACE 64.99'08 Other financial intermediation n.e.c.

NACE 66.12'08 Security and commodity contracts brokerage

NACE 66.19'08 6619 Other activities auxiliary to financial services

NACE 66.22'08 Activities of insurance agents and brokers

NACE 66.29'08 Other activities auxiliary to insurance and pension funding

NACE 64.91'08 Financial leasing

NACE 70.22'08 Business and other management consultancy activities

**8.6. Date of foundation of the custodian**

9. April 1987.

**8.7. Subscribed share capital of the custodian**

HUF 50.000.090.000 (31. 12. 2021.)

**8.8. Equity capital of the custodian according to its last accounting statement with an independent auditor's report**

354.786.000.000 HUF (31. 12. 2022.)

**8.9. Number of the custodian's employees**

2288 person (31.03.2021.)

**9. Information regarding the auditor**

**9.1. Name and company form of the auditor company**

KPMG Hungária Kft.

**9.2. Seat of the auditor company**

H-1134 Budapest, Váci út 31

**9.3. Chamber registration number of the auditor company**

000202

**9.4. Name of natural person auditor**

Not applicable.

**9.5. Address of natural person auditor**

Not applicable.

**9.6. Chamber registration number of natural person auditor**

Not applicable.

**10. Information regarding such consultants who are remunerated from the assets of the investment fund**

**10.1. Name and company form of the consultant**

Not applicable.

**10.2. Seat of the consultant**

Not applicable.

**10.3. Registration number of the consultant company, name of the court or other organization keeping the company register**

Not applicable.

**10.4. Essential provisions of the contract entered into with the investment fund management company that can be important for the investors, except for provisions about remuneration of the consultant**

Not applicable.

**10.5. Other operative activities of the consultant**

Not applicable.

## **11. Information regarding the distributor (for each distributor)**

### **11.1. Name and company form of the distributor**

*VIG Asset Management Hungary Closed Company Limited by Shares*

further distributors:

Conseq Investment Management, a. s.

OTP Bank Nyrt.

### **11.2. Seat of the distributor**

*Name of distributor: VIG Asset Management Hungary Closed Company Limited by Shares*

Seat: H-1091 Budapest, Üllői út 1.

Name of distributor: Conseq Investment Management, a. s.

Seat: Burzovní palác, Rybná 682/14 110 00 Praha 1, Czech Republic

Name of distributor: OTP Bank Nyrt.

Seat: H-1051 Budapest, Nádor u. 16.

### **11.3. Registration number of the distributor**

*Name of distributor: VIG Asset Management Hungary Closed Company Limited by Shares*

*Registration number: 01-10-044261*

Name of distributor: Conseq Investment Management, a. s.

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Registration number: B 7153

Name of distributor: OTP Bank Nyrt.

Registration number: 01-10-045585

### **11.4. Scope of activities of the distributor**

*Name of distributor: VIG Asset Management Hungary Closed Company Limited by Shares.*

Scope of activities

NACE 66.30'08 Fund management activities – core activity

NACE 64.99'08 Other financial intermediation n.e.c.

NACE 66.12'08 Security and commodity contracts brokerage

NACE 66.19'08 6619 Other activities auxiliary to financial services

Name of distributor: Conseq Investment Management, a. s.

Scope of activities: Securities, Commodity Contracts, and Other Financial Investments and Related Activities

Name of distributor: OTP Bank Nyrt.

Scope of activities: NACE 64.19'08 Other monetary intermediation

**11.5. Date of foundation of the distributor**

*Name of distributor: VIG Asset Management Hungary Closed Company Limited by Shares*

*Date of foundation: 29 November 1999*

Name of distributor: Conseq Investment Management, a. s. Date of foundation: 1994

Name of distributor: OTP Bank Nyrt.

Date of foundation: 1 March 1949

**11.6. Subscribed capital of the distributor:**

*Name of distributor: VIG Asset Management Hungary Closed Company Limited by Shares*

*Subscribed capital: HUF 1,000,000,000*

Name of distributor: Conseq Investment Management, a. s.

Subscribed capital: CZK 20.000.000

Name of distributor: OTP Bank Nyrt.

Subscribed capital: HUF 28,000,000,000

**11.7. Equity capital of the distributor according to its last accounting statement with an independent auditor's report**

*Name of distributor: VIG Asset Management Hungary Closed Company Limited by Shares*

*Equity capital: 4.579.752.000 Ft (2022.12.31.)*

Name of distributor: Conseq Investment Management, a. s.

Equity capital: CZK 1.003.937.000 (2021.12.31.)

Name of distributor: OTP Bank Nyrt.

Equity capital: 2.298.605.000.000 Ft (2023.12.31.)

**11.8. Possibility to forward the data of investors or representatives recorded by the distributor to the investment fund management company**

In addition to the Fund Management Company, further distributors participate in the distribution of the Investment Units. In such a case, the Distributor does not forward any data regarding investors or their representatives.

**12. Information regarding the real estate appraiser****12.1. Name of real estate appraiser**

Not applicable.

**12.2. Seat of the real estate appraiser**

Not applicable.

**12.3. Company registration number, other registration number of the real estate appraiser**

Not applicable.

**12.4. Scope of activities of the real estate appraiser**

Not applicable.

**12.5. Date of foundation of the real estate appraiser**

Not applicable.

**12.6. Subscribed capital of the real estate appraiser**

Not applicable.

**12.7. Equity capital of the real estate appraiser**

Not applicable.

**12.8. Number of employees of the real estate appraiser**

Not applicable.

**13. Other information regarding the relevant subject**

Not applicable.