

## 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

In October, US capital markets continued to ride the AI wave, while the Fed's expected final interest rate cut this year and the end of quantitative tightening pumped further liquidity into the system. In addition to the dominance of the technology sector, the minor trade truce reached at the Trump-Xi meeting—a reduction in tariffs from 57% to 47% and a one-year easing of rare earth exports—came as a positive surprise, strengthening the dollar and growth prospects. At the same time, the threat of a government shutdown, record data center investments, and Fed Chairman Jerome Powell's caution regarding the December cut dampened the performance of traditional sectors. Bond yields moderated only slightly at longer maturities, while the short end saw a noticeable repricing of the interest rate curve. Europe remained in the grip of political and economic uncertainty: the initial optimism surrounding the formation of the French government proved short-lived, with banking sector stocks falling particularly sharply. Inflation rose slightly in September, but the ECB's decision to keep its key interest rate unchanged raised hopes of easing. Positive signs include a surge in car sales (especially hybrids imported from China) and stable unemployment. On the other hand, weak German industrial production and high energy prices linked to sanctions against Russia continue to put pressure on the continent's economy.

The Fed's October rate cut only led to a decline in the yields of the shortest-maturity U.S. bonds. Jerome Powell emphasized that the rate cut expected for December is not guaranteed. Following Powell's comments, yields on longer-term bonds moved higher. Meanwhile, the ECB decided to keep interest rates unchanged, even as headline inflation remains above the 2% target. Eurozone yield levels did not show significant changes over the past month, and the market does not currently expect further ECB rate cuts, despite weak growth. In terms of portfolio composition, the Fund holds its largest positions in Italian, Belgian, and Romanian 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:                         | HU0000732177                           |
| Start:                             | 08/05/2024                             |
| Currency:                          | EUR                                    |
| Net Asset Value of the whole Fund: | 1,357,019,839 HUF                      |
| Net Asset Value of EUR-I series:   | 3,440,053 EUR                          |
| Net Asset Value per unit:          | 1.025801 EUR                           |

## DISTRIBUTORS

Conseq Investment Management, a.s.

## 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          |
|-----------------------------------------------|-----------------|
| Government bonds                              | 62.93 %         |
| Corporate bonds                               | 27.53 %         |
| Current account                               | 9.56 %          |
| Market value of open derivative positions     | 0.01 %          |
| Liabilities                                   | 0.00 %          |
| <b>Total</b>                                  | <b>100,00 %</b> |
| Derivative products                           | 0.00 %          |
| Net corrected leverage                        | 100.00 %        |
| Assets with over 10% weight                   |                 |
| ROMANI EUR 2036/02/22 5,625% (Romanian State) |                 |
| BTPS 4 10/30/31 (Italian State)               |                 |
| BGB 1,25% 04/22/33 (Belgian State)            |                 |

## RISK PROFILE

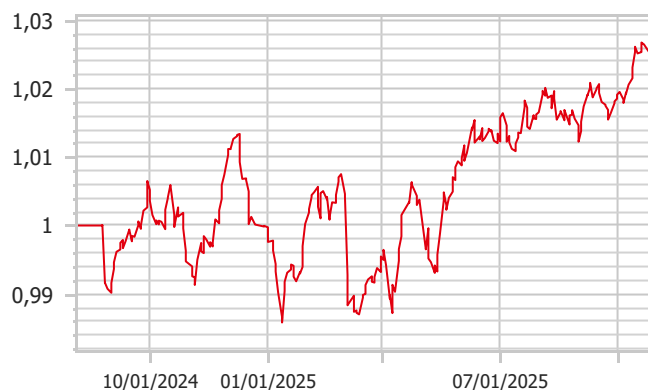
|            |   |   |             |   |   |   |
|------------|---|---|-------------|---|---|---|
| 1          | 2 | 3 | 4           | 5 | 6 | 7 |
| Lower risk |   |   | Higher risk |   |   |   |

### NET YIELD PERFORMANCE OF THE SERIES

| Interval    | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| YTD         | 2.58 %        |                 |
| From launch | 2.08 %        |                 |
| 1 month     | 0.75 %        |                 |
| 3 months    | 0.94 %        |                 |

### NET PERFORMANCE OF THE SERIES

net asset value per share, 08/05/2024 - 10/31/2025



### RISK INDICATORS

|                                                                           |            |
|---------------------------------------------------------------------------|------------|
| Annualized standard deviation of the fund's weekly yields-based on 1 year | 3.52 %     |
| Annualized standard deviation of the fund's weekly yields-based on 3 year | 3.46 %     |
| Annualized standard deviation of the fund's weekly yields-based on 5 year | 3.46 %     |
| WAM (Weighted Average Maturity)                                           | 5.03 years |
| WAL (Weighted Average Life)                                               | 5.83 years |

### TOP 10 POSITIONS

| Asset                                             | Type             | Counterparty / issuer                       | Maturity   |         |
|---------------------------------------------------|------------------|---------------------------------------------|------------|---------|
| ROMANI EUR 2036/02/22 5.625%                      | interest-bearing | Romanian State                              | 02/22/2036 | 14.78 % |
| BTPS 4 10/30/31                                   | interest-bearing | Italian State                               | 10/30/2031 | 13.75 % |
| BGB 1,25% 04/22/33                                | interest-bearing | Belgian State                               | 04/22/2033 | 11.61 % |
| REPHUN 4% 2029/07/25 EUR                          | interest-bearing | Government Debt Management Agency Pte. Ltd. | 07/25/2029 | 9.86 %  |
| EU 02/04/33 2,75%                                 | interest-bearing | European Union                              | 02/04/2033 | 5.84 %  |
| ORSTED 3,625% 2026/03/01 visszahívható 2026/02/01 | interest-bearing | ORSTED A/S                                  | 03/01/2026 | 4.70 %  |
| Ceska Sportelna 2028/03/08 5.737% visszah2027     | interest-bearing | Ceska Sportelna AS                          | 03/08/2028 | 3.08 %  |
| EUROGR 3.598 02/01/29 cal 11/01/2028              | interest-bearing | Eurogrid GmbH                               | 02/01/2029 | 3.02 %  |
| VERAV 3 1/4 05/17/31 call 02/17/2031              | interest-bearing | VERBUND                                     | 05/17/2031 | 2.97 %  |
| INTNED 4,125% 2033/08/24 visszahívható 2028/05/24 | interest-bearing | ING BANK N.V. Amsterdam                     | 08/24/2033 | 2.96 %  |

### 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 | alapkezo@am.vig | www.vigam.hu