Key Information Document

Prupose

This document presents key information about this investment product. This document is not a marketing material. The provision of information is required by law, in order to help you understand the nature, risks and costs of this product, as well as the potential profit or loss that may be realised, and to compare the product with other products.

Product

Name of product: **VIG EMERGING MARKET ESG EQUITY INVESTMENT FUND series EI**

ISIN-code: HU0000729553

You are about to buy a product that is complex and may be difficult to understand.

Manufacturer: VIG Asset Management Hungary Closed Company Limited by Shares, VIG Group

Date: 9/28/2023

Website: https://www.vigam.hu

Call 06-1-477-4814 for more information!

VIG Asset Management Hungary Closed Company Limited by Shares is supervised by the National Bank of Hungary with respect to this document containing key information.

What is this product?

Type: public, open-ended, harmonised in accordance with the UCITS Directive.

Currency of the series: Euro (EUR)

Benchmark: 70% MSCI Emerging Markets ex China Net Return USD Index (Bloomberg ticker: M1CXBRV Index) + 30% MSCI World with EM Exposure Net Total Return Index (Bloomberg ticker: M1WOOEXE Index))

Turn: The fund has an indefinite term, and does not expire, so the investment fund shares can be redeemed at any time.

Objectives: 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).

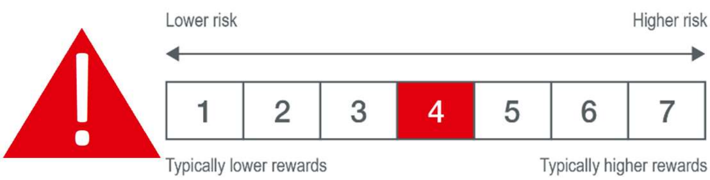
Yield, yield payment: The Fund does not pay yield against the capital growth, and the entire capital growth will be reinvested in accordance with the Fund's investment policy. Investors can realise the capital growth as the difference between the purchase and redemption prices of the Investment Fund Shares they own, as a price gain.

Information about sustainability: The Fund qualifies as a financial product promoting environmental or social characteristics, or a combination of those characteristics. (SFDR, Article 8)

Intended retail investor: in certain cases, this fund is not suitable for investors, who want to withdraw their money within the recommended retention period.

Az Termination of the Fund: The fund manager is obligated to terminate the public open-ended investment fund if the average equity of the fund is lower than twenty million forints over a period of three months. The rules concerning the termination of the Fund, the sale of the Fund's assets, and the disbursement of the estate are set out in Sections 75-79 of Act XVI of 2014 on Collective Investment Trusts and Their Managers and on the Amendment of Financial Regulations.

What are the risks and what could I get in return?



Risk indicator: The summary risk indicator provides guidance regarding the risk level of this product compared to other products. It shows the likelihood that the product will cause financial loss due to the movements of the markets or because we are unable to pay you.

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The summary risk indicator presents the risk/profit ratio of the product based on the summary of the market risk indicator calculated from past returns. Historic data are not necessarily reliable indicators of the future risk profile, however, so this may change over time. Not even the lowest risk category can be understood as a fully risk-free investment.

This product does not include protection against future market performance, so you may lose a part or all of your investment. If we are unable to pay the amount due to you, you may lose your entire investment.

The risk indicator assumes that you keep the product until the end of the recommended retention period (4 years). The actual risk may be significantly higher if you redeem the product earlier, and it is possible that you get back a lower amount.The product is classified into the fourth, medium risk class of the 7-tier risk scale, because bad market conditions during the implementation of the Fund's investment policy may possibly affect the Fund's ability to pay you.

The yield that you may realise from this product depends on future market performance. Future market developments are uncertain and cannot be predicted accurately.

The unfavourable, moderate and favourable scenarios presented are illustrations presenting the worst, average and best performance of the product – or prior to the launch of the product, the relevant benchmark – in the past 10 years. Future market developments may vary.

Investment: once 10.000 EUR		1 year	4 years (recommended holding period)
Stress scenario	What you might get back after costs	5923 EUR	2987 EUR
	Average return each year	-40,76%	-26,06%
Unfavorable scenario	What you might get back after costs	7975 EUR	7574 EUR
	Average return each year	-20,24%	-6,7%
Moderate scenario	What you might get back after costs	10647 EUR	12947 EUR
	Average return each year	6,47%	6,67%
Favourable scenario	What you might get back after costs	14927 EUR	16455 EUR
	Average return each year	49,27%	13,26%

This table shows the amount of money you can get back at the end of the first year and at the end of the recommended holding period in accordance with the different scenarios, assuming that you invest 10.000 EUR amount. The "unfavourable" scenario type reflects the most unfavourable development of the value of the product – and, prior to the launch of the product, the relevant benchmark – with respect to investments made between September 2012 and September 2022. The "moderate" scenario type reflects the average development of the value of the product – and, prior to the launch of the product, the relevant benchmark – with respect to investments made between September 2012 and September 2022. The "favourable" scenario type reflects the most favourable development of the value of the product – and, prior to the launch of the product, the relevant benchmark – with respect to investments made between September 2012 and September 2022. The yield that you may realise from this product depends on future market performance. Future market developments are uncertain and cannot be predicted accurately. The numbers presented include all costs of the product itself (though they may not include all the costs that you may be paying to your consultant or distributor). The numbers do not take into account your personal tax situation, which may also influence the amount you get back. The stress scenario shows the amount you can get back from the invested capital in case of extreme market circumstances.

What happen if the Fund Manager is unable to pay?

The potential insolvency of the Fund Manager does not jeopardise the repayment of the investors' savings in the Fund. If, based on the contract between the investor and the VIG Asset Manager – as Head Distributor – or the investment service provider managing the securities account, the VIG Asset Manager or the contracted service provider is unable to release to the investor the security held for the investor, the Investment Protection Fund (by its Hungarian abbreviation: "BEVA") undertakes to be liable for indemnification. BEVA's indemnity obligation will become effective if the Supervisory Authority initiates liquidation proceedings against the BEVA member based on the law, or a court orders the liquidation of the BEVA member. The insurance provided by BEVA will not cover losses arising from the change of value of the investment. BEVA will pay the claim of the investor entitled to indemnification for up to an amount of one hundred thousand euros (in aggregate per person and investment enterprise, i.e., per BEVA member). The rate of the indemnity to be paid by the Fund is one hundred percent up to an amount of one million forints, and is one million forints and ninety percent of the portion above one million forints in the case of claims exceeding one million forints.

What are the costs?

A The reduction in yield (RIY) shows the effect of the full cost paid by you on the investment yield that may be realised. The full cost includes one-time, continuous and incidental costs. The amounts presented here are the cumulative costs of the product itself projected to the end of the recommended holding period. The numbers are based on the assumption that you make a one-time investment of 10.000 EUR. The numbers are estimates, and may vary in the future.

The measurement of the Fund's performance is linked to the Fund's designated benchmark index. The Fund pays a performance fee (20%) to the Fund Manager; the basis of the fee calculation is the return in excess of the Fund's benchmark index, the amount of the performance fee and the amount of the assets on which the return was achieved by the Fund Manager. The performance fee may be paid once a year, on the last distribution day of the year or upon the termination of the Fund, and only if the Fund's net return exceeded in the given period the return of the Fund's benchmark index over the five years preceding that or, if a performance fee was paid in the latter period, then since the last success fee was paid.

Costs over time: investment once 10.000 EUR	1 year	4 years (recommended holding period)
Total costs	108 EUR	532 EUR
Impact on terurn (RIY) per year	1,08%	1,08%

Composition of Costs		The table below presents the annual effect on the investment return you may realise through the various cost types at the end of the recommended retention period, and the meaning of the different cost categories.	
One-off costs	Entry costs	maximum 5,0%	The impact of the costs you pay when entering yout investment. This is the total you can expect to be charged, the sales person ofering you the product will inform you of the actual charge. For example, for a one-time 10.000 EUR you invest, the cost is 500 EUR.
	Exit costs	maximum 3,5%	The ipmact of the costs of exiting your investment. This is the total you can expect to be charged, the sales person ofering you the product will inform you of the actual charge. For example, for a one-time 10.000 EUR you invest, the cost is 350 EUR.
Ongoing costs	Portfolio transaction costs	0,11%	The impact of the costs of us buying and selling underlying investment for the product. The actual amount varies depending on our buy and sell transactions.
	Other ongoing costs	0,88%	The impact of the costs that we take each year for managing your investments and the costs presented in Section II.
Incidental costs	Performance fees	0,08%	The impact of the performance fee (20%). We take these from yout investment if the product overperforms its benchmark.

How long should I hold it and can I take money out early?

Recommended holding period: 4 years

The Product has no cooling-off or withdrawal period, as its term is indefinite being open-ended, i.e., it can be redeemed at any time. This Fund is not suitable for investors who intend to reclaim their money from the fund within the minimum recommended investment time. If any holder of the Investment Fund Share(s) places a redemption or conversion order for the investment fund shares of the same investment fund within 10 sales days of the time of the purchase or conversion order (T+10), the distributors will charge a penalty premium of 2% in excess of the regular premium, which will be paid to the Fund. The time interval required for the penalty premium to apply shall be determined based on the FIFO principle.

How can I complain?

Orally: in VIG Befektetési Alapkezelő Magyarország Zrt's premises, customer services and contractual partners' premises open for customers, during their business hours: https://www.vigam.hu/ugyfelszolgalati-irodak, at the central phone number: +36 1 477 4814 (on business days, from 8 am to 4 pm; extended complaints reporting: Monday, 8 am to 8 pm), at the central customer service office: H-1091 Budapest, Üllői út 1.; phone: +36 1 477 4814; fax: 476-2030, order of customer service: only subject to preliminary appointment. In writing: in person or via an instrument submitted by proxy (see the place for oral complaints), via post – at the address H-1091 Budapest, Üllői út 1, or via email, at the address alapkezelo@am.vig, by completing our complaint form available at our website (https://www.vigam.hu/kapcsolatfelvetel-panaszbejelentes/#urlap), or through the Online Dispute Resolution Platform: http://ec.europa.eu/odr

Additional important Information

Custodian: UniCredit Bank Hungary Zrt.

Places for notices: This document, the Prospectus and Management Regulations, the annual and semi-annual reports, the monthly portfolio reports, and the official notices are available free of charge in Hungarian at the Fund Manager's registered office (H-1091 Budapest, Üllői út 1.), the points of sale, and at the websites www.vigam.hu and www.kozzetetelek.mnb.hu. The data concerning the net asset value per share are available at the Fund Manager's website. Taxation: The effective tax laws of Hungary may affect the Investor's personal tax situation. Liability: Please be advised that no claims may be asserted based solely on the document containing key information, except if the information is misleading, inaccurate, or is not in line with other parts of the notice. VIG Asset Management Hungary Closed Company Limited by Shares may only be held liable for any statement made in this document if it is misleading, inaccurate, or is not in accordance with the relevant parts of the Fund's Prospectus and Management Regulations. It is strongly recommended that you familiarise yourself with the Fund's Prospectus and Management Regulations before purchasing the investment fund shares of the Fund. The Fund presented in this document is authorised in Hungary, and is supervised by the National Bank of Hungary. VIG Asset Management Hungary Closed Company Limited by Shares is authorised to operate in Hungary, and is supervised by the National Bank of Hungary.