

MFB Hungarian Development Bank Private Development Company

Annual Report

31 December 2025

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DECLARATION

Here we provide you the consolidated annual report of MFB Hungarian Development Bank Private Limited Company (hereinafter: "Bank" or "MFB Zrt.") and its subsidiaries (hereinafter: "the Group") for the year 2025.

MFB Zrt. fulfils its obligation to prepare consolidated annual financial statements pursuant to Article 10 paragraph (2) of Act C of 2000 on Accounting by preparing consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) published in the form of a regulation in the Official Journal of the European Union.

On behalf of MFB Zrt., we hereby declare that the consolidated annual financial statements for the year 2025, prepared in accordance with IFRS as adopted by the EU contain true data and statements, and do not fail to disclose any fact that may be of relevance for assessing the financial position of the Group. The consolidated financial statements for the year 2025 prepared in accordance with the applicable accounting standards and to our best knowledge, give a true and fair view of the assets, liabilities, financial position and profit of the Group, and the consolidated management report gives a fair view of the position, development and performance of the Group and on the Group's environmental, social and corporate governance practices together with a description of the principal risks and uncertainties that they face.

The Bank has prepared its consolidated financial statements in the format prescribed by the COMMISSION DELEGATED REGULATION (EU) 2019/815 of 17 December 2018 on supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: "ESEF"). The digitally signed version of the consolidated financial statements available for inspection at the Bank's registered office (H-1051 Budapest, Nádor utca 31., Hungary), and can be downloaded from the official website of MFB Zrt. at the following link:

https://www.mfb.hu/en/reports-s2012

Budapest, 1 April 2026

Zsolt Kovács
Chairman and Chief Executive Officer

Dénes Miklós Szluha
Managing Director

Company registration number: 01-10-041712
Budapest Metropolitan Court as Court of Registration
Address: 31. Nádor Street 1051 Budapest
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MFB HUNGARIAN DEVELOPMENT BANK
PRIVATE LIMITED
COMPANY AND ITS SUBSIDIARIES

Consolidated Financial Statements

in accordance with International Financial Reporting Standards
as adopted by the EU

31 December 2025

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MFB Hungarian Development Bank Private Limited Company and its subsidiaries
Consolidated Statement of Financial Position - 31 December 2025
(amounts presented in million HUF)

ASSETS	Notes	31.12.2025	31.12.2024 Restated	01.01.2024 Restated
	3v)			
Cash, cash balances at central banks and other demand deposits	4	**330 744**	**72 335**	**404 217**
Financial assets held for trading	9	**29 425**	**24 136**	**2 715**
Derivatives		29 425	24 136	2 715
Non-trading financial assets mandatorily at fair value through profit or loss	5	**838 786**	**806 614**	**639 722**
Debt securities		814 367	775 585	603 156
Loans		24 419	31 029	36 566
Loans to customers		*1 798*	*3 235*	*5 316*
Loans to banks		*22 621*	*27 794*	*31 250*
Financial assets at fair value through other comprehensive income	6	**40 042**	**54 676**	**91 453**
Of which assets encumbered		*978*	*932*	*890*
Equity instruments		18 187	27 311	40 399
Debt securities		21 855	27 365	51 054
Financial assets at amortized cost	7	**2 231 488**	**2 125 803**	**1 870 770**
Of which assets encumbered		*265 058*	*245 984*	*302 255*
Debt securities		535 888	441 220	443 550
Loans		1 630 336	1 656 348	1 376 709
Loans to customers		*1 455 304*	*1 472 719*	*1 298 418*
Loans to banks		*175 032*	*183 629*	*78 291*
Other financial assets		42 516	1 647	23 510
Deposits at central and other banks		22 748	26 588	27 001
Derivatives – Hedge accounting	9, 10	**8 230**	**7 810**	**7 831**
Fair value changes of the hedged items in portfolio hedge of interest rate risk	10	**7 609**	**12 580**	**11 550**
Investments in associates	8	**722 465**	**464 865**	**336 296**
Property, plant and equipment	11	**5 810**	**6 493**	**6 215**
Investment property	11.1	**33 634**	**33 950**	**33 941**
Intangible assets	12	**9 090**	**7 843**	**7 312**
Tax assets		**979**	**506**	**885**
Current tax assets		760	333	696
Deferred tax assets	31	219	173	189
Other assets	13	**34 746**	**35 546**	**26 718**
Receivables from the state due to currency-hedging agreement	14	**166 680**	**190 120**	**166 085**
TOTAL ASSETS		**4 459 728**	**3 843 277**	**3 605 710**

MFB Hungarian Development Bank Private Limited Company and its subsidiaries
Consolidated Statement of Financial Position - 31 December 2025
(amounts presented in million HUF)

LIABILITIES	Notes	31.12.2025	31.12.2024 Restated	01.01.2024 Restated
	3v)			
Financial liabilities held for trading	9	**55 139**	**685**	**8 508**
Derivatives		55 139	685	8 508
Financial liabilities measured at amortized cost	15	**3 562 651**	**3 000 896**	**2 819 352**
Customer deposits		249 128	87 098	110 936
Loan from banks		1 388 486	1 215 189	933 853
Debt securities issued	15.1	1 917 031	1 685 316	1 762 504
Other financial liabilities		8 006	13 293	12 059
Derivatives – Hedge accounting	9, 10	**10 451**	**22 552**	**14 187**
Provisions	16	**26 306**	**13 540**	**6 346**
Tax liabilities		**4 502**	**4 665**	**4 012**
Current tax liabilities		115	400	264
Deferred tax liabilities	31	4 387	4 265	3 748
Other liabilities	17	**38 134**	**32 176**	**28 445**
TOTAL LIABILITIES		**3 697 183**	**3 074 514**	**2 880 850**
Share capital	18	519 900	519 900	519 900
Share premium	18	85 770	84 773	84 773
Valuation reserve	18	(3 798)	1 204	(517)
Retained earnings	18	158 511	160 955	119 412
Other reserves	19	2 162	1 931	1 292
Equity attributable to the owner		**762 545**	**768 763**	**724 860**
Non-controlling interest	19	**0**	**0**	**0**
TOTAL EQUITY		**762 545**	**768 763**	**724 860**
TOTAL EQUITY AND LIABILITIES		**4 459 728**	**3 843 277**	**3 605 710**

Budapest, 1 April 2026

Zsolt Kovács
Chairman and Chief Executive Officer

Dénes Miklós Szluha
Managing Director

MFB Hungarian Development Bank Private Limited Company and its subsidiaries

Consolidated Income Statements - 31 December 2025

(amounts presented in million HUF)

	Notes	2025	2024 Restated
	3v)		
Interest income calculated using the effective interest method		141 433	143 769
Other similar income		44 358	67 030
Interest expenses		(188 653)	(197 833)
Net interest income	21	**(2 862)**	**12 966**
Dividend income	22	7 230	1 254
Fee and commission income		8 734	7 623
Fee and commission expenses		(1 044)	(1 052)
Net Fee and commission income	23	**7 690**	**6 571**
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net		383	196
Gains or (-) losses on financial assets and liabilities held for trading, net	24	(45 862)	27 947
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	25	28 261	39 764
Gains or (-) losses from hedge accounting, net	10	(101)	(2 677)
Exchange differences [gain or (-) loss], net		44 619	(19 906)
Gains or (-) losses on derecognition of non-financial assets, net		1 058	(737)
Other operating revenue and income	26	18 086	20 234
Total operating income		**58 502**	**85 612**
Salaries and employee benefits		(22 819)	(20 050)
Other administrative expenses		(10 352)	(9 909)
Administrative expenses	27	**(33 171)**	**(29 959)**
Depreciation		(2 918)	(2 564)
Other operating expenses	26	(12 313)	(15 740)
Contract modification loss, net		(17)	(271)
Impairment (-) or reversal of impairment of financial instruments	29	(24 793)	(9 185)
Impairment (-) or reversal of impairment of investments in associates	30	(1 330)	(7 416)
Impairment (-) or reversal of impairment of non-financial instruments		0	0
Profit or (-) loss from associates	8	14 274	26 436
Profit/(loss) before tax		**(1 766)**	**46 913**
Tax expense related to profit or loss	31	(1 717)	(2 933)
Profit/(loss) for the year		**(3 483)**	**43 980**
Profit/(loss) attributable to non-controlling interest	*19*	***0***	***0***
Profit/(loss) attributable to the owner		**(3 483)**	**43 980**

The accompanying notes to financial statements form an integral part of these consolidated financial statements

	Notes	2025	2024 Restated
	3v)		
Profit/loss for the year		**(3 483)**	**43 980**
Other comprehensive income	18	**(5 002)**	**1 721**
Items that will not be reclassified to profit or loss		**(2 997)**	**1 254**
Change in far value of equity instruments at fair value through other comprehensive income		(3 122)	1 244
Tax impact of items that will not be reclassified to profit and loss		125	10
Items that may be reclassified to profit or loss		**(2 005)**	**467**
Cash flow hedges reserve		(47)	0
Valuation gains or (-) losses taken to equity		(47)	0
Transferred to profit or loss		0	0
Transferred to initial carrying amount of hedged items		0	0
Hedging instruments [not designated elements]		(2 730)	0
Valuation gains or (-) losses taken to equity		(2 730)	0
Transferred to profit or loss		0	0
Debt instruments at fair value through other comprehensive income		768	430
Valuation gains or (-) losses taken to equity		768	430
Profit recognized in the income statements		0	0
Tax impact of items that will be reclassified to profit and loss		4	37
Total comprehensive income for the year		**(8 485)**	**45 701**
Comprehensive income, (-) expense attributable to non-controlling interest		**0**	**0**
Comprehensive income, (-) expense attributable to the owner		**(8 485)**	**45 701**

MFB Hungarian Development Bank Private Limited Company and its subsidiaries

Consolidated Statement of Changes in Shareholder's Equity - 31 December 2025

(amounts presented in million HUF)

	Notes	Share Capital 18	Share premium 19	Retained earnings	Valuation reserve 18	Other Reserves 19	Non-controlling interest 20	Total
Balance on 1st January 2024 - Restated	**3v)**	**519 900**	**84 773**	**119 412**	**(517)**	**1 292**	**0**	**724 860**
Profit for the year				43 980				43 980
Other comprehensive income					1 721			1 721
Total comprehensive income				**43 980**	**1 721**			**45 701**
General reserve allocation	**19**			(639)		639		0
Distribution to owner	**18**			(307)				(307)
Changes in ownership				(127)				(127)
Derecognition of FVOCI investments				(1 364)				(1 364)
Balance on 31st December 2024 - Restated	**3v)**	**519 900**	**84 773**	**160 955**	**1 204**	**1 931**	**0**	**768 763**
Loss for the year				(3 483)				(3 483)
Other comprehensive income					(5 002)			(5 002)
Total comprehensive income				**(3 483)**	**(5 002)**			**(8 485)**
General reserve allocation	**19**			(231)		231		0
Contribution from owner	**18**		997					997
Distribution to owner	**18**			(511)				(511)
Changes in ownership				57				57
Derecognition of FVOCI investments				1 724				1 724
Balance on 31st December 2025		**519 900**	**85 770**	**158 511**	**(3 798)**	**2 162**	**0**	**762 545**

The accompanying notes to financial statements form an integral part of these consolidated financial statements

	Notes	2025	2024
Operating cash flow	3v)		**Restated**
Profit/(loss) before tax		(1 766)	46 913
Adjustments to profit/(loss) before tax			
Depreciation and amortization		2 918	2 564
Fair valuation impact		17 702	(61 465)
Impact of equity method applied for associates		(14 274)	(26 436)
Net profit/loss on sale of non-financial instruments		(1 058)	737
Net interest income	21	2 862	(12 966)
Dividend income	22	(7 230)	(1 254)
Change in provisions		13 720	6 449
Change in impairment		12 690	10 203
Operating cash flow		***25 564***	***(35 255)***
Decrease/(increase)) in operating assets			
Non-trading financial assets mandatorily at fair value through profit or loss		(10 139)	(59 919)
Financial assets at fair value through other comprehensive income		13 873	39 036
Financial assets at amortized cost, except debt securities		(27 629)	(259 457)
Other assets		(3 760)	(49 162)
Receivables from the State due to currency-hedging agreement		23 440	(24 035)
Increase/(decrease) in operating liabilities			
Financial liabilities measured at amortized cost, except issued bonds		327 609	259 800
Other liabilities		(74 904)	108 125
Actual cash flow movements			
Interest received		189 868	203 445
Dividend received	22	7 230	1 254
Interest paid		(178 980)	(185 016)
Income tax paid		(2 359)	(2 526)
Net cash provided by/ (used in) operating activities		**289 813**	**(3 710)**

MFB Hungarian Development Bank Private Limited Company and its subsidiaries
Consolidated Statement of Cash Flows - 31 December 2025
(amounts presented in million HUF)

	Notes	2025	2024 Restated
Cash flow from investing activities			
Payments for debt securities held at amortized cost	7.2	(114 985)	(62 974)
Proceeds from debt securities held at amortized cost	7.2	14 097	70 866
Investments in associates		(241 770)	(147 186)
Proceeds from sale of investments in subsidiaries and associates		2 855	2 466
Payments for property, plant and equipment and intangible assets and investment properties		(3 085)	(2 526)
Proceeds from sale of property, plant and equipment		48	25
Net cash (used in) / provided by investing activities		**(342 840)**	**(139 329)**
Cash flow from financing activities			
Capital contribution		997	0
Proceeds from bond issuance	15.1	669 131	145 907
Repayments for issued bond at maturity	15.1	(358 565)	(333 295)
Finance lease liability payments		(739)	(701)
Net cash provided by financing activities		**310 824**	**(188 089)**
Gross change in cash and cash equivalents		**257 797**	**(331 128)**
Cash and cash equivalents on 1st January	4	73 621	404 749
Cash and cash equivalents on 31st December	4	331 418	73 621

The accompanying notes to financial statements form an integral part of these consolidated financial statements

1. PRINCIPAL ACTIVITIES OF THE GROUP

MFB Hungarian Development Bank Private Limited Company (herein after: "Bank" or "MFB Zrt.") is registered as a single, stock company under Hungarian law and is licensed to conduct specialized banking activities. The Bank and its subsidiaries represent the MFB Group (hereinafter referred to "the Group").

The legal status, the role, and the activities of the Bank are regulated by Act XX of 2001 on Hungarian Development Bank Ltd. (herein after: "MFB Act."), Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (herein after: "Hpt."), and the Articles of Association.

MFB Zrt. is responsible for providing the necessary development resources to achieve the economic development objectives set out in the Government's medium- and long-term economic strategy, partly independently and partly in cooperation with other domestic and international organizations in the following activities:

a) the sourcing and mediation of medium- and long term domestic and foreign funding and subsidies to achieve economic development;
b) loan and capital financing of investments in connection with – from a national economic aspect – preferential cases, and other state or local government developments and investments, and other developments and investments in connection with the enlargements of these;
c) financing loans and capital for companies resident in Hungary – primarily small and medium-sized enterprises sector –, holding funds established by law, agricultural businesses and farmers,
d) the financial execution of state and local government developments and investments related to EU membership, and the Bank participates in tasks related to the drawing of European Community funds (including mediation of subsidies and sourcing and mediation of resources from international economic or financial institutions);
e) attend in tasks related to state, communal and international development disbursements (especially management of mediation and use of development disbursements and subsidies, attend in relating contributory tasks, settlement and valuation of used disbursements);
f) the mediation of EU funds and in connection with this, loan and equity financing, providing guarantee and surety;
g) the exercising of owners' rights in the name of the Hungarian State, and in case of State-owned companies– participate in the realization of significant developments, investments, expansion, increasing of effectiveness and improvement of competitiveness and other roles defined in the MFB Act. (see Note 37)

to ensure sufficient development funding to achieve the economic development aims determined by the Government's medium- and long-term economic strategy.

MFB Zrt. as the implementing body of the fund of funds, manages the implementation tasks delegated by the managing authority in connection with the financial instruments considering the principles of an efficient and effective financial management. The management of the implementation of the financial instruments are as follows:

- *Programming* – The MFB Zrt. in cooperation with the Ministry of Public Administration and Regional Development and the managing authority, compilesfinancial programs based on market research and if it's needed modifies the existing programs.
- *Tendering* – The MFB Zrt. invites potential financial intermediaries for an open call tender.
- *Selecting* – The MFB Zrt. manages the process of the selection of the financial intermediaries.
- *Contracting* – The MFB Zrt. is contracting with the selected financial intermediaries.
- *Operating* - The MFB Zrt ensures the continuous and uninterrupted operation of the financial programs, controls the contractual fulfillment of the financial intermediaries. Continuously measures the operation of the programs and if it's needed takes suggestions for the modification of the conditions of the program.

- *Closing* – The MFB Zrt. accounts with the financial intermediaries during the closing process.

The Bank's registered office is located at Nádor street 31, 1051 Budapest, Hungary. The Bank operates in Hungary. The Bank's website address is www.mfb.hu

The Hungarian State has a 100% ownership share in the Bank. As of the State, as a shareholder, is represented by the minister responsible for national economy.

The Bank is obliged to have its consolidated financial statements audited. The details of the auditor are as follows:
Gabriella Gábor registered auditor
Registration number: 007036
Forvis Mazars Limited Liability Company
Fiastyúk street 4-8. 2.floor, Budapest 1139
Firm registration number: 000220

The person in charge to direct and manage the related accounting services:
Krisztina Sulyok director
Chartered accountant registration number:006660

Those entitled to sign the consolidated financial statements:
Zsolt Kovács Chairman and Chief Executive Officer
(16. Bocskai Street Budapest 1039)
and
Dénes Miklós Szluha Managing Director
(29 Határőr avenue, Budapest, 1122)

A. Members of the Group (subsidiaries)

Name of the subsidiary	Activity	Owner	Voting power	
			2025	**2024**
MFB-Ingatlanfejlesztő Zrt.	Real estate portfolio management	MFB	100%	100%
MKK Magyar Követeléskezelő Zrt.	Workout/Factoring	MFB	100%	100%
MFB Növekedési Tőkealap	Venture capital fund	MFB	100%	100%
MFB Invest Befektetési és Vagyonkezelő Zrt.	Investment portfolio management	MFB	99.99%	99.99%
Hiventures Kockázati Tőkealap-kezelő Zrt.	Venture capital and private equity fund management	Invest	99.99%	99.99%
Divat&Design Tőkealap	Venture capital fund	Invest	99.99%	99.99%

All the above companies are incorporated in Hungary.

MFB-Ingatlanfejlesztő Zrt. (MFB-Property Development Private Company Limited by Shares)

One of the company's activities is to register the real estates transferred from other MFB Group members, in addition to monitor the legal, technical and market status. It is also the company competence to decide on utilization or sale of those real estates. In line with its vision and approved strategy by MFB Zrt, in case of tenants or other potential utilization intention that fit the Group's strategy it carries out such value-added developments at its own risk and expense that makes the real estates in all other respects suitable for functions according to the end-user's needs i.e., where necessary performs targeted property development activities.

MKK Magyar Követeléskezelő Zrt. (MKK Hungarian Claim Work-out Private Limited Company)

Financial enterprise responsible for the purchasing of receivables, collection management, factoring activity. The company also acts as the Group's work out department but mainly buys claims from other market players.

MFB Növekedési Tőkealap– Herein after: „NTA" **(**MFB Growth Fund)

The primary purpose of the Fund is to finance micro and small and medium enterprises, and in some cases large corporates that are at the very beginning of their development phase. According to the venture capital terminology, these are the incubation-sized enterprises in the seed and occasionally growth phases. In particular, the Fund intends to build a portfolio of companies that develop and sell innovative products and services. The fund is managed by Hiventures Zrt.

MFB Invest Befektetési és Vagyonkezelő Zrt. (MFB Investment and Asset Management Private Limited Company)

Private Equity firm responsible for financing medium-sized and larger companies' development-type projects. It performs investments directly through acquiring shareholdings in enterprises or indirectly by investing into Funds. In accordance with the Government Decree No. 1512/2022. (X.24.) on the prospective scheme of how ownership rights and competences adhering to the State's direct and indirect investments in collective portfolio investments, NTH National Capital Holding Private Limited Company – obtaining one preference share within the company in December 2022, consequently, became a shareholder. As part of the new operational model, MFB Invest Zrt. signed a contract in 2023, based on which MFB Invest exercises the Bank's investor's rights in the funds where MFB participates as an investor, and maintains relationships with the different actors in connection with the state-owned funds.

Hiventures Kockázati Tőkealap-kezelő Zrt. (Hiventures Venture Capital Fund Management Company Limited by Shares)

Fund management company that primarily focused on Venture Capital investments until 2019. Between 2019 and 2023, Hiventures Zrt. also participated in the establishment of private equity funds, which made it possible to finance large companies as well as SMEs, contributing to decreasing the private capital gap in the corporate sector as compared to the EU average. The fund manager is responsible for the management of funds directly and indirectly financed by MFB Zrt. or directly by Eximbank Zrt. and responsible for the management of EU-financed funds also. The management of the private equity fund established with the direct investment of Eximbank Zrt. was transferred on 30th September 2025.

Divat&Design Tőkealap (Fashion & Design Fund)

The purpose of the Fund is to finance innovative, high growth, incubation, seed and growth/startup companies in the fashion and design sector. The fund is managed by Hiventures Zrt.

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the EU ("EU-IFRS") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC) as adopted by the EU and in accordance with the provisions of act C of 2000 on accounting in force in Hungary for companies preparing their annual accounts under IFRS.

Consolidated financial statements and the Separate Financial Statements were both approved by the Board of Directors on 1st April 2026.

The Bank's consolidated and separate financial statements will be published on the same day. The accounting principles applied in the Bank's separate financial statements do not differ from those used in the consolidated financial statements.

Basis of measurement

As of the preparation of these consolidated financial statements, the Group presents assets and liabilities at amortised cost or historical cost, with the exception of those that were measured at fair value. The Group measures the following assets and liabilities at their fair value:

- derivative financial instruments,
- financial assets or liabilities measured at fair value through profit or loss, and
- financial assets at fair value through other comprehensive income

The carrying values of recognised assets and liabilities that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to recognise changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The Group has prepared its financial statements on the basis that it will continue to operate as a going concern.

Functional currency

Items included in the consolidated financial statements are measured using Hungarian Forint, the currency of the primary economic environment in which the entities of the Group operate ('the functional currency'). These consolidated financial statements are presented in Hungarian Forints rounded to the nearest million ("HUF million").

Foreign exchange rates used in these consolidated financial statements were the following:

	31 December 2025 (HUF)	**31 December 2024 (HUF)**
EUR	385.40	410.09
USD	328.42	393.60
JPY	2.0967	2.5126
GBP	441.33	494.16
PLN	91.18	95.97
CHF	413.89	435.45
CZK	15.92	16.30

Reporting period

These consolidated financial statements are prepared for the reporting period between 1st January 2025 and 31st December 2025.

Use of estimates and judgements

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of income, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Group's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Group's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognized in the financial statements with substantial management judgement and/or estimates are summarized below with respect to judgements/estimates involved.

Impairment
The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of contractual future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, in which changes can result in different levels of allowances. The Group's expected credit loss calculations (ECL) are the outputs of complex models with several underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Group's internal credit rating model, which assigns default probability to each rating category.
- The Group's criteria for assessing if there has been a significant increase in credit risk and thus allowances for financial assets should be measured on a lifetime expected credit loss basis and the qualitative assessment.
- Development of ECL models, including different ones: formulas, relationships between macroeconomic scenarios and economic inputs, collateral values; Impact on the probability of defaults, expected exposures at defaults and loss given defaults.

As per the actual loss figures, the Group regularly reviews its models and adjust when necessary. For further details please see Note 3. c) vi) and Note 34.

Collective and individual assessments are used in cash flow forecasting for receivables purchased with impaired creditworthiness.

For collectively assessed receivables, future net cash flow forecasts are based on projections of past returns and direct cost information. The model uses a period of 76-144 months, depending on the type of purchased receivables.

In individual assessments, cash flow estimates are determined taking into account all available relevant information. The amount and timing of cash inflows are significantly influenced by prevailing market conditions, applicable legal regulations, and the work of courts, liquidators, and enforcement officers, as well as the course of liquidation and enforcement proceedings.

Management continuously reviews and, if necessary, modifies its expectations regarding future cash flows, and reviews and updates them comprehensively at least once a year. The review takes into account all available historical information and future expectations that may affect the recovery of each purchased receivables portfolio.

Fair value

The fair value of financial instruments is the price at which an asset can be sold or at which a liability can be transferred in the principal (or most advantageous) market at the valuation date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include considerations on liquidity and other input parameters used within the models including credit risk (both own and counterparty), funding value adjustments and aspects of correlation and volatility. For further details about determination of fair value please see Note 34.

Legal risk

The Group operates in a regulatory and legal environment that, by nature, has an element of litigation risk inherent to its transactions. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings arising in the ordinary course of the Group's business. When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision for the case. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group considers several factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude these estimates. For further details on provisions please see Note 16.

Exempted associates

On a materiality basis and the usefulness of the information, the Group exempts some associated companies from being consolidated, so theses investments are presented in the financial statements as non-consolidated associates on at cost less accumulated impairment amount. The primary reason for the exemption is that these entities are immaterial and therefore have no impact on the financial statements. Companies in venture capital funds are also exempted from consolidation, as these firms do not have significant capital, and their activities are not material to the consolidated accounts of the Group as a whole. For these exempted companies, the numbers representing the extent of their activities are presented (see Note 8).

3. MATERIAL ACCOUNTING POLICIES

a) Basis of consolidation

Subsidiaries

Subsidiaries are enterprises controlled by the Group. Control exists when the Group has power over the investee, has exposure, or rights, to variable returns from its involvement with the investee, and has the ability to use its power over the investee to affect the amount of the investor's returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until that control effectively ceases.

Associates

Associates are enterprises in which the Group has significant influence. Investments in associates are accounted for under the equity method, whereby the investment is initially recognized at cost and adjusted thereafter for the post-acquisition change in the Group's share of the investee's net assets. The Group's profit of loss includes its share of the investee's profit or loss, and the Group's other comprehensive income includes its share of the investee's other comprehensive income.

Funds are treated as subsidiaries when the Fund manager is owned by the Group and the Group has exposures to the Fund as in this case the Group has the control over the Fund manager. When the Fund manager does not belong to the Group the fund is treated as an associate as though the control is not within the Group, but as the foundation of the given fund and therefore the setting of the basic management/investment policies give rise to the significant influence to the Group, and usually it also ensures that the Group get a seat in the Investment Committee. When the Fund manager is owned by the Group, but the Group has no exposures to the Fund and/or the Fund manager can be replaced by anytime by the majority owner the given Fund is not considered to be part of the Group.

Transactions eliminated during consolidation

Intercompany assets, liabilities, income, expenses and costs, and any intercompany gains and losses are eliminated in preparing the consolidated financial statements.

b) Foreign currency transactions

Foreign currency transactions are converted by the Group into the functional currency using the exchange rates of the National Bank of Hungary (NBH) as at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except cash flow hedges and net investment hedges, which are recognized in other comprehensive income and accumulated in reserves in equity. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted to HUF at the foreign exchange rates quoted by the National Bank of Hungary at that date.
Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined.

c) Financial assets and liabilities

Financial assets and liabilities, except for derivative financial instruments are initially recognized by the Group on the settlement date, i.e., the date that the Bank transfers the instrument. This includes regular purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace. Derivative instruments are recognized on trade date when the Group becomes a party of the contractual provisions of the instruments.

i. Recognition

The Group only measures its “financial assets at amortized cost” if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows
- the contractual terms of the financial asset on specified dates result in cash flows that are solely payments of principal and interest (hereinafter referred to “SPPI”) on the principal amount outstanding. The details of these conditions are outlined below.

The Group classifies the following instruments in the FVOCI financial instruments category:

- equity instruments that have been marked in this way at initial recognition;
- debt instruments for which, as a result of the business model test, it has been established that the business model is intended to collect contractual cash flows related to the debt instrument and at the same time to sell financial instruments, and as a result of the SPPI test, the contractual terms of the financial instrument at specified times result in cash flows that are only payments of principal and interest on outstanding principal amounts.

Business model assessment
The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- the expected frequency, value and timing of sales are also important aspects of the Bank’s assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case’ scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Group’s original expectations, the Group does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Group included its full loan portfolio in the "held to collect" business model, since its primary objective is to collect capital and interest cash flows. Those securities which are held to maintain the long-term liquidity, or which has been deposited (pledged) behind credit programs, were classified in the "held to collect" business model, while the securities which used for shorter liquidity purposes were classified into "held to collect and sale" business model. The Group does not have any securities in the “held for sale” category, given its operational specialities, thus this business model category is irrelevant.

SPPI test
As a second step of its classification process, the Group assesses the contractual terms of its financial assets to identify whether they meet the criteria of the SPPI test. The Group must consider the contractual terms of the financial instruments to be able to determine whether the contractual cash flows consist solely of capital and interest payments. This implies an assessment of whether the financial instrument is linked to such a contractual condition based on which the amount of the contractual cash flows or the timing of those may ultimately not pass the SPPI test. The SPPI test is carried out at instrument level (one by one) and, where applicable, at the level of the homogenous products (combined). The most important elements of the interest included in the loan agreement are the time value of money, the costs incurred by the Group and the credit risk. To perform the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending agreement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at Fair Value through Profit and Loss (hereafter referred to as "FVTPL").

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value. Except for financial assets and financial liabilities measured at fair value through profit and loss (FVTPL), transaction costs are added to (in case of financial assets) or subtracted from (in case of financial liabilities), this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Group accounts for the day one profit or loss, as described below.

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

ii. Derecognition

Financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when the rights to receive cash flows from the financial asset have expired. The Group also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition. The Group has transferred the financial asset if, and only if, either:

- the Group transferred its contractual rights to receive cash flows from the financial asset or
- it retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all the following three conditions are met:

- the Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset,
- the Group cannot sell or pledge the original asset other than as security to the eventual recipients,
- the Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either (i) the Group has transferred substantially all the risks and rewards of the asset or (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset. The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and can exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognized only to the extent of the Group’s continuing involvement, in which case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

Financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires. The difference between the carrying value of the original financial liability and the consideration paid (including the newly recognized financial liability) is recognized in profit or loss.

Modifications subject to derecognition of financial assets and liabilities
Debt instruments exchanged to another one under substantially modified terms and conditions is treated as a derecognition of the existing financial asset or liability and a re-recognition of a new financial instrument. Similarly, a substantial modification of the terms of an existing financial asset or financial liability or part thereof (whether or not it has been caused by the counterparty's financial difficulties) is treated as derecognition of the original financial asset or liability and a new financial instrument is recognized. The new financial liability based on the modified terms is recognised at fair value. The new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset,
- other fees are included in profit or loss as part of the gain or loss on derecognition.

The basic terms of a financial instrument change significantly when the main risk factors behind the original instrument are modified. In particular, the Group considers, but not limited to, the following factors when assessing whether the modification is subject to a derecognition and a re-recognition:

- the extent of the difference between the modified and the original cash flows, where a change is more than 10%
- change of borrower with a new risk profile (only in case of financial assets)
- change in SPPI result due to the effect of modified contractual terms
- change in currency.

When comparing the modified and original cash flows, the Group examines the extent of the difference between the discounted present value of the changed cash flows - including paid fees in case of liabilities and in case of assets deducting, the fees paid and including the fees received - under the new conditions and the discounted present value of the remaining original contractual cash flows by using the original effective interest rate in both cases.

Fees received include, in case of assets, amounts paid by the borrower to the Group or on its behalf, and in case of liabilities, amounts paid by the lender to or on behalf of the Group. The fees paid include, in the case of assets, amounts paid by the Group to or on behalf of the borrower, and in case of liabilities, amounts paid by the borrower to the Group or on its behalf, regardless whether they are described as a fee, as part of the exchange or modification. Fees do not include any payments made by the borrower or lender to its own advisers or agents, or other transaction costs incurred by the borrower or lender.

Modifications not subject to derecognition of financial assets and liabilities
When the Group renegotiates or amends the contractual cash flows of a financial instrument and the renegotiation or modification does not result in the derecognition of the financial instruments, the Group recalculates the financial instruments gross amortized cost and the difference is recognized in the profit or loss on the line "Contract modification loss, net". The new gross amortized cost is recalculated by the Group as the present value of renegotiated or modified contractual cash flows, using the original effective interest rate of the financial instruments (in case of purchased or originated credit impaired assets the credit-adjusted effective interest rate is used).

Any modification fee applied is amortized over the remaining life of the financial instruments which is achieved by the recalculation of EIR at modification to reflect the modification fee received. The impact of any additional fees incurred at modification but not directly related to it (e.g., prepayment fees) are recognized directly on "Fee and commission income" when incurred.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss line „Contract modification loss, net”. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

iii. Measurement

The Group classifies all its financial assets based on the business model for managing the assets and the asset's contractual terms (SPPI test) and measured as follows.

Profit or loss on **a financial instrument mandatorily measured at fair value through profit or loss** shall be recognized in income statements in such a way that the Group recognizes interest income on those assets as „Other similar income", while changes in fair value is recognized as „gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net" line within income statements.

A gain or loss on **debt instruments at fair value through other comprehensive income** shall be recognized in other comprehensive income, through the statement of changes in equity, except for impairment losses, interest income amortized based on effective interest and foreign exchange gains and losses which are recognized in profit or loss, until the financial asset is derecognized, at which time the cumulative gain or loss previously recognized in other comprehensive income shall be reclassified to profit or loss. All valuation movements for **equity instruments at fair value through other comprehensive income** are recognized directly in equity (Other Comprehensive Income) and on derecognition, the cumulative amount is only transferred to retained earnings but is not transferred to profit or loss, except the dividend received which is always recorded in the profit and loss. The difference between the fair value at the date of derecognition and the selling price is recognized in profit or loss.

For financial assets and financial liabilities carried at **amortized cost**, a gain or loss is recognized in profit or loss when the financial asset or financial liability is derecognized or impaired, and through the amortization process.

iv. Classification

Financial assets or liabilities held for trading are derivatives, which are not part of a designated hedge relationship.

Cash, cash balances at central banks and other demand deposits are cash and bank accounts held with the National Bank of Hungary or with other credit institutions, as well as overnight deposits.

Financial assets measured at amortized cost include debt instruments that are included in a business model whose objective is to hold financial assets to collect contractual cash flows („held to collect business model") and have passed the SPPI test. In this category, the Group classifies its refinancing and direct loans that have passed the SPPI test. This category also includes those purchased debt securities that the Group has classified as held to collect.

Non-trading financial assets that are mandatorily measured at fair value through profit or loss includes debt instruments that are included in the held to collect business model but failed the SPPI test. In this category, the Group presents its refinancing and direct loans that failed the SPPI test. It also includes those venture capital investments that do not meet the definition of equity instruments under IAS 32.

Financial assets measured at fair value through other comprehensive income include debt instruments that the Group classified into a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset („held to collect and sale business model") and have passed the SPPI test. In this category, the Group shows the portion of its securities that it classified as a held to collect and sale business model. Equity instruments for which the Group has chosen the fair value through other comprehensive income option at initial recognition are presented in this category. These are other investments that do not qualify as associates.

Derivatives - hedge accounting includes derivative transactions designated by the Bank into hedge relationship.

Among the **financial liabilities measured at amortised cost**, the Group presents customer deposits (collaterals behind loans), loans taken, short-term interbank deposits, issued debt securities and other financial liabilities.

v. Amortized cost measurement

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and in case of financial assets minus any reduction for impairment or uncollectibility.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group shall estimate cash flows considering all contractual terms of the financial instrument but shall not consider future credit losses.

The Group recognizes POCI (Purchased or Originated Credit Impaired) financial assets in its books at their initial fair value, which, unless otherwise stated, is equal to the purchase price of the asset. In calculating the credit-adjusted effective interest rate on POCI assets at initial recognition, the Group considers the initial estimated credit loss in the estimated cash flows (i.e., life expected credit losses are deducted from estimated contractual cash flows).

vi. Impairment of financial assets

The Bank is applying a forward-looking expected credit loss (hereinafter ECL) approach for its impairment calculation. From 1st January 2019, the Group has been recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL (but including debt securities at fair value through other comprehensive income), together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under IFRS 9.

The ECL impairment/provision is the expected credit loss for 12 months (hereinafter 12mECL) if there has been no significant increase in credit risk since the initial recognition of the asset (liability) or it is considered to be low credit risk at the time of valuation. If there has been a significant increase in credit risk since initial recognition or since the previous valuation, the ECL impairment/provision is the loss calculated over the expected life of the asset.

The 12mECL is the portion of the lifetime expected credit loss that represent the ECLs that result from default events on a financial instrument possibly within 12 months after the reporting date.

ECL impairment is calculated for both 12mECL and lifetime expected credit losses on a collective basis or, in exceptional cases, on an individual basis, depending on the nature of the underlying portfolio of financial instruments.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. To carry out the evaluation, the Bank compares the non-performance risk of the financial instrument at the reporting date and as of the initial recognition, taking into consideration information that is reasonable and justifiable - without undue cost or effort – and indicates significant increase in credit risk since initial recognition. The Bank assumes that the credit risk of a financial instrument has not increased significantly since the initial recognition if the financial instrument is considered low credit risk at the reporting date.

If the credit risk of a financial instrument has not increased significantly at the reporting date since initial recognition, the Group calculates the impairment of the financial instrument based on the 12-month expected credit loss (hereinafter: Stage 1). At each reporting date, the Group calculates the impairment of the financial instrument based on the lifetime expected credit loss if the credit risk of the financial instrument, whether assessed on an individual or collective basis, has increased significantly since initial recognition, considering all reasonable and justifiable information, including forward-looking ones (hereinafter: Stage 2 or Stage 3).

Regardless of the above, the Bank always calculates the impairment based on the lifetime expected credit losses for receivables where the IFRS 15 Revenues from contracts with customer standard is applicable and the receivables do not include significant financing components. These include other financial assets where the Bank uses this simplified approach.

Based on the above process, the Bank classifies its loans into stages, as described below.

Stage 1 (performing credit risk category)
Performing asset category, if there is no significant increase in credit risk compared to the initial recognition, or the asset is considered by the Bank to have a low credit risk at the time of valuation. In this stage 1 category, the Bank calculates the expected credit loss based on the 12-month PD (Probability of Default) for all such deals where there was no significant increase in credit risk since initial recognition. This way, the 12-month expected credit loss indicates a lifetime cash flow deficit that occurs as a result of default within a maximum of 12 months after the reporting date, weighted by the probability of default.

Deals are reclassified from this stage only when the credit risk increases significantly since origination and the deal is not considered as low risk. The stage categorization is therefore determined by the Bank at deal level rather than by a borrower level.

Stage 2 (increased credit risk category)
Significant increase in credit risk (deals where the Bank has become aware of negative information about the exposure but does not yet have objective evidence of impairment). The Bank considers a significant increase in credit risk if it becomes aware of negative information about the exposure, but there is no objective and material evidence of impairment yet. Such negative information may include, but is not limited to, the Customer's delay not reaching a significant credit obligation[1] to the Bank or any of its Subsidiaries, a significant deterioration in the Customer's credit rating, or becoming insolvent. Information received by the Bank during Customer monitoring that relates to the probable future default of the customer is also considered negative information. Furthermore, restructuring where the transaction was performing at the time of the restructuring is considered negative information. The Bank continuously monitors and records the defined criteria for the increase in credit risk. Lifetime credit loss is determined by the Bank using specified risk vectors, lifetime PD, constant loss given default (hereinafter „LGD") and changing exposure at default (hereinafter „EAD"). When calculating EAD, account shall be taken of the expected change in the exposure of the transaction until maturity.

Stage 3 (impaired credit risk category)
Default (non-performing), credit-impaired category. The third stage includes defaulted transactions for which there is either objective evidence of impairment or a probable future default of the debtor. To classify into this category, the Bank monitors the various default events (e.g., delay exceeding the threshold for significant credit default, termination, liquidation proceedings ordered by law, bankruptcy proceedings, forced liquidation proceedings, or other proceedings aimed at terminating the activity, reorganization or restructuring proceedings are in progress, as well as forced restructuring, if the transaction was in default at the time of the restructuring, etc.). The Bank also classifies significant receivables purchased at a discount of more than 20% (POCI) as well as products that it classifies as impaired (e.g., redeemed guarantees) in the category of impaired credit risk. All these marked events are stored in the banking system and ensure traceability of what events led to the classification.

POCI
Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at initial recognition and interest income is subsequently recognized based on a credit adjusted EIR. ECLs are only recognized or released to the extent that there is a subsequent change in the expected credit losses. The Bank only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the scenarios, discounted by the credit adjusted EIR. For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition (write-off) of the financial asset.

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[1] A credit default delay is considered significant if:

a) in the case of non-retail exposure:

- the amount of the customer's liabilities to the Bank or any of its Subsidiaries overdue for more than 90 days (principal, interest or fee payment) exceeds HUF 200 000 (absolut limit),
- the amount of liabilities overdue for more than 90 days exceeds 1% (relative limit) of the amount of the Bank's or any of its Subsidiaries' gross balance sheet receivables from the customer (excluding equity exposures).

b) in the case of retail exposure:

- the amount of the customer's liabilities to the Bank or any of its Subsidiaries overdue for more than 90 days (principal, interest or fee payment) exceeds HUF 40 000 (absolut limit),
- the amount of liabilities overdue for more than 90 days exceeds 1% (relative limit) of the amount of the Bank's or any of its Subsidiaries' gross balance sheet receivables from the customer (excluding equity exposures).

Individual and collective impairment
The Group assesses receivables on a group or individual basis, considering a set of criteria established in its internal rules, which are adapted to the operational characteristics of the Group member and approved by its management bodies.

The Group assesses receivables that are below a fixed amount according to its internal policies or that are not individually assessed by its management bodies based on the circumstances of the transaction (the identity of the seller in the case of a purchase of receivables, receivables considered by management as priority, delays) with group evaluation.

The Bank applies an individual impairment calculation by default for exposures classified in Stage 3 exceeding HUF 100 million, for transactions exceeding HUF 1 billion that have been placed under Intensive Management and for transactions with total exposure exceeding HUF 2 billion, where all transactions of the customer are classified in the increased credit risk category and the customer has been placed under Intensive Management or is in the impaired (Stage 3) credit risk category. Exposures in Stage 3 that do not reach HUF 100 million are normally subject to collective valuation.

In Stage 1 and Stage 2 categories, transactions are primarily measured on a collective valuation basis, but the Bank may choose individual valuation as well if transaction exceeds the material threshold value set by the Bank, which also relies on quantitative and qualitative factors.

The Bank also uses both collective and individual valuation for its debt securities and loans. In all cases, the impairment is recognized against the „Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss".

The carrying amount of the financial assets is reduced by using an impairment account, and the loss is recognized in the income statement. If, in subsequent years, due to certain events, the estimated amount of impairment increases or decreases, the accumulated impairment loss previously recognized is increased or decreased using the impairment allowance account. If a previously written off amount subsequently recovers, the amount is also recorded within „Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss".

The calculation of ECLs
The Bank calculates ECLs based on a minimum of three (if this is not possible, at least of two) probability-weighted scenarios in the case of individual valuation to measure the expected cash shortfalls, discounted with the original EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will recover and the value of collateral or the amount that might be received for selling the asset.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

EAD: The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest and principals from missed payments.

LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

Purchased receivables
The Group recognizes the amount of the expected recovery –that is based on historical collection statistics - on the purchased receivables above the purchase price by using the effective interest method. The Group re-estimates the expected recovery on purchased receivables for each reporting date. The effects resulting from the change in estimates are reflected in the results of the current period. Decrease is achieved by using the impairment account, while in case of increase first the previously created impairment is reversed then the gross book value of the asset is adjusted.

Where a significant negative/positive change in the future cash flow estimation is occurring, the carrying amount of the purchased receivables is increased/decreased with the difference between carrying amount of the financial asset and the present value of the future cash flows, discounted at the effective interest rate at the reporting date. Decrease is achieved by using the impairment account, while in case of increase first the previously created impairment is reversed then the gross book value of the asset is adjusted.

Loan commitments and letters of credit
When estimating the lifetime credit loss for undrawn loan commitments, the Group quantifies the part of the commitment that is expected to be drawn during the maturity period. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the scenarios. The expected cash shortfalls are discounted at the EIR that will be applied to the loan resulting from the loan commitments.

For credit lines, commitments and letters of credit, the ECL is recognized within “Impairment (-) or reversal of impairment of financial instruments” line in the income statements and “Provisions” line within statements of financial position.

Financial guarantee contracts
The Group's liability under each guarantee is measured at the higher of initially recognized amount less cumulative amortization recognized in the income statement, and the ECL provision. For this purpose, the Group estimates ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The calculation is made using a probability-weighting of the scenarios. The ECL related to financial guarantee contracts are recognized within "Impairment (-) or reversal of impairment of financial instruments".

vii. Collateral valuation

To mitigate its credit risks on financial assets, the Group requires collaterals, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, chattels, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Group's statement of financial position. However, the fair value of collateral affects the calculation of ECLs. Collaterals are generally assessed at inception and are revalued on a regular basis. However, some collateral, for example, cash or securities relating to margining requirements, are valued daily. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as independent appraisers or based on housing price indices.

Collateral repossessed
During the normal course of business, the Group sometimes repossess real estate collaterals. The Group's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Group's policy. If the repossessed asset is utilized until the sale, it is presented as investment property.

viii. Write-offs

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group, based on reliable information, determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

ix. Forborne and modified loans

Except for the application of special rules for transactions subject to the payment moratorium, the Group classifies a loan in a restructured category if it makes a concession or makes a contractual change because of the borrower's current or anticipated financial difficulties that it would not have made if the borrower were financially sound. Indicators of financial difficulties include defaults on covenants, or facts and expectations indicating a significant increase in credit risk, which may result in postponement of payment deadlines or taking out a new loan. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms, given that no derecognition and re-recognition took place and no transaction cost was related to it.

The Group assessed the specific time spent in the moratorium, as well as participation in several moratoriums, as a significant increase in credit risk, and therefore assumed that the obligor has, or is expected to have, financial difficulties in meeting its financial obligations. Therefore, it classified the transactions concerned as restructured, except for documented exceptions supported by evidence. The classification into stages was based on an examination of the unique characteristics of the client and the transaction.

The Group considers forced restructuring as a factor indicating the occurrence of a default event if it is likely to result in a significant reduction in the financial liability due to the waiver or deferral of the principal, the interests or the fees. A waiver or deferral is considered to be significant if the decrease in the present value of the financial liability exceeds 1%.

The Group continuously monitors its restructured loans to ensure that the current status of the restructured loans is recorded in accordance with applicable regulations. In case the transaction status in the bank monitoring system changes to the 'Special' category, the loan is presented in Stage 2 or Stage 3, depending on whether the transaction was performing at the time of the restructuring and whether the customer complies with the amended payment obligations. All its impaired (Stage 3) exposures are considered as non-performing exposures by the Group.

If a banking asset has been rated as non-performing due to restructuring, it may be considered performing again if all the following conditions are met:

- at least 365 days have passed since the date of the restructuring and since the end of the grace period provided for in the restructuring agreement and
- there is no delay (principal, interest, commission, fee) at the time of qualification and no concerns arise that would call into question the repayment of the full amount of the claim and
- repayment of the claim that was past due (if there was a delay) or that was written off during the restructuring (if there was no delay) through repayments under the restructuring conditions

The restructured status of a bank claim may be terminated if the following conditions are met:

- the claim is performing;
- a probationary period of at least two years has passed since the restructured claim was recognized as performing;
- regular repayments of principal or interest have been made in excess of an insignificant amount for at least half of the probationary period;
- at the end of the probationary period there is no delay of more than 30 days in respect of any obligation of the obligor.

d) Leasing

Accounting for leases by the Group as a lessee
The Group leases office premises and parking lots. Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is recognized at cost and depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Liabilities arising from a lease are initially measured on a present value basis.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost.

As an exception to the above, the Group accounts for short-term leases and leases of low-value assets by recognizing the lease payments as an operating expense on a straight-line basis. Short-term leases are leases where the lease term on the starting date is not more than 12 months. The threshold for low-value assets is set by the Group at HUF 1 500 000.

e) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment properties and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

The recoverable amount of an asset or CGU (Cash Generating Unit) is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

The purpose of the model used is to estimate the recoverable values of the shares based on the business plans approved by the owners of the subsidiaries, using the discounted cash flow (DCF) method.

The main output of the model is an indication of the impairment of the investment held, that is, the cash-generating unit ("CGU") based on the inputs provided. Further analysis is needed to make the final management decision on impairment, considering the specific situation of CGU and other considerations.

The model calculates the amount of free cash flow underlying the DCF valuation until the end of the explicit business plan based on the accepted valid, typically 5–10-year business plan. Based on the business characteristics of each CGU, the model determines the recoverable amount from using the owner's free cash flow ("FCFE") method.

FCFE expresses the cash flow that is available to owners after investments, meeting working capital needs, paying instalments and interest on foreign capital, and taking on new debt.

The FCFE method assumes that the owner will continuously realize the cash flows available from the CGU.

In case of the FCFE – as owner's free cash flow – method, the Group uses the cost of equity (CoE) as a discount factor. The definition of CoE is based on the capital asset pricing model (CAPM), which is widely used in international assessment practice. The CAPM model is based on the assumption that, in addition to the risk-free government bond yield, the investor also expects an extra yield typical of the industry.

In the case of capital funds not valued at fair value, the Bank applies different valuation methods depending on the maturity phase of the fund in question. The Bank values capital funds in maturity (exit) phase using the DCF method, while for funds in the investment or growth phase, the valuation consists of three phases:

i) examination of the life cycle and the need for valuation: based on qualitative and quantitative indicators;
ii) determination of the market value of the fund, which can be done by determining the market value of the assets in the fund's portfolio or by directly determining the value of the fund;
iii) determination of the amount of impairment as the difference between the invested value and the market value attributable to the Bank.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined without impairment loss recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Inventories within the scope of IAS 2 are measured at the lower of cost and net realizable value. The Group makes estimates for the realizable amount on a quarterly basis. Impairments are recognized or reversed according to these estimates in profit or loss.

f) Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with central bank or other financial institutions and overnight deposits. This line includes placements with other banks payable on demand, including nostro and other accounts in HUF and foreign exchange with domestic banks, foreign central banks and institutions registered abroad as bank. These items are subject to insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments.

Cash and cash equivalents are carried at amortized cost in the statement of financial position.

g) Loans and advances to banks and to customers

The Group’s lending activities can be grouped by method (indirectly through commercial banks in the form of refinancing loans and direct lending and other credit-related receivables) and by type (program and non-program loans).

The balance of loans and advances to banks includes refinancing program loans granted through commercial banks.

Loans and advances to customers contain receivables from legal entities, licensed traditional small-scale producers and employees. Agricultural loans with mainly fixed interest rate are also recognized as loans and advances to customers.

The balance of Deposits at central and other banks contains the interbank placements used in the course of liquidity management.

Loans and advances to banks and to customers are carried either at amortized cost or fair valued through profit and loss in the statement of financial position dependent whether the SPPI test is passed or failed.

h) Securities

Securities contain government bonds and other debt securities, interest bearing or discount treasury bills, mortgage bonds, debt securities including fixed-income securities that are listed on stock exchange or traded on a regulated market (controlled by regulation or by stock exchange), and other debt securities regardless their name, including debt securities took over in return for receivables to minimize loss.

Venture capital investments that cannot be classified as equity instruments under IAS 32 in which the Bank has no significant influence are also presented here. Since these instruments do not meet the SPPI test, the Group presents them within debt instrument, mandatorily fair valued through profit and loss. The related subscribed but not yet paid capital increase of these venture capital investments/notes that is payable as required by the investment plans is recognized among the capital commitments within off balance sheet items if the investment is closer to a loan commitment. Otherwise the not yet paid capital is recognized among the "*Other liabilities*" and be part of the investments initial cost.

Securities that were classified into "held to collect and sell" business category are measured at fair value through other comprehensive income. The basis of measurement is the average of best bid and ask prices published on the website of Government Debt Management Agency Ltd. on the reporting date.

Securities classified as held to collect are measured at amortized cost, calculated by using the effective interest rate method.

The Group applies impairment calculation for all its debt securities (except financial assets measured at fair value through profit and loss) and the expected credit loss is recognized in profit and loss.

i) Encumbered assets

The encumbrance of the Bank's eligible assets is mainly for ensuring the collateral for Funding for growth ("FGS") program. The encumbered assets can be government securities, mortgage bonds and loans. The Bank does not present as encumbered assets those securities which are to ensure the continuity of liquidity management - including the insurance of continuous transfers (Giro) and the possibility of a secured loan (repo) transaction with the Hungarian National Bank - as the Bank may also release the blocking of these securities.

j) Investments

Equity investments classified as **controlling interest** (subsidiaries) comprise those investments where the Bank is exposed to, or has rights to, variable returns from the involvement with the investee and has the ability to affect those returns through its power over the investee. These investments are fully consolidated in these consolidated financial statements.

Equity investments classified as **significant influence** (associates) comprise those investments where the Bank through its direct ownership interest has the power to participate in the financial and operating policies of the investee, but not to control those activities. These associates are consolidated by using the equity method.

Other equity investments comprise other shareholdings, which do not meet the above criteria.

Other equity investments are accounted for in accordance with IFRS 9 at fair value through other comprehensive income unless they do not meet the equity instrument conditions set in IAS 32, in which case they are classified as debt instruments mandatorily fair valued through profit and loss.

The investment portfolio includes investments that the Group intends to hold long term. The MFB Act determines the companies in which the Group can obtain controlling interest. The Group does not hold equity investments for trading purposes.

k) Derivative financial instruments

The Group uses derivative financial instruments, interest rate swaps, foreign exchange swaps and forward exchange contracts to manage its exposure to foreign exchange and interest rate risks arising from business activities. The recognition of interest income/expenses relating to derivative transactions are recognized in profit and loss as interest income and expense. Fair value changes are immediately recognized in the statement of comprehensive income on the "Gains or (-) losses on financial assets and liabilities held for trading, net" line.

The Group does not undertake exposures for trading (speculative) purposes, the Treasury department enters into transactions with the purpose of risk hedging, liquidity management and limit management. The purpose of market instruments is solely the hedging of risks deriving from the portfolio, the Group does not enter into transactions with speculative purposes.

To reduce the interest rate risk, the Group exchanges the financial instruments with fixed interest rate to floating interest rate in the course of an **interest rate swap.** The interest rate swap deals are accounted for as fair value hedges. The realized fair value changes on the hedging instruments are presented as "Derivatives – Hedge accounting" (see Note 10).

Foreign exchange swap deals are the exchanges of different foreign exchanges on a predetermined exchange rate. Foreign exchange swap deals are concluded with liquidity and risk management purposes and are presented as Derivative assets or liabilities (see Note 9).

Cross currency interest rate swap deals (CCIRS) are interest rate swaps and foreign exchange swap deals made in a single transaction. The **CCIRS deals** are classified as at fair value through profit or loss upon initial recognition as a Derivative asset or liability.

l) Hedge accounting

The Group uses derivative instruments to manage exposures to interest rate risk and partially foreign currency risk. The Group enters into economic hedging transactions only and, if this hedging relationship is properly documented, the hedge accounting is applied for them. The Group applies IFRS 9 rules for its hedge accounting. Based on IFRS9 rules at inception of a hedge relationship the Group formally documents the relationship between the hedged item and the hedging instrument, including the nature of the risk, the objective and strategy for undertaking the hedge and the method to be used to assess the effectiveness of the hedging relationship. When designating the hedging relationship, the Group decides whether to apply the IFRS 9 "cost of hedging" approach which is recognized in the cost of hedging reserve in other comprehensive income.

Fair value hedge
Fair value hedges are concluded to reduce market risk. For qualifying and designated fair value hedges, the change in fair value of hedging instruments is recognized in the income statement on the line "Gains or (-) losses from hedge accounting, net". The change in the fair value of the hedged item attributable to the hedged risk is also recognized in the same income statement line and the carrying amount of the hedged item is adjusted in the statement of the financial position. If the hedging instrument expires, is sold, terminated or exercised, the hedge relationship is terminated. In this case, the fair value adjustment of the hedged item shall be amortized to the income statement in the net interest income until maturity of the underlying financial instrument (hedged item).

Where the hedged item is a financial instrument (or component thereof) for which the effective interest method of accounting is used, the adjustment is amortised to the income statement based on a recalculated effective interest rate at the date amortisation begins. The purpose of the amortisation is to reflect the effect of the fair value hedge in the profit and loss, but also to ensure the adjustment is fully amortised by maturity. If the critical terms of the hedged item and the hedging instrument match and the hedge relationship remains in place to its maturity, there is no additional amortisation be required as the cumulative fair value adjustment to the hedged item will naturally revert to the hedged item's carrying amount through ongoing fair value hedge accounting adjustments. Otherwise, the amortisation begins as soon as the hedged item ceases to be adjusted for hedging gains and losses, being the date of termination of the hedge relationship.

If the hedged item is derecognised, the unamortised fair value is recognised immediately into the income statement.

Cash flow hedge
The purpose of a cash flow hedge is to ensure sufficient cash flow at the right time and to reduce the risk of cash flow unavailability. The portion of the gain or loss on the hedging instrument that is designated as an effective hedge (i.e. offset by the change in the cash flow hedge reserve) is recognized in other comprehensive income. The ineffective portion of the hedge is recognized directly in the consolidated income statement, in the line "Gains or (-) losses from hedge accounting, net".
The Group discontinues the hedging relationship when the hedging instrument expires or is sold, terminated or called, or the hedge no longer qualifies for hedge accounting. When the Group discontinues hedge accounting for a cash flow hedge, the amount in the cash flow hedge reserve is reclassified to profit or loss when the hedged future cash flows are no longer expected to occur. If the hedged future cash flows are expected to occur, the amount in the cash flow hedge reserve is only reclassified to profit or loss when the cash flows occur in the future.

m) Investment property

Investment property is property (land and building or part of a building or both) held for the purpose of earning rental income or for capital appreciation. In the case of a partial own use, the property is an investment property only if the owner-occupied portion is insignificant.
Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and impairment. Rental income is recognized in the income statement as other operating income. Depreciation is accounted for by using the straight-line method over the estimated useful life of the asset. The useful life of the asset is identical to those of buildings reported under property and equipment.

n) Bonds issued

Bonds issued contain the obligations arising from HUF, EUR and USD issued bonds.

Issued bonds are measured at amortized cost. That part of the issued bonds of which interest rate risk is hedged using interest rate swaps are measured at amortized cost with fair value adjustment.

o) Provisions

A provision is recognized, when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed quarterly and adjusted to reflect the best estimate of the expenditure required to settle the present obligation. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. A provision should be used only for expenditures for which the provision was originally recognized.

p) Offsetting

Financial assets and financial liabilities are offsetted in the statement of financial position when and only when the Group has a legally enforceable right to set off the amounts and intends to settle them either on a net basis or at the same time intend to realise the assets and settle liabilities at the same time. The Group has various netting agreements in place with counterparties to manage the associated credit risks. Such arrangements primarily include repo and reverse repo transactions, securities borrowing and lending arrangements, and over-the-counter and exchange traded derivatives. The ISDA and similar master netting arrangements do not meet the criteria for offsetting in the statement of financial position. This is because they create for the parties to the agreement a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties or following other predetermined events. In addition, the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

q) Commitments and contingencies

Commitments and contingencies are a probable obligation that derive from a past event, and its existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events that are not entirely controlled by the Group, or a present obligation that derives from a past event, but is not recognized because it is not likely that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be reliably estimated.

r) Interest income and expense

In accordance with IFRS 9, interest income and expense are recorded using the effective interest rate (EIR) method for all financial instruments measured at amortized cost. Interest income on interest bearing financial assets measured at FVOCI under IFRS 9 are also recorded by using the EIR method.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortized through Interest and similar income in the income statement.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as ‘Stage 3’, the Group calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial assets recover and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset. The credit adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortized cost of the POCI assets.

The Group also holds investments in assets with negative interest rates. The Group discloses interest paid on these assets as an interest expense.

The Group has decided to include interest received and paid arising from financial instruments classified as FVTPL (including trading instruments) and from derivative instruments designated as hedge among "interest income" and "interest expense", i.e., the so-called "clean price" (net price) presentation method is applied.

Interest income and expense include:

- interest income or expense for financial assets and liabilities at amortized cost accounted by using effective interest method (including interest received or paid to banks or customers, interest received on purchase securities, interest paid on issued securities and negative interest of financial assets and liabilities),
- interest income on financial assets at fair value through other comprehensive income accounted by using the effective interest method (including coupon interest received on securities and their discount/premium amortization),
- contractual interest income received on financial assets mandatorily fair valued through profit and loss that are presented among Other similar income,
- contractual interest income received on cash balances at central banks and other demand deposits are presented among Other similar income,
- interest income from derivative transactions, also presented among Other similar income, while interest expense from derivative transactions are presented among Interest expense.

s) Fee and commission income and expense

Fee and commission income and expense include amounts from financial activities of the Bank that are not included in interest income and expense, nor are they considered as incremental costs at the initial recognition, for example transaction fees, postal fees, guarantee fees, loan examination fees and other financial service fees. The lending related fee and commission income and expense of those loans which failed the SPPI test is also presented in these lines.

t) Current and other taxes

Current tax assets and liabilities for the current year and prior years are measured at the amounts expected to be recovered from or to be paid to the tax authorities. The tax rates and tax laws used to compute the amounts are those that are enacted as of the balance sheet date. Current tax comprises income tax, such as corporate income tax, local business tax and innovation contributions.

The amount of **corporate tax** payable is based on the tax obligations determined in accordance with Hungarian laws and it is adjusted by the deferred tax. Corporate tax and deferred tax are recognized in the income statements, except when tax relates to items recognized directly in equity, in which case it is recognized in the statement of other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date. The base of the income tax is the profit before tax adjusted by the tax base modifying items. The corporate tax was unified at a flat rate of 9%.

The **local tax and the innovation contribution** established based on the Hungarian tax legislation in force are calculated for the same basis, their applicable rates are different being 2% for the former and 0.3% for the latter. Since their basis is based on net revenue, these were also classified among income taxes.

Deferred tax is calculated using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The Group recognizes deferred tax asset if it is probable that the temporary differences will reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. An exception is where the deferred tax asset is a result of the initial recognition of an asset or liability in such a transaction that is not a business combination and does not affect either accounting profit or taxable profit (negative tax base) at the time of the transaction. Whether future taxable profits available are primarily determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date. Deferred tax assets and liabilities are netted against each other at each consolidated entity level if the company has a legally enforceable right to set off the current tax receivable and liabilities and deferred tax receivable and liabilities relate to income taxes levied by the same taxation authority but are not netted among Group entities.

The **special bank tax of financial institutions is** presented among other expenses. The tax is in effect since 2010. The base of the special tax is the adjusted balance sheet total of the second preceding year (meaning 2023 for year 2025 and 2022 for year 2024), the rate was 0.15% under HUF 50 billion, and 0.20% above HUF 50 billion. The Group recognizes the special bank tax of financial institutions when it becomes legally enforceable (i.e., when the obligating event arises) which is on 1st January each year.

To implement the Economic Protection Action Plan, a **special credit institution tax on the epidemiological situation** for replenishing the Epidemiological Fund was introduced for banks in 2020. The basis for this special tax equals to the base for the special bank tax of financial institution that exceed the HUF 50 billion and the applicable rate is 0.19%. Under the special tax act, the next 5 years of bank special tax liability will be deducted with this amount in five equal annual instalments therefore was not recognized in the profit and loss of 2020 (see Note 13). According to the regulation published in 2024, the part falling in 2024 could not be utilized, thus the originally 5-year duration has been extended by one year.

An **extra profit tax** was introduced during 2022 that aimed to keep public finances in balance. The tax base of this extra profit was the adjusted net revenue calculated from the financial statements of the preceding year and the applicable tax rate was 10%. In 2023, due to a change in legislation, the tax base for the first half year was determined by the adjusted net revenue calculated from the financial statements of the preceding year but the pro rata 50% of this base must be taken into account. The calculation of the tax base for the second half of 2023 was the 50% of the adjusted pre-tax profit calculated from the financial statements of the preceding year. The tax rate is 8% for the tax base part falling into the first half of the year, and 13% for the tax base part for the second half of the year, for an amount not exceeding HUF 10 billion, and 30% above that. From 2024 onwards, the tax base will be the adjusted profit before tax included in the financial statements of the preceding year. Tax rate will be 13% for the part not exceeding HUF 20 billion, and 30% above that. The Group recognizes this extra profit tax when it becomes legally enforceable (i.e., when the obligating event arises).

According to Act LXXXIV of 2023 on Top-Up Taxes Ensuring a Global Minimum Level of Taxation and on the Amendment of Certain Related Tax Laws, the taxable entities of **global minimum tax** (herein after: GloBE) are the group members of multinational enterprise groups or large-scale domestic groups having a total consolidated group revenue of EUR 750 million or above in at least two out of four fiscal years immediately preceding the tested fiscal year. According to the regulation, any company that is fully included in the combined (consolidated) financial report of the group is considered a group member.

The Group does not exceed the EUR 750 million revenue threshold, therefore it is not subject to GloBE at the reporting date.

Furthermore, large-scale domestic groups can be exempt from qualified domestic top-up tax, if the group is in the initial phase of its international activities. Considering that the Group is a large-scale domestic group with no foreign group members, it fulfils the conditions of the initial phase of international activities and therefore can obtain the exemption from domestic top-up tax for the first 5 years of its taxable period. Accordingly, if in the future, the Group becomes subject to the GloBE, it would still be entitled for the 5 years of exemption from domestic top-up tax, starting from the first day of the fiscal year in which it has become subject to the GloBE, if it continues to fulfill the above conditions (it remains a large-scale domestic group).

u) Events after the reporting period

Events after the reporting period are those events, favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorized for issue. These events are adjusting and non-adjusting events.

All adjusting events after reporting date have been considered in the preparation of the consolidated financial statements of the Group. The material non-adjusting events after the reporting date are presented in Note 38.

v) Restatements due to previous year's error

During 2025 the Group identified that in previous periods it had not properly accounted for the amount of profit/loss attributable to he Group based on the yield cap and/or yield priority rules that existed in the case of certain equity funds classified as associated companies. A similar error was identified in case of an equity investment at fair value through other comprehensive income. With this information, the value of equity attributable to the Group is lower or higher than the values presented for previous periods.

The effect of this error has been traced back to the earliest period presented, therefore the effects have been traced back to 1st January 2024 and the table below includes the affected lines.

	01.01.2024 Restated	01.01.2024 Original	Impact
Equity instrument at fair value through other comprehensive income	40 399	40 263	136
Investments in associates	336 296	332 488	3 808
Total assets	**3 605 710**	**3 601 766**	**3 944**
Valuation reserve	(517)	(653)	136
Retained earnings	119 412	115 604	3 808
Total equity	**724 860**	**720 916**	**3 944**
Equity attributable to the owner	**724 860**	**720 916**	**3 944**
Total equity and liabilities	**3 605 710**	**3 601 766**	**3 944**

The impact of the restatements on 31st December 2024 is shown in the table below.

	31.12.2024 Restated	31.12.2024 Original	Impact
Equity instrument at fair value through other comprehensive income	27 311	25 811	1 500
Investments in associates	464 865	460 663	4 202
Total assets	**3 843 277**	**3 837 575**	**5 702**
Valuation reserve	1 204	(296)	1 500
Retained earnings	160 955	156 753	4 202
Total equity	**768 763**	**763 061**	**5 702**
Equity attributable to the owner	**768 763**	**763 061**	**5 702**
Total equity and liabilities	**3 843 277**	**3 837 575**	**5 702**
Profit or (-) loss from associates	26 436	26 042	394
Profit before tax	**46 913**	**46 519**	**394**
Profit for the year	**43 980**	**43 586**	**394**
Profit attributable to the owners	**43 980**	**43 586**	**394**
Other comprehensive income	**1 721**	**357**	**1 364**
Items that will not be reclassified to profit or loss	**1 254**	**(110)**	**1 364**
Change in far value of equity instruments at fair value through other comprehensive income	1 244	(120)	1 364
Total Comprehensive income, for the year	**45 701**	**43 943**	**1 758**
Comprehensive income, (-) expense attributable to the owner	**45 701**	**43 943**	**1 758**
CASH FLOW STATEMENT			
Profit (loss) before tax	46 913	46 519	394
Impact of equity method applied for associates	(26 436)	(26 042)	(394)

w) New or modified standards and interpretations

New or modified s*tandards and interpretations effective in the current period*

At the time of approval of these financial statements, the following standards and amendments to existing standards and interpretations issued by the IASB and adopted by the EU were applied in the financial statements:

The following amended standard is not expected to have a significant impact on the Bank's financial statements.

i. *Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15th August 2023, effective from 1st January 2025). The amendment requires companies to provide more disclosure when a currency cannot be converted into another currency.*

New or modified standards and interpretations issued by IASB and adopted by the EU but not yet effective:

i. Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30th May 2024, effective from 1st January 2026)

The three main areas of amendment:

- *Derecognition of financial liabilities: The conditions and procedures for settling financial liabilities using an electronic payment system are clarified.*
- *Classification of financial instruments: The criteria for classifying financial instruments are clarified, in particular for transactions with ESG-linked features.*
- *Disclosure requirements: New disclosure requirements are introduced for financial assets and liabilities to increase transparency in financial statements.*

The above amendment will have no material effect on the Group's financial statements.

ii. Amendments to IFRS 9 and IFRS 7 - Contracts referencing Nature-dependent Electricity Amendments - (issued on 18th December 2024, effective from 1st January 2026)

The amendments will help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs)

The above amendment will have no material effect on the Group's financial statements.

iii. As of 1st January 2026, several minor improvements and clarifications will come into effect (Annual improvements — Volume 11) that have no significant impact on the financial statements.

New or modified standards and interpretations issued by IASB but not yet adopted by the EU and not yet effective:

IFRSs adopted by the EU differ from the standards issued by the International Accounting Standards Board (IASB). The following new standards and amendments were not endorsed by the EU as of the date of publication of the financial statements.

i. *IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9th April 2024, effective from 1st January 2027)*

IFRS 18 replaces IAS 1 and introduces significant changes in the presentation of financial statements.

The main modifications are:

Structure of the statement of the profit and loss account: There are new required subtotals: Operating profit and Profit before financing and income taxes. As a result, there will be new defined categories to provide a consistent structure of the statement of profit or loss: (i) operating, (ii)investing and (iii) financing

Management-defined performance measures (MPMs): The new standard requires disclosure of management-defined performance measures i.e. subtotals of income and expenses not required or specifically exempted by IFRS Accounting Standards but are included in public communications outside financial statements communicating management's view of a company's financial performance. To facilitate transparency, companies should prepare a reconciliation back to IFRS-defined subtotals.

Cash flow statement amendments: IFRS 18 also affects IAS 7 Statement of Cash Flows, which clarifies the way interest and dividends should be presented and clearly states that operating profit is the starting point for preparation of an indirect cash flow statement.

Aggregation and disaggregation: IFRS 18 introduces an enhanced requirements for grouping of information, including requirements for presenting and disclosing operating expenses. Adds guidance on whether information should be in the primary financial statements or the notes.

The new standard is not expected to have a significant impact on the Group's presentation of financial statements.

ii. *IFRS 19 Subsidiaries without Public Accountability (issued on 9th May 2024, effective 1st January 2027)*

IFRS 19 aims to simplify financial statement disclosure requirements for subsidiaries that do not have public accountability and that their parent prepares consolidated financial statements under IFRS.

The Group cannot apply the new standard.

iii. *Amendments to IFRS 19 Subsidiaries without public accountability: Disclosures (issued on 21st August 2025, effective 1st January 2027)*

The above amendmenst will have no effect on the Group's financial statements.

iv. *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13th November 2025, effective 1st January 2027)*

The above amendments will have no material effect on the Group's financial statements.

4. CASH, CASH BALANCES AT THE CENTRAL BANKS AND OTHER DEMAND DEPOSIT

	31.12.2025	31.12.2024
Cash	1	0
Cash balances with National Bank of Hungary (NBH)	290 650	60 887
Overnight deposits	1 564	*0*
Statutory reserve	289 086	*60 887*
Other demand deposits	40 767	12 734
Gross balances	**331 418**	**73 621**
Impairment	(674)	(1 286)
Total	**330 744**	**72 335**

As per the regulation in effect as of 1st August 2025 the Bank is obliged to keep a minimum reserve at Hungarian National Bank (herein after: „Magyar Nemzeti Bank" or „MNB"), which equals to 8% (1st January 2024 10%) of the short term (within two years category) deposits being the average of the second precedeing month. The required minimum reserves shall be complied with both on a daily basis and on a monthly average. The Bank's reserve requirement as at the reporting date - the reserve base multiplied by the minimum reserve ratio - was HUF 384 million (31.12.2024: HUF 15 670 million).

The line *Other demand deposits* contains HUF 655 million (31.12.2024: HUF 1 283 million) in an account held in Russia, thus access to it is uncertain, therefore 100% impairment was recognized on it and is not included in the cash flow statement as a free cash equivalent.

5. NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

	31.12.2025	31.12.2024
Debt securities		
Crisis and tourism equity programs	446 161	500 116
Baross Gábor equity programs	165 426	170 103
Housing equity program	51 167	0
Other venture capital notes	151 613	105 366
Total debt securities	**814 367**	**775 585**
Loans and advances to customers		
General governments	301	362
Other financial corporations	380	595
Non-financial corporations	1 063	2 204
Households	54	74
Total	***1 798***	***3 235***

	31.12.2025	31.12.2024
Loans and advances to banks		
Municipality loan program	17 554	19 286
Business development loan program	1 075	1 679
Agricultural development loan program	3 972	6 790
Retail loan program	20	39
Total	***22 621***	***27 794***
Total Loans	**24 419**	**31 029**
MAIN TOTAL	**838 786**	**806 614**

The *Crisis and tourism equity programs* cover investments made in funds managed by market fund managers within the framework of 4 capital programs (Crisis II, III, IV, Tourism) established in 2020-21, which aimed to mitigate the negative economic effects due to the COVID epidemic. The funds have a maturity of 15 years.

The aim of the first pillar of the *Baross Gábor equity programs*, established in 2023, was to invest in securities and real estate funds with the aim of encouraging green real estate investments and expanding capital market liquidity. In the second pillar, investments were made in green funds. The Bank maintains pari passu investments in open-ended, public and private funds for at least 5 years. In the third pillar, capital increases were made in existing Crisis and tourism equityfunds.

The aim of the *Housing equity program* is to expand the domestic housing stock and stimulate economic activity, which could result in up to 30 thousand new homes.

The *Other venture capital notes* category includes funds created for specific economic development purposes that were not implemented within the framework of a n equity program.
The Group's total exposure to equity funds recognised in the financial statements as associates, equity investments or loans amounts to HUF 1 809 billion (31.12.2024: HUF 1 443 billion). In this portfolio of the Group, the 3 largest non-group fund managers have a total exposure of HUF 939 billion (31.12.2024: HUF 877 billion) (as associates, equity investments and loans). Based on section 8 (1b) of the MFB Act there is no client group consideration if MFB Zrt. provided a loan to them for the purpose of subscribing or purchasing investment units and which would constitute a single risk factor with regard to the investment fund, the fund manager, interlinks of the fund managers or any right or obligation related to assets in the portfolio of the investment fund.

Non-trading financial assets mandatorily valued at fair value through profit or loss includes those financial instruments that were classified as held to collect business model but failed the SPPI test as the interest rate is based on EURIBOR while the loans are denominated in Hungarian forint. Also, the loans with equity features were classified here.

Loans and advances to banks balances solely include refinancing loans to commercial banks that are the sources of the customer loans at those commercial banks.

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31.12.2025	31.12.2024 Restated	01.01.2024 Restated
Equity instruments			
Listed on stock exchange	10 212	12 699	24 928
Not listed on stock exchange	7 975	14 612	15 471
	18 187	**27 311**	**40 399**
Debt securities			
Hungarian government bonds	12 892	17 769	42 246
Bank bonds	8 963	9 596	8 808
	21 855	**27 365**	**51 054**
of which encumbered assets	*978*	*932*	*890*
Total	**40 042**	**54 676**	**91 453**

	31.12.2025			
Debt securities	**Gross carrying amount**	**Impairment**	**Fair value adjustment**	**Fair value**
Hungarian government bonds	13 250	0	(358)	12 892
Bank bonds	8 621	(77)	419	8 963
	21 871	**(77)**	**61**	**21 855**
Equity instruments				
Listed on stock exchange			(1 089)	10 212
Other investments by venture capitals not listed on stock exchange			(1 305)	2 080
Other instruments not listed on stock exchange			1 278	5 895
			(1 116)	**18 187**
Fair value adjustment recognized in valuation reserve			(1 051)	
Valuation reserve after deferred tax adjustment (note 18)			**(1 021)**	

	31.12.2024 Restated			
Debt securities	**Gross carrying amount**	**Impairment**	**Fair value adjustment**	**Fair value**
Hungarian government bonds	18 932	0	(1 163)	17 769
Bank bonds	9 174	(34)	456	9 596
	28 106	**(34)**	**(707)**	**27 365**
Equity instruments				
Listed on stock exchange			1 166	12 699
Other investments by venture capitals not listed on stock exchange			(903)	2 467
Other instruments not listed on stock exchange			1 744	12 145
			2 007	**27 311**
Fair value adjustment recognized in valuation reserve			1 300	
Valuation reserve after deferred tax adjustment (note 18)			**1 204**	

	01.01.2024 Restated			
Debt securities	**Gross carrying amount**	**Impairment**	**Fair value adjustment**	**Fair value**
Hungarian government bonds	43 637	0	(1 391)	42 246
Bank bonds	8 562	(8)	254	8 808
	52 199	**(8)**	**(1 137)**	**51 054**
Equity instruments				
Listed on stock exchange			414	24 928
Other investments by venture capitals not listed on stock exchange			(1 179)	3 542
Other instruments not listed on stock exchange			1 529	11 929
			764	**40 399**
Fair value adjustment recognized in valuation reserve			(373)	
Valuation reserve after deferred tax adjustment			**(517)**	

All debt securities in the tables above are classified as Stage 1.

The fair value through other comprehensive income option includes equity instruments that the Group chose to present as such during the introduction of IFRS 9. Other investments that do not qualify as associates are presented here, as the Bank does not have trading intent with them, therefore fair valuation through profit and loss was not applied.

The Venture capital investment line includes investments by Group owned venture capital funds. These entities either have a few years of business history, or even those that do not have a business history, which does not allow the acquisition of funds from the credit market or traditional capital markets. In addition to the start-up companies, the development-phase companies are also part of this investment portfolio. The projected average maturity is 3-7 years, and the voting power is less than 20%.

7. FINANCIAL ASSETS AT AMORTIZED COST

		31.12.2025	31.12.2024
Debt securities			
Hungarian government bonds		19 248	30 411
Corporate bonds		503 136	403 326
Mortgage bonds		13 504	7 483
	7.2	**535 888**	**441 220**
of which encumbered assets		*109 830*	*114 794*
Customer loans			
General governments		46 837	55 153
Other financial corporations		362 290	336 135
Other non-financial corporations		877 265	911 013
Households		168 912	170 418
	7.1	**1 455 304**	**1 472 719**
of which encumbered assets		*114 278*	*131 020*
Loans to banks			
Refinancing loans		0	0
Other loans		175 032	183 629
	7.1	**175 032**	**183 629**
Deposits at central and other banks			
Central bank deposits		0	0
Other bank deposits		22 748	26 588
	7.3	**22 748**	**26 588**
Other financial assets			
Trade receivables		1 565	1 477
Margin accounts		40 951	170
	7.4	**42 516**	**1 647**
of which encumbered assets		*40 950*	*170*
Total		**2 231 488**	**2 125 803**
of which encumbered assets		*265 058*	*245 984*

The encumbered assets among “Debt securities” and “Loans and receivables” include assets offered as collateral for the National Bank of Hungary and these assets were collateralized under the Hungarian National Bank Funding for Growths (FGS) program and represent the current net book value of the customer loans disbursed under this scheme. The new FGS scheme, which was launched in 2020, was also collateralized by the loans disbursed, supplemented with individual corporate loans that was also possible to be collateralized for this purpose, which the Bank took advantage of. The current net book value of these disbursed loans is presented as encumbered assets within „Customers loans” line. For the other two previous FGS programs, government bonds were offered as collateral. The year end net book value of these government bonds is shown as encumbered asset under „Debt securities” line. From the line “Other financial assets” the margin accounts are shown as encumbered assets. The remaining encumbered assets represent the pledge on the subsidiaries’ assets being the collateral for their external loans.

7.1 LOANS

	31.12.2025				
GROSS OUTSTANDING	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Customer loans					
General government	37 685	9 778	0	0	47 463
Other financial corporations	195 680	172 210	6 030	525	374 445
Other non-financial corporations	431 338	474 818	39 371	13 617	959 144
Households	78 640	9 654	104	84 103	172 501
	743 343	**666 460**	**45 505**	**98 245**	**1 553 553**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	175 040	0	0	0	175 040
	175 040	**0**	**0**	**0**	**175 040**
IMPAIRMENT					
Customer loans					
General government	(338)	(288)	0	0	(626)
Other financial corporations	(224)	(5 463)	(5 943)	(525)	(12 155)
Other non-financial corporations	(5 741)	(42 909)	(31 214)	(2 015)	(81 879)
Households	(645)	(68)	(14)	(2 862)	(3 589)
	(6 948)	**(48 728)**	**(37 171)**	**(5 402)**	**(98 249)**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	(8)	0	0	0	(8)
	(8)	**0**	**0**	**0**	**(8)**
NET CARRYING AMOUNT					
Customer loans					
General government	37 347	9 490	0	0	46 837
Other financial corporations	195 456	166 747	87	0	362 290
Other non-financial corporations	425 597	431 909	8 157	11 602	877 265
Households	77 995	9 586	90	81 241	168 912
	736 395	**617 732**	**8 334**	**92 843**	**1 455 304**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	175 032	0	0	0	175 032
	175 032	**0**	**0**	**0**	**175 032**
TOTAL NET LOANS	**911 427**	**617 732**	**8 334**	**92 843**	**1 630 336**

Due to the Bank's role as a development bank, the loan portfolio is concentrated, the 10 largest utilisation represents 41.5% (31.12.2024: 45.9%) of the direct loan portfolio, of which 11.1% (31.12.2024: 17.7%) of exposure is provided by a state guarantee.

	31.12.2024				
GROSS OUTSTANDING	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Customer loans					
General government	55 305	0	0	0	55 305
Other financial corporations	185 758	152 816	20 254	0	358 828
Other non-financial corporations	513 663	427 883	31 455	11 298	984 299
Households	79 611	14 400	225	76 967	171 203
	834 337	**595 099**	**51 934**	**88 265**	**1 569 635**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	183 637	0	0	0	183 637
	183 637	**0**	**0**	**0**	**183 637**
IMPAIRMENT					
Customer loans					
General government	(152)	0	0	0	(152)
Other financial corporations	(209)	(5 738)	(16 746)	0	(22 693)
Other non-financial corporations	(2 839)	(43 829)	(24 355)	(2 263)	(73 286)
Households	(206)	(57)	(6)	(516)	(785)
	(3 406)	**(49 624)**	**(41 107)**	**(2 779)**	**(96 916)**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	(8)	0	0	0	(8)
	(8)	**0**	**0**	**0**	**(8)**
NET CARRYING AMOUNT					
Customer loans					
General government	55 153	0	0	0	55 153
Other financial corporations	185 549	147 078	3 508	0	336 135
Other non-financial corporations	510 824	384 054	7 100	9 035	911 013
Households	79 405	14 343	219	76 451	170 418
	830 931	**545 475**	**10 827**	**85 486**	**1 472 719**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	183 629	0	0	0	183 629
	183 629	**0**	**0**	**0**	**183 629**
TOTAL NET LOANS	**1 014 560**	**545 475**	**10 827**	**85 486**	**1 656 348**

Information about modifications of loans that have not resulted in derecognition is as follows:

	31.12.2025	**31.12.2024**
Amortized cost of loans with lifetime ECL immediately before contractual modification that was not a derecognition event	33 624	59 370
from this resulted from the moratorium settlement	*0*	*0*
Gains less losses recognized in profit or loss on modifications of loans with lifetime ECL that did not lead to derecognition	(16)	(271)
from this resulted from the moratorium settlement	*0*	*0*
Gross carrying amount of loans that were contractually modified (without derecognition) in the past when measured at lifetime ECL and which were reclassified to Stage 1 (12 months ECL) during the current year	15 556	3 224

The Group does not have any outstanding contractual amounts of loans and advances to customers written off that are still subject to enforcement.

7.1.1 INFORMATION ON PAYMENT RELIEF

Pursuant to Government Decree No. 68/2025. (IV. 4.), published officially **in April 2025**, the Hungarian Government provided a payment moratorium for ***farmers who are subject to official measures as a result of the protection against foot-and-mouth disease***. The purpose of the decree is to provide assistance to farmers who are adversely affected by the epidemic response measures and who have therefore found themselves in a difficult situation when fulfilling their loan obligations. The moratorium is available to debtors who are affected by the measure ordering the slaughter of animals based on an official decision and who notify their creditor in writing together with the sending of the official decision.

In December 2025, Government Decree 393/2025 (XII. 10.) has been published on transitional measures aiming to stabilize the financial situation of ***farmers affected by frost or drought damage, as well as pig breeders***, introducing a new payment moratorium. The moratorium is available to debtors who are affected by the spring frost of 2025 or the drought of 2025 based on an official decision, and for whom the occurrence of the damage has been verified by the agricultural damage assessment authority, with the creditor being notified in writing along with the official decision. Additionally, the moratorium extends to farmers engaged in pig breeding with respect to their own herds, provided they notify their creditor in writing, together with a breeding animal document not older than six months prior to the submission of the payment moratorium application.

Main rules of the payment moratoria:

- The payment moratorium lasts until 30 April 2026 (in case of the moratorium provided in April 2025) and until 30 November 2026 (in case of the moratorium provided in December 2025).
- During the moratorium, the fulfillment of contractual principal, interest and fee payment obligations is suspended. The term of the loans concerned is extended by this period.
- The creditor may not terminate the contract for non-payment until 30 April or 30 November 2026, respectively.
- The interest accrued during the payment moratorium, shall be paid in equal annual installments during the term of the loan falling after the expiration of the payment moratorium, together with the repayment installments falling due during the remaining term of the loan.
- After the expiration of the payment moratorium, the term of the loan is extended in a way that the sum of amount of repayment installment becoming due and the amount of the interest arising during the payment moratorium and payable in installments does not exceed the initial amount of the installments set out in the original contract.
- The debtor may decide at any time to perform its obligations according to the original contract, and the creditor must be notified of this in writing

As of 31st December 2025, two customers have registered for the moratorium and the gross outstanding amount of the affected loan agreements was HUF 147 million. In connection with the changed cash flows due to the moratorium, the Bank recognized a loss of HUF 3 million forints in the income statement line *Modification gains or (-) losses, net*.

7.2 DEBT SECURITIES

	31.12.2025			
Debt securities	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Hungarian government bonds	19 248	0	0	19 248
Corporate bonds	485 202	26 742	183	512 127
Mortgage bonds	13 626	0	0	13 626
	518 076	**26 742**	**183**	**545 001**
IMPAIRMENT				
Hungarian government bonds	0	0	0	0
Corporate bonds	(6 030)	(2 961)	0	(8 991)
Mortgage bonds	(122)	0	0	(122)
	(6 152)	**(2 961)**	**0**	**(9 113)**
NET CARRYING AMOUNT				
Hungarian government bonds	19 248	0	0	19 248
Corporate bonds	479 172	23 781	183	503 136
Mortgage bonds	13 504	0	0	13 504
	511 924	**23 781**	**183**	**535 888**

The 5 largest corporate bond exposures represent 81.16% (31.12.2024: 88.64%) of the total, of which 30.32% (31.12.2024: 15.37%) are guaranteed by State guarantees, all of which are classified as Stage 1.

	31.12.2024			
Debt securities	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Hungarian government bonds	30 411	0	0	30 411
Corporate bonds	403 973	2 917	0	406 890
Mortgage bonds	7 511	0	0	7 511
	441 895	**2 917**	**0**	**444 812**
IMPAIRMENT				
Hungarian government bonds	0	0	0	0
Corporate bonds	(3 305)	(259)	0	(3 564)
Mortgage bonds	(28)	0	0	(28)
	(3 333)	**(259)**	**0**	**(3 592)**
NET CARRYING AMOUNT				
Hungarian government bonds	30 411	0	0	30 411
Corporate bonds	400 668	2 658	0	403 326
Mortgage bonds	7 483	0	0	7 483
	438 562	**2 658**	**0**	**441 220**

Reconciliation of assets arising from investing activities

	01.01.2025	Proceeds from maturity/sale, repayments	Discount/ Premium and FX impact	Acquisition cost	31.12.2025
Hungarian government bonds	**30 411**	(11 370)	207	0	19 248
Corporate bonds	**406 890**	(2 834)	(963)	109 034	512 127
Mortgage bonds	**7 511**	0	164	5 951	13 626
Total	**444 812**	**(14 204)**	**(592)**	**114 985**	**545 001**

	01.01.2024	Proceeds from maturity or sale	Discount/ Premium and FX impact	Acquisition cost	31.12.2024
Hungarian government bonds	**26 389**	(14 237)	104	18 155	**30 411**
Corporate bonds	**413 302**	(52 608)	5 436	40 760	**406 890**
Mortgage bonds	**7 388**	(4 021)	85	4 059	**7 511**
Total	**447 079**	**(70 866)**	**5 625**	**62 974**	**444 812**

HUF 11 370 million from the total amounts presented in column "*Proceeds from maturity/sale, or repayments*" is related to maturity (2024: HUF 18 258 million).

7.3 DEPOSITS AT CENTRAL AND OTHER BANKS

	31.12.2025			
Deposits at central and other banks	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Central bank deposits	0	0	0	0
Other bank deposits	22 749	0	0	22 749
	22 749	**0**	**0**	**22 749**
IMPAIRMENT				
Central bank deposits	0	0	0	0
Other bank deposits	(1)	0	0	(1)
NET CARRYING AMOUNT				
Central bank deposits	0	0	0	0
Other bank deposits	22 748	0	0	22 748
	22 748	**0**	**0**	**22 748**

	31.12.2024			
Deposits at central and other banks	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Central bank deposits	0	0	0	0
Other bank deposits	26 589	0	0	26 589
	26 589	**0**	**0**	**26 589**
IMPAIRMENT				
Central bank deposits	0	0	0	0
Other bank deposits	(1)	0	0	(1)
	(1)	**0**	**0**	**(1)**
NET CARRYING AMOUNT				
Central bank deposits	0	0	0	0
Other bank deposits	26 588	0	0	26 588
	26 588	**0**	**0**	**26 588**

7.4 OTHER FINANCIAL ASSETS

	31.12.2025			
Other financial assets	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Trade receivables	0	1 566	0	1 566
Margin accounts	40 958	0	0	40 958
	40 958	**1 566**	**0**	**42 524**
IMPAIRMENT				
Trade receivables	0	(1)	0	(1)
Margin accounts	(7)	0	0	(7)
	(7)	**(1)**	**0**	**(8)**
NET CARRYING AMOUNT				
Trade receivables	0	1 565	0	1 565
Margin accounts	40 951	0	0	40 951
	40 951	**1 565**	**0**	**42 516**

	31.12.2024			
Other financial assets	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Trade receivables	0	1 482	0	1 482
Margin accounts	170	0	0	170
	170	**1 482**	**0**	**1 652**
IMPAIRMENT				
Trade receivables	0	(5)	0	(5)
Margin accounts	0	0	0	0
	0	**(5)**	**0**	**(5)**
NET CARRYING AMOUNT				
Trade receivables	0	1 477	0	1 477
Margin accounts	170	0	0	170
	170	**1 477**	**0**	**1 647**

8. INVESTMENTS IN ASSOCIATES

	31.12.2025		
	Gross value	**Impairment**	**Net value**
Associates	723 286	(4 964)	718 322
Exempted associates	10 443	(6 300)	4 143
Total	**733 729**	**(11 264)**	**722 465**

	31.12.2024 Restated		
	Gross value	**Impairment**	**Net value**
Associates	464 952	(5 279)	459 673
Exempted associates	11 077	(5 885)	5 192
Total	**476 029**	**(11 164)**	**464 865**

	01.01.2024 Restated		
	Gross value	**Impairment**	**Net value**
Associates	319 161		319 161
Exempted associates	23 728	(6 593)	17 135
Total	**342 889**	**(6 593)**	**336 296**

The table below summarises the movements in the carrying amount of the Group's investment in associates.

	31.12.2025	31.12.2024 Restated
Opening balance	**464 865**	**336 296**
Fair value of net assets of associate acquired	137 253	18 062
Share of profit of associates	14 274	26 436
Share of capital increase of associates	104 517	129 124
Share of other equity movements of associates	43	(339)
Dividends from associates	0	0
FX impact of associates	(3 003)	2 647
Impairment of investments in associates	(1 330)	(7 416)
Derecognitions	(1 875)	(14 890)
Reclassification	7 721	(25 055)
Closing balance	**722 465**	**464 865**

In 2024 The "Reclassification" line includes the value of Group members transferred from the subsidiary category to the associated company category and transferred between the associated company and the other investment categories at the time of transfer.

In 2024 MFB VBTMA private equity fund was transferred from the subsidiary category to the associated category because the fund management was transferred by Hiventures Zrt., a company belonging to the Group, to the fund manager FOCUS VENTURES Zrt., which is not an interest of the MFB Group, thus the control over the private equity fund was removed from the Group and the Group now only has significant influence over it.

In 2024 two private equity funds were removed from the associated company category to the category of "Non-trading financial assets mandatorily at fair value through profit or loss". During 2024, an opportunity for the fund manager or co-investor opened to purchase the investment notes issued by the Group at any time, to exercise their call option right. Considering these potential voting rights, the Group's previous significant influence ceased, which is why the two funds were reclassified to another category.

The "Derecognitions" category in 2024 mostly includes those associated companies, which are associates of MFB VBTMA private equity fund and resulted from the termination of MFB VBTMA's subsidiary status.

The following table presents the investments in associates of the Group based on these considerations:

- Voting/equity interest represents the percentage of the ownership, that is equal to the voting power, except in case of
    - the funds, where voting/equity interest is equal to the percentage of share capital, that is not equal to the voting power and
    - the funds operating not in pro-rata base where voting/equity interest presents the share of the net asset value taking into consideration the yield cap or yield priority.
- If the interest of the Group in a fund is up to 50% interest, but the fund manager is not a member of the Group, the equity method was used in the consolidated financial statements. The actual voting power is limited to the significant influence level between 20-50%.
- Share capital represents the paid amount of the share capital of equity funds.

The Group's associates were as follows.

			31.12.2025			31.12.2024
Name of the company	**Activities**	**Fund manager**	**Own equity**	**Subscribed capital ***	**Owner ship**	**Owner ship**
Enter Tomorrow Kockázati Tőkealap	Venture capital fund	Lead Ventures Alapkezelő Zrt.	15 381	19 270	49.00%	49.00%
Digital and Circular Tomorrow Magántőkealap	Private equity fund	Lead Ventures Alapkezelő Zrt.	8 327	9 250	49.00%	49.00%
Impact Ventures I. Magántőkealap	Private equity fund	Impact Ventures Kockázati Tőkealap-kezelő Zrt.	3 229	5 313	39.50%	39.50%
Impact Ventures II. Magántőkealap	Private equity fund	Impact Ventures Kockázati Tőkealap-kezelő Zrt.	1 002	1 250	29.63%	29.63%
Impact Ventures III. Tőkealap	Private equity fund	Impact Ventures Kockázati Tőkealap-kezelő Zrt.	1 126	1 557	49.49%	49.49%
Debreceni Iparfejlesztési Alap*	Private equity fund	XANGA Ventures Magántőkealap-kezelő Zrt.	35 617	30 000	65.66%	77.83%
Nyíregyházi Iparfejlesztési Alap	Private equity fund	XANGA Ventures Magántőkealap-kezelő Zrt.	7 083	5 500	87.13%	100.00%
Tranzakciós és Vállalatfejlesztési Alap	Private equity fund	XANGA Ventures Magántőkealap-kezelő Zrt.	23 712	21 000	89.66%	97.46%
XANGA RED Magántőkealap	Private equity fund	XANGA Ventures Magántőkealap-kezelő Zrt.	2 034	1 430	69.93%	69.93%
Sycamore Buyout Fund I. Magántőkealap	Private equity fund	Sycamore Capital Partners Magántőkealap-kezelő Zrt	6 382	6 843	88.16%	87.41%
Chi Fu Hungarian Economic Opportunity Fund	Private equity fund	Chi Fu Investment Fund Management Zrt.	17 626	26 978	50.00%	50.00%
Kék Bolygó Víz Alap	Private equity fund	KBKB Kék Bolygó Klímavédelmi Befektetési Alapkezelő Zrt	2 883	4 329	100.00%	100.00%
Valor Zöld Alap	Private equity fund	Valor Capital Kockázati Tőkealap-kezelő Zrt	1 565	1 691	49.00%	49.00%
Kecskemét Prémium Ipari Park Magántőkealap	Private equity fund	Liberty Assets Zrt.	9 826	9 720	80.25%	80.10%
MBH Magántőkealap	Private equity fund	Solus Capital Kockázati Tőkealapkezelő Zrt.	152 005	158 065	69.96%	69,94%
Klasszikus Iparágak Magántőkealap	Private equity fund	GB & Partners Kockázati Tőkealap-kezelő Zrt.	16 335	14 300	69.47%	69.93%
Ramóna Ingatlanforgalmazó és Ingatlanfejlesztő Alap	Real estate fund	CARION Befektetési Alapkezelő Zrt.	20 085	16 876	65.02%	65.02%
Bonitas Magántőkealap	Private equity fund	Bonitas Befektetési Alapkezelő Zrt.	1 114	2 000	70.00%	70.00%
Vespucci Deep Tech Kockázati Tőkealap	Venture capital fund	Vespucci Partners Zrt.	307	1 739	70.00%	70.00%
FundWise Magántőkealap	Private equity fund	FundWise Kockázati Tőkealap-kezelő Zrt.	9 486	14 200	74.49%	73.16%
CLM Future Magántőkealap	Private equity fund	Indotek-Investments Alapkezelő Zrt.	35 164	35 000	70.00%	60.09%
Trustify Impact I. Magántőkealap	Private equity fund	Trustify Befektetési Alapkezelő Zrt.	51 976	50 000	70.00%	70.00%
Biggeorge 25. Ingatlanfejlesztő Ingatlanbefektetési Alap	Real estate fund	Biggeorge Alapkezelő Zrt.	27 873	16 198	63.26%	62.52%
Biggeorge 30. Ingatlanfejlesztő Ingatlanbefektetési Alap	Real estate fund	Biggeorge Alapkezelő Zrt.	36 222	32 400	63.56%	
Biggeorge 40. Ingatlanfejlesztő Ingatlanbefektetési Alap	Real estate fund	Biggeorge Alapkezelő Zrt	48 020	20 455	48.10%	55.41%
Biggeorge 50. Ingatlanfejlesztő Ingatlanbefektetési Alap	Real estate fund	Biggeorge Alapkezelő Zrt.	16 369	15 900	70.68%	
GloCap I. Gazdaságfejlesztési Magántőkealap	Private equity fund	Global Capital Kockázati Tőkealap-kezelő Zrt.	43 826	42 737	100.00%	100.00%
Platina Digitalizációs Magántőkealap	Private equity fund	Platina Capital Kockázati Tőkealap-kezelő Zrt.	5 081	5 429	70.00%	69.98%
MFB Vállalati Beruházási és Tranzakciós Magántőkealap	Private equity fund	Focus Ventures Befektetési Alapkezelő Zrt.	66 881	74 225	100.00%	100.00%
Demján Sándor Beruházási Magántőkealap	Private equity fund	Focus Ventures Befektetési Alapkezelő Zrt.	29 152	30 000	100.00%	100.00%
Andezit Magántőkealap	Private equity fund	Gránit Alapkezelő Zrt.	4 884	5 000	70.00%	
Solva V Magántőkealap	Private equity fund	Gran Private Equity Alapkezelő Zrt.	1 587	2 000	70.00%	70.00%
Solva VI. Magántőkealap	Private equity fund	Gran Private Equity Alapkezelő Zrt.	7 110	7 200	69.44%	
DayOne Közép-Kelet-Európai Kockázati Tőkealap II.	Venture capital fund	DAY ONE Capital Közép-Kelet-Európai Kockázati Tőkealap-kezelő Zrt.	2 527	3 154	45.48%	33.33%
SD Development Fund I. Magántőkealap	Private equity fund	Polaris Equity Magántőkealap-kezelő Zrt.	18 076	18 541	76.58%	77.11%
Anderna Alapok Alapja		Indotek-Investments Alapkezelő Zrt.	4 092	4 100	70.44%	

			31.12.2025			31.12.2024
Name of the company	**Activities**	**Fund manager**	**Own equity**	**Subscribed capital ***	**Owner ship**	**Owner ship**
BIM EQUITY FUND Magántőkealap	Private equity fund	XANGA Ventures Magántőkealap-kezelő Zrt	2 013	2 130	69.95%	
Cleopatra Ingatlanforgalmazó és Ingatlanfejlesztő Alap	Real estate fund	Carion Befektetési Alapkezelő Zrt.	500	500	70.00%	
Cordia NLTP Alapok Alapja		Finext Befektetési Alapkezelő Zrt.	28 628	28 600	69.97%	
Day One Creative Minds Kockázati Tőkealap	Venture capital fund	Day One Capital Zrt.	789	852	90.00%	
Forestay Lakóingatlan-fejlesztési Alapok Alapja	Real estate fund	Forestay Alapkezelő Zrt.	7 979	7 906	68.46%	
Gracus Ingatlanfejlesztő Alap	Real estate fund	Polaris Equity Alapkezelő Zrt.	12 460	12 325	70.16%	
iG TECH Energy Magántőkealap	Private equity fund	iG Tech Capital Befektetési Alapkezelő Zrt.	20 000	14 000	70.00%	
Innova Ingatlanfejlesztő Ingatlanbefektetési Alap	Real estate fund	Innova X Befektetési Alapkezelő Zrt.	8 682	8 301	67.19%	
Lemoore Magántőkealap	Private equity fund	Westbay Alapkezelő Zrt.	1 942	2 000	70.00%	
LIVING Alapok Alapja		Gladiátor Befektetési Alapkezelő Zrt.	26 580	16 359	49.88%	
PortfoLion Regionális Magántőkealap III.	Private equity fund	Portfolion Kockázati Tőkealap-kezelő Zrt.	6 000	6 000	49.91%	
Singularity Fund Magántőkealap	Private equity fund	Sagittarius Capital Magántőkealap-kezelő Zrt.	31 375	30 832	69.99%	
Trustify I. Ingatlanfejlesztő Alap	Real estate fund	Trustify Befektetési Alapkezelő Zrt.	5 000	5 000	70.00%	
Trustify Power I. Magántőkealap	Private equity fund	Trustify Befektetési Alapkezelő Zrt.	4 169	4 300	69.77%	
BBCA Szolnok Biokémiai Zrt.	Organic chemical producer		19 708	17 410	48.93%	48.93%
Garantiqa Hitelgarancia Zrt	Guarantee provider		186 699	9 652	38.04%	38.04%
IHT Informatika Zrt.	IT services		1 665	20	24.97%	25.00%
EU-Fire Ingatlanfejlesztő Kft.	Engeneering activity		5 883	2 328	32.22%	32.22%

Summarised financial information of each material associate is as follows on 31st December 2025:

	Garantiqa	Direct venture capital funds	Other venture capital funds	Other individually immaterial associates	Total associates
	9 561	70 616	271 742	6 422	358 341
Current assets	228 882	277 735	298 514	54 503	859 634
Non-current assets	**238 443**	**348 351**	**570 256**	**60 925**	**1 217 975**
Total Assets	51 744	1 178	18 004	12 058	82 984
Current liabilities	0	0	9 345	21 611	30 956
Non-current liabilities	**51 744**	**1 178**	**27 349**	**33 669**	**113 940**
Total Liabilities	**186 699**	**347 173**	**542 907**	**27 256**	**1 104 035**
Own Equity					
	35 124	7 060	27 911	7 402	77 497
Revenue	43 736	(5 117)	5 231	(4 999)	38 851
Profit or loss from continuing operations	0	0	0	0	0
Profit or loss from discontinued operations	0				
Other comprehensive income	43 736				
Total comprehensive income					

Summarised financial information of each material associate was as follows on 31st December 2024:

	Garantiqa	Direct venture capital funds	Other venture capital funds	Other individually immaterial associates	Total associates
Current assets	10 662	73 423	108 068	8 109	200 262
Non-current assets	195 093	189 215	173 454	64 636	622 398
Total Assets	**205 755**	**262 638**	**281 522**	**72 745**	**822 660**
Current liabilities	62 792	779	4 602	13 702	81 875
Non-current liabilities	0	0	4 343	26 037	30 380
Total Liabilities	**62 792**	**779**	**8 945**	**39 739**	**112 255**
Own Equity	**142 963**	**261 859**	**272 577**	**33 006**	**710 405**
Revenue	52 979	11 572	59 149	6 393	126 876
Profit or loss from continuing operations	39 576	6 490	6 861	2 309	59 019
Profit or loss from discontinued operations	0	0	0	0	0
Other comprehensive income	0				
Total comprehensive income	39 576				

Associates exempted from consolidation, (presented at cost less impairment) in descending order of voting power, indicating the current subscribed capital on 31st December 2025.

	31.12.2025			31.12.2024
	Owner	**Subscribed capital**	**Voting power**	**Voting power**
Exempted associates – under liquidation procedure				
Chatler.ai Informatikai és Szolgáltató Kft. "kt.a."	NTA	4	25.00%	25.00%
Monsun Kft. "kt.a."	NTA	3	48.08%	48.08%
Cargo-Viszed Kft. „f.a.”	NTA	3	32.42%	32.42%
SmartFront Kft. „f.a.”	NTA	10	31.00%	31.00%
Duelbox Interaktív Rendezvénytechnika Kft. „v.a.”	NTA	5	26.95%	26.95%
Airmoniq Pro Kft. „v.a.”	NTA	5	25,51%	25,51%
Flight Refund Kft. „kt.a.”	NTA	16	21.17%	21.17%
Supp.li Kft. „f.a.”	NTA	5	25.03%	20.30%
Other exempted associates				
Cukovy Europe Kft.	Divat&Design TA	4	49.50%	49.50%
Pinetime International Kft.	Divat&Design TA	3	46.00%	46.00%
SCOLVO Zrt.	NTA	12	45.38%	45.38%
FilmFinity Filmgyártó és Forgalmazó Zrt.	NTA	9	44.88%	44.88%
Zsigmond International Kft.	Divat&Design TA	3	44.62%	44.62%
Thriveo Central Europe Kft.	Divat&Design TA	35	43.88%	43.88%
Bagabags Trade Kft.	Divat&Design TA	4	38,50%	38,50%
PELSO Look Kereskedelmi Kft.	Divat&Design TA	3	36.33%	36.33%
CX-Ray Kft.	NTA	20	36.00%	36.00%
Greenstic Kft.	NTA	3	35.00%	35.00%
Intech Studio Kft	Divat&Design TA	5	32.18%	32.18%
Unisus Club Kft.	Divat&Design TA	4	30.00%	30.00%
MAKERSMARKET.XYZ.Kft..	Divat&Design TA	4	28.63%	28.63%
Dataxo Group Zrt. (volt SDSYS Zrt.)	NTA	5	26.75%	26.75%
PanIQ Franchising Inc.	NTA	21	26,14%	26,14%
Neticle Zrt.	NTA	79	25,84%	25,84%
Realindustry Magyarország Kft.	Divat&Design TA	4	25.00%	25.00%
POLCZ FOOD Kft.	NTA	5	22.84%	22.84%
szereldmagad.hu Kft.	NTA	18	22.64%	22.64%
Móra-BookR Kids Gyermek és Ifjúsági Digitális Kiadó Kft.	NTA	126	22.22%	22.22%
Sörműves Kft.	NTA	21	21.74%	21.74%

	31.12.2025			31.12.2024
	Owner	**Subscribed capital**	**Voting power**	**Voting power**
Rollet Kft.	NTA	14	21.73%	21.73%
ORIANA International Tanácsadó, Fejlesztő és Szolgáltató Zrt.	NTA	18	21.42%	21.42%
Innovatív Térburkolatfejlesztő Kft.	NTA	20	20.95%	20.95%
ChemPass Kft.	NTA	6	20.00%	20.00%
4D Interactive Anatomy Zrt.	NTA	6	20.00%	20.00%
Altanura Kft.	Divat&Design TA	6	20.00%	
Kuube Hungary Kft.	Divat&Design TA	5	20.00%	

The Bank has no commitment or intention to grant financial or other assistance to any associates and there is no restriction on the ability of these associates to pay dividends or repay loans.

Decreases in 2025 indicating the Group's voting power at the year-end before derecognition.

Company name	**Voting power**	
	31.12.2025	**31.12.2024**
Reclassification due tot he decrease in voting power		
POST FOR RENT International Zrt.		29.31%
Other derecognitions		
Blogter.com Nemzetközi Információszolgáltató Kft. "f.a.."		48.28%
WX-INNOCARGO Kft.		47.54%
DAIGE Kft.		41.32%
Cakebox Kft.		32.73%
RiskCover Hungary Zrt.		28.00%
Local's Lore Kft.		27.20%

Fund managers belonging to the Group also managed funds in which the Group does not have any investments and also not concerned by the exercising Owner's rights. These funds are not included into the consolidation of the Group. As of the end of 2025, the Group does not manage such fund (31.12.2024: 1 fund, with total net assets value HUF 3 672 million).

9. DERIVATIVES

The Group, as part of its asset-liability management, enters into derivative transactions to cover risks inherent in the interest or maturity inconsistency of the asset and liability portfolio. Whenever possible, these derivative positions are effectively hedged with an existing asset or liability (see hedge accounting section). When it is not possible to implement effective hedge accounting in accordance with IFRS 9, the Group classifies its derivative contracts into the financial assets and liabilities held for trading categories but does not open derivative positions for trading purposes only, all its positions are considered as economic hedging positions. Foreign exchange swaps are concluded for instruments in a different currency other than the source of financing, solely for short term maturity and for the purpose of daily liquidity management.
The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amount is a gross amount which is the quantity of the underlying derivative contracts that indicates the volume of transactions outstanding as at the year end and are not indicative of either the market or credit risk.

	31.12.2025			
	Assets		Liabilities	
	Fair value	Notional	Fair value	Notional
Derivatives in an economic hedge relationship				
Interest rate swaps	398	3 763	(318)	3 763
Cross currency interest rate swaps	0	0	(32 854)	403 072
Foreign currency swaps	1 008	188 795	(189)	112 717
Special derivatives	28 019	791 433	(21 778)	213 359
Total derivatives in an economic hedge relationship	**29 425**	**983 991**	**(55 139)**	**732 911**
Fair value hedge derivatives				
Interest rate swaps	8 230	399 693	(7 674)	358 278
Cash flow hedge derivatives				
Interest rate swaps	0	0	(47)	62 400
Cross currency interest rate swaps	0	0	(2 730)	154 160
Total hedge derivatives	**8 230**	**399 693**	**(10 451)**	**574 838**

	31.12.2024			
	Assets		Liabilities	
	Fair value	Notional	Fair value	Notional
Derivatives in an economic hedge relationship				
Interest rate swaps	600	3 763	(498)	3 763
Cross currency interest rate swaps	23 430	438 340	0	0
Foreign currency swaps	106	21 551	(187)	61 323
Total derivatives in an economic hedge relationship	**24 136**	**463 654**	**(685)**	**65 086**
Fair value hedge derivatives				
Interest rate swaps	7 810	33 346	(22 552)	824 031
Total hedge derivatives	**7 810**	**33 346**	**(22 552)**	**824 031**

According to the amendment of the MFB Act, effective from2 May 2025, pursuant to Section 5 (10) of the MFB Act, the State, - based on an agreement on capital equalization financed from the central budget – ensures the Bank the difference between the capital invested in investment funds by the Bank and by companies under its majority influence, and the monetary claims replacing the investment funds upon maturity or disposal. As a consequence of this statutory authorization, MFB and the State concluded a capital equalization agreement on 26 September 2025, under which the State guarantees to the Bank that if a loss is realized compared to a predetermined yield level per fund, it will compensate for it. In return for this loss compensation, the Bank undertakes to transfer

to the State any excess return realized above the predetermined yield level for each fund, thereby ensuring that the risks assumed by the parties are proportionate to the benefits they expect. The primary and main objective of the contract is to stabilize MFB's capital adequacy ratio in such a way that state loss compensation reduces the risk weight of the funds and thereby the risk-weighted value of the assets.

In terms of its financial content, the Bank enters into two options with the State per fund. The put option is the guarantee undertaken by the State (the Bank is the option holder, the State is the obligor), which means that if the fund's performance (realized return) is lower than the predetermined guaranteed level, the State has a payment obligation towards the Bank. The call option involves transferring returns above a threshold yield to the State (the State is the option holder, the Bank is the obligor), which means that if the fund's performance (realized return) exceeds the predetermined threshold level, the Bank has a payment obligation towards the State. The strike prices of the call options (i.e., the strike yields specified in the contract) were set so that the net value of the entire contract would be zero at the time of inception, meaning that the positive value of the put options from the Bank's perspective would exactly match the negative value of the call options from the Bank's perspective in absolute terms. The estimated market value of the options arising from the contract is recorded in the books separately from the underlying assets, as a **special derivative**, in a lump sum per underlying asset, i.e., treating the positive value of the put options and the negative value of the call options on a net basis.

10. HEDGE ACCOUNTING

Fair value hedges
To protect itself against changes in the fair value of financial assets or liabilities due to movements in interest rates, the Bank enters into fair value hedges. The Bank primarily designates the benchmark rate as the hedged risk therefore enters into interest rate swaps whereby the fixed leg represents the economic risk of the hedged item.

In 2020 the Bank started hedge accounting with its interest rate swap deals to cover the interest rate risk on one large loan. On 30th June 2022, the Bank terminated the former hedge relationship for the interest rate risk of this loan in accordance with paragraph B6.5.23 of IFRS 9, as it no longer met the risk management objective under which the Bank deemed it suitable for hedge accounting. Following the termination, the Bank established a new hedging relationship in which groups of 11 loan transactions were micro-hedged, all which are characterized by long maturities and fixed interest rates. These transactions carry a significant interest rate risk, as such long-term, fixed-rate funds not available to the Bank in this volume. Hedged items are designated as amounts equal to the current IRS notional value, including the amortization of IRS transactions (using a layer approach), where the amount of interest due on the principal amount that represents the amounts that first become due after the cash flow dates of the hedging IRS transactions ("bottom layer") is indicated. The volume of the remaining capital of the 11 loans involved is more than double the notional amount of the two market swaps previously concluded, so even with the contractual principal repayments, the expected prepayment volume and the amount of credit losses, they are expected to exceed the volume of hedging transactions over the entire term.

The Bank accounts these hedge relationships as fair value hedges. Hedge effectiveness is measured by the Bank using the hypothetical derivatives approach under IFRS9, which is a derivative with the same basic characteristics as the covered item. With this, the hypothetical derivative mirrors the hedged items, where the fixed rate on credit transactions is expected to reach or exceed the fixed rate component of IRS transactions (i.e., fixed leg minus fixed spread of the variable leg). The initial fair value of a hypothetical IRS is zero, as opposed to the fair value of IRS transactions for hedging purposes at the time of the designation of the hedging relationship.

The ineffectiveness of the hedging relationship is recognized in the income statement on “Gains or (-) losses from hedge accounting, net” line and amounted to HUF 101 million loss (2024: HUF 2 677

million loss). The main source of ineffectiveness is the effect of the counterparty and the Bank's own credit risk on the fair value of the interest rate swap, which is not reflected in the fair value of the hedged item, additional ineffectiveness arose from the timing difference of the swap deal date and the designation date.

At the termination of the hedge relationship the fair value adjustment was recognized as part of the amortized amount of the single loan and effective interest rate was recalculated. Due to termination of a previous hedge relationship HUF 1 410 million (2024: HUF 1 525 million) was recognized as effective interest rate amortization in the profit and loss.

In May 2023 the Bank issued fixed interest rate bonds, nominated in USD and amounted to USD 1 125 million. As the Bank lending is denominated mainly in HUF or in EUR the Bank swapped the USD fix interest and the USD notional as well into EUR risk by contracting a fix-to-floating USD IRS, float-to-float CCIRS and float-to-fix EUR IRS. For accounting purposes two hedge relationship was set by hedging the fair value of the fixed interest rate USD bond and the fair value of the fixed interest rate EUR loans where the hedging instruments are the USD and the EUR IRS respectively. The fair value hedge on the USD bond is a micro hedge relationship under IFRS 9 rules, while the fair value hedge on the fixed EUR loans is a macro hedge relationship under IAS 39 rules and is accounted for a separate line within the statements of financial position (Fair value changes of the hedged items in portfolio hedge of interest rate risk). To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the hedged risk. In case of macro hedge relationship, the hedge effectiveness is measured on a monthly basis, by comparing fair value movements of the designated proportion of the bucketed loans due to the hedged risk, against the fair value movements of the derivatives, to ensure that they are within an 80% to 125% range.

Cash flow hedges
In May 2025 the Bank entered into a floating-rate EUR loan transaction, which is financed by a floating-rate HUF source. The first drawdown is due in 2026. The Bank generates EUR liquidity for the loan transaction by entering into a EUR/HUF floating-rate CCIRS transaction. This CCIRS is used to hedge the long EUR position thus formed on the balance sheet. In line with its risk management objective, it entered into a cash-flow hedging relationship for the transaction concluded to hedge its currency risk in accordance with the rules of IFRS 9, where the hedged risk is the EUR/HUF currency risk of the floating-rate, euro-denominated cash flows. The Bank has decided to designate the spot element of the foreign exchange risk as the hedged item in a cash flow hedge relationship. Since the revaluation of hedged assets in foreign currency is recognized in profit or loss, the foreign currency revaluation of the CCIRS transaction, which is to be accounted for in other comprehensive income, is also immediately transferred to the income statement. The IFRS 9 "cost of hedging" approach is applied to the change in the fair value of the forward element excluded from the CCIRS transaction hedge relationship designated as the hedging instrument, and to the change in the fair value resulting from the foreign currency basis spread ("FCBS") resulting from fixed spreads, which are recognized in the cost of hedging reserve in Other comprehensive income , and its value was 2 730 million forint sas of 31 December 2025. The transaction started in May 2025, and there have been no disbursements behind this hedging transaction yet, so we do not report a hedged transaction yet.

In November 2025, the Bank purchased a fixed-rate USD corporate bond in the total amount of USD 200 million. The bond has a 10-year maturity with an average maturity of 7 years. The main financing of the bond is provided by a 5-year, floating-rate international bank facility in the amount of USD 190 million. In order to mitigate the USD interest rate risk, the Bank concluded two IRS transactions on 17th December 2025, in the total amount of USD 190 million, and exchanged the floating-rate USD facility for a fixed rate. In line with its risk management objective, a cash-flow hedging relationship was established for the transactions concluded, in accordance with the rules of IFRS 9 to hedge the interest rate risk, where the hedged risk is the interest rate risk of the cash flows of the floating-rate USD-denominated facility. As a result, the cash flows of the variable legs of the two IRS transactions designated as hedging instruments are fully equal to the cash flow of the variable interest rate source borrowed, thus 100% hedging effectiveness is expected. The change in the fair value of the hedging transactions was HUF 47.9 million as of 30th December 2025, which is recognized in Other comprehensive income - cash flow hedge reserve.

In the table below the Group determines the accumulated fair value adjustment arising from the continuing fair value hedge relationship.

	31.12.2025			
Hedged item	**Assets**		**Liabilities**	
	Carrying value of hedged item	**of which accumulated fair value adjustment**	**Carrying value of hedged item**	**of which accumulated fair value adjustment**
HUF loans	66 719	2 224		
EUR loans (macro hedge)	425 270	7 609		
Debt securities issued			369 990	2 888
Total	**491 989**	**9 833**	**369 990**	**2 888**

	31.12.2024			
Hedged item	**Assets**		**Liabilities**	
	Carrying value of hedged item	**of which accumulated fair value adjustment**	**Carrying value of hedged item**	**of which accumulated fair value adjustment**
HUF loans	71 409	2 001		
EUR loans (macro hedge)	383 506	12 580		
Debt securities issued			433 169	(5 735)
Total	**454 915**	**14 581**	**433 169**	**(5 735)**

	31.12.2025			31.12.2024		
	Less than 1 year	**1-5 year**	**More than 5 years**	**Less than 1 year**	**1-5 year**	**More than 5 years**
HUF loans						
Nominal amount (HUF million)	-	-	120 140	-	-	120 560
Principal repayable (HUF million)	-	-	73 995	-	-	79 607
Average fix interest rate	-	-	3.73%	-	-	3.70%
EUR loans						
Principal repayable (HUF million)	6 344	-	443 485	-	7 326	399 941
Contracted but not yet drawn amounts (HUF million)	-	-	8 164	-	-	77 885
Average fix interest rate	3.5%	-	5.14%	-	3.84%	4.41%
Debt securities issued						
Notional amount	-	-	369 473	-	-	442 800
Fix interest rate	-	-	6.5%	-	-	6.5%

The components of the change in fair value of derivatives designated in fair value hedges are included in the following table.

					Gains or (-) losses from hedge accounting, net				
31.12.2025	**2025 Fair value**	**2024 Fair value**	**Change in fair value**	**Change in interest accrual**	**Gains or (-) losses from hedge deal**	**Gains or (-) losses from hedged item**	**Total**	**Fair value used for calculating hedge ineffectiveness**	**Ineffectiveness recognised in profit and loss**
Asset side hedge deal	6 051	7 810	(1 759)	(12)	(1 747)	223	**(1 524)**	223	(1 524)
Macro hedge deal	(7 674)	(6 584)	(1 090)	(5 798)	4 708	(4 315)	**393**	(4 970)	(262)
Liability side hedge deal	2 179	(15 968)	18 147	8 735	9 412	(8 382)	**1 030**	(8 623)	789
Total hedge interest rate swaps	**556**	**(14 742)**	**15 298**	**2 925**	**12 373**	**(12 474)**	**(101)**	**(13 370)**	**(997)**

					Gains or (-) losses from hedge accounting, net				
31.12.2024	**2024 Fair value**	**2023 Fair value**	**Change in fair value**	**Change in interest accrual**	**Gains or (-) losses from hedge deal**	**Gains or (-) losses from hedged item**	**Total**	**Fair value used for calculating hedge ineffectiveness**	**Ineffectiveness recognised in profit and loss**
Asset side hedge deal	7 810	7 831	(21)	(65)	44	(2 042)	**(1 998)**	(2 042)	(1 998)
Macro hedge deal	(6 584)	(5 302)	(1 282)	(212)	(1 070)	311	**(759)**	1 030	(40)
Liability side hedge deal	(15 968)	(8 885)	(7 083)	(381)	(6 702)	6 782	**80**	6 709	7
Total hedge interest rate swaps	**(14 742)**	**(6 356)**	**(8 386)**	**(658)**	**(7 728)**	**5 051**	**(2 677)**	**5 697**	**(2 031)**

11. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

11.1 PROPERTY, PLANT AND EQUIPMENT

	31.12.2025	31.12.2024
Property, plant and equipment	4 849	4 943
Right of use assets	961	1 550
Net book value	**5 810**	**6 493**

Property, plant and equipment

	Real estates	Equipment	Total
Gross value			
Opening balance 2025	**6 253**	**5 007**	**11 260**
Additions	39	638	677
Disposals	(18)	(234)	(252)
Closing balance 2025	**6 274**	**5 411**	**11 685**
Depreciation			
Opening balance 2025	**(2 831)**	**(3 486)**	**(6 317)**
Charge for the year	(53)	(675)	(728)
Disposals	18	191	209
Closing balance 2025	**(2 866)**	**(3 970)**	**(6 836)**
Net book value			
31 December 2025	**3 422**	**1 521**	**4 943**
31 December 2025	**3 408**	**1 441**	**4 849**

	Real estates	Equipment	Total
Gross value			
Opening balance 2024	**6 182**	**4 560**	**10 742**
Additions	71	803	874
Disposals	0	(356)	(356)
Closing balance 2024	**6 253**	**5 007**	**11 260**
Depreciation			
Opening balance 2024	**(2 750)**	**(3 136)**	**(5 886)**
Charge for the year	(81)	(680)	(761)
Disposals	0	330	330
Closing balance 2024	**(2 831)**	**(3 486)**	**(6 317)**
Net book value			
31 December 2023	**3 432**	**1 424**	**4 856**
31 December 2024	**3 422**	**1 521**	**4 943**

Right of use assets

	Real estates	Parking places	Cars, trucks	Total
Gross value				
Opening balance 2025	**4 043**	**289**	**53**	**4 385**
Additions	72	46	6	124
Disposals	0	0	0	0
Closing balance 2025	**4 115**	**335**	**59**	**4 509**
Depreciation				
Opening balance 2025	**(2 622)**	**(169)**	**(44)**	**(2 835)**
Charge for the year	(642)	(63)	(8)	(713)
Disposals	0	0	0	0
Closing balance 2025	**(3 264)**	**(232)**	**(52)**	**(3 548)**
Net book value				
31 December 2024	**1 421**	**120**	**9**	**1 550**
31 December 2025	**851**	**103**	**7**	**961**

	Real estates	Parking places	Cars, trucks	Total
Gross value				
Opening balance 2024	**3 237**	**241**	**57**	**3 535**
Additions	806	48	8	862
Disposals	0	0	(12)	(12)
Closing balance 2024	**4 043**	**289**	**53**	**4 385**
Depreciation				
Opening balance 2024	**(2 013)**	**(122)**	**(41)**	**(2 176)**
Charge for the year	(609)	(47)	(15)	(671)
Disposals	0	0	12	12
Closing balance 2024	**(2 622)**	**(169)**	**(44)**	**(2 835)**
Net book value				
31 December 2023	**1 224**	**119**	**16**	**1 359**
31 December 2024	**1 421**	**120**	**9**	**1 550**

Expenses relating to short-term leases and to leases of low-value assets that are not presented as right of use assets are included in general and administrative expenses:

	31.12.2025	31.12.2024
Short-term leases	246	182
Leases of low-value assets	60	53
	306	**235**

11.2 INVESTMENT PROPERTIES

	31.12.2025	31.12.2024
Cost	36 305	36 164
Reclassification	0	0
Accumulated impairment	0	0
Accumulated depreciation	(2 671)	(2 214)
Net book value	**33 364**	**33 950**
Net opening balance	**33 950**	**33 941**
Reclassification	0	0
Additions	142	207
Disposal – net	0	(2)
Impairment	0	0
Depreciation charge	(458)	(196)
Closing net balance	**33 634**	**33 950**

The fair value of the investment properties presented in the table above is HUF 38 505 million (31.12.2024: HUF 37 945 million) and is classified as level 3 in the fair value hierarchy. The fair value of investment properties was determined by external valuers using methods based on income approach or market comparative data approach.

The following table presents the results related to investment properties.

	2025	2024
Impairment on investment properties	**0**	**0**
Additions	0	0
Reversal	0	0
Total impairment	**0**	**0**
Expenses from investment properties		
Acquisition cost	0	0
Maintenance expenses	(920)	(899)
Sale related cost	0	0
Total	**(920)**	**(899)**

12. INTANGIBLE ASSETS

	Property rights	Intellectual properties	Total
Gross value			
Opening balance 2025	**1 073**	**16 468**	**17 541**
Additions	229	2 037	2 266
Disposals	(33)	(1)	(34)
Closing balance 2025	**1 269**	**18 504**	**19 773**
Amortization			
Opening balance 2025	**(834)**	**(8 864)**	**(9 698)**
Charge for the year	(92)	(927)	(1 019)
Disposals	33	1	34
Closing balance 2025	**(893)**	**(9 790)**	**(10 683)**
Net book value			
31 December 2024	**239**	**7 604**	**7 843**
31 December 2025	**376**	**8 714**	**9 090**

	Property rights	Intellectual properties	Total
Gross value			
Opening balance 2024	**920**	**15 247**	**16 167**
Additions	179	1 295	1 474
Disposals	(26)	(74)	(100)
Closing balance 2024	**1 073**	**16 468**	**17 541**
Amortization			
Opening balance 2024	**(794)**	**(8 061)**	**(8 855)**
Charge for the year	(64)	(871)	(935)
Disposals	24	68	92
Closing balance 2024	**(834)**	**(8 864)**	**(9 698)**
Net book value			
31 December 2023	**126**	**7 186**	**7 312**
31 December 2024	**239**	**7 604**	**7 843**

13. OTHER ASSETS

	31.12.2025	31.12.2024
Accrued income from reimbursed cost	13 563	10 175
Accrued fund management fee	791	823
Deferred expenses	3 740	2 476
Intermediated services	585	6 290
Deferred initial fair value adjustment	6 680	8 079
Interest subsidy settlements	5 945	3 756
Repossessed assets	0	107
Deferred income	357	411
Advance payments	1 243	617
Other	1 247	371
Special bank tax due to Covid-19	350	701
Non-income taxes	245	1 740
Total	**34 746**	**35 546**

Accrued income from reimbursed cost
During the 2014-2020 and the 2021-2027 programming periods, the European Union encourages the expansion and more active use of financial instruments. Section 24/B of Government Decree No. 272/2014. (XI. 5.) appointed MFB Zrt. as the body implementing the fund of funds to carry out the professional use of the refundable EU resource amounting to HUF 650 billion. For the 2021-2027 programming period included in Section 31 of Government Degree No. 256/2021. (V. 18.), appointed MFB Zrt. as the body implementing the holding fund for the delivery of the EU subsidies to the final beneficiaries.

For the related tasks of the Recovery and Resilience Plan of Hungary – Recovery and Resilience Facility herein after referred to as: "RRF" – in Section 10/A of Government Decree No. 373/2022. (IX.30), MFB Zrt. was appointed as the implementing body of the financial instrument.

Point 22 of Attachment 1 of the Decree of the Ministry for National Economy No. 26/2025. (VIII. 18.) appointed MFB Zrt. as the managing body of the budgetary appropriation named "Settlement of certain previously disbursed grants".

The management of the refundable subsidies, that should not be included in the assets of the economic operator appointed for the intermediation of aid (based on the Point 4a of Section 4 of the Act XLIX of 1991), financed from the 2007-2013 programming period, under the obligation of accountability, taken over by the Ministry for National Economy (legal predecessor Ministry of Finance, herein after referred to as "Ministry") from financial intermediaries under liquidation proceedings, is based on the contractual agreement between MFB Zrt. and the Ministry.

In the 2014-2020 and the 2021-2027 programming periods and during implementation of the RRF, the distribution of credit products is managed mainly through the intermediary system of "MFB Points", with which a more efficient allocation of resources can be realized. Intermediaries ensure physical availability, and their staff carries out a significant part of the credit valuation, disbursement and monitoring activities for which they receive a specific intermediary remuneration. All "MFB points" are operated by intermediary partners, therefore their costs and assets/liabilities are not included in the Group's records.

MFB Zrt. is entitled to compensation for the costs of the activities detailed in the Financing Contract/Contractual Agreement concluded with the Managing Authority/National Authority/Ministry, which is paid by the Managing Authority/National Authority/Ministry to the Bank in accordance with specific rules and procedures. The remuneration covers the justified and certified expenditures of the Bank – primarily the Bank's organizational and infrastructure costs –

relating directly or indirectly to the implementation of the Financing Contract, recorded separately in the Bank's accounting register. According to the Financing Agreement Contractual Agreement the Bank is not entitled to any additional fee or reimbursement from the Managing Authority/National Authority/Ministry. The Bank cannot have a profit from the remuneration.

The amount presented in the table includes costs already incurred by the Bank and submitted for reimbursement to the Managing Authority/National Authority/Ministry.

Deferred initial fair value adjustment

In 2013, the National Bank of Hungary launched its so-called Funding for Growth Scheme and in 2020 the FGS Hajrá program (both called FGS) to finance the operation and investments of small- and medium size businesses (SMB) as an economic development activity. Within both of these programs, SME's fulfilling some present conditions were able to receive a preferential loan at a maximum interest rate of 2.5%, which was then refinanced by the National Bank of Hungary at 0% interest rate. The interest rates of these loans were lower than the interest rate of similar loans available in the market (off-market), therefore the initial fair value of loans received and provided were lower than their transaction value. This initial fair value difference was determined by the Bank; however, it was not accounted for in the profit or loss immediately given the unobservable inputs used in the calculation but was accrued for the lifetime of the underlying deal. In accordance with the IFRS standards part of the related loan provided was reclassified to other assets, while part of the received loan with the same amount approximately as on the asset side was reclassified to other liabilities. The unobservable input during the determination of the initial fair value difference was the differences customers' credit risk and the Bank's own credit risk.

	31.12.2025	31.12.2024
Opening balance	**8 079**	**13 556**
Additions from new loans	37	51
Decrease due to sales	(198)	(4 264)
Annual amortisation	(1 238)	(1 264)
Closing balance	**6 680**	**8 079**

Repossessed real estates

These repossessed real estates used serve as collateral behind loans provided by the Group and were transferred to theGroup for resale purposes. There was no provision created for these properties neither on 31st December 2025 nor on 31st December 2024.

Special bank tax due to Covid-19

To implement the Economic Protection Action Plan, a one-time special credit institution tax on the epidemiological situation for replenishing the Epidemiological Fund was introduced in 2020 amounting to HUF 1.7 billion for the Bank, which was paid in three equal instalments during the year. The profit and loss impact of it under the IFRS rules did not have to be presented in 2020, as under the special tax act, the next 5 years of bank special tax liability will be deducted with this amount in five equal annual instalments, therefore this amount will reduce bank special tax expenditure for these years. According to the regulation published in 2024, the part falling in 2024 could not be utilized, thus the originally 5-year duration has been extended by one year.

14. RECEIVABLES ON THE STATE DUE TO CURRENCY-HEDGING AGREEMENT

The Bank's foreign exchange risk originated from the foreign currency liabilities is hedged by the Foreign Exchange Guarantee Frame Agreement (FX Agreement) signed by the Hungarian Ministry of Finance originally in 2004 and later modified in 2014. This FX Agreement manages foreign exchange risks of the Bank's foreign currency borrowings (EUR) and the State compensates any foreign exchange loss incurred on these borrowings and the Bank is required to pay to the State the amount of realized foreign exchange gains on these transactions. Under the agreement early financial settlement is possible for programs where asset-side final beneficiaries made repayment in excess of 20% of the original program framework actually used.

The FX state guarantee frame for the Bank declared by the law was HUF 2 000 billion.

	31.12.2025	31.12.2024
Guarantee frame maximum amount	**2 000 000**	**2 000 000**
Programmed amounts within the frame	1 494 273	1 477 809
Free frame	505 727	522 191
Sum used from the frame amount	**834 999**	**857 081**

	31.12.2025		31.12.2024	
	Opening FX rates	**Year end NBH FX rate**	**Opening FX rates**	**Year end NBH FX rate**
Converted amount	634 150	834 999	632 622	857 081
from this amount already repaid by customers on which the balance is fixed	*396 125*	*470 138*	*389 429*	*461 803*
Foreign exchange losses		200 849		224 460
Amount already received from the State *(relating to the not yet closed program)*		(66 159)		(64 861)
received during the year		*1 298*		*0*
Foreign exchange losses of FX state guarantee		134 690		159 599
Interest foreign exchange losses of FX state guarantee		31 990		30 522
Total foreign exchange losses on the converted amount		**166 680**		**190 120**
from this amount already repaid by customers on which the balance is fixed		***(106 003)***		*(102 896)*

In 2025, the business activity covered by the hedging agreement was not significant, but the EUR/HUF exchange rate decreased significantly as a result of which the receivables on the State was also decreased. However, without this exchange rate hedging mechanism, the Bank's open currency position would be significant. This increase is recognized in the income statement on the „Exchange differences [gain or (-) loss], net" line, thereby neutralizing the effect of the revaluation of foreign currency liabilities. The receivable is against the Hungarian State therefore the credit risk is considered to be marginal.

15. FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST

	31.12.2025	31.12.2024
Deposits		
Interbank deposits	194 498	34 957
Customer deposits (collateral behind loans)	54 379	47 254
Other customer deposits	251	4 887
	249 128	**87 098**
Loans taken		
Refinancing loans	164 838	178 095
Other loans taken	1 223 648	1 037 094
	1 388 486	**1 215 189**
Debt securities issued		
Listed HUF bonds	891 709	664 573
Listed FX bonds	1 025 322	1 020 743
from this listed on foreign stock exchange	*956 633*	*947 894*
	1 917 031	**1 685 316**
Other financial liabilities		
Margin accounts	4 122	8 853
Creditors and other financial liabilities	2 923	2 860
Finance lease liabilities	961	1 580
	8 006	**13 293**
Total	**3 562 651**	**3 000 896**

The Bank does not collect retail deposits, its corporate deposits contain such term deposits that are offered as collateral for the underlying loans or were collected for liquidity purposes. Also, the line "deposits" includes inter-bank deposits used for liquidity management.

The “Loans taken” line includes long-term liabilities in the Funding for Growth programs. This category also includes the external loans of the subsidiaries.

In the following table, bonds marked with the ISIN code "XS" were listed on the London Stock Exchange, while all other bonds are listed on the Budapest Stock Exchange.

15.1. DEBT SECURITIES ISSUED

Name of bond	ISIN code	Issue date	Maturity date	Interest rate (annually)	31.12.2025				31.12.2024		
					Nominal value			Carrying value	Nominal value		Carrying value
					currency	Currency equivalent	HUF equivalent	HUF equivalent	Currency equivalent	HUF equivalent	HUF equivalent
Foreign currency bonds											
MFB EUR/2025	XS2010030752	24.06.2020	24.06.2025	fixed 1.375%	EUR	0	0	0	750 000	307 568	309 526
MFBEUR/2026	XS2348280707	09.06.2021	09.06.2026	fixed 0.375%	EUR	500 000	192 700	193 026	500 000	205 045	205 199
MFB USD/2028	XS2630760796	31.05.2023	29.06.2028	fixed 6.5%	USD	1 125 000	369 473	369 990	1 125 000	442 800	433 169
MFBEU2706/1	HU0000362934	13.09.2023	29.06.2027	fixed 5.5%	EUR	139 580	53 794	55 011	139 580	57 240	58 362
		12.10.2023				34 800	13 412	13 678	34 800	14 271	14 487
MFB EUR/2030	XS3081701362	28.05.2025	27.06.2030	fixed 4.375%	EUR	1 000 000	385 400	393 617			
Total foreign currency bonds							**1 014 779**	**1 025 322**		**1 026 924**	**1 020 743**
HUF bonds											
MFB202710/1	HU0000357892	04.10.2017	27.10.2027	fixed 3.00%			4 180	4 215		4 180	4 222
		09.10.2019					16 890	17 302		16 890	17 474
		06.10.2021					13 175	13 167		13 175	13 127
		04.11.2021					34 910	34 533		34 910	34 242
MFB202506/1	HU0000359674	27.05.2020	24.06.2025	fixed 1.7%			0	0		35 000	35 327
MFB202604/1	HU0000360037	21.10.2020	22.04.2026	fixed 1.9%			34 706	35 165		34 706	35 174
		14.09.2023					63 306	62 723		63 306	58 401
MFB203110/1	HU0000360771	15.09.2021	22.10.2031	fixed 2.9%			33 950	33 540		33 950	33 449
		20.10.2021					24 035	22 727		24 035	22 512
MFB203304/1	HU0000360896	11.11.2021	20.04.2033	fixed 4.2%			9 600	9 690		9 600	9 669
		09.04.2025					1 000	824			
MFB202810/1	HU0000360912	17.11.2021	22.10.2028	fixed 3.9%			34 550	34 698		34 550	34 665
		01.12.2021					23 495	23 132		23 495	22 958
MFB202910/1	HU0000361035	08.12.2021	24.10.2029	fixed 4.6%			10 680	10 612		10 680	10 576
		02.02.2022					24 100	23 514		24 100	23 334
		15.10.2025					26 521	24 713			
		26.11.2025					23 575	21 827			
MFB202704/1	HU0000361092	15.12.2021	22.04.2027	fixed 4.5%			24 575	25 301		24 575	25 275
		19.01.2022					9 600	9 823		9 600	9 769
		16.02.2022					9 453	9 645		9 453	9 572
		26.10.2023					29 000	28 102		29 000	26 872
MFB202511/1	HU0000361761	15.06.2022	26.11.2025	fixed 7.8%			0	0		13 500	13 479
		15.09.2022					0	0		6 700	6 481
		17.11.2022					0	0		2 000	1 947
MFB202803/1	HU0000362975	27.09.2023	23.03.2028	fixed 8.2%			48 115	50 403		48 115	50 117
MFB202610/1	HU0000363064	11.10.2023	21.10.2026	fixed 9.2%			14 625	14 722		14 625	14 547

Name of bond	ISIN code	Issue date	Maturity date	Interest rate (annually)	31.12.2025				31.12.2024		
					Nominal value			Carrying value	Nominal value		Carrying value
					currency	Currency equivalent	HUF equivalent	HUF equivalent	Currency equivalent	HUF equivalent	HUF equivalent
MFB202905/Z	HU0000363593	20.03.2024	23.05.2029	fixed 6.5%			10 800	11 115		10 800	11 189
MFB203005/T	HU0000363775	02.05.2024	22.05.2030	fixed 7.5%			24 475	25 279		24 475	25 322
		26.02.2025					16 000	16 844			
MFB202902/1	HU0000363874	29.05.2024	28.02.2029	fixed 7.4%			48 965	51 846		48 965	50 923
		26.06.2024					25 017	26 724		25 017	26 316
MFB202802/1	HU0000364245	18.09.2024	02.02.2028	fixed 6.3%			11 600	12 559		11 600	11 827
		16.10.2024					13 050	14 069		13 050	13 218
		12.03.2025					27 170	28 820			
MFB202906/1	HU0000364286	02.10.2024	27.06.2029	fixed 6.1%			12 400	12 783		12 400	12 589
MFB202702/1	HU0000364955	12.02.2025	24.02.2027	fixed 6.4%			28 775	30 208			
		10.12.2025					39 600	41 663			
MFB203010/1	HU0000365135	26.03.2025	24.10.2030	fixed 7.0%			14 705	14 492			
MFB202806/1	HU0000365762	01.10.2025	2028.06.28	fixed 6.7%			30 400	30 793			
		12.11.2025					15 326	15 481			
MFB2030/12/1	HU0000366067	10.12.2025	2030.12.11	6M BUBOR			49 425	48 655			
Total HUF Bonds							**881 749**	**891 709**		**666 452**	**664 573**
Total Bonds							**1 896 528**	**1 917 031**		**1 693 376**	**1 685 316**

**: the currency value column contains the value rounded to the nearest thousand units of the given currency*

On 28 May 2025, the Bank successfully issued a EUR 1 billion nominal value bond, which was partly used to refinance the EUR 750 million bond that matured in June. Four new series of forint bonds were issued during the year, and additional issues were made to four existing series, including the first social bond. The total nominal value of the new series and additional issues was HUF 272.5 billion. Two series of forint bonds matured during the year with a total nominal value of HUF 57.2 billion.

In 2024, the Bank issued five new HUF denominated bonds with a nominal value of HUF 146 billion and expired two HUF bonds with a nominal amount of HUF 77 billion and three EUR bonds also expired with a nominal value of EUR 642.5 million.

To support its sourcing activities, the Bank prepared the MFB Sustainable Financing Framework, which complies with international standards, and with which it undertakes to use its sustainable resources according to green and social criteria to finance and/or refinance sustainable goals with a positive environmental and social impact. The Framework's compliance was reviewed by the world's leading rating agency, Sustainalytics Morningstar.

The successful auction held on 18th March 2024, was the first market-type green bond issue (MFB202905/Z) in the life of MFB Zrt., based on the steps it has taken towards sustainability in recent years. MFB Zrt. used the proceeds from the first social bond issue in 2024 (MFB203005/T) to finance or refinance instruments defined by the framework that have a positive social impact and alleviate social problems and inequalities. The Bank was among the first in the Central and Eastern European region to issue social bonds.

Reconciliation of liabilities arising from financing activities

	01.01.2025	Proceeds from bond issuance	Discount/ Premium	Partial repayments or full at maturity	Exchange rate change	Hedge impact	31.12.2025
HUF bonds	**664 573**	265 668	18 668	(57 200)	0	0	**891 709**
USD bonds	**433 169**	0	18 020	0	(72 576)	(8 623)	**369 990**
EUR bonds	**587 574**	403 463	(6 921)	(301 365)	(27 419)	0	**655 332**
Total	**1 685 316**	**669 131**	**29 767**	**(358 565)**	**(99 995)**	**(8 623)**	**1 917 031**

	01.01.2024	Proceeds from bond issuance	Discount/ Premium	Repayments at maturity	Exchange rate change	Hedge impact	31.12.2024
HUF bonds	**581 522**	145 907	14 405	(77 261)	0	0	**664 573**
USD bonds	**386 346**	0	(27)	0	53 559	(6 709)	**433 169**
EUR bonds	**794 636**	0	(416)	(256 034)	49 388	0	**587 574**
Total	**1 762 504**	**145 907**	**13 962**	**(333 295)**	**102 947**	**(6 709)**	**1 685 316**

16. PROVISIONS

Provisions by title	**31.12.2025**	**31.12.2024**
Financial guarantees	20 151	4 902
Capital commitment	941	146
Loan commitments	4 386	7 951
Subtotal for IFRS 9 provision method	***25 478***	***12 999***
Legal cases	335	71
Employee jubilee program, other	493	470
Total (Note 28)	**26 306**	**13 540**

Based on the judgement of the Legal department, the amount of provision regarding legal cases are expected to be settled in more than twelve months after the reporting period.

17. OTHER LIABILITIES

	31.12.2025	**31.12.2024**
Non-income taxes	1 479	1 939
Settlement from wages	2 273	2 169
Deferred income	4 120	4 339
Accrued costs	2 045	1 715
Lending related liabilities	1 348	809
Liabilities related to factoring activity	648	135
Advance payments from managing authorities	14 136	10 263
Fees due before disbursement but not paid	3 323	145
Debtors' advance payments	582	462
Investment unit commitments	1 055	1 665
Deferred initial fair value adjustment	6 607	8 010
Other	518	525
Total	**38 134**	**32 176**

Liabilities to managing authorities include advances on expenditure reimbursement relating to the EU programming period 2007-2013, 2014-2020 and 2021-2027 (see Note 13).

The venture capital note payment obligation is related to the subscribed but not yet paid capital increase of Central European Fund of Funds. The diclosed amount is payable as required by the investment plans.

The deferred initial fair value adjustment line represents the initial fair value adjustment which is determined based on the internal models and is therefore deferred and amortized to the profit and loss in parallel to the amortization of the underlying instruments (loans taken in FGS programs, see Note 13).

18. SHARE CAPITAL, SHARE PREMIUM AND RESERVES

Share capital

100% of the shares are owned by the Hungarian State. The total value of the 519 900 ordinary shares with HUF 1 million nominal value each was HUF 519 900 million.

Share premium

Share premium represents the difference between the nominal value of the subscribed share and the amount received at subscription. The Bank's share premium both on 31st December 2025 and 2024 was HUF 81 870 million, that was increased on Group level with HUF 2.9 billion paid to MFB Invest Zrt. during 2023 by the final owner, being the Hungarian State. The amount was used for capital increase in Divat & Design Tőkealap. During 2025 the State transferred HUF 1 billion under a similar title to increase capital of the Day One Creative Minds Venture Capital Fund

Retained earnings

Per Government Decree 176/2025 (VI.30) (2024: 216/2024. (VII. 31.)) in 2025 the Group, as a 100% state-owned entity, had to save HUF 510.8 million (2024: HUF 306.8 million) mainly on Personal expenses and pay the savings to the State Budget. According to IFRS Conceptual Framework the transaction qualifies as a distribution to shareholders and has to be accounted as dividend under IFRS 9. In these financial statements the Group charged the amount directly to Retained earnings.

Valuation reserve

	Notes	31.12.2025	31.12.2024 Restated
Opening balance		**1 204**	**(517)**
Change in fair value		(2 129)	1 624
from this debt instruments		*761*	*441*
Expected credit loss on debt instruments		(43)	(26)
Foreign exchange difference		(181)	75
Transfer to profit or loss due to derecognition		0	0
Income tax effect		128	48
Subtotal	6	**(1 021)**	**1 204**
Cash flow hedge reserve	9	(47)	0
Cost of cash flow hedge	9	(2 730)	0
Closing balance		**(3 798)**	**1 204**
Total change over the period		**(5 002)**	**1 721**

19. OTHER RESERVES AND NON-CONTROLLING INTEREST

General reserve

Other reserve includes general reserve that is in accordance with Section 83 of Act No. CCXXXVII of 2013 equal to ten percent of the net profit after tax located in the individual financial statements and is used in loss making years. The general reserve created and used in accordance with Hungarian legislation has been allocated directly from the profit and loss reserve in the IFRS annual accounts.

The Bank is not allowed to pay dividend from the statutory reserves.

Non-controlling interest

NTH National Capital Holding Private Limited Company acquired a preferred share in MFB Invest during the capital increase in December 2022. NTH subscribed 1 preferred share with a nominal value of 1 HUF and issue price 1 HUF. The preferred share assures the right for its owner to appoint the Executive Chairman and the majority of the Supervisory Board. Given that the 1 preferred share represents a very immaterial share from the company's net asset, the value of non-controlling interest is zero.

20. CONTINGENT AND FUTURE LIABILITIES

To meet the financial needs of customers, the Group enters into various irrevocable commitments and contingent liabilities. These consist of financial guarantees and other undrawn commitments to lend. Other non-financial guarantees commit the Bank to make payments on behalf of customers in the event of a specific act, generally related to the import or export of goods. Guarantees carry a similar credit risk to loans. Even though these obligations may not be recognized on the statement of financial position, they do contain credit risk and are therefore part of the overall risk of the Group.

	31.12.2025	31.12.2024
Loan commitments	434 797	237 152
Capital commitments	71 757	149 466
Guarantees	1 146 269	1 111 841
Guarantees and loan commitments total	**1 652 823**	**1 498 459**
Legal cases	326	103
Other commitments	1 541	9 842
Total	**1 654 690**	**1 508 404**

Capital commitments represent the subscribed but not yet paid capital increase of venture capital investments/notes that is payable as required by the investment plans if the investment is closer to a loan commitment.

Other commitments represent potential further capital increase for the Central European Fund of Funds that is not included in the investment plans, but its maximum amount was set in the foundation indeed of the fund. As owners' decision is necessary to determine the actual need and amount therefore this amount is not yet an obligation.

21. NET INTEREST INCOME

	2025	2024
Financial assets at fair value through other comprehensive income	1 057	3 231
Financial assets at amortized cost	140 376	140 538
Negative interest from financial liabilities	0	0
Interest income calculated using the effective interest method	**141 433**	**143 769**
Financial assets held for trading	30 198	37 611
Non-trading financial assets mandatorily at fair value through profit or loss	1 808	2 977
Derivatives – Hedge accounting	(1 246)	4 596
Other assets	13 598	21 846
Other similar income	**44 358**	**67 030**
Total interest income	**185 791**	**210 799**
Interest expense		
Financial liabilities held for trading	(27 164)	(40 268)
Financial liabilities at amortized cost	(157 850)	(150 872)
Derivatives – Hedge accounting	(3 502)	(6 328)
Other liabilities	(137)	(363)
Negative interest from financial assets	0	(2)
Total interest expense	**(188 653)**	**(197 833)**
Net interest income	**(2 862)**	**12 966**

Net interest income analysis by customer types:

	2025	2024
Interest income		
Customers	100 297	102 172
National Bank of Hungary	13 074	21 581
Other banks	41 365	54 789
Securities	31 055	32 257
Total	**185 791**	**210 799**
Interest expense		
Customers	(1 838)	(2 508)
National Bank of Hungary	(1 426)	(4 185)
Other banks	(95 706)	(109 583)
Securities	(89 683)	(81 557)
Total	**(188 653)**	**(197 833)**
Net interest income	**(2 862)**	**12 966**

22. DIVIDEND INCOME

	2025	2024
Other investments	7 230	1 254
Total	**7 230**	**1 254**

The Group did not recognize any amount as dividends received from associated enterprises neither during 2025, nor 2024 in the income statement "Profit or (loss) from associates".

23. NET FEE AND COMMISSION INCOME

	2025	2024
Fee and commission income		
Fund management fees	992	1 196
Guarantee fees	7 410	5 937
Loan servicing fees	330	478
Other fees and commission	2	12
Total	**8 734**	**7 623**
Fee and commission expenses		
Agent fees	(107)	(125)
Guarantee fees	(775)	(774)
Bank account commission	(91)	(104)
Commitment fee	(37)	(47)
Other fees and commission	(34)	(2)
Total	**(1 044)**	**(1 052)**
Net fee and commission income	**7 690**	**6 571**

24. GAINS OR (-) LOSSES ON FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING, NET

	2025	2024
Interest rate swaps	(23)	(23)
Cross currency interest rate swaps	(322)	29 127
Foreign currency swaps	(51 758)	(1 157)
Special derivatives	6 241	0
Total	**(45 862)**	**27 947**

25. GAINS OR (-) LOSSES ON NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS, NET

	2025	2024
Loans and advances to customers	(1 466)	(980)
Loans and advances to banks	(40)	56
Venture capital note – investment type	598	65
Venture capital note – loan type	29 169	40 623
Total	**28 261**	**39 764**

26. OTHER OPERATING INCOME/EXPENSES

	2025	2024
Other income		
Compensation received	9 865	8 754
Recovery of previous years costs	82	121
Rental and management income from investment properties	4 587	4 419
Rental income	118	119
Revenue from consultancy	818	773
Deferred initial fair value of borrowings	1 377	4 088
Other	1 239	1 960
Total other operating income	**18 086**	**20 234**
Other expenses		
Donations	(91)	(424)
Expenses related to previous years	(200)	(264)
Taxes – except income tax and special bank tax	(2 056)	(2 230)
Special bank tax	(6 756)	(5 659)
Extra profit tax	(712)	(2 000)
Other expenses related to lending and borrowing	(302)	(306)
Deferred initial fair value of loans granted	(1 398)	(4 101)
Direct expenses eligible for cost reimbursement	(384)	(427)
Other	(414)	(329)
Total other operating expense	**(12 313)**	**(15 740)**

The Bank receives compensations for performing the tasks in connection with 2007-2013, 2014-2020, 2021-2027 EU programming periods and RRF (further details in Note 13). The Bank did not receive any consideration from the State for the exercising of owner's rights since 2023.

27. GENERAL AND ADMINISTRATIVE EXPENSES

	2025	2024
Wages and salaries	(17 038)	(15 140)
Compulsory social security	(2 888)	(2 443)
Other personnel expenses	(2 893)	(2 467)
Personnel expenses	**(22 819)**	**(20 050)**
Marketing	(1 168)	(1 195)
Office and property maintenance	(1 737)	(1 687)
System support and maintenance	(1 643)	(1 383)
Expert fees	(1 351)	(1 737)
Rental expense	(1 010)	(887)
Post, newspapers and document filing	(464)	(538)
Other material type services	(211)	(240)
Electricity, water, gas supply	(147)	(172)
Education	(187)	(127)
Labour mediation	(181)	(23)
Legal costs	(116)	(78)
Media	(107)	(135)
Membership fees	(111)	(112)
Insurances	(174)	(149)
Bank cost	(199)	(105)
Traveling	(82)	(91)
Other welfare services	(95)	(66)
Other	(1 369)	(1 184)
Other general administrative expenses	**(10 352)**	**(9 909)**
Total general and administrative expenses	**(33 171)**	**(29 959)**

The average number of the employees in 2025 was 913 (2024: 849).

Expert fees include HUF 236 million gross fees paid to the auditor for the 2025 annual audit and other audit related services (2024: HUF 208 million). Audit fees paid to the auditor of the Bank amounted HUF 229 million (2024 HUF 136 million). There was no fee paid to the statutory auditor neither in 2025 nor in 2024 for any non-audit services. Statutory auditor’s group members did not provide any non-audit services to the Group during 2025 or 2024.

28. PROVISIONS OR (-) REVERSAL OF PROVISIONS

	31.12.2025				31.12.2024			
	Other items	Guarantees and loan commitments	Capital commitments	Total	Other items	Guarantees and loan commitments	Capital commitments	Total
1. Opening balance on 1st January	**(541)**	**(12 853)**	**(146)**	**(13 540)**	**(490)**	**(5 700)**	**(156)**	**(6 346)**
2. Charge	(492)	(13 394)	(904)	(14 790)	(251)	(6 600)	0	(6 851)
3. Release	161	793	72	1 026	90	184	18	292
4. Utilization	44	0	0	44	110	0	0	110
5. Foreign exchange difference	0	917	37	954	0	(737)	(8)	(745)
6. Closing balance on 31st December	**(828)**	**(24 537)**	**(941)**	**(26 306)**	**(541)**	**(12 853)**	**(146)**	**(13 540)**
Net movement *(excluding FX movement.)*	**(287)**	**(12 601)**	**(832)**	**(13 720)**	(51)	(6 416)	18	(6 449)
Profit or loss impact								
Other income (legal cases)	(264)	0	0	(264)	29	0	0	29
Impairment (-) or reversal of impairment of financial instruments	0	(12 601)	(832)	(13 433)	0	(6 416)	18	(6 398)
Amounts charged to wages	(23)			(23)	(80)			(80)

The table below presents the changes in the provision for financial guarantees and undrawn loan commitments during 2025 by credit risk stages. The movements represent every change during the year.

	Opening balance on 1st January 2025	Net charge without stage transfer	Charge due to origin	Utilization and expiries	From stage 1 to stage 2	From stage 2 to stage 1	From stage 2 to stage 3	FX impact	Closing balance on 31st December 2025
Guarantees	**(4 902)**	**(15 001)**	**(464)**	**194**	**0**	**0**	**0**	**22**	**(20 151)**
Stage 1	(915)	(5 776)	(236)	61	3 511	(61)		22	(3 394)
Stage 2	(3 987)	(9 220)	(228)	133	(3 511)	61	193	0	(16 559)
Stage 3	0	(5)	0	0			(193)	0	(198)
Loan commitments	**(7 951)**	**3 858**	**(1 203)**	**15**	**0**	**0**	**0**	**895**	**(4 386)**
Stage 1	(291)	(1 168)	(1 074)	10	876	(1 265)		29	(2 883)
Stage 2	(7 660)	5 023	(123)	5	(876)	1 265	23	866	(1 477)
Stage 3	0	3	(6)	0			(23)	0	(26)
Capital commitments	**(146)**	**(806)**	**(98)**	**72**	**0**	**0**	**0**	**37**	**(941)**
Stage 1	(146)	(806)	(98)	72	**0**	**0**	0	37	(941)
TOTAL	**(12 999)**	**(11 949)**	**(1 765)**	**281**	**0**	**0**	**0**	**954**	**(25 478)**

The table below presents the changes in the provision for financial guarantees and undrawn loan commitments during 2024 by credit risk stages.

	Opening balance on 1st January 2024	Net charge without stage transfer	Charge due to origin	Utilization and expiries	From stage 1 to stage 2	From stage 2 to stage 1	From stage 2 to stage 3	FX impact	Closing balance on 31st December 2024
Guarantees	**(780)**	**(3 844)**	**(278)**	**10**	**0**	**0**	**0**	**(10)**	**(4 902)**
Stage 1	(252)	(450)	(252)	10	63	(24)	0	(10)	(915)
Stage 2	(528)	(3 394)	(26)	0	(63)	24	0	(0)	(3 987)
Stage 3	0	0	0	0			0	0	0
Loan commitments	**(4 920)**	**(543)**	**(1 788)**	**26**	**0**	**0**	**0**	**(726)**	**(7 951)**
Stage 1	(105)	(50)	(195)	16	46	0		(3)	(291)
Stage 2	(4 731)	(580)	(1 593)	10	(46)	0	0	(720)	(7 660)
Stage 3	(84)	87	0	0			0	(3)	0
Capital commitments	**(156)**	**8**	**0**	**10**	0	0	0	**(8)**	**(146)**
Stage 1	(156)	8	0	10	0	0	0	(8)	(146)
TOTAL	**(5 856)**	**(4 379)**	**(2 066)**	**46**	**0**	**0**	**0**	**(744)**	**(12 999)**

29. IMPAIRMENT (-) OR REVERSAL OF IMPAIRMENT OF FINANCIAL INSTRUMENTS

	2025			2024		
	Charge/release due to origin/expire	**Net charge without stage transfer**	**Total on 31st December**	**Charge/release due to origin/expire**	**Net charge without stage transfer**	**Total on 31st December**
Customer loans	(4 533)	(1 400)	(5 933)	(3 370)	(9 403)	(12 773)
Loans to banks	0	0	0	(6)	0	(6)
Debt securities	(1 042)	(4 540)	(5 582)	(268)	233	(35)
Deposits at Central and other banks	(1)	1	0	0	0	0
Other financial receivables	(7)	4	(3)	0	1	1
Other demand deposits	(6)	(10)	(16)	0	(840)	(840)
Guarantees	(270)	(15 001)	(15 271)	(268)	(3 844)	(4 112)
Loan commitments	(1 188)	3 858	2 670	(1 762)	(543)	(2 305)
Capital commitments	(26)	(806)	(832)	10	8	18
Subtotal	**(7 073)**	**(17 894)**	**(24 967)**	**(5 664)**	**(14 388)**	**(20 052)**
Recovery of purchased receivables			174			10 867
Total profit and loss impact			**(24 793)**			**(9 185)**

Recovery on purchased receivables represents the actual recovery since initial recognition or planned recovery due to the change in the assumptions in the model used to estimate the future recovery.

The table below presents the changes in the impairment for financial assets during 2025 by credit risk stages. The movements represent every change during the year.

LOANS	Opening balance on 1st January 2025	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Unwinding	FX impact	Closing balance on 31st December 2025
Customer loans – Stage 1	**(3 406)**	**(994)**	**0**	**(6 230)**	**5 939**	**0**	**(2 471)**			**214**	**(6 948)**
General governments	**(152)**	0	0	(205)	19	0	0			0	**(338)**
Other financial corporations	**(209)**	(60)	0	(90)	147	0	(12)			0	**(224)**
Other non-financial corporations	**(2 839)**	(903)	0	(5 528)	5 772	0	(2 457)			214	**(5 741)**
Households	**(206)**	(31)	0	(407)	1	0	(2)			0	**(645)**
Loans to banks – Stage 1	**(8)**	**0**	**0**	**0**	**0**	**0**	**0**			**0**	**(8)**
Refinancing loans	**0**	0	0	0	0	0	0			0	**0**
Other loans	**(8)**	0	0	0	0	0	0			0	**(8)**
Customer loans – Stage 2	**(49 624)**	**(389)**	**0**	**(3 103)**	**(5 939)**	**5 488**	**2 471**	**(294)**		**2 662**	**(48 728)**
General governments	**0**	0	0	(276)	(19)	0	0	0		7	**(288)**
Other financial corporations	**(5 738)**	(190)	0	289	(147)	0	12	0		311	**(5 463)**
Other non-financial corporations	**(43 829)**	(169)	0	(3 134)	(5 772)	5 488	2 457	(294)		2 344	**(42 909)**
Households	**(57)**	(30)	0	18	(1)	0	2	0		0	**(68)**
Loans to banks – Stage 2	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**	**0**
Refinancing loans	**0**	0	0	0	0	0	0	0		0	**0**
Other loans	**0**	0	0	0	0	0	0	0		0	**0**

LOANS	Opening balance on 1st January 2025	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Unwinding	FX impact	Closing balance on 31st December 2025
Customer loans – Stage 3	**(41 107)**	**(1 015)**	**909**	**8 040**		**(5 488)**	**0**	**294**	**(204)**	**1 400**	**(37 171)**
General governments	**0**	0	0	0		0	0	0	0	0	**0**
Other financial corporations	**(16 746)**	0	0	10 810		0	0	0	(7)	0	**(5 943)**
Other non-financial corporations	**(24 355)**	(1 003)	909	(2 774)		(5 488)	0	294	(197)	1 400	**(31 214)**
Households	**(6)**	(12)	0	4		0	0	0	0	0	**(14)**
Customer loans – POCI	**(2 779)**	**(2 135)**	**0**	**(488)**					**0**	**0**	**(5 402)**
General governments	**0**	0	0	0					0	0	**0**
Other financial corporations	**0**	0	0	(525)					0	0	**(525)**
Other non-financial corporations	**(2 263)**	(1 050)	0	1 298					0	0	**(2 015)**
Households	**(516)**	(1 085)	0	(1 261)					0	0	**(2 862)**
Loans to banks – Stage 3	**0**	**0**	**0**	**0**		**0**	**0**	**0**		**0**	**0**
Refinancing loans	**0**	0	0	0		0	0	0		0	**0**
Other loans	**0**	0	0	0		0	0	0		0	**0**
Customer loans - TOTAL	**(96 916)**	**(4 533)**	**909**	**(1 781)**					**(204)**	**4 276**	**(98 249)**
General governments	**(152)**	0	0	(481)					0	7	**(626)**
Other financial corporations	**(22 693)**	(250)	0	10 484					(7)	311	**(12 155)**
Other non-financial corporations	**(73 286)**	(3 125)	909	(10 138)					(197)	3 958	**(81 879)**
Households	**(785)**	(1 158)	0	(1 646)					0	0	**(3 589)**
Loans to banks - TOTAL	**(8)**	**0**	**0**	**0**					**0**	**0**	**(8)**
Refinancing loans	**0**	0	0	0					0	0	**0**
Other loans	**(8)**	0	0	0					0	0	**(8)**

DEBT SECURITIES	Opening balance on 1st January 2025	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	FX impact	Closing balance on 31st December 2025
Stage 1	**(3 333)**	**(1 042)**	**0**	**(4 392)**	**2 560**	**0**	**36**		**19**	**(6 152)**
Hungarian government bonds	**0**	0	0	0	0	0	0		0	**0**
Corporate bonds	**(3 305)**	(1 042)	0	(4 298)	2 560	0	36		19	**(6 030)**
Mortgage bonds	**(28)**	0	0	(94)	0	0	0		0	**(122)**
Stage 2	**(259)**	**0**	**0**	**(106)**	**(2 560)**	**0**	**(36)**		**0**	**(2 961)**
Hungarian government bonds	**0**	0	0	0	0	0	0		0	**0**
Corporate bonds	**(259)**	0	0	(106)	(2 560)	0	(36)		0	**(2 961)**
Mortgage bonds	**0**	0	0	0	0	0	0		0	
Debt securities - TOTAL	**(3 592)**	**(1 042)**	**0**	**(4 498)**	**0**	**0**	**0**		**19**	**(9 113)**
Hungarian government bonds	**0**	0	0	0	0	0	0		0	**0**
Corporate bonds	**(3 564)**	(1 042)	0	(4 404)	0	0	0		19	**(8 991)**
Mortgage bonds	**(28)**	0	0	(94)	0	0	0		0	**(122)**

DEPOSITS AT CENTRAL AND OTHER BANKS	Opening balance on 1st January 2025	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2025
Stage 1*	**(1)**	**(1)**	**1**					**(1)**
Central bank deposits	**0**	0	0					**0**
Other bank deposits	**(1)**	(1)	1					**(1)**

**: Only stage 1 deposits were in the Group's portfolio in 2025.*

OTHER FINANCIAL ASSETS	Opening balance on 1st January 2025	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2025
Stages*	**(5)**	**(7)**	**4**					**(8)**
Trade receivables	**(5)**	0	4					**(1)**
Margin accounts	**0**	(7)	0					**(7)**

**: Trade receivables cover stage 2, while margin accounts cover stage 1 items.*

OTHER DEMAND DEPOSITS	Opening balance on 1st January 2025	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	FX impact	Closing balance on 31st December 2025
Stage 1	**(3)**	**(6)**	**(10)**					**0**	**(19)**
Cash balances with National Bank of Hungary	**(3)**	0	(10)					0	**(13)**
Other demand deposits	**0**	(6)	0					**0**	**(6)**
Stage 3	**(1 283)**	**0**	**768**					**(140)**	**(655)**
Cash balances with National Bank of Hungary	**0**	0	0					0	**0**
Other demand deposits	**(1 283)**	0	768					**(140)**	**(655)**

The table below presents the changes in the impairment for financial assets during 2024 by credit risk stages.

LOANS	Opening balance on 1st January 2024	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Unwinding	FX impact	Closing balance on 31st December 2024
Customer loans – Stage 1	**(4 292)**	**(671)**	**0**	**953**	**751**	**0**	**(5)**			**(142)**	**(3 406)**
General governments	**(129)**	0	0	(22)	0	0	0			(1)	**(152)**
Other financial corporations	**(335)**	(76)	0	154	48	0	0			0	**(209)**
Other non-financial corporations	**(3 810)**	(527)	0	945	699	0	(5)			(141)	**(2 839)**
Households	**(18)**	(68)	0	(124)	4	0	0			0	**(206)**
Loans to banks – Stage 1	**(2)**	**(6)**	**0**	**0**	**0**	**0**	**0**			**0**	**(8)**
Refinancing loans	**0**	0	0	0	0	0	0			0	**0**
Other loans	**(2)**	(6)	0	0	0	0	0			0	**(8)**
Customer loans – Stage 2	**(22 932)**	**(1 752)**	**772**	**(15 624)**	**(751)**	**940**	**5**	**(8 264)**		**(2 018)**	**(49 624)**
General governments	**0**	0	0	0	0	0	0	0		0	**0**
Other financial corporations	**(2 271)**	(1 276)	0	(1 918)	(48)	0	0	0		(225)	**(5 738)**
Other non-financial corporations	**(20 600)**	(476)	772	(13 674)	(699)	899	5	(8 263)		(1 793)	**(43 829)**
Households	**(61)**	0	0	(32)	(4)	41	0	(1)		0	**(57)**
Loans to banks – Stage 2	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**	**0**
Refinancing loans	**0**	0	0	0	0	0	0	0		0	**0**
Other loans	**0**	0	0	0	0	0	0	0		0	**0**

LOANS	Opening balance on 1st January 2024	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Unwinding	FX impact	Closing balance on 31st December 2024
Customer loans – Stage 3	**(44 341)**	**(681)**	**1 116**	**(1 946)**		**(940)**	**0**	**8 264**	**(1 286)**	**(1 293)**	**(41 107)**
General governments	**0**	0	0	0		0	0	0	0	0	**0**
Other financial corporations	**(16 148)**	0	553	(1 250)		0	0	0	99	0	**(16 746)**
Other non-financial corporations	**(28 184)**	(680)	563	(741)		(899)	0	8 263	(1 384)	(1 293)	**(24 355)**
Households	**(9)**	(1)	0	45		(41)	0	1	(1)	0	**(6)**
Customer loans – POCI	**(8 900)**	**(266)**	**0**	**6 387**					**0**	**0**	**(2 779)**
General governments	**(14)**	0	0	14					0	0	**0**
Other financial corporations	**0**	0	0	0					0	0	**0**
Other non-financial corporations	**(2 273)**	0	0	10					0	0	**(2 263)**
Households	**(6 613)**	(266)	0	6 363					0	0	**(516)**
Loans to banks – Stage 3	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	**0**	0	0	0		0	0	0	0	0	**0**
Other loans	**0**	0	0	0		0	0	0	0	0	**0**
Customer loans - TOTAL	**(80 465)**	**(3 370)**	**1 888**	**(10 230)**					**(1 286)**	**(3 453)**	**(96 916)**
General governments	**(143)**	0	0	(8)					0	(1)	**(152)**
Other financial corporations	**(18 754)**	(1 352)	553	(3 014)					99	(225)	**(22 693)**
Other non-financial corporations	**(54 867)**	(1 683)	1 335	(13 460)					(1 384)	(3 227)	**(73 286)**
Households	**(6 701)**	(335)	0	6 252					(1)	0	**(785)**
Loans to banks - TOTAL	**(2)**	**(6)**	**0**	**0**					**0**	**0**	**(8)**
Refinancing loans	**0**	0	0	0					0	0	**0**
Other loans	**(2)**	(6)	0	0					0	0	**(8)**

DEBT SECURITIES	Opening balance on 1st January 2024	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	FX impact	Closing balance on 31st December 2024
Stage 1	**(1 913)**	**(268)**	**0**	**(1 152)**	**28**	**0**	**0**		**(28)**	**(3 333)**
Hungarian government bonds	**0**	0	0	0	0	0	0		0	**0**
Corporate bonds	**(1 910)**	(253)	0	(1 142)	28	0	0		(28)	**(3 305)**
Mortgage bonds	**(3)**	(15)	0	(10)	0	0	0		0	**(28)**
Stage 2	**(1 616)**	**0**	**0**	**1 385**	**(28)**	**0**	**0**		**0**	**(259)**
Hungarian government bonds	**0**	0	0	0	0	0	0		0	**0**
Corporate bonds	**(1 616)**	0	0	1 385	(28)	0	0		0	**(259)**
Mortgage bonds	**0**	0	0	0	0	0	0		0	**0**
TOTAL	**(3 529)**	**(268)**	**0**	**233**	**0**	**0**	**0**	**0**	**(28)**	**(3 592)**
Hungarian government bonds	**0**	0	0	0	0	0	0	0	0	**0**
Corporate bonds	**(3 526)**	(253)	0	246	0	0	0	0	(28)	**(3 564)**
Mortgage bonds	**(3)**	(15)	0	(10)	0	0	0	0	0	**(28)**

DEPOSITS AT CENTRAL AND OTHER BANKS	Opening balance on 1st January 2024	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2024
Stage 1*	**(1)**	**0**	**0**					**(1)**
Central bank deposits	**0**	0	0					**0**
Other bank deposits	**(1)**	0	0					**(1)**

**: Only stage 1 deposits were in the Group's portfolio in 2024.*

OTHER FINANCIAL ASSETS	Opening balance on 1st January 2024	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2024
Stages*	**(6)**	**0**	**1**					**(5)**
Trade receivables	**(2)**	0	(3)					**(5)**
Margin accounts	**(4)**	0	4					**0**

**: Trade receivables cover stage 2, while margin accounts cover stage 1 items.*

OTHER DEMAND DEPOSITS	Opening balance on 1st January 2024	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	FX impact	Closing balance on 31st December 2024
Stage 1	**(2)**	**0**	**(1)**					**0**	**(3)**
Cash balances with National Bank of Hungary	**(2)**	0	(1)					0	**(3)**
Other demand deposits	**0**	0	0					**0**	**0**
Stage 3	**(530)**	**0**	**(839)**					**86**	**(1 283)**
Cash balances with National Bank of Hungary	**0**	0	0					0	**0**
Other demand deposits	**(530)**	0	(839)					**86**	**(1 283)**

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30. IMPAIRMENT OR (-) REVERSAL OF IMPAIRMENT OF INVESTMENTS IN ASSOCIATES

	31.12.2025		31.12.2024	
	Associates	**Exempted associates**	**Associates**	**Exempted associates**
1. Opening balance on 1st January	**(5 279)**	**(5 885)**	**0**	**(6 593)**
2. Charge	0	(1 487)	(5 279)	(2 512)
3. Release and utilization	315	1 202	0	2 394
3.a. Release	*22*	*135*	*0*	*375*
3.b. Utilization	*293*	*1 067*	*0*	*2 019*
4. Foreign exchange difference	0	0	0	0
5. Reclassification	0	(130)	0	826
6. Closing balance on 31st December	**(4 964)**	**(6 300)**	**(5 279)**	**(5 885)**
Net movement	315	(415)	(5 279)	708
Profit or loss impact (2+3a)	**22**	**(1 352)**	**(5 279)**	**(2 137)**

31. TAXATION

Income tax expenses include current taxes and deferred taxes. In both 2025 and 2024 the corporate tax rate was 9%, the local tax rate was 2%, and the innovation contribution rate was 0.3%.

	2025	**2024**
Current tax	1 512	2 352
from this corporate tax	*610*	*1 170*
from this local tax and innovation contribution	*902*	*1 182*
Deferred tax	205	581
Total	**1 717**	**2 933**

The following table represents deferred tax asset and liability movements reported either in the income statement or in the other comprehensive income.

	31.12.2025				**31.12.2024**			
	Recognized in profit or loss	**Recognized in OCI**	**Deferred tax liability**	**Deferred tax asset**	**Recognized in profit or loss**	**Recognized in OCI**	**Deferred tax liability**	**Deferred tax asset**
Tax expense	**1 512**				**2 352**			
Deferred tax by titles								
Property, plant and equipment	(8)		84		8	0	92	0
Provisions	(5)		(44)		(8)	0	(39)	0
Financial instruments	241	(129)	4 427	(219)	568	(48)	4 269	(173)
Tax loss carry forward	(23)		(80)		13	**0**	(57)	0
Total	**205**	**(129)**	**4 387**	**(219)**	**581**	**(48)**	**4 265**	**(173)**
Total tax expense in the Income statements	**1 717**				**2 933**			

Financial instruments represent the combined effect of differences between Hungarian and International accounting (e.g. initial transaction costs, different impairment and provisioning rules).

The following table represents deferred tax asset and liability movements during the year.

31.12.2025		Opening		Incerases		Decreases		Closing	
Type of deferred tax	**Asset/Liability**	**base**	**tax**	**base**	**tax**	**base**	**tax**	**base**	**tax**
Property, plant and equipment	Liability	1 026	92	0	0	96	8	930	84
Provision	Asset	(444)	(39)	(49)	(5)	0	0	(493)	(44)
Financial instruments	Asset	(1 932)	(173)	(556)	(50)	(44)	(4)	(2 444)	(219)
Financial instruments	Liability	47 240	4 268	3 611	325	1 844	166	49 007	4 427
Tax loss carry forward	Asset	(628)	(56)	(257)	(24)	0	0	(885)	(80)
Total		**45 262**	**4 092**	**2 749**	**246**	**1 896**	**170**	**46 115**	**4 168**
of which related to corporate income tax			*4 082*		*246*		*162*		*4 166*

31.12.2024		Opening		Incerases		Decreases		Closing	
Type of deferred tax	**Asset/Liability**	**base**	**tax**	**base**	**tax**	**base**	**tax**	**base**	**tax**
Property, plant and equipment	Liability	938	84	88	8	0	0	1 026	92
Provision	Asset	(356)	(31)	(88)	(8)	0	0	(444)	(39)
Financial instruments	Asset	(2 105)	(189)	173	16	0	0	(1 932)	(173)
Financial instruments	Liability	41 635	3 764	6 019	541	414	37	47 240	4 268
Tax loss carry forward	Asset	(773)	(69)	0		(145)	(13)	(628)	(56)
Total		**39 339**	**3 559**	**6 192**	**557**	**269**	**24**	**45 262**	**4 092**
of which related to corporate income tax			*(3 541)*		*557*		*16*		*4 082*

The following table reconciles income taxes as reported in the income statement.

Reconciliation of effective tax rate	**2025**		**2024**	
	Tax rate	**Amount**	**Tax rate**	**Amount**
Profit before income taxes		**(1 766)**		**46 519**
Corporate tax	**9.00%**	**(159)**	**9.00%**	**4 187**
Local tax and innovation contribution impact	(51.08%)	902	2.54%	1 182
Corporate tax impact of subsidiaries negative result	(18.64%)	329	0.56%	259
Tax loss carry forward	(71.80%)	1 268	0.28%	129
Subsidiary and equity consolidation impact	40.09%	(708)	(5.84%)	(2 715)
Effect of other tax base modifying items	(4.81%)	85	(0.23%)	(109)
Effective tax	**(97.24%)**	**1 717**	**6.30%**	**2 933**

No deferred tax liability was recorded on profits generated by the consolidation of subsidiaries and associates, since the Bank can influence the timing of the use of these temporary differences through its control or significant influence and it is probable that the resulting temporary differences will not be revised in the foreseeable future. If a loss has been incurred, no deferred tax asset has been recorded either, as it is not probable that sufficient taxable profits will be available against which the resulting deductible temporary difference may be used. The "other" line of tax reconciliation mostly includes the net effect of these items.

The accumulated amount of tax losses carries forward in 2025 was HUF 77 062 million (2024: HUF 63 528 million). The tax losses originated until 2014 (HUF 51 357 million) can be utilized without limitation. Those which are originated from 2015 can be carried forward in the next 5 years after origination (2025: 10 833 million, 2027: 395 million, 2028: 5 600 million, 2029: 2 151 million, 2030: 6 726 million).

The future realization of the tax loss carries forward is uncertain and therefore a deferred tax asset is only recognized in an amount that compensates 50% of the deferred tax liability since according to the Hungarian tax legislation in force the losses that can be utilized on annual basis shall not be more than the 50% of the positive tax base. The amount of the not recognized deferred tax asset on tax loss carry forward on 31st December 2025 is HUF 6 936 million (2024: HUF 5 717 million).

32. RELATED PARTIES

The Bank is owned by the Hungarian State. The Bank identifies associates as related parties that are part of the MFB Group. The related parties also include members of the Executive board and the Board of Supervisors as well as companies over which these persons have control or significant influence. Transactions between the Bank and its consolidated companies are eliminated from the consolidated accounts. Related party transactions are carried out under normal market conditions.

The Group using the option provided in IAS 24.25 and does not disclose its transactions with other state-owned companies and disclose only the most significant transactions with the Hungarian State such as state securities taxes and reimbursements.

The definitions of the headings used in the table below are as follows.

State: The ultimate controlling party. The State column in the below table includes the major items due to or from the various state bodies. The rows of securities include government securities issued by the Central Government Debt Management Agency (ÁKK). Tax payable or refundable to the National Tax and Customs Administration (NAV) is included in the tax receivables/liabilities lines. Other assets/liabilities include reimbursement from the Managing Authorities and advances received. Receivables from the State due to currency-hedging agreement include the claim on the Ministry of Finance. The income statement lines include the effects of the above items such as interest income, tax payments, or reimbursement income.

Associates: Any company where the Bank has significant influence but has no control over financial and operational policies.

	31.12.2025		**31.12.2024 Restated**	
	Associates	**State**	**Associates**	**State**
ASSETS				
Financial assets held for trading – Derivatives (special derivatives)	**0**	**28 019**	**0**	**0**
Non-trading financial assets mandatorily at fair value through profit or loss	**765**	**0**	**1 463**	**0**
Loans to customers	*765*	*0*	*1 463*	*0*
Financial assets at fair value through other comprehensive income	**0**	**12 892**	**0**	**17 769**
Debt securities	0	12 892	*0*	*17 769*
Financial assets at amortized cost	**15 261**	**20 455**	**17 545**	**31 227**
Debt securities	*0*	*19 248*	*0*	*30 411*
Loans to customers	*15 261*	*0*	*17 545*	*0*
Other financial receivables	*0*	*1 207*	*0*	*816*
Investments in associates	**722 465**		**460 663**	
Tax assets		**760**		**333**
Current tax assets		*760*		*333*
Other assets	**0**	**15 721**	**31**	**12 261**
Receivables from the state due to currency-hedging agreement*		**166 680**		**201 241**

**: from the presented amount HUF 23 613 million profit (2024: HUF 26 589 million loss) was presented in the income statements' line "Exchange differences [gain or (-) loss], net".*

The presented data includes the impairment and provision created in accordance with the provision of IFRS 9, the presentation is on a net basis, therefore the amounts presented in the 2024 columns were also adjusted.

	31.12.2025		31.12.2024	
	Associates	**State**	**Associates**	**State**
LIABILITIES				
Financial liabilities held for trading – Derivatives (special derivatives)	**0**	**21 777**	**0**	**0**
Financial liabilities measured at amortized cost	**7**	**0**	**1 582**	**223**
Deposits	*7*	*0*	*1 465*	*0*
Other financial liabilities	*0*	*0*	*117*	*223*
Tax liabilities		**115**		**400**
Current tax liabilities		*115*		*400*
Other liabilities	**50 775**	**15 777**	**7**	**12 023**
Guarantees and loan commitments	**214 250**	**0**	**209 626**	**0**

	2025		2024	
	Associates	**State**	**Associates**	**State**
INCOME STATEMENTS				
Interest income	2 514	1 659	2 613	3 596
Interest expense	(20)		(70)	
Dividend income	0		0	
Fee and commission income	12		15	
Fee and commission expense	0	(4)	(1)	
Gains or (-) losses on financial assets and liabilities held for trading, net – (special derivatives)	0	6 241	0	0
Other operating income	653	8 165	994	8 954
Other operating expense	0	(9 555)	(2)	(8 017)
General and administrative expenses	0	0	(326)	0
Contract modification loss, net	(17)	0		
Impairment (-) or reversal of impairment of financial instruments	4 005	0	(1 668)	0
Impairment or (-) reversal of impairment of investments in exempted associates	(1 330)	0	(7 416)	0
Tax expense related to profit or loss		(1 513)		(2 352)

The compensation of key management personnel in 2025 and 2024 was the following:

	2025	**2024**
Members of the Board of Directors	91	23
Members of the Supervisory Board	59	23
CEOs and deputy CEOs	113	208
Total	**263**	**254**

The table above includes the short-term benefits paid to the key management personnel. There was no post-employment benefit, long term benefit or termination benefit paid to the key management personnel and there is no share-based payment programme operated by the Bank. There was also no loan disbursement to the key management personnel.

33. SEGMENT REPORTING

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available. The CODM is the person – or group of persons – who allocates resources and assesses the performance for the entity. The functions of the CODM are performed by the Management Board of the Group.

The Group's segment reporting is based on the following operating segments.

Segments	Activity
Banking:	Loans. deposits and other transactions and balances with customers and banks
Investment:	Activities related to securities and investments
EU fund management:	Activities related to the mediation of EU funds by the Bank
Debt management:	Activities related to purchase, debt management, factoring
Venture capital funding:	Activities related to venture capital funding
Property utilization:	Activities related to management of properties owned by the Group

The Group does not prepare geographical breakdowns because its primary business is carried out in Hungary and has no significant foreign operations.

The results of the segments include the revenue and expenditure directly linked to that segment and the relevant part of the revenue and expenditure which may be assigned to a segment whether from external transactions or from other segments of the Group. Income statement items were broken down based on the principle that if an item is clearly assigned to the segment the total amount was presented there and where it cannot be clearly categorized the net segment's asset-based allocation was followed.

The banking and investment assets are clearly identifiable into the segments based on the Financial position statements lines. Liabilities and equity were separated into allocated and not-allocated parts. Not-allocated part represents the intangibles, property, plant and equipment, receivables from the state due to FX hedge agreement (those parts which were already closed, no unpaid loan contract behind it) and the liquidity reserve set by internal policy (5% of the total assets). The remainder was allocated proportionally to each segment.

2025	Banking	Investment	EU fund management	Debt management	Venture capital funding	Property management	Total
Total segment income and gain							
Interest income	170 635	0	0	13 304	1 782	70	**185 791**
from this interest income calculated using the effective interest method	*126 277*	*0*	*0*	*13 304*	*1 782*	*70*	***141 433***
from this other similar income	*44 358*	*0*	*0*	*0*	*0*	*0*	***44 358***
Fee and commission income	7 742	0	0	0	992	0	**8 734**
from this fund management fee	*0*	*0*	*0*	*0*	*992*	*0*	***992***
from this guarantee fees	*7 410*	*0*	*0*	*0*	*0*	*0*	***7 410***
from this loan servicing fees	*330*	*0*	*0*	*0*	*0*	*0*	***330***
from this other fees and commission	*2*	*0*	*0*	*0*	*0*	*0*	***2***
Dividend income	0	7	0	0	7 223	0	**7 230**
Gains on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	1	(379)	0	221	540	0	**383**
Gains on non-trading financial assets mandatorily at fair value through profit or loss, net	(64)	18 293	0	0	10 032	0	**28 261**
Exchange differences [profit], net	28 389	20 114	0	0	(3 884)	0	**44 619**
Gains on derecognition of non-financial assets, net	2	1	0	7	975	73	**1 058**
Other operating income	470	2 741	8 157	99	1 933	4 686	**18 086**
Total segment income and gain	**207 219**	**40 777**	**8 157**	**13 631**	**19 549**	**4 829**	**294 162**
Interest expenses	(107 973)	1 988)	0	(2 181)	(76 243)	(268)	**(188 653)**
Fee and commission expenses	(1 044)	0	0	0	0	0	**(1 044)**
from this agent fees	*(107)*	*0*	*0*	*0*	*0*	*0*	***(107)***
from this guarantee fees	*(775)*	*0*	*0*	*0*	*0*	*0*	***(775)***
from this bank account commission	*(91)*	*0*	*0*	*0*	*0*	*0*	***(91)***
from this commitmenmt fees	*(37)*	*0*	*0*	*0*	*0*	*0*	***(37)***
from this other fees and commission	*(34)*	*0*	*0*	*0*	*0*	*0*	***(34)***
Losses on financial assets and liabilities held for trading, net	(30 497)	(16 184)	0	0	819	0	**(45 862)**
Losses from hedge accounting, net	(59)	(42)	0	0	0	0	**(101)**
Administrative expenses	(6 115)	(4 467)	(7 604)	(8 964)	(4 456)	(1 565)	**(33 171)**
Depreciation	(522)	(932)	(559)	(378)	(59)	(468)	**(2 918)**
Other operating expenses	(6 027)	(3 796)	(385)	(1 728)	(147)	(230)	**(12 313)**
Segment profit before impairment and provisions	**53 990**	**13 368**	**(391)**	**380**	**(59 545)**	**2 298**	**10 100**

2025	Banking	Investment	EU fund management	Debt management	Venture capital funding	Property management	Total
Impairment (-) or reversal of impairment on financial instruments	(32 317)	(832)	0	8 382	(26)	0	**(24 793)**
Impairment (-) or reversal of impairment of investments in exempted associates	0	1	0	0	(1 331)	0	**(1 330)**
Impairment of non-financial instruments	0	0	0	0	0	0	**0**
Contract modification loss, net	(17)	0	0	0	0	0	**(17)**
Profit or (-) loss from associates	0	16 638	0	0	(2 364)	0	**14 274**
Segment income before tax	**21 656**	**29 175**	**(391)**	**8 762**	**(62 266)**	**2 298**	**(1 766)**
Income tax expense	(13)	(250)	0	(1 170)	(81)	(203)	**(1 717)**
Profit/(loss) for the year	**21 643**	**28 925**	**(391)**	**7 592**	**(63 347)**	**2 095**	**(3 483)**

2025	Banking	Investment	EU fund management	Debt management	Venture capital funding	Property management	Total
Segment revenue							
Interest income	170 635	0	0	13 304	1 782	70	**185 791**
Fee and commission income	7 742	0	0	0	992	0	**8 734**
Dividend income	0	7	0	0	7 223	0	**7 230**
Other operating income	514	2 741	8 157	99	1 889	4 686	**18 086**
Total segment revenue	**178 891**	**2 748**	**8 157**	**13 403**	**11 886**	**4 756**	**219 841**
Timing of revenue							
Point in time	8 256	2 748	8 157	99	10 104	4 686	**34 050**
Over time	170 635	0	0	13 304	1 782	70	**185 791**

31.12.2025	Banking	Investment	Not allocated	Debt management	Venture capital funding	Property management	Total
Segment assets	**2 236 846**	**1 209 245**	**513 209**	**105 693**	**392 585**	**2 150**	**4 459 728**
Participation of segment from total assets	50.16%	27.11%	11.51%	2.37%	8.80%	0.05%	100.00%
Segment liabilities	**1 981 121**	**1 071 000**	**201 845**	**93 610**	**347 703**	**1 904**	**3 697 183**
Participation of segment from total liabilities	53.58%	28.97%	5.46%	2.53%	9.40%	0.05%	100.00%

2024 Restated	Banking	Investment	EU fund management	Debt management	Venture capital funding	Property management	Total
Total segment income and gain							
Interest income	196 483	0	0	12 395	1 853	68	**210 799**
from this interest income calculated using the effective interest method	*129 509*	*0*	*0*	*12 339*	*1 853*	*68*	***143 769***
from this other similar income	*66 974*	*0*	*0*	*56*	*0*	*0*	***67 030***
Fee and commission income	5 029	0	0	0	2 594	0	**7 623**
from this fund management fee	*0*	*0*	*0*	*0*	*1 196*	*0*	***1 196***
from this guarantee fees	*5 937*	*0*	*0*	*0*	*0*	*0*	***5 937***
from this loan servicing fees	*478*	*0*	*0*	*0*	*0*	*0*	***478***
from this other fees and commission	*12*	*0*	*0*	*0*	*0*	*0*	***12***
Dividend income	0	6	0	0	1 248	0	**1 254**
Gains on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	372	0	0	(221)	45	0	**196**
Gains on financial assets and liabilities held for trading, net	18 236	9 711	0	0	0	0	**27 947**
Gains on non-trading financial assets mandatorily at fair value through profit or loss, net	(174)	0	0	0	39 938	0	**39 764**
Other operating income	4 206	1 334	7 728	88	2 348	4 530	**20 234**
Total segment income and gain	**224 152**	**11 051**	**7 728**	**12 262**	**48 026**	**4 598**	**307 817**
Interest expenses	(126 588)	(2 000)	0	(2 200)	(66 747)	(298)	**(197 833)**
Fee and commission expenses	(1 052)	0	0	0	0	0	**(1 052)**
from this agent fees	*(125)*	*0*	*0*	*0*	*0*	*0*	***(125)***
from this guarantee fees	*(774)*	*0*	*0*	*0*	*0*	*0*	***(774)***
from this bank account commission	*(104)*	*0*	*0*	*0*	*0*	*0*	***(104)***
from this commitmenmt fees	*(47)*	*0*	*0*	*0*	*0*	*0*	***(47)***
from this other fees and commission	*(2)*	*0*	*0*	*0*	*0*	*0*	***(2)***
Losses from hedge accounting, net	(1 747)	(930)	0	0	0	0	**(2 677)**
Exchange differences [loss], net	(15 506)	(8 257)	0	0	3 857	0	**(19 906)**
Losses on derecognition of non-financial assets, net	(3)	(1)	0	0	(739)	6	**(737)**
Contract modification loss, net	(271)	0	0	0	0	0	**(271)**
Other operating expenses	(9 507)	(3 271)	(427)	(2 163)	(166)	(206)	**(15 740)**
Administrative expenses	(5 458)	(3 132)	(7 152)	(7 585)	(5 074)	(1 558)	**(29 959)**
Depreciation	(558)	(814)	(576)	(322)	(89)	(205)	**(2 564)**
Segment profit before impairment and provisions	**63 462**	**(7 354)**	**(427)**	**(8)**	**(20 932)**	**2 337**	**37 078**

2024 Restated	Banking	Investment	EU fund management	Debt management	Venture capital funding	Property management	Total
Impairment (-) or reversal of impairment on financial instruments	(24 143)	18	0	17 075	(2 135)	0	**(9 185)**
Impairment (-) or reversal of impairment of investments in exempted associates	0	2 616	0	0	(10 032)	0	**(7 416)**
Impairment of non-financial instruments	0	0	0	0	0	0	**0**
Profit or (-) loss from associates	0	14 693	0	(136)	11 879	0	**26 436**
Segment income before tax	**39 319**	**9 973**	**(427)**	**16 931**	**(21 220)**	**2 337**	**46 913**
Income tax expense	(256)	(704)	0	(1 560)	(241)	(172)	**(2 933)**
Profit/(loss) for the year	**39 063**	**9 269**	**(427)**	**15 371**	**(21 461)**	**2 165**	**43 980**

2024	Banking	Investment	EU fund management	Debt management	Venture capital funding	Property management	Total
Segment revenue							
Interest income	196 483	0	0	12 395	1 853	68	**210 799**
Fee and commission income	5 029	0	0	0	2 594	0	**7 623**
Dividend income	0	6	0	0	1 248	0	**1 254**
Other operating income	4 206	1 334	7 728	88	2 348	4 530	**20 234**
Total segment revenue	**205 718**	**1 340**	**7 728**	**12 483**	**8 043**	**4 598**	**239 910**
Timing of revenue							
Point in time	9 235	1 340	7 728	88	6 190	4 530	**29 111**
Over time	196 483	0	0	12 395	1 853	68	**210 799**

31.12.2024 Restated	Banking	Investment	Not allocated	Debt management	Venture capital funding	Property management	Total
Segment assets	**2 152 611**	**1 108 030**	**309 833**	**93 319**	**177 562**	**1 922**	**3 843 277**
Participation of segment from total assets	56.01%	28.83%	8.06%	2.43%	4.62%	0.05%	**100.00%**
Segment liabilities	**1 856 751**	**955 739**	**31 634**	**80 493**	**148 239**	**1 658**	**3 074 514**
Participation of segment from total liabilities	60.39%	31.09%	1.03%	2.62%	4.82%	0.05%	**100.00%**

34. FINANCIAL RISK MANAGEMENT

The Group's internal governance is consistent with its market weight and prominent business role, as well as its approved business model, and it incorporates the relevant risk principles, organizational structure, decision-making structures (including boards and committees), risk management rules, models and methodologies. The Group operates reporting lines that enable the monitoring of risk performance.

The Group strives to balance business and risk management aspects pursuant to MFB Act.

The Group is continually developing its comprehensive risk culture that, in line with the Group's risk appetite, ensures compliance with international standards and best practices, as well as applicable domestic regulatory conditions and recommendations, and the identification, measurement and management of risks related to banking operations.

The Group has an approved credit risk policy in line with the Bank's strategic objectives, comprehensive risk management policies and other policies covering different segments of risks (operational risk, market risk, etc.).

Defining risk management principles includes defining risk appetite, risk management strategy and risk management policy, setting risk limits, defining and documenting risk management system processes, procedures, tasks, decision and control powers, identifying risks in a continuous, timely manner, development of procedures and methods for measuring risks, measuring, assessing and monitoring risks, preparing reports on risk management activities, and establishing procedures to be followed in the event of exceeding established risk limits.

The Bank has a strategy and processes to determine and maintain the capital adequacy of the size and composition necessary to cover its current and future risks. It is the Government's legal obligation to ensure the long-term and stable functioning of the Bank, and it also monitors in detail the Bank's risk-taking activities, the expediency and profitability of management. The Bank quantifies all risks arising and presents them to its management bodies, despite the fact that, based on Section 8 (2) of the MFB Act, the Bank was exempted from the internal assessment of capital adequacy required by Section 97 of Hpt. procedure and the excess capital requirement from formation and maintenance.

Group's risk management framework is based on a coherent, integrated approach:

- Due to its core business, the Group consciously assumes risks (lending, investment transactions) and manages the risks associated with core business.
- A well-structured regulatory hierarchy provides the framework for risk management and control.
- As part of its risk management activities, the Group identifies, measures and manages relevant risks that are critical to its operations, considering the overall risk profile.
- Methodological knowledge extends to the volatility of risks in stress situations, i.e., the size of a capital buffer needed to keep risk plan values safe.
- Key risk indicators to monitor each type of risk (limits, processes, measures) are used to return the value of the indicators to the expected zone.
- The Group operates a management information system as part of its reporting lines to support efficient risk decision-making while an external reporting service operates for supervisory purposes.

The primary tools for developing a risk and risk management culture are the regular review and updating of risk and risk management policies and internal regulatory documents, the continuous communication of the defined value system and the regular training of employees in line with their roles and responsibilities in risk-taking, risk management and risk control. This way an informed risk culture is embedded in the day-to-day operations of the Group.

The Group-wide risk principles and strategies are approved by the Bank's Board of Directors. The Board of Directors performing the management tasks regularly receives reports prepared by the Risk Management Division on the composition and development of the Group's portfolio. On this basis the implementation of the risk strategy can be evaluated.

The risk management governance model defines the responsibilities and duties of different bodies and individuals within each organization, with the aim of ensuring the sound and efficient management of activities and the management of different types of risk.

The Group's decision-making processes define, in a consistent manner, the responsibilities and powers of decision-making, consistent with the complexity of its decision-making areas and its financial impact.

The key decision-making bodies and decision-makers for the Bank are listed in the Decision-making Agenda, and their powers, organization and procedures are defined in the Articles of Association, the Rules of Procedure of the Board of Directors and the Decision-making Agenda.

Decision - making Bodies

- Owner of property rights,
- Board of Directors
- Executive Board,
- Assets-Liabilities Management Committee,
- Individual Loans Committee,
- Problem Loans Committee,
- EU Steering Committee,
- Irregularities Management Committee,
- Development Steering Committee.
- Sustainable Finance Committee,
- Monitoring Committee.

Bodies with specific powers defined in the Bank's regulatory documents are also considered as Decision-making Bodies (e.g., Crisis Committee).

The powers and responsibilities of each committee are contained in the Bank's Articles of Association, the Rules of Procedure of the Board of Directors and the Decision-Making Rules of Procedure.

The determination of decision levels depends on the size of the commitment, the score and the level of coverage.

Risk Management Division and Strategic Risk Management Directorate

The Risk Management Division is completely separated from the Business Areas organizationally. The Head of the Division is a member of the Executive Board and reports directly to the CEO.

The Group exercises the Group's risk control function through a dedicated organizational unit, the Strategic Risk Management Directorate, which is independent of the business areas and the operational risk management area. In view of the aspects of proportionality, it is not justified to operate the risk control area as an independent division, therefore, assessing the advantages and disadvantages, the Bank operates the Strategic Risk Management Directorate within the framework of the Risk Management Division. The organizational unit performing the risk control function is responsible for defining the Group's risk management framework, enforcing external and internal limits and controls, and monitoring the implementation of the above within the Group and through intermediaries. In line with this, the Division is responsible for the risk oversight of the Strategic Group and the operating of Group-level risk management.

Departments of the Risk Management Division:

- ***Operative Credit Risk Management Directorate***
  The activities of the Operative Credit Risk Management Directorate include the identification and reduction of risks and the setting of risk limits in the preparation of credit and investment decisions. It is the responsibility of the Operative Credit Risk Management Directorate to monitor the risk assumptions at the time of contracting and disbursement and after the risk assumption. The Bank monitors the contractual obligations of its customers.
  - *Risk Analysis Department*
    The responsibilities of the Risk Analysis Department include the performance of risk analysis and risk control tasks for loans, investment transactions, fund managers and funds, the review and approval of customer ratings/limits, financial and sector analyses, checking the fulfillment of contract and disbursement conditions, making recommendations for impairment and provisioning.
  - *Monitoring Department*
    Monitoring the exposures of clients in the portfolio owned by the Bank, developing and implementing approved action plans for clients with abnormal status.

- ***Strategic Risk Management Directorate***
  The Strategic Risk Management Directorate is responsible for the development and regulation of risk identification and measurement methodologies, the transparent presentation and application of risks, and the overall determination of risk losses.
  - *Risk Control Department*
    Coordinates the risk management activities of the strategic group members within the scope of their Bank-related responsibilities, acts as system administrator for risk management systems, manages market risks, represents risk control aspects in Bank and Group-level projects.

- ***Special Credit Risk Management Directorate***
  During its restructuring, pre-recovery and preparatory activities, the Special Credit Risk Management Directorate is responsible for the pre-work out activities within the Bank, i.e., the design and management of risk mitigation and reimbursement processes and the determination of risk losses (impairment, provisions).

- ***Financial Instruments Control Directorate***
  The Financial Instruments Control Directorate carries out on-the-spot checks on loans refinanced from its own resources or outsourced to ensure compliance with credit targets.
  - *On-site Audit Department*

Carries out the audits set out in the audit plan, conducts extraordinary and follow-up audits as necessary, on which it prepares an audit report, and monitors the implementation of the actions required in the audit report.

- *Quality Assurance Methodology Department*
  Development and implementation of mid-term audit strategy and annual audit plan, preparation of internal auditing policies and methodology, and follow-up of audit findings.

- ***EU Compliance and Data Reporting Directorate***
  During its activities, it coordinates the investigations initiated by external inspection bodies in connection with resource management activities. In addition, it performs tasks related to the closure of EU financial instruments and performs reporting and data reporting activities.
  - *Irregularity Management Department*
    It performs tasks related to the unauthorized use of resources in the EU programming periods, regarding identification of responsibilities, registration, and reporting. Participates in the investigation of irregularities and unauthorized use of resources.

The most significant risks arising from financial instruments to which the Group is exposed are credit risk, liquidity risk, market risk (currency exchange rate risk and banking book interest rate risks), climate change-related and environmental risk, operational risk. Risk management policies are set by the Board of Directors of the Bank in accordance with the rules and regulations set by the National Bank of Hungary. The application of and compliance to these policies is supervised by the Board. The Group has established reporting systems for continuous monitoring of these risks.

A. CREDIT RISK

a) Credit risk management

Credit risk is the risk of financial loss to the Group that arises from the client failing to meet its contractual obligations. Credit risk arises principally from the Group's lending and investment activities, including the acquisition of investment certificates.

The Group prepares and applies internal policies approved by its management bodies to achieve its strategy. These policies are intended to ensure the established and transparent risk exposure the control of assessment and decrease of risks. The risk-taking regulations and policies developed for the safe management and prudent operation of the Group are based on international and domestic professional practice, relevant legislation and supervisory recommendations and guidelines,

Customer rating

Pursuant to the MNB regulation setting out the prudential requirements for customer rating, the Group operates a customer and counterparty rating system proportionate to the nature, magnitude and complexity of the risks inherent in its activities and the business model used to underpin its risk-taking decisions, and to manage, measure, monitor and control risks.
By providing a uniform basis, this helps:

a) to establish the solvency and creditworthiness of the customer or counterparty before taking on risk;
b) to estimate changes in the solvency and creditworthiness of the customer or counterparty and for determining their future solvency;
c) to determine the likelihood of default by the customer or counterparty and quantify the likelihood of default;
d) to categorise customers and counterparties into categories reflecting the same risks and probabilities of default, and for segregating defaulting customers and counterparties.

Customer and partner ratings must be performed during the decision-making process for all customers against whom the Group intends to take risks. Beyond that the Group rates its clients at least once per year and performs extra reviews when appropriate.

The customer rating procedures applied by the Group are as follows:

- customer qualification of new companies and project companies;
- customer rating of operating companies;
- classification based on consolidated financial statements;
- customer rating of local government;
- simplified customer rating based on quantitative and qualitative criteria;
- Rating of venture capital funds and private equity funds;
- country and customer (national and international financial institutions. insurance companies) rating.

Customers are classified into customer rating categories based on objective and qualitative factors. The so-called slotting method is used for customer ratings of new companies and project companies, in accordance with the Basel recommendation. The customer rating of operating companies and customers subject to rating based on consolidated financial statements is based either on an expert or a PD-based rating model. This rating may be modified by a maximum of one category in each direction by qualitative evaluation. The qualitative assessment includes an assessment of the ESG risks of the client. A simplified rating is prepared using an expert model for the rating of customers of exposures below HUF 50 million. Simplified rating procedures are also largely based on objective indicators. The rating of local governments and

budgetary institutions is based on the analysis of defined quantitative indicators and qualitative indicators. An expert model is used to rate venture capital funds and private equity funds.

The applied ratings for the Bank are the following:

Rating category	PD average (corporate)	Credit quality
1	0.904%	outstanding
2	1.969%	strong
3	3.197%	good
4	5.251%	average
5	8.439%	acceptable
6	11.754%	weak
7	16.409%	insolvent
8	100.000%	default

The default category includes a retail or corporate customer who has a non-performing exposure, i.e., who is more than 90 days per due on their significant payment obligations against whom a legally binding bankruptcy, liquidation, debt settlement, forced liquidation procedure or other procedure aimed at the termination of his activity, or a reorganization or restructuring procedure is in progress, or who is likely not to fulfil his payment obligations in full.

In determining the default category, the Group considers compliance with Article 178 of the CRR and the relevant MNB regulations. For the application of the criterion in Article 178 (1) (a) of CRR, we apply the Special and Workout monitoring statuses applied by the Group, which indicate a non-performing category.

Evaluation of collateral

The main types of collaterals accepted by the Group are as follows:

- surety (surety of State (central budget), surety of guarantee institutions);
- guarantee;
- deposit (cash, security);
- mortgage or pledges on property, plant and equipment;
- pledge on rights, receivables, purchase price claims and equity interests.

The market value of the collateral is adjusted by the coverage ratio. This ratio expresses the probable amount of recovery from the collateral and this adjusted collateral value is applied in the collateral registry and is considered in the impairment calculation.

The Group performs quarterly monitoring and – if appropriate – the remeasurement of collaterals. When remeasurement occurred, the collateral registry is adjusted. The value of the collateral is determined on the basis of valuations carried out by external independent valuers, which, depending on the type of collateral (e.g. real estate collateral), are reviewed in detail by a technical consultant (a member of staff or, in the absence of a member of staff, a person/organisation acting as a technical expert).

Customer and Customer group limits, sector limits

The customer limit is defined as the amount of the highest risk against one customer that can be undertaken. The maximum limit for a customer or customer group is the Bank's large exposures limit. Pursuant to Section 8 (1c) of the MFB Act, the large exposures limit does not apply to companies in the direct majority ownership of MFB as well as to business companies where MFB Zrt excercises ownership rights.

The determination of customer and customer group limits depends on, among other things, the result of customer and partner ratings, the amount of equity or net income according to the closed financial statements of companies and the amount of interest-bearing liabilities. The sectoral limit depends on the financial situation of the sector.

Pursuant to Section 8(1b) of MFB Act, notwithstanding Article 4(1)(39) of Regulation (EU) No 575/2013, MFB Zrt. does not consider as a client group those clients where the relationship is based on a) their owners holding shares in the form of investment units; indirect or direct owners of investment units issued by an investment fund; the fund manager managing an investment fund; their cross-relationships; the investment fund holding shares in them; the investment units owned by them; or b) the loan provided by MFB Zrt. for the purpose of subscribing or purchasing the investment units of the investment fund; and the guarantee or joint and several suretyship provided by MFB Zrt. as collateral for any loan provided for subscribing or purchasing the investment units of the investment fund; or c) they would constitute a single risk factor with regard to the right or obligation related to the assets in the investment fund's portfolio.

The Bank classifies the sectors into eight risk groups by their financial position and determines limits for these groups. The sector group limits are the maximum of risk undertaken against clients classified into a given risk group.

Staging Criteria

Assets where there has been no significant credit risk increase since the initial recognition or are classified as low credit risk assets are classified in the performing credit risk category – Stage 1 – by the Bank.

Those transactions where significant credit risk increases have occurred since the initial recognition are classified into the increased credit risk category – Stage 2 – as far as the criteria for significant credit risk increase are met.

The Bank considers the following cases to be a significant increase in credit risk:

- significant deterioration in customer ratings or falling into category 7, insolvent;
- delays in the amount of the Bank’s or any of its Subsidiaries’ claims against the Customer for more than 30 days, exceeding the absolute or relative thresholds specified for retail and corporate clients;
- delays in payments the Bank’s or any of its Subsidiaries’ receivables from the Customer that exceed 90 days and do not reach the significant credit obligation threshold and
- change in other monitoring information;
- restructuring, if the transaction was performing at the time of the restructuring.

Information to be considered include theBank’s information about the customer transactions that are observable in the course of the business, but not accessible from a system, however, indicate an increase in credit risk.

Impaired credit risk category – Stage 3 - is used for all transaction for which there is objective evidence of the default. These are the following:

- transactions above the significant credit obligation threshold that are more than 90 days overdue,
- transactions with status “special” or “workout” in the "early warning indicator" system,
- transactions for which coercive measures have been taken against the customer (e.g. liquidation, bankruptcy, etc.) and terminated transactions
- the customer has committed fraud in connection with the contract, has seriously breached any of its contractual obligations to the Bank or a third party, a contractual security has been called, the customer has been liquidated.

Credit impaired loans (purchased or incurred) are categorized as POCI and will remain in this category until their maturity or derecognition.

In the Stage 1 category, the Bank quantifies the 12-month expected credit loss, while in Stage 2 and Stage 3 it calculates at lifetime expected credit loss. Credit losses on financial assets equal to the present value of the difference between the contractual cash flows and the cash flows expected by the Bank.

The 12-month expected credit losses are part of the lifetime expected credit losses and indicate the lack of those lifetime cash flow that may occur due to the default of the counterparty within 12 months after the reporting date or if the expected life of the financial instrument is less than 12 months then a shorter period weighted with the probability of default (PD).

Expected credit losses are the probability-weighted estimates of credit losses incurred during the expected life of the financial instrument (i.e., the present value of all cash flow deficits). The estimation of expected credit losses always reflects the potential for credit loss to occur or does not occur, even if the most likely result is that no credit loss occurs. The individually assessed estimate of expected credit losses shall reflect an unbiased and probability-weighted amount determined by evaluating a minimum of three (if it is not possible, at least of two) possible outcomes.

When determining the probability of default, the Bank classifies credit institutions with external credit ratings and those credit institutions and financial undertakings that do not have external credit ratings, individual corporate loans, agricultural loans, loans through agents, municipalities and parties into different valuation groups based on partner and customer types. When segmenting the portfolio, the Bank considers the credit risk categories by product type and sector code to determine the value of probability of default (PD), the loss given default (LGD) and the credit conversion factor (CCF), considering also the transactions covered by the State guarantee. During the corporate PD modelling, we modelled the probability of default using the commonly accepted logistic regression method. We identified 7 explanatory variables.

We base the LGD estimate on at least 7 years of historical experience of loss characteristics. The estimates are based on internal data. LGD is calculated using transaction-level data. Only direct costs are taken into account in the LGD calculation. Considering that recoveries and various costs occur with a time lag during the period from the default event to the completion of the collection process, it is necessary to determine discount rates that allow the present value of these cash flows to be calculated at a common point in time. In the case of receivables sold to a member of the MFB Group included in the full consolidation scope, the purchase price received from the buyer of the receivables is filtered out from the recoveries from a consolidated perspective. Within the framework of collateral LGD modeling, the expected recovery from the enforcement of collateral and the exposure remaining unsecured at the time of default are determined based on the collateral coverage level characteristic of each transaction.

For the purposes of determining PD, the Bank treats an exposure as defaulted if one or more of the following conditions are met:

- the debtor has been overdue for more than 90 days exceeding the significant credit obligation threshold for any payment obligation to the Bank or any of its subsidiaries;
- bankruptcy, liquidation, forced liquidation, debt settlement or other proceedings aimed at terminating the debtor's activities, or reorganization or restructuring proceedings are in progress against the debtor, the Group or any other bank granted a payment concession to the debtor in the light of its financial difficulties that it would not otherwise have made and the debtor was in default at the time of the restructuring;
- the Bank terminated the loan agreement due to the debtor's breach of contract;
- the exposure was purchased by the Bank at a significant discount (at least 20%);
- the full fulfilment of the debtor's payment obligation is unlikely due to the following:
  - the Bank refused to restructure the transaction;
  - the debtor's income has fallen significantly or is below the level required to fulfil his obligations under the contract;
  - the debtor has liquidity problems;
  - the debtor has committed a serious breach of contract against the Bank or another bank;
  - the debtor has committed fraud in connection with the contract;
  - the debtor's claim was sold at a significant discount.

In determining the credit conversion factor (CCF) used to determine the expected loss on off-balance sheet liabilities (guarantees, guarantee frames, unused credit lines), the Bank classifies liabilities into four categories (1. Credit lines/guarantee frames; 2. Non-financial not draw downed guarantees; 3. Financial not draw downed guarantees; 4. Draw downed guarantees).

In 2025, the Bank began building a loss database, which resulted in the renewal of its LGD model. The Bank models direct LGD values: it aggregates recoveries following default events and compares them with the total exposure at the time of default (applying discounting).

During the year, the Bank updated its sovereign PD model, which is based on international credit rating agency’s data. The CCF model complies with the CRR3 regulatory requirements.

Bank does not have a complex statistical EAD model, but uses a simplified procedure adapted to the size of the databases.

During 2025, the Bank reassessed its PIT PD-type, IFRS 9 compliant rating model used for customer rating and impairment calculation and found its model performance to be adequate. In the last quarter, the Bank reviewed its macroeconomic forward-looking models (FLI). With regard to the LGD FLI model, it applies a more prudent value of 1, while with regard to the PD FLI model, it has implemented segmentation in line with the Bank's portfolio.

Incorporation of forward-looking information

The IFRS 9 standard generally expects the calculation of expected credit losses to take into account projections of future economic conditions.

Forward-looking information for customers subject to collective impairment is included by the in the Bank's impairment through the LGD and corporate customer PD values assigned to them. These risk parameters are obtained by multiplying the values provided by the LGD and corporate PD model by the macro-correction factor resulting from the macro model.

The Bank applies a forward-looking information correction factor for the "corporate, agricultural and collective" LGD segment, including corporate bonds. The Bank has conservatively decided to apply a multiplier of 1.

For PD parameters, based on historical data, we identified those macroeconomic variables that are relevant to the default rate and thus the PD. These are: the ESA balance (accrual-based budget balance according to the European Union methodology) as a percentage of GDP, gross fixed capital formation, its lagged component and the lagged value of the Bank's default rate. As required, we defined three scenarios based on the estimated future trajectories of these variables: a baseline trajectory, an optimistic trajectory, and a pessimistic trajectory. The model assigns a correction factor to each scenario, and the resulting macro-correction factor is the weighted average of the factors assigned to the three scenarios, using the trajectories and the weighting prescribed by the National Bank of Hungary.

The Bank examines the sensitivity of impairment to changes in scenarios during stress testing. According to the testing on the macro-correction factor relevant credit sub portfolio in case of the pessimistic scenario HUF 1.54 billion additional impairment would be required while in case of the optimistic scenario HUF 2.51 billion impairment would be released compared to the amount settled. The following table contains the details:

Impairment & Provisions stressed values table	EAD subject to FLI	Actual I&P	Optimisic I&P	Pessimistic I&P
Stage 1	1 099 184	12 556	838	513
Stage 2	351 502	25 090	1675	1 024
Total	**1 450 685**	**37 646**	**2 513**	**1 537**

Forborne loans

Except in cases where special rules relating to the payment moratorium are applied, the Group classifies the debt is classified as restructured, if due to the deterioration of the client's or partner's financial problems or creditworthiness, the risk-taking contract had to be amended by granting a discount to avoid non-payment. The reclassification of a restructured claim to a non-restructured claim is subject to the European Banking Authority's Guide on prudential requirements for defaulted exposure and restructuring.

b) Exposure to credit risk

Gross book value of customer loans and loans to banks at amortized cost broken down into customer rating categories described under the risk management principles are as follows.

		31.12.2025				
	Rating categories	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
General governments	1 - 2	37 685	0	0	0	37 685
	3 - 6	0	9 778	0	0	9 778
	7 - 8	0	0	0	0	0
Total general governments		**37 685**	**9 778**	**0**	**0**	**47 463**
Other financial corporations	1 – 2	50 390	80 780	0	0	131 170
	3 - 6	145 290	91 430	0	0	236 720
	7 – 8	0	0	6 030	525	6 555
Total other financial corporations		**195 680**	**172 210**	**6 030**	**525**	**374 445**
Non-financial corporations	1 – 2	131 468	197 122	0	0	328 590
	3 – 6	299 870	273 414	0	0	573 284
	7 – 8	0	4 282	39 371	13 617	57 270
Total non-financial corporations		**431 338**	**474 818**	**39 371**	**13 617**	**959 144**
Households*	1 - 2	202	0	0	0	202
	3 - 6	78 438	9 324	0	0	87 762
	7 – 8	0	330	104	84 103	84 537
Total households		**78 640**	**9 654**	**104**	**84 103**	**172 501**
Total customer loans		**743 343**	**666 460**	**45 505**	**98 245**	**1 553 553**
Impairment		(6 948)	(48 728)	(37 171)	(5 402)	**(98 249)**
Maximum credit exposure		**736 395**	**617 732**	**8 334**	**92 843**	**1 455 304**

**: In case of family agricultural loans managed by intermediaries the Bank applies simplified staging rules which basically based on days past due and differ from the rules applicable to transactions directly managed by the Bank. The main reasons of this are the nature of this sub-portfolio and the limited information available for the intermediaries.*

		31.12.2025				
	Rating categories	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Banks	1 - 2	175 040	0	0	0	175 040
Total loans to banks		**175 040**	**0**	**0**	**0**	**175 040**
Impairment		(8)	0	0	0	(8)
Maximum credit exposure		**175 032**	**0**	**0**	**0**	**175 032**
Deposits at central and other banks	1 - 2	22 749	0	0	0	22 749
Total deposits at central and other banks		**22 749**	**0**	**0**	**0**	**22 749**
Impairment		(1)	0	0	0	(1)
Maximum credit exposure		**22 748**	**0**	**0**	**0**	**22 748**

		31.12.2024				
	Rating categories	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
General governments	1 - 2	43 443	0	0	0	43 443
	3 - 6	11 862	0	0	0	11 862
	7 - 8	0	0	0	0	0
Total general governments		**55 305**	**0**	**0**	**0**	**55 305**
Other financial corporations	1 – 2	59 111	3 329	0	0	62 440
	3 - 6	126 647	149 487	0	0	276 134
	7 – 8	0	0	20 254	0	20 254
Total other financial corporations		**185 758**	**152 816**	**20 254**	**0**	**358 828**
Non-financial corporations	1 – 2	74 933	3 339	112	0	78 384
	3 – 6	438 730	420 356	0	0	859 086
	7 – 8	0	4 188	31 343	11 298	46 829
Total non-financial corporations		**513 663**	**427 883**	**31 455**	**11 298**	**984 299**
Households*	1 - 2	176	0	0	0	176
	3 - 6	79 435	6 174	96	0	85 705
	7 – 8	0	8 226	129	76 967	85 322
Total households		**79 611**	**14 400**	**225**	**76 967**	**171 203**
Total customer loans		**834 337**	**595 099**	**51 934**	**88 265**	**1 569 635**
Impairment		**(3 406)**	**(49 624)**	**(41 107)**	**(2 779)**	**(96 916)**
Maximum credit exposure		**830 931**	**545 475**	**10 827**	**85 486**	**1 472 719**

**: In case of family agricultural loans managed by intermediaries the Bank applies simplified staging rules which basically based on days past due and differ from the rules applicable to transactions directly managed by the Bank. The main reasons of this are the nature of this sub-portfolio and the limited information available for the intermediaries.*

		31.12.2024				
	Rating categories	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Banks	1 - 2	183 637	0	0	0	183 637
Total loans to banks		**183 637**	**0**	**0**	**0**	**183 637**
Impairment		(8)	0	0	0	(8)
Maximum credit exposure		**183 629**	**0**	**0**	**0**	**183 629**
Deposits at central and other banks	1 - 2	26 589	0	0	0	26 589
Total deposits at central and other banks		**26 589**	**0**	**0**	**0**	**20 659**
Impairment		(1)	0	0	0	(1)
Maximum credit exposure		**26 588**	**0**	**0**		**26 588**

Undrawn loan commitments and guarantees broken down into customer rating categories described under the risk management principles are as follows.

		31.12.2025				
	Rating categories	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Loan commitments	1 - 2	13 034	0			13 034
	3 - 6	388 044	33 342			421 386
	7 - 8	0	0	377		377
Total loan commitments		**401 078**	**33 342**	**377**		**434 797**
Capital commitments	1-2	71 757		0		71 757
Capital commitments		**71 757**	**0**	**0**		**71 757**
Guarantees	1 - 2	731 699	175 067			906 766
	3 - 6	188 775	48 120			236 895
	7 – 8	0	2 400	208		2 608
Total guarantees		**920 474**	**225 587**	**208**		**1 146 269**
Guarantees and capital and loan commitments total		**1 393 309**	**258 929**	**585**		**1 652 823**

		31.12.2024				
	Rating categories	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Loan commitments	1 - 2	10 384	48	0	0	10 432
	3 - 6	107 434	119 286	0	0	226 720
	7 - 8	0	0	0	0	0
Total loan commitments		**117 818**	**119 334**	**0**	**0**	**237 152**
Capital commitments	1-2	149 466	0	0	0	149 466
Capital commitments		**149 466**	**0**	**0**	**0**	**149 466**
Guarantees	1 - 2	440 428	25 686	0	0	466 114
	3 - 6	528 704	116 823	0	0	645 527
	7 – 8	0	200	0	0	200
Total guarantees		**969 132**	**142 709**	**0**	**0**	**1 111 841**
Guarantees and capital and loan commitments total		**1 236 416**	**262 043**	**0**	**0**	**1 498 459**

The table below represents the gross carrying amount transfers between impairment categories for customer loans valued at amortised cost and for undrawn loan commitments and guarantees. The movements represent every change during the year. See the impairment and provision transfers between impairment categories in Note 29.

		Opening balance on 1st January 2025	New loans	Sale	Net movements without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2025
Customer loans		**834 337**	**116 294**	**0**	**(152 031)**	**(129 066)**	**(5)**	**73 814**		**743 343**
General government		**55 305**	0	0	(6 798)	(10 822)	0	0		**37 685**
Other financial corporations		**185 758**	70 150	0	(48 318)	(23 182)	0	11 272		**195 680**
Other non-financial corporations	**Stage 1**	**513 663**	46 048	0	(91 888)	(94 435)	0	57 950		**431 338**
Households		**79 611**	96	0	(5 027)	(627)	(5)	4 592		**78 640**
Loans to banks		**183 637**	**0**	**0**	**(8 597)**	**0**	**0**	**0**		**175 040**
Refinancing loans		**0**	0	0	0	0	0	0		**0**
Other loans		**183 637**	0	0	(8 597)	0	0	0		**175 040**
Customer loans		**595 099**	**27 308**	**0**	**(2 056)**	**129 066**	**(10 598)**	**(73 814)**	**1 455**	**666 460**
General government		**0**	0	0	(1 044)	10 822	0	0	0	**9 778**
Other financial corporations		**152 816**	23 789	0	(16 305)	23 182	0	(11 272)	0	**172 210**
Other non-financial corporations	**Stage 2**	**427 883**	3 519	0	16 180	94 435	(10 214)	(57 950)	965	**474 818**
Households		**14 400**	0	0	(887)	627	(384)	(4 592)	490	**9 654**
Loans to banks		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans		**0**	0	0	0	0	0	0	0	**0**
Other loans		**0**	0	0	0	0	0	0	0	**0**

		Opening balance on 1st January 2025	New loans	Sale	Net movements without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2025
Customer loans		**51 934**	**5 449**	**(909)**	**(20 117)**		**10 603**	**0**	**(1 455)**	**45 505**
General government		**0**	0	0	0		0	0	0	**0**
Other financial corporations		**20 254**	0	0	(14 224)		0	0	0	**6 030**
Other non-financial corporations	Stage 3	**31 455**	5 449	(909)	(5 873)		10 214	0	(965)	**39 371**
Households		**225**	0	0	(20)		389	0	(490)	**104**
Loans to banks		**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**
Refinancing loans		**0**	0	0	0		0	0	0	**0**
Other loans		**0**	0	0	0		0	0	0	**0**
Customer loans		**88 265**	**22 918**	**0**	**0**					**98 245**
General government		**0**	0	0	0					**0**
Other financial corporations	POCI	**0**	0	0	525					**525**
Other non-financial corporations		**11 298**	5 649	0	(3 330)					**13 617**
Households		**76 967**	17 269	0	(10 133)					**84 103**
Customer loans		**1 569 635**	**171 969**	**(909)**	**(187 142)**					**1 553 553**
General government		**55 305**	0	0	(7 842)					**47 463**
Other financial corporations		**358 828**	93 939	0	(78 322)					**374 445**
Other non-financial corporations	Total	**984 299**	60 665	(909)	(84 911)					**959 144**
Households		**171 203**	17 365	0	(16 067)					**172 501**
Loans to banks		**183 637**	**0**	**0**	**(8 597)**					**175 040**
Refinancing loans		**0**	0	0	0					**0**
Other loans		**183 637**	0	0	(8 597)					**175 040**

	Opening balance on 1st January 2025	New commitments	Drawn / matured commitments	Net movements without stage transfer	From stage 1 to stage 2. or 3	From stage 2 or 3 to stage 1	From stage 2 to stage 3	Closing balance on 31st December 2025
Stage 1	**1 236 416**	**417 558**	**(178 991)**	**(30 933)**	**(96 382)**	**45 641**		**1 393 309**
Loan commitments	**117 818**	291 775	(12 054)	3 543	(32 680)	32 676		**401 078**
Capital commitments	**149 466**	7 438	(77 300)	(7 847)	0	0		**71 757**
Guarantees	**969 132**	118 345	(89 637)	(26 629)	(63 702)	12 965		**920 474**
Stage 2	**262 043**	**31 765**	**(43 492)**	**(41 288)**	**96 382**	**(45 641)**	**(840)**	**258 929**
Loan commitments	**119 334**	6 706	(1 960)	(90 412)	32 680	(32 676)	(330)	**33 342**
Guarantees	**142 709**	25 059	(41 532)	49 124	63 702	(12 965)	(510)	**225 587**
Stage 3	**0**	**56**	**0**	**(311)**	**0**	**0**	**840**	**585**
Loan commitments	**0**	56	0	(9)	0	0	330	**377**
Guarantees	**0**	0	0	(302)	0	0	510	**208**
Total	**1 498 459**	**449 379**	**(222 483)**	**(72 532)**	**0**	**0**	**0**	**1 652 823**
Loan commitments	**237 152**	**298 537**	**(14 014)**	**(86 878)**	**0**	**0**	**0**	**434 797**
Capital commitments	**149 466**	**7 438**	**(77 300)**	**(7 847)**	**0**	**0**	**0**	**71 757**
Guarantees	**1 111 841**	**143 404**	**(131 169)**	**22 193**	**0**	**0**	**0**	**1 146 269**

		Opening balance on 1st January 2024	New loans	Sale	Net movements without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2024
Customer loans		**761 595**	**212 887**	**0**	**(121 601)**	**(23 282)**	**0**	**4 738**		**834 337**
General government		**64 735**	0	0	(9 430)	0	0	0		**55 305**
Other financial corporations		**189 432**	45 235	0	(43 062)	(6 021)	0	174		**185 758**
Other non-financial corporations	**Stage 1**	**451 548**	140 501	0	(64 739)	(16 571)	0	2 924		**513 663**
Households		**55 880**	27 151	0	(4 370)	(690)	0	1 640		**79 611**
Loans to banks		**78 293**	**138 465**	**0**	**(33 121)**	**0**	**0**	**0**		**183 637**
Refinancing loans		**0**	0	0	0	0	0	0		**0**
Other loans		**78 293**	138 465	0	(33 121)	0	0	0		**183 637**
Customer loans		**472 127**	**44 788**	**0**	**48 382**	**23 282**	**(11 904)**	**(4 738)**	**23 162**	**595 099**
General government		**0**	0	0	0	0	0	0	0	**0**
Other financial corporations		**111 198**	34 517	0	1 254	6 021	0	(174)	0	**152 816**
Other non-financial corporations	**Stage 2**	**344 361**	10 271	0	48 015	16 571	(3 383)	(2 924)	14 972	**427 883**
Households		**16 568**	0	0	(887)	690	(8 521)	(1 640)	8 190	**14 400**
Loans to banks		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans		**0**	0	0	0	0	0	0	0	**0**
Other loans		**0**	0	0	0	0	0	0	0	**0**

		Opening balance on 1st January 2024	New loans	Sale	Net movements without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2024
Customer loans	Stage 3	**62 369**	**854**	**(787)**	**756**		**11 904**	**0**	**(23 162)**	**51 934**
General government	Stage 3	**0**	0	0	0		0	0	0	**0**
Other financial corporations	Stage 3	**22 114**	0	(754)	(1 106)		0	0	0	**20 254**
Other non-financial corporations	Stage 3	**40 033**	854	(33)	2 190		3 383	0	(14 972)	**31 455**
Households	Stage 3	**222**	0	0	(328)		8 521	0	(8 190)	**225**
Loans to banks	Stage 3	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**
Refinancing loans	Stage 3	**0**	0	0	0		0	0	0	**0**
Other loans	Stage 3	**0**	0	0	0		0	0	0	**0**
Customer loans	POCI	**82 792**	**19 205**	**0**	**0**					**88 265**
General government	POCI	**17**	0	0	(17)					**0**
Other financial corporations	POCI	**0**	210	0	(210)					**0**
Other non-financial corporations	POCI	**10 375**	3 180	0	(2 257)					**11 298**
Households	POCI	**72 400**	15 815	0	(11 252)					**76 967**
Customer loans	Total	**1 378 883**	**277 734**	**(787)**	**(86 199)**	**0**	**0**	**0**	**0**	**1 569 635**
General government	Total	**64 752**	**0**	**0**	**(9 447)**	**0**	**0**	**0**	**0**	**55 305**
Other financial corporations	Total	**322 744**	**79 962**	**(754)**	**(43 124)**	**0**	**0**	**0**	**0**	**358 828**
Other non-financial corporations	Total	**846 317**	**154 806**	**(33)**	**(16 791)**	**0**	**0**	**0**	**0**	**984 299**
Households	Total	**145 070**	**42 966**	**0**	**(16 837)**	**0**	**0**	**0**	**0**	**171 203**
Loans to banks	Total	**78 293**	**138 465**	**0**	**(33 121)**	**0**	**0**	**0**	**0**	**183 637**
Refinancing loans	Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other loans	Total	**78 293**	**138 465**	**0**	**(33 121)**	**0**	**0**	**0**	**0**	**183 637**

	Opening balance on 1st January 2024	New commitments	Drawn / matured commitments	Net movements without stage transfer	From stage 1 to stage 2. or 3	From stage 2 or 3 to stage 1	From stage 2 to stage 3	Closing balance on 31st December 2024
Stage 1	**1 139 433**	**346 849**	**(90 620)**	**(148 352)**	**(24 519)**	**13 760**		**1 236 416**
Loan commitments	203 870	90 555	(22 895)	(147 131)	(6 446)	0		**117 818**
Capital commitments	153 932	0	(43 500)	39 034	0	0		**149 466**
Guarantees	781 631	256 294	(24 225)	(40 256)	(18 073)	13 760		**969 132**
Stage 2	**207 332**	**46 012**	**(25 441)**	**23 381**	**24 519**	**(13 760)**	**0**	**262 043**
Loan commitments	128 730	42 098	(17 561)	(40 378)	6 446	0	0	**119 334**
Guarantees	78 602	3 914	(7 879)	63 759	18 073	(13 760)	0	**142 709**
Stage 3	**185**	**0**	**0**	**(185)**	**0**	**0**	**0**	**0**
Loan commitments	185	0	0	(185)	0	0	0	**0**
Guarantees	0	0	0	0	0	0	0	**0**
Total	**1 346 950**	**392 861**	**(116 061)**	**(125 156)**	**0**	**0**	**0**	**1 498 459**
Loan commitments	**332 785**	**132 653**	**(40 457)**	**(187 694)**	**0**	**0**	**0**	**237 152**
Capital commitments	**153 932**	**0**	**(43 500)**	**39 034**	**0**	**0**	**0**	**149 466**
Guarantees	**860 233**	**260 208**	**(32 104)**	**23 503**	**0**	**0**	**0**	**1 111 841**

Customer loans and loans to banks at fair value through profit and loss broken down into customer rating categories described under the risk management principles are as follows.

		31.12.2025			
	Customer rating categories	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
General government	1 - 2	0	0	0	0
	3 - 6	301	0	0	301
	7 - 8	0	0	0	0
Total general government		**301**	**0**	**0**	**301**
Other financial corporation	1 – 2	0	0	0	0
	3 - 6	380	0	0	380
	7 – 8	0	0	0	0
Total other financial corporations		**380**	**0**	**0**	**380**
Other non-financial corporation	1 – 2	168	0	0	168
	3 – 6	311	511	70	892
	7 – 8	0	0	3	3
Total other non-financial corporations		**479**	**511**	**73**	**1 063**
Household	1 - 2	0	0	0	0
	3 - 6	0	0	0	0
	7 – 8	0	51	3	54
Total household		**0**	**51**	**3**	**54**
Total customer loans		**1 160**	**562**	**76**	**1 798**
Loans to banks	1 – 2	22 621	0	0	22 621
	3 – 6	0	0	0	0
	7 – 8	0	0	0	0
Total loans to banks		**22 621**	**0**	**0**	**22 621**

		31.12.2024			
	Customer rating categories	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
General government	1 - 2	0	0	0	0
	3 - 6	362	0	0	362
	7 - 8	0	0	0	0
Total general government		**362**	**0**	**0**	**362**
Other financial corporation	1 – 2	142	170	0	312
	3 - 6	122	161	0	283
	7 – 8	0	0	0	0
Total other financial corporations		**264**	**331**	**0**	**595**
Other non-financial corporation	1 – 2	0	0	0	0
	3 – 6	379	1 681	55	2 115
	7 – 8	0	89	0	89
Total other non-financial corporations		**379**	**1 770**	**55**	**2 204**
Household	1 - 2	0	0	0	0
	3 - 6	0	0	0	0
	7 – 8	0	70	4	74
Total household		**0**	**70**	**4**	**74**
Total customer loans		**1 005**	**2 171**	**59**	**3 235**
Loans to banks	1 – 2	27 430	360	0	27 790
	3 – 6	4	0	0	4
	7 – 8	0	0	0	0
Total loans to banks		**27 434**	**360**	**0**	**27 794**

The table below represents debt securities by external rating categories.

	31.12.2025			31.12.2024		
	Bank rating	***Moody's rating***	**Amount**	***Bank rating***	***Moody's rating***	**Amount**
Amortized cost debt securities			**535 888**			**441 220**
Hungarian government bonds		*Baa2*	19 248		*Baa2*	30 411
Mortgage bonds		-	13 504		-	7 483
Corporate bonds*			503 136			403 326
	AT1		*994*	*AT1*		*984*
	AT2		*81 443*	*AT2*		*0*
	AT3		*333 224*	*AT3*		*395 285*
	AT4		*67 864*	*AT4*		*6 531*
	AT5		*1 529*	*AT5*		*526*
	AT6		*17 899*			
	AT8		*183*			
FVOCI debt securities			**21 855**			**27 365**
Government bonds		*Baa2*	12 892		*Baa2*	17 769
Bank bonds		*Baa2*	8 963		*Baa2*	9 596
FVTPL debt securities**			**814 367**			**775 585**
Crisis and tourism equity programs			446 161			500 116
Baross Gábor equity programs			165 426			170 103
Housing equity program			51 167			0
Other venture capital notes			151 613			105 366

**: International rating is not available for these corporate bonds.*
*** FVTPL debt securities have no international rating, their risk assessment is based on the investment policy and the performance of the target companies.*

Exposure to credit risk and collaterals

The general creditworthiness of a corporate customer tends to be the most relevant indicator of credit quality of a loan, however collateral provides additional security and the Group request that corporate borrowers provide it. The Group may take collateral in form of a first rank mortgage over real estate pledges on all corporate assets and other liens and guarantees (mostly state guarantees) as detailed in the next subsection.

The purpose of the table is to present a comparison between the net carrying amount of the customer loans and loans to bank at amortized cost and the corresponding collateral amounts to show the coverage. The fair value of the collaterals is limited by the net carrying amount of the loans and commitments.

LOANS AT AMORTIZED COST	Under collateralized		Full or over collateralized		Uncollateralized	Total 31.12.2025	
	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans	fair value of collateral
Customer loans	**584 138**	**283 913**	**201 415**	**201 415**	**669 751**	**1 455 304**	**485 328**
General government	37 235	22 490	9 602	9 602	0	46 837	32 092
Other financial corporations	233 565	116 240	228	228	128 497	362 290	116 468
Other non-financial corporations	313 214	145 134	142 185	142 185	421 866	877 265	287 319
Households	124	49	49 400	49 400	119 388	168 912	49 449
Loans to banks	**135 069**	**134 890**	**0**	**0**	**39 963**	**175 032**	**134 890**
Refinancing loans	0	0	0	0	0	0	0
Other loans	135 069	134 890	0	0	39 963	175 032	134 890
Total	**719 207**	**418 803**	**201 415**	**201 415**	**709 714**	**1 630 336**	**620 218**

LOANS AT AMORTIZED COST	Under collateralized		Full or over collateralized		Uncollateralized	Total 31.12.2024	
	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans	fair value of collateral
Customer loans	**611 784**	**311 761**	**185 466**	**185 466**	**675 469**	**1 472 719**	**497 227**
General government	54 928	36 503	125	125	100	55 153	36 628
Other financial corporations	207 194	95 017	353	353	128 588	336 135	95 370
Other non-financial corporations	349 486	180 158	128 129	128 129	433 398	911 013	308 287
Households	176	83	56 859	56 859	113 383	170 418	56 942
Loans to banks	**143 694**	**143 532**	**0**	**0**	**39 935**	**183 629**	**143 532**
Refinancing loans	0	0	0	0	0	0	0
Other loans	143 694	143 532	0	0	39 935	183 629	143 532
Total	**755 478**	**455 293**	**185 466**	**185 466**	**715 404**	**1 656 348**	**640 759**

The following table includes the reconciliation of the collateral value and the net carrying value for credit impaired (stage 3 and POCI) loans only. The fair value of the collaterals is limited by the net carrying amount of the loans.

LOANS AT AMORTIZED COST	Under collateralized		Full or over collateralized		Uncollateralized	Total 31.12.2025	
	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans	fair value of collateral
Customer loans	**5 808**	**4 079**	**9 355**	**9 355**	**86 014**	**101 177**	**13 434**
General government	0	0	0	0	0	0	0
Other financial corporations	70	31	17	17	0	87	48
Other non-financial corporations	5 614	3 999	5 879	5 879	8 266	19 759	9 878
Households	124	49	3 459	3 459	77 748	81 331	3 508
Loans to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	0	0	0	0	0	0	0
Other loans	0	0	0	0	0	0	0
Total	**5 808**	**4 079**	**9 355**	**9 355**	**86 014**	**101 177**	**13 434**

LOANS AT AMORTIZED COST	Under collateralized		Full or over collateralized		Uncollateralized	Total 31.12.2024	
	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans	fair value of collateral
Customer loans	**9 089**	**4 393**	**9 519**	**9 519**	**77 705**	**96 313**	**13 912**
General government	0	0	0	0	0	0	0
Other financial corporations	3 082	1 811	0	0	426	3 508	1 811
Other non-financial corporations	5 831	2 499	4 436	4 436	5 868	16 135	6 935
Households	176	83	5 083	5 083	71 411	76 670	5 166
Loans to banks	0	0	0	0	0	0	0
Refinancing loans	0	0	0	0	0	0	0
Other loans	0	0	0	0	0	0	0
Total	**9 089**	**4 393**	**9 519**	**9 519**	**77 705**	**96 313**	**13 912**

The following table includes the carrying amount of the customer loans and loans to banks mandatorily at fair value through profit and loss and the corresponding collateral amounts. The fair value of the collaterals is limited by the net carrying amount of the loans.

LOANS AT FAIR VALUE	Under collateralized		Full or over collateralized		Uncollateralized	Total 31.12.2025	
	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans	fair value of collateral
Loans and advances to banks	**0**	**0**	**0**	**0**	**22 621**	**22 621**	**0**
Municipality loan program	0	0	0	0	17 554	17 554	0
Business development loan program	0	0	0	0	1 075	1 075	0
Agricultural development loan program	0	0	0	0	3 972	3 972	0
Retail loan program	0	0	0	0	20	20	0
Customer loans	**380**	**18**	**581**	**581**	**837**	**1 798**	**599**
General governments	0	0	301	301	0	301	301
Other financial corporations	380	18	0	0	0	380	18
Other non-financial corporations	0	0	226	226	837	1 063	226
Households	0	0	54	54	0	54	54
Total	**380**	**18**	**581**	**581**	**23 458**	**24 419**	**599**

LOANS AT FAIR VALUE	Under collateralized		Full or over collateralized		Uncollateralized	Total 31.12.2024	
	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans	fair value of collateral
Loans and advances to banks	**0**	**0**	**0**	**0**	**27 794**	**27 794**	**0**
Municipality loan program	0	0	0	0	19 286	19 286	0
Business development loan program	0	0	0	0	1 679	1 679	0
Agricultural development loan program	0	0	0	0	6 790	6 790	0
Retail loan program	0	0	0	0	39	39	0
Customer loans	**595**	**25**	**812**	**812**	**1 828**	**3 235**	**837**
General governments	0	0	362	362	0	362	362
Other financial corporations	595	25	0	0	0	595	25
Other non-financial corporations	0	0	376	376	1 828	2 204	376
Households	0	0	74	74	0	74	74
Total	**595**	**25**	**812**	**812**	**29 622**	**31 029**	**837**

Exposure to credit risk and collaterals –off-balance sheet items

	Under collateralized		Full or over collateralized		Uncollateralized	Total 31.12.2025	
	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	carrying value of commitments	fair value of collateral
Loan commitments and guarantees	**1 151 690**	**750 807**	**296**	**296**	**475 360**	**1 627 346**	**751 103**
Loan commitments	62 935	37 076	296	296	367 182	430 413	37 372
Capital commitments	0	0	0	0	70 816	70 816	0
Guarantees	1 088 755	713 731	0	0	37 362	1 126 117	713 731

	Under collateralized		Full or over collateralized		Uncollateralized	Total 31.12.2024	
	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	carrying value of commitments	fair value of collateral
Loan commitments and guarantees	**1 091 908**	**701 076**	**16 106**	**16 106**	**377 446**	**1 485 460**	**717 182**
Loan commitments	41 942	13 476	3 702	3 702	183 557	229 201	17 178
Capital commitments	0	0	0	0	149 320	149 320	0
Guarantees	1 049 966	687 600	12 404	12 404	44 569	1 106 939	700 004

c) Collateral and other security enhancements

An estimate of the fair value of collateral and other security enhancements (up to the net carrying amount of receivables) is shown in the table below.

	31.12.2025											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT AMORTIZED COST	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans
Customer loans	**141 160**	**124 840**	**184 779**	**156 823**	**322 249**	**168 776**	**137 365**	**34 889**	**785 553**	**485 328**	**669 751**	**1 455 304**
General government	9 490	9 490	112	112	37 235	22 490	0	0	46 837	32 092	0	46 837
Other financial corporations	42 700	41 505	10 647	10 647	158 843	57 239	21 603	7 077	233 793	116 468	128 497	362 290
Other non-financial corporations	88 970	73 845	167 800	139 919	82 867	45 743	115 762	27 812	455 399	287 319	421 866	877 265
Households	0	0	6 220	6 145	43 304	43 304	0	0	49 524	49 449	119 388	168 912
Loans to banks	**135 069**	**134 890**	**0**	**0**	**0**	**0**	**0**	**0**	**135 069**	**134 890**	**39 963**	**175 032**
Refinancing loans	0	0	0	0	0	0	0	0	0	0	0	0
Other loans	135 069	134 890	0	0	0	0	0	0	135 069	134 890	39 963	175 032

Other category mostly includes suretyship (HUF 7 871 million) and cash deposits (HUF 5 610 million), and it also includes other collaterals (HUF 21 408 million).

	31.12.2024											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT AMORTIZED COST	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans
Customer loans	**155 115**	**138 016**	**181 311**	**140 716**	**327 609**	**186 666**	**133 215**	**31 829**	**797 250**	**497 227**	**675 469**	**1 472 719**
General government	11 715	11 713	125	125	43 213	24 790	0	0	55 053	36 628	100	55 153
Other financial corporations	42 313	41 931	10 882	1 385	140 711	46 915	13 641	5 139	207 547	95 370	128 588	336 135
Other non-financial corporations	101 087	84 372	162 360	131 355	94 594	65 870	119 574	26 690	477 615	308 287	433 398	911 013
Households	0	0	7 944	7 851	49 091	49 091	0	0	57 035	56 942	113 383	170 418
Loans to banks	**143 694**	**143 532**	**0**	**0**	**0**	**0**	**0**	**0**	**143 694**	**143 532**	**39 935**	**183 629**
Refinancing loans	0	0	0	0	0	0	0	0	0	0	0	0
Other loans	143 694	143 532	0	0	0	0	0	0	143 694	143 532	39 935	183 629

Other category mostly includes suretyship (HUF 7 620 million) and cash deposits (HUF 5 650 million), and it also includes other collaterals (HUF 18 559 million).

The following table includes an estimate of the fair value of collateral and other security enhancements (up to the amount of receivables) for credit impaired (stage 3 and POCI) loans only.

	31.12.2025											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT AMORTIZED COST	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**
Customer loans	**534**	**529**	**12 267**	**10 777**	**2 190**	**2 020**	**172**	**108**	**15 163**	**13 434**	**86 014**	**101 177**
General government	0	0	0	0	0	0	0	0	0	0	0	0
Other financial corporations	0	0	0	0	87	48	0	0	87	48	0	87
Other non-financial corporations	534	529	8 770	7 355	2 017	1 886	172	108	11 493	9 878	8 266	19 759
Households	0	0	3 497	3 422	86	86	0	0	3 583	3 508	77 748	81 331
Loans to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	0	0	0	0	0	0	0	0	0	0	0	0
Other loans	0	0	0	0	0	0	0	0	0	0	0	0

	31.12.2024											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT AMORIZED COST	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**
Customer loans	**161**	**161**	**13 085**	**10 527**	**4 977**	**2 953**	**385**	**271**	**18 608**	**13 912**	**77 705**	**96 313**
General government	0	0	0	0	0	0	0	0	0	0	0	0
Other financial corporations	0	0	0	0	3 050	1 791	32	20	3 082	1 811	426	3 508
Other non-financial corporations	161	161	8 042	5 577	1 711	946	353	251	10 267	6 935	5 868	16 135
Households	0	0	5 043	4 950	216	216	0	0	5 259	5 166	71 411	76 670
Loans to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	0	0	0	0	0	0	0	0	0	0	0	0
Other loans	0	0	0	0	0	0	0	0	0	0	0	0

The following table includes the carrying amount of the customer loans and loans to bank mandatorily at fair value through profit and loss and an estimate of the fair value of collateral and other security enhancements (up to the amount of receivables).

	31.12.2025											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT FAIR VALUE	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**
Loans and advances to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**22 621**	**22 621**
Municipality loan program	0	0	0	0	0	0	0	0	0	0	17 554	17 554
Business development loan program	0	0	0	0	0	0	0	0	0	0	1 075	1 075
Agricultural development loan program	0	0	0	0	0	0	0	0	0	0	3 972	3 972
Retail loan program	0	0	0	0	0	0	0	0	0	0	20	20
Customer loans	**36**	**36**	**524**	**524**	**0**	**0**	**401**	**39**	**961**	**599**	**837**	**1 798**
General governments	0	0	301	301	0	0	0	0	301	301	0	301
Other financial corporations	0	0	0	0	0	0	380	18	380	18	0	380
Other non-financial corporations	35	35	170	170	0	0	21	21	226	226	837	1 063
Households	1	1	53	53	0	0	0	0	54	54	0	54

	31.12.2024											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT FAIR VALUE	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**
Loans and advances to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**27 794**	**27 794**
Municipality loan program	0	0	0	0	0	0	0	0	0	0	19 286	19 286
Business development loan program	0	0	0	0	0	0	0	0	0	0	1 679	1 679
Agricultural development loan program	0	0	0	0	0	0	0	0	0	0	6 790	6 790
Retail loan program	0	0	0	0	0	0	0	0	0	0	39	39
Customer loans	**45**	**45**	**687**	**687**	**0**	**0**	**675**	**105**	**1 407**	**837**	**1 828**	**3 235**
General governments	0	0	362	362	0	0	0	0	362	362	0	362
Other financial corporations	0	0	0	0	0	0	595	25	595	25	0	595
Other non-financial corporations	44	44	257	257	0	0	75	75	376	376	1 828	2 204
Households	1	1	68	68	0	0	5	5	74	74	0	74

Collateral and other security enhancements to credit risk and collaterals –off-balance sheet items

	31.12.2025											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncolla-terialised	Total
	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	carrying value of commitments
Loan commitments and guarantees	**708 293**	**634 162**	**28 041**	**8 282**	**194 336**	**76 465**	**221 316**	**32 193**	**1 151 986**	**751 102**	**475 360**	**1 627 346**
Loan commitments	41 287	32 307	11 768	1 619	8 047	3 173	2 128	272	63 230	37 371	367 183	430 413
Capital commitments	0	0	0	0	0	0	0	0	0	0	70 816	70 816
Guarantees	667 006	601 855	16 273	6 663	186 289	73 292	219 188	31 921	1 088 756	713 731	37 361	1 126 117

	31.12.2024											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncolla-terialised	Total
	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	carrying value of commitments
Loan commitments and guarantees	**679 972**	**612 690**	**14 810**	**6 767**	**146 223**	**46 886**	**267 009**	**50 838**	**1 108 014**	**717 181**	**377 446**	**1 485 460**
Loan commitments	0	0	2 696	2 511	21 866	5 157	21 082	9 509	45 644	17 177	183 557	229 201
Capital commitments	0	0	0	0	0	0	0	0	0	0	149 320	149 320
Guarantees	679 972	612 690	12 114	4 256	124 357	41 729	245 927	41 329	1 062 370	700 004	44 569	1 106 939

The Central Budget determined a state guarantee frame for the Bank's asset side credit exposures (guarantee provided to the Bank) and also for liability side obligations (guarantee provided for the Bank). The amount of guarantee frame, its allocation (representing the amount allocated either to loan programs or individual loans, that takes into account the maximum coverage ratio specified in each loan programs) and the actual utilization related to the loan balances disbursed under the state guarantee frame were the following.

	31.12.2025	31.12.2024
Asset side state guarantee frame	**2 000 000**	**1 700 000**
Allocated gurantee frame to the extent of the coverage ratio	1 663 493	1 199 579
from this actual utilization at year end	*702 281*	*730 965*
Liability side guarantee frame	**5 000 000**	**4 300 000**
Utilization	3 661 615	2 797 855

d) Restructured loans

The Group classifies a loan as restructured if it makes a discount or modification due to the current or expected financial difficulties of the borrower, which it would not have done if the borrower were solvent. In addition, the Group individually reviewed the solvency of borrowers who entered the payment moratorium and decided on the reclassification of the transactions as restructured and their stage classification. The Group did not consider the fact of involvement with the moratorium as an event that automatically triggers restructuring.

	Gross amount	Impairment	Net amount
1 January 2024	**142 570**	**(31 766)**	**110 804**
New restructured transactions	4 706	(760)	3 946
Changes in existing restructured loans	(2 491)	114	(2 376)
Decrease due to repayment	(74)	(1 328)	(1 402)
Decrease due to recovery	(71 218)	3 837	(67 380)
FX change	2 230	(2 173)	57
31 December 2024	**75 725**	**(32 076)**	**43 649**
New restructured transactions	1 444	(86)	1 358
Changes in existing restructured loans	(879)	(133)	(1 012)
Decrease due to repayment	(4 739)	661	(4 077)
Decrease due to recovery	(22 535)	1 231	(21 304)
FX change	(2 960)	1 613	(1 348)
31 December 2025	**46 056**	**(28 790)**	**17 266**

There was no such contract modification that would have led to derecognition and re-recognition implying derecognition gain or loss.

e) Concentration of credit risk

The below table includes the concentration of credit risk by industry on net carrying amount for customer loans.

Loans and advances to customers	**31.12.2025**				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Financial services	498 336	190 759	2 426	1 936	693 457
Property development	73 850	243 605	702	441	318 598
Other services (local governments. healthcare, other services)	6 284	107 754	74	83 251	197 363
Construction (including motorway financing)	33 027	8 509	41	2 369	43 946
Industry	47 984	44 101	2 311	1 430	95 826
Agriculture	35 144	12 445	86	109	47 784
Transport, storage, post, telecoms	37 235	1 046	0	376	38 657
Trade	838	2 852	715	2 497	6 902
Accommodation, catering	4 857	7 223	2 052	437	14 569
Total	**737 555**	**618 294**	**8 407**	**92 846**	**1 457 102**
of which amortized cost	*736 395*	*617 732*	*8 334*	*92 843*	*1 455 304*
of which FVTPL	*1 160*	*562*	*73*	*3*	*1 798*

Loans and advances to customers	**31.12.2024**				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Financial services	568 773	161 460	3 725	186	734 144
Property development	61 676	296 581	601	382	359 240
Other services (local governments. healthcare, other services)	17 006	5 259	95	82 524	104 884
Construction (including motorway financing)	30 537	9 868	0	358	40 763
Industry	66 564	42 220	3 871	595	113 250
Agriculture	36 953	20 231	216	76	57 476
Transport, storage, post, telecoms	43 213	1 007	0	45	44 265
Trade	3 482	1 555	36	1 281	6 354
Accommodation, catering	3 732	9 465	2 339	42	15 578
Total	**831 936**	**547 646**	**10 883**	**85 489**	**1 475 954**
of which amortized cost	*830 931*	*545 475*	*10 827*	*85 486*	*1 472 719*
of which FVTPL	*1 005*	*2 171*	*56*	*3*	*3 235*

B. LIQUIDITY RISK

a) Principles of liquidity risk management

The Group's principal objective is to carry out secure and established course of business and the prevention of liquidity issues which could threaten the Group to meet its obligations. The liquidity management is determined by the nature of the business, the strategy, the annual business plan, the legal regulations and the regulatory activities of National Bank of Hungary.

Liquidity means the availability of necessary funds in time needed to meet the obligations. Liquidity demand arises when the obligations become due. Liquidity risk is the gap between in and outflows in different amount and time.

Regulation (EU) No 575/2013 of the European Parliament and of the Council (CRR) and Directive 2013/36 / EU (CRD IV) of 26th June 2013 have transposed the Basel III. Regulation into the European regulatory framework for credit institutions. The new requirements were introduced gradually, and 2019 was the first year that all requirements were fully met. At the same time, MFB Zrt. was exempted from the liquidity requirements, which is included in the MFB Act.

The Group has significant amount of primary liquidity reserves in government securities and deposits with commercial banks, as well as other liquidity-providing Central Bank-eligible securities, therefore future cash outflows are continuously covered on the asset side.

The Bank's liquidity reserve:

	31.12.2025			31.12.2024		
	Par value	**Fair value**	**Free disposal**	**Par value**	**Fair value**	**Free disposal**
Hungarian government bonds	34 200	32 188	33 200	51 020	47 609	45 820
Hungarian bank bonds	8 479	8 963	8 479	9 022	9 596	9 022
Hungarian discount bonds	0	0	0	0	0	0
Mortgage bonds issued by banks	13 764	13 561	13 764	7 764	7 325	7 764
Other Central Bank-eligible securities	302 260	270 688	134 260	302 260	261 950	134 260
Total	**358 703**	**325 400**	**189 703**	**370 066**	**326 480**	**196 866**

The members of the Group also had a significant amount of liquidity reserves, deposits of HUF 11.25 billion on 31st December 2024 (2024: HUF 8.84 billion) were placed with domestic credit institutions.

The Group primarily manages liquidity risk in a preventive manner and strives to provide financing with a source that ensures the most suitable balance in terms of maturity, principal repayment and interest payment. The Group's fund-raising opportunities are favourable both at home and abroad. During the financial year, HUF and EUR market interest rates decreased, which provided a favourable pricing opportunity to the fundraising operations.

Cash flow statements are prepared at least monthly and which contain all banking book cash flow items and credit and investment directorates predicted cash flow transactions considering different scenarios. For continuous liquidity management a liquidity forecast is prepared monthly.

The Bank specifies in an instruction in which instruments the members of the Group may invest their free liquidity and regulates the Group's credit institution exposures with bank limits. The members of the Group report their exposures to the Bank on a monthly basis, which is approved by the Bank's ALCO (Asset Liability Committee).

Pursuant to Article 8 (2) of the MFB Act, the Bank does not apply the rules on liquidity ratios and liquidity requirements set out in Articles 411-428 of CRR.

The Group measures its liquidity risks in the following ways:

- Quantification of dependence on large individual deposits;
- Comprehensive cash flow, liquidity forecast;
- Stress-test;
- Survival analysis;
- Quantification of liquidity ratios.

The Group manages its liquidity risks as follows:

- Where possible (market opportunities, pricing), using the most appropriate liabilities for the assets side;
- Designation and operation of appropriate processes and rules;
- Set up a limit system;
- Establishment of liquidity reserves;
- Effective asset-liability management;
- Provision of data by members of the Group.

Liquidity ratios and the results of stress testing confirmed that the short and long-term liquidity positions are adequate at all times, due to the significant amount of liquidity reserves and the funds involved during the year.

b) Remaining contractual maturities of financial liabilities

Maturities on contractual (principal and interest), undiscounted cash flows of financial liabilities were as follows. The guarantees were classified in the first category irrespective of the actual maturity of the instrument. Similarly, the loan commitments were also classified in the first category as they can be drawn down at request.

31.12.2025	**Carrying amount**	**Gross nominal inflow/(outflow)**	**Less than 1 month**	**1-3 months**	**3 months to 1 year**	**1-5 years**	**More than 5 years**
Deposits	**249 128**	(265 311)	(195 248)	0	(2 841)	(18 040)	(49 182)
Loans from banks	**1 388 486**	(1 628 266)	(33 046)	(89 380)	(76 981)	(1 169 577)	(259 282)
Debt securities issued	**1 917 031**	(2 204 736)	(18 427)	0	(379 897)	(1 734 810)	(71 602)
Other financial liabilities	**8 006**	(6 373)	(6 373)	0	0	0	0
Derivatives	**57 319**	(47 568)	(290)	0	5 178	(29 474)	(22 982)
inflow			***112 717***	***0***	***24 484***	***405 365***	***0***
outflow			***(113 007)***	***0***	***(19 306)***	***(434 840)***	***(22 982)***
Hedge derivatives	**10 451**	26 984	0	0	(2 822)	1 655	28 152
inflow			*0*	*0*	*54 757*	*192 913*	*202 326*
outflow			*0*	*0*	*(57 578)*	*(191 259)*	*(174 175)*
Total financial liabilities and derivatives	**3 630 421**	**(4 125 270)**	**(253 384)**	**(89 380)**	**(457 363)**	**(2 950 246)**	**(374 896)**
Guarantees	**1 146 269**	**1 111 841**	**1 111 841**				
Capital commitments	**71 757**	**71 757**	**0**	**15 474**	**50 632**	**5 651**	**0**
Loan commitments	**434 797**	**228 653**	**228 653**				

31.12.2024	**Carrying amount**	**Gross nominal inflow/(outflow)**	**Less than 1 month**	**1-3 months**	**3 months to 1 year**	**1-5 years**	**More than 5 years**
Deposits	**87 098**	(98 259)	(39 241)	(155)	(4 376)	(14 904)	(39 583)
Loans from banks	**1 215 189**	(1 352 013)	(64 045)	(16 707)	(52 952)	(1 140 522)	(77 787)
Debt securities issued	**1 685 316**	(1 934 268)	0	(8 059)	(422 623)	(1 433 110)	(70 476)
Other financial liabilities	**13 293**	(13 291)	(11 997)	0	0	(1 294)	0
Derivatives	**685**	(754)	(197)	(48)	(122)	(387)	0
inflow			*61 157*	*72*	*0*	*218*	*0*
outflow			*(61 354)*	*(120)*	*(122)*	*(605)*	*0*
Hedge derivatives	**22 552**	(16 460)	968	(3 204)	(2 494)	(11 730)	0
inflow			*20 801*	*5 166*	*43 661*	*122 769*	*0*
outflow			*(19 833)*	*(8 370)*	*(46 155)*	*(134 499)*	*0*
Total financial liabilities and derivatives	**3 024 133**	**(3 415 045)**	**(114 512)**	**(28 173)**	**(482 567)**	**(2 601 947)**	**(187 846)**
Guarantees	**1 111 841**	**1 111 841**	**1 111 841**				
Capital commitments	**149 466**	**149 466**	**0**	**78 060**	**55 862**	**15 544**	**0**
Loan commitments	**237 151**	**237 151**	**237 151**				

The Group is subject to additional HUF 571 555 million (2024: 364 966 million HUF) venture capital note payment obligation related to the equity consolidated associates that is payable as required by the investment plans.

C. MARKET RISKS

Market risks are presented in the consolidated financial statements only for the Bank, because only the Bank has relevant exposure to market risk within the Group. The positions quantified accordingly, and their effects adequately reflect the market risk exposure of the Group as a whole.

a) Currency risk management – basis of risk management

The Bank has assets and liabilities, both on and off-balance sheet, denominated in various foreign currencies. Foreign exchange risk arises when the actual or forecasted assets in a foreign currency are either greater or less than the liabilities in that currency. The Bank manages the currency structure of assets and liabilities on and off-balance sheet, utilizing forward foreign exchange transactions and other hedging instruments. It is the policy of the Bank that it should not speculate in currencies and should only take currency positions within strict limits. The Board of Directors establishes and monitors specific regulations based on statutory and internal limits and approves the overall strategy. Compliance to these limits is regularly monitored.

The Foreign Exchange Guarantee Frame Agreement (FX Agreement) between the Bank and the Hungarian Ministry of Finance was signed in 2004, the modification was signed with the Ministry for National Economy in 2014. This FX Agreement manages foreign exchange risks of the Bank's foreign currency borrowings (EUR). Based on this FX Agreement at the final maturity of the borrowings or upon introduction of EUR as the official currency of Hungary the State compensates any foreign exchange loss incurred on these borrowings and the Bank is required to pay to the State the amount of realized foreign exchange gains on these transactions in instalments. The amount of receivables from the State according to the FX Agreement is presented in Note 14. Monthly stress tests quantify the impact of possible exchange rate movements (+/- 10% shift for EUR/HUF and EUR/USD). The net exposure of the Bank is the total exposure decreased by the exposure fall under the FX state guarantee frame. The open position was long for EUR, CHF and GBP, and was short for USD in 2025. Regarding the aggregate foreign exchange position, the weakening of the HUF would have a positive impact on the Bank's earnings.

The following table represents the Bank's foreign exchange position in which the effect of the currency hedging contract with the Hungarian State has been already adjusted.

31.12.2025	**Absolute value**	**Net position**
EUR	10 466	10 466
USD	2 362	(2 362)
Other currencies	18	18
Total	**12 846**	**8 122**

31.12.2024	**Absolute value**	**Net position**
EUR	7 585	7 585
USD	1 051	1 051
Other currencies	31	31
Total	**8 667**	**8 667**

According to the stress-tests, 10% change in HUF exchange rates in the worst direction would cause HUF 1 285 million (2024: HUF 867 million) decrease in the Bank's foreign exchange income and thus the own equity as well.

The Bank is exempted from keeping the trading book and does not take speculative positions due to a strategic decision. Accordingly, market risks (foreign exchange and interest rate) arise from the banking book, i.e., the normal operation of the bank (lending, raising funds). The Bank limits the amount of open foreign currency position and interest rate risk exposure by limits. The Bank has set a limit of EUR 6 million for the foreign currency open position due to impairment/provision for foreign currency assets. If the amount of impairment/provision exceeds this limit, the Bank closes the position with a minimum of a market transaction equal to the amount of the overrun, provided that the total amount of the open position allows it.

b) Foreign exchange risk analysis of financial assets and liabilities

31.12.2025	HUF	EUR	USD	Other	Total
Assets					
Cash, cash balances at central banks and other demand deposits	328 987	1 714	26	17	330 744
Financial assets held for trading	29 425	0	0	0	29 425
Non-trading financial assets mandatorily at fair value through profit or loss	587 872	250 914	0	0	838 786
Financial assets at fair value through other comprehensive income	29 559	10 270	213	0	40 042
Financial assets at amortized cost	1 280 505	864 290	86 693	0	2 231 488
Derivatives – Hedge accounting	8 230	0	0	0	8 230
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0	7 609	0	0	7 609
Total financial assets	**2 264 578**	**1 134 797**	**86 932**	**17**	**3 486 324**
Investments in subsidiaries and associates	675 488	46 977	0	0	722 465
Property, plant and equipment	39 444	0	0	0	39 444
Intangible assets	9 090	0	0	0	9 090
Tax assets	979	0	0	0	979
Other assets	34 630	67	36	13	34 746
Receivables from the state due to currency-hedging agreement	166 680	0	0	0	166 680
Total assets (1)	**3 190 889**	**1 181 841**	**86 968**	**30**	**4 459 728**
Liabilities and equity					
Financial liabilities held for trading	55 139	0	0	0	55 139
Financial liabilities at amortized cost	1 821 577	1 295 293	445 771	10	3 562 651
Derivatives – Hedge accounting	10 451	0	0	0	10 451
Total financial liabilities	**1 887 167**	**1 295 293**	**445 771**	**10**	**3 628 241**
Provisions	21 425	4 629	252	0	26 306
Tax liabilities	4 502				4 502
Other liabilities	33 592	4 525	15	2	38 134
Equity	761 393	1 152	0	0	762 545
Total liabilities and equity (2)	**2 708 079**	**1 305 599**	**446 038**	**12**	**4 459 728**
NET BALANCE SHEET POSITION (1) - (2)	**482 810**	**(123 758)**	**(359 070)**	**18**	**0**
Derivative notional amounts	**(203 190)**	**(187 460)**	**357 642**	**0**	**(33 008)**
NET FOREIGN EXCHANGE POSITION	**279 620**	**(311 218)**	**(1 428)**	**18**	**(33 008)**
Impact of receivables from State due to currency-hedging agreement	**(370 592)**	**370 592**	**0**	**0**	**0**
ADJUSTED NET FOREIGN EXCHANGE POSITION	**(90 972)**	**59 374**	**(1 428)**	**18**	**(33 008)**

31.12.2024 Restated	HUF	EUR	USD	Other	Total
Assets					
Cash, cash balances at central banks and other demand deposits	71 803	500	13	19	72 335
Financial assets held for trading	24 136	0	0	0	24 136
Non-trading financial assets mandatorily at fair value through profit or loss	571 052	235 562	0	0	806 614
Financial assets at fair value through other comprehensive income	36 985	17 384	307	0	54 676
Financial assets at amortized cost	1 249 876	851 980	23 947	0	2 125 803
Derivatives – Hedge accounting	7 810	0	0	0	7 810
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0	12 580	0	0	12 580
Total financial assets	**1 961 662**	**1 118 006**	**24 267**	**19**	**3 103 954**
Investments in subsidiaries and associates	441 205	23 660	0	0	464 865
Property, plant and equipment	40 443	0	0	0	40 443
Intangible assets	7 843	0	0	0	7 843
Tax assets	506	0	0	0	506
Other assets	35 397	111	25	13	35 546
Receivables from the state due to currency-hedging agreement	190 120	0	0	0	190 120
Total assets (1)	**2 677 176**	**1 141 777**	**24 292**	**32**	**3 843 277**
Liabilities and equity					
Financial liabilities held for trading	685	0	0	0	685
Financial liabilities at amortized cost	1 449 388	1 096 843	454 665	0	3 000 896
Derivatives – Hedge accounting	22 552	0	0	0	22 552
Total financial liabilities	**1 472 625**	**1 096 843**	**454 665**	**0**	**3 024 133**
Provisions	5 439	3 398	4 703	0	13 540
Tax liabilities	4 665	0	0	0	4 665
Other liabilities	29 182	2 953	40	1	32 176
Equity	768 307	456	0	0	768 763
Total liabilities and equity (2)	**2 280 218**	**1 103 650**	**459 408**	**1**	**3 843 277**
NET BALANCE SHEET POSITION (1) - (2)	**396 958**	**38 127**	**(435 116)**	**31**	**(0)**
Derivative notional amounts	**(40 057)**	**(382 899)**	**437 093**	**0**	**14 137**
NET FOREIGN EXCHANGE POSITION	**356 901**	**(344 772)**	**1 977**	**31**	**14 137**
Impact of receivables from State due to currency-hedging agreement	**(397 422)**	**397 422**	**0**	**0**	**0**
ADJUSTED NET FOREIGN EXCHANGE POSITION	**(40 521)**	**52 650**	**1 977**	**31**	**14 137**

The Bank manages foreign currency open positions (either short or long) within the strict limits approved by Asset Liability Committee.

c) Principles of interest rate risk management

Interest rate risk is measured by the extent to which changes in market interest rates impact margins and net interest income. Gaps in the value of assets, liabilities and off-balance sheet instruments that mature or reprice during a given period generate interest rate risk. The Bank gives special attention to the preventive management of interest rate risk. The Bank's objective is to harmonize loans and their resources already during the acquisition of funds regarding maturity, interest base and repricing periods to prevent significant repricing mismatches. The Bank does not undertake interest rate exposure for speculative purposes. If the interest of loans and fund of loans are in mismatches, the Bank concludes interest rate swap deals to ensure the proper closing of the position. Before signing an interest rate swap deal a detailed proposal is prepared for the Asset-Liability Committee which determines the parameters of the deal.

The analysis of interest rate risk exposure is prepared on a monthly basis. Regularly prepared reports in connection with interest rate risk management are the following:

- Repricing balance sheet concerning full-scale assets and liabilities.
- Calculation of BPV (Basis Point Value) and GAP
- Stress-tests on interest rate risk exposure.
- Stress-tests on the drastic changes of interest rates.
- Measurement of applied interest bases in case of interest-bearing assets and liabilities.

d) Interest rate risk analysis

The interest rate risk analysis is presented only in relation to the Bank, as this risk is not relevant for the other members of the MFB Group.

The performed interest rate risk reports and stress-tests indicate that the Bank's exposure to interest rate risk according to market reference interest rates (EURIBOR, USD SOFR, BUBOR) is low, greater changes in market rates - in any direction – do not cause great negative effect on the Bank's profit due to the repricing consonance.

According to stress-tests, 1% change in BUBOR and 0.25% change in EURIBOR and 0.25% in SOFR – at the same time and in the same direction - causes approximately HUF 3 201 million effect (2024: HUF 3 093 million), while 3% change in BUBOR and 1% change in EURIBOR and 1% in SOFR causes approximately HUF 9 668 million effect (2024: HUF 9 645 million) on the Bank's annual interest income (the effect is negative in case of interest rate increase, positive in case of interest rate decrease).

The Bank assess the possible effects of interest rate changes – considering different direction and degree – on the value of the Bank's portfolio and on the capital using BPV (basis point value) GAP on monthly basis. A 200-basis point increase in interest rates on interest-bearing assets and liabilities would have the following effect on the value of the Bank's capital, adjusted by revaluation band:

	31.12.2025								
	1-30 days	**31-90 days**	**91 days - 1 year**	**1 - 2 years**	**2 - 3 years**	**3 - 4 years**	**4 - 5 years**	**over 5 years**	**Total**
HUF	234	1 080	(643)	3 189	5 137	6 451	(3 363)	(20 770)	**(8 684)**
EUR	(44)	498	(887)	2 614	16 240	1 302	32 336	(34 794)	**17 264**
USD	3	(50)	(13)	(45)	(64)	(646)	4 072	(6 285)	**(3 029)**

	31.12.2024								
	1-30 days	**31-90 days**	**91 days - 1 year**	**1 - 2 years**	**2 - 3 years**	**3 - 4 years**	**4 - 5 years**	**over 5 years**	**Total**
HUF	98	1 060	(180)	644	2 931	4 078	5 068	(30 342)	**(16 643)**
EUR	53	333	1 298	5 445	4 476	23 716	845	(51 294)	**(15 128)**
USD	(1)	(18)	137	(62)	(72)	0	0	0	**(16)**

e) Market risk analysis

From market risk point of view, it is important that the Bank is not licensed for investment services and does not undertake speculative positions. Trading position contains short-term government bonds and own foreign exchange exposures. The Bank is exempted from keeping a trading book and preparing reports.

The Bank performs VAR analysis for the FX position by its market risk management system. In the VAR calculations, the short government securities stock as well as the total open book foreign exchange position of the Bank are included. The VAR position calculated from the portfolio concerning 99% confidence level and 10 days holding period shows a low value, it was 0.05 of the regulatory capital on 31st December 2025 (31.12.2024: 0.05%). This means that the probability of a HUF 298 million losses in the Bank's FX position – concerning 10 days holding period – is only 1% on 31st December 2025 (31.12.2024: HUF 285 million).

VAR position – 31 December 2025

Regulatory capital (million HUF): 633 861

Absolute risk indicators	Interest	Foreign exchange	Diversification	Total	VAR expressed as a percentage of Regulatory capital
Net asset value	0	8 122	0	**8 122**	
Parametric VAR	0	298	0	**298**	**0,05**

VAR position – 31 December 2024

Regulatory capital (million HUF): 633 752

Absolute risk indicators	Interest	Foreign exchange	Diversification	Total	VAR expressed as a percentage of Regulatory capital
Net asset value	0	8 668	0	**8 668**	
Parametric VAR	0	285	0	**285**	**0.05**

D. OPERATIONAL RISK

Operational risk refers to the probability of losses caused by inappropriately designed or incorrectly executed business processes, internal errors induced by people carelessly or deliberately, intentionally executed external attacks against banking systems or operational processes, inappropriate operating of IT infrastructure, effects of external environment. The operational risk loss data are presented in the consolidated financial statement on a Bank only basis as among the MFB Group members the Bank has a structured operational risk management framework that ensures systematic identification and assessment of operational risks, elaboration and implementation of measures for mitigation of such risks.

Framework of effective banking operational risk management is based on proper internal governance which ensures that risk management policies, internal regulatory documentation and systems remain effective in a constantly changing business and regulatory environment.

For the above reason the Bank builds its operational risk management activity on the following principles:

- Bank performs operational risk management in a decentralized way along central coordination. Operational risk management is coordinated by a designated colleague (OpRisk Coordinator) of

Strategic Risk Management Directorate within Risk Division; execution of operation risk management is responsibility of all areas of the Bank.

- The method that credit institutions can use to calculate the operational risk capital requirement is defined by Articles 312-315 of CRR III[2] concerning the operational risk own funds requirement and the business indicator component. Since the Bank's business indicator does not reach EUR 1 billion, its capital requirement is 12% of the business indicator calculated based on the average of the previous three financial years, according to Article 314.
- Bank follows a comprehensive operational risk management approach:
  - Fully identifies and measures the risk elements inherent in the processes, systems, human activities and external environment (collection and analysis of loss data, based on the Operational Risk Management Regulations). Operational risk management also covers the core business of the bank and other (non-score banking) activities.
  - Process-focused, focusing on identifying losses and process efficiency improvement activity.
  - Methodology is proactive, collects potential risks as well not only already occurred and registered losses.
- Management of the Bank receives information on relevant operational risk management events in standalone form or as part of other management reports quarterly.
- The Bank provides education and training to all employees annually to improve risk awareness, general risk sensitivity and disseminate specific operational risk management knowledge.
- The framework provides a common model for group members (subsidiaries) in terms of definitions, identification, measurement, monitoring, management, and risk mitigation.
- Bank maintains a separate database about operational risks and losses, which enables to fulfil its internal and external obligations concerning identification, measurement, analysis, evaluation, management, reporting, monitoring and capital requirement calculation and supervisory reporting.
- Operational risk management responsibilities and related tasks are also reflected in the job descriptions of the OpRisk Coordinator and designated colleagues of all concerned areas of the Bank.

The Bank meets the solvency capital requirement for operational risks according to the Business Indicator (BI) method, according to which the Bank's operational risk capital requirement was HUF 8 635 million on 31st December 2025 (31.12.2024: HUF 9 162 million based on the basic indicator method). The Bank's operational risk losses are much lower than this on an annual basis. In 2025, the Bank incurred a gross operating risk loss of HUF 58.5 million (2024: HUF 52 million).

[2] Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor.

E. CAPITAL MANAGEMENT

According to Section 1 (7) of the MFB Act. the Bank applies the regulation No 575/2013 of the European Parliament and of the Council of 26th June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (CRR) in the respect of prudential requirements with the differences set out in MFB Act. The Bank's share capital must be at least HUF 100 billion according to the MFB Act. Among the Group members only the Bank falls under the CRR regulations. The MFB Act. exempt the Group from consolidated supervision therefore consolidated adjusted capital and capital adequacy is not prepared. The data in this section is identical with the stand-alone Bank data.

To maintain its current solvency and to be able to meet its liabilities, the Bank must, at all times, have appropriate levels of primary core capital (i.e., Tier 1 capital: 4.5%), core capital (6.0%) and full regulatory capital (8.0%). Tier 1 capital has to contain the capital maintenance buffer (2.5%) and from 1st July 2024 also the countercyclical capital buffer (of which increased from 0,5% to 1% as of 1 July 2025) mentioned in local Banking law. As of July 2022, the Bank was exempted from the internal capital adequacy assessment procedure prescribed in § 97 of the CCXXXVII Act of 2013 on credit institutions and financial enterprises based on § 8 (2) of the MFB Act. However the Bank determines the need for additional capital, which is part of the internal capital adequacy assessment procedure and presents it to its management bodies. The Bank meets the required capital requirements, so the capital position is considered stable.

According to the requirements of the CRR, credit institutions must have an adequate amount of own funds to cover the risk of the activity performed at all times to maintain their current solvency and meet their obligations. Together with the capital maintenance and countercyclical buffer – that increased from 0.5% to 1% as of 1 July 2025 - it must continuously maintain an adjusted core capital ratio of at least 8% and a total capital adequacy ratio of 11.5%, which the Bank continued to comply with. Compliance with capital adequacy regulations is monitored by the National Bank of Hungary.

The Bank complied with the regulatory and prudential regulations and the limits. The capital adequacy ratio exceeded the minimum required ratio. The Bank informs the Board of Directors quarterly about the activities and changes in the capital during the period. The regulatory capital is calculated and the compliance with limits is examined on a monthly basis.

	31.12.2025	31.12.2024
I. Calculation of Regulatory Capital		
Share capital	519 900	519 900
Share premium	81 870	81 870
Retained earnings	31 886	26 025
Accumulated other comprehensive income	(1 951)	(559)
General reserve	2 162	1 931
Net result for the year	2 309	6 388
Common equity Tier 1 capital before deduction	636 176	635 555
Adjustments to CET1 due to prudential filters		
Cash flow hedge reserve	47	0
Fair value gains and losses arising from the own credit risk	(3)	0
Total amount of deducted item		
Intangible assets	(2 355)	(1 800)
Insufficient coverage for non-performing exposures	(4)	(3)
CET1 capital elements or deductions - other	0	0
Common equity Tier 1 Capital (CET1)	**633 861**	**633 752**
Additional Tier1 Capital (AT1)		0
Tier 1 Capital (Tier1 or. T1)	**633 861**	**633 752**
General risk reserve	0	0
Tax impact of general risk reserve	0	0
Tier 2 Capital (T2)	**0**	**0**
Regulatory Capital (T1+T2)	**633 861**	**633 752**
II. Calculation of Capital Requirement		
Total capital requirement for credit risk	231 527	333 206
Total capital requirement for exchange rate risk	744	693
Total capital requirement for operating risk	8 635	9 162
Total capital requirement for credit valuation adjustment	4 941	1 706
Total Capital Requirement	**245 847**	**344 767**
Risk weighted exposure	**3 073 093**	**4 309 591**
III. Capital adequacy ratio	**20.63%**	**14.71%**

F. FAIR VALUE

To increase the consistency and comparability of the fair value measurement and related disclosures, IFRS 13 sets out a fair value hierarchy, categorizing the inputs applied at determination of the fair values into three levels.

The Group applies the following fair value hierarchy:

Level 1: The fair value of financial instruments is based on their quoted market price in active markets for identical instruments that are available for the Bank at the reporting date.

Level 2: The fair value of financial instruments is based on directly or indirectly observable data other than the quoted market price. The followings can be used for the valuation: quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. Where discounted cash flow techniques are used, estimated future cash flows are based on the Bank's economic estimates and the discount rate is a market related rate at the reporting date for an instrument with similar terms and conditions. Where valuation models are used, inputs are based on market related measures at the reporting date.

Level 3: The fair value of financial instruments is based on inputs other than observable market data. The valuation is based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Group considers the fair value of its financial instruments to be level 1 if it was determined exclusively based on level 1 data. Level 2 category is applied when the measurement was based not only level 1 inputs, but no level 3 input, was required. When more fair values are available, the use of higher fair values hierarchy get priority, therefore if a security is primarily categorized as level 2, but level 1 data is also available the level 1 data will be applied automatically.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group uses widely recognized valuation models to determine the fair value of common and simple financial instruments, such as interest rate and currency swaps, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognized valuation models. Some or all the significant inputs into these models may not be observable in the market and may be derived from market prices or rates or estimated based on assumptions. Examples of instruments involving significant unobservable inputs include certain OTC structured derivatives, certain loans, securities for which there is no active market. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments, determination of expected volatilities and correlations and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes that a third-party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Bank and the counterparty where appropriate. For measuring derivatives both credit valuation adjustment (CVA) and debit valuation adjustment (DVA) are taken into consideration when market participants would take this into consideration in pricing the derivatives.

Model inputs and values are calibrated against historical data and published forecasts and where possible, against current or recent observed transactions in different instruments and against broker quotes. This calibration process is inherently subjective, and it yields ranges of possible inputs and estimates of fair value, and management uses judgement to select the most appropriate point in the range.

The Group measures forward transactions (derivative transactions) and HUF loans to credit institutions at EURIBOR-based interest rates at fair value. As the Group does not provide investment services, it enters into forward transactions only with credit institution partners.

a) Financial instruments measured at fair value by the level of fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date by the level of the applied fair value hierarchy. The amounts are based on the values recognized in the statement of financial position.

	31.12.2025			
	Level 1	**Level 2**	**Level 3**	**Total**
FINANCIAL ASSETS				
Derivatives		1 406	28 019	**29 425**
Non-trading financial assets mandatorily at fair value through profit or loss			**838 786**	**838 786**
Debt securities			814 367	814 367
Loans to customers			1 798	1 798
Loans to banks			22 621	22 621
Financial assets at fair value through other comprehensive income	**21 855**	**10 212**	**7 975**	**40 042**
Equity instruments		10 212	7 975	18 187
Debt instruments	21 855			**21 855**
Derivatives – Hedge accounting		8 230		**8 230**
FINANCIAL LIABILITIES				
Derivatives		33 361	21 778	**55 139**
Derivatives – Hedge accounting		10 451		**10 451**

	31.12.2024 Restated			
	Level 1	**Level 2**	**Level 3**	**Total**
FINANCIAL ASSETS				
Derivatives		**24 136**		**24 136**
Non-trading financial assets mandatorily at fair value through profit or loss			**806 614**	**806 614**
Debt securities			775 585	775 585
Loans to customers			3 235	3 235
Loans to banks			27 794	27 794
Financial assets at fair value through other comprehensive income	**27 365**	**12 699**	**14 612**	**54 676**
Equity instruments		12 699	14 612	27 311
Debt instruments	27 365			27 365
Derivatives – Hedge accounting		**7 810**		**7 810**
FINANCIAL LIABILITIES				
Derivatives		685		**685**
Derivatives – Hedge accounting		22 552		**22 552**

The Bank uses the discounted future cash flows model for its derivatives that is adjusted by the credit risk of the counterparty (asset side) or the Bank's own credit risk (liability side). The fair value of derivatives in hedge accounting is also calculated by using the same method. The underlying transactions in hedge accounting, the hedged item, are not reclassified into a fair value category, but remain in the amortized cost category.

Assets included in the „mandatorily at fair value through profit or loss" category are those failed on the SPPI test established by IFRS 9. The fair value of these items is determined based on the Group's internal model, which considers the value of future cash flows and expected market yield surcharge when discounting. The Group calculates the fair value of loans based on the discounted expected cash flow and discounts the contractual (capital, interest, interest subsidy) or individually determined future expected cash flows with the current yield curve or reference rate flat, increased by the product-level spread. In case of collective valuation, all contractual cash flows are considered and discounted. In case of individual valuation, the calculation includes the total expected cash flow. The fair value calculation is performed only for the already disbursed part, therefore the undrawn amount does not affect the fair value calculated. The fair value of the venture capital investments in this category are determined based onthe net asset value attributable to the Bank, as defined in the Management policies. The main parameters of the plan performance model are fulfilment of placements, costs accounted for in the fund, expenses of financial operations / recognized impairment ratio, amount of exits, net asset value. Venture capital funds have no material liabilities and no other material assets.

For debt securities presented as financial instruments at fair value through other comprehensive income (formerly available for sale securities), the fair values are determined as the average of the best buy and sale price available publicly disclosed by Government debt management agency for the reporting date.

For the fair value determination of equity securities, the Group considers the expected return on the market, the marketability of the item, its mobilization (the supply and demand conditions and the available market prices, the proportion from the net equity of the investment) and the probability and magnitude of the loss.

There was no transfer among the different fair value hierarchy categories.

b) Movement of financial instruments categorized into level 3

	31.12.2025					
	Customer loans	**Loans to banks**	**Other equity instruments**	**Debt securities**	**Derivatives – positive fair value**	**Derivatives – negative fair value**
Opening balance on 1st January	**3 235**	**27 794**	**14 612**	**775 585**	**0**	**0**
New disbursements/acquisition/capital increases	673	0	85	114 066	23 709	(23 709)
Transfer to associates			0	(7 721)		
Sales	0	0	(7 201)	(82 276)	0	0
Repayments	(536)	(5 133)				
Profit or loss during the year	(1 466)	(40)	0	14 713	4 310	1 931
Fair value changes during the year accounted into OCI			479			
Conversion from loans to other investments	(108)	0	0			
Other reclassification	0	0	0	0	0	0
Transfers from/to level 3. hierarchy category	0	0	0	0	0	0
Closing balance on 31st December	**1 798**	**22 621**	**7 975**	**814 367**	**28 019**	**(21 778)**

	31.12.2024 Restated			
	Customer loans	**Loans to banks**	**Other equity instruments**	**Debt securities**
Opening balance on 1st January	**5 316**	**31 250**	**15 471**	**603 156**
New disbursements/acquisition/capital increases	1 400	1 416	410	65 203
Reclassification from Associates or to exempted associates			202	68 214
Sales	0	0	(69)	(14 390)
Repayments	(2 221)	(4 928)		
Profit or loss during the year	(980)	56	0	53 402
Fair value changes during the year accounted into OCI			232	
Conversion from loans to other investments	(280)	0	0	0
Other reclassification	0	0	(1 634)	0
Transfers from/to level 3. hierarchy category	0	0	0	0
Closing balance on 31st December	**3 235**	**27 794**	**14 612**	**775 585**

The Group used discounted cash flow model valuation technique to determine the fair value for customer and bank loans in level 3 category. The significant unobservable inputs applied were the probability of default and the individual credit spread of the given customer, by the way they do not significantly affect the fair value measurement. For equity instruments the Group applied discounted cash flow model for the expected net cash flow derived from the entity.

Significant increase in any of the input parameters in isolation would result in lower fair values. In case of equity instruments increase in expected net cash flows would result in higher fair value.

c) Financial instruments not measured at fair value by the level of fair value hierarchy

	31.12.2025				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying value**
Cash. cash balances at central banks and other demand deposits		330 744		330 744	330 744
Financial asset at amortized cost	**32 856**	**0**	**2 196 833**	**2 229 689**	**2 231 488**
Debt securities	***32 856***		***497 795***	***530 651***	***535 888***
Hungarian government bonds	19 295			19 295	19 248
Corporate bonds			497 795	497 795	503 136
Mortgage bonds	13 561			13 561	13 504
Loans			**1 633 779**	**1 633 779**	**1 630 336**
Customer loans			***1 459 934***	***1 459 934***	***1 455 304***
General governments			47 277	47 277	46 837
Other financial corporations			373 269	373 269	362 290
Other non-financial corporations			875 381	875 381	877 265
Households			164 007	164 007	168 912
Loans to banks			***173 845***	***173 845***	***175 032***
Refinancing loans			0	0	0
Other loans			173 845	173 845	175 032
Other financial assets			***42 516***	***42 516***	***42 516***
Trade receivables			1 565	1 565	1 565
Margin accounts			40 951	40 951	40 951
Deposits at central and other banks			***22 743***	***22 743***	***22 748***
Central bank deposits			0	0	0
Other bank deposits			22 743	22 743	22 748
Financial liabilities at amortized cost		**1 918 804**	**1 625 484**	**3 544 288**	**3 562 651**
Deposits			***240 112***	***240 112***	***249 128***
Interbank deposits			194 458	194 458	194 498
Customer deposits (collateral behind loans)			45 403	45 403	54 379
Other customer deposits			251	251	251
Due from banks			***1 377 366***	***1 377 366***	***1 388 486***
Refinancing loans			145 163	145 163	164 838
Other loans taken			1 232 203	1 232 203	1 223 648
Debt securities issued		***1 918 804***		***1 918 804***	***1 917 031***
Listed HUF bonds		874 351		874 351	891 709
Listed CCY bonds		1 044 453		1 044 453	1 025 322
from this listed on foreign stock exchange		972 808		972 808	956 633
Other financial liabilities			***8 006***	***8 006***	***8 006***
Margin accounts			4 122	4 122	4 122
Creditors and other financial liabilities			2 923	2 923	2 923
Finance lease liabilities			961	961	961

	31.12.2024				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying value**
Cash. cash balances at central banks and other demand deposits		72 335		72 335	72 335
Financial asset at amortized cost	**37 164**	**0**	**2 048 873**	**2 086 037**	**2 125 803**
Debt securities	**37 164**		**374 283**	**411 447**	**441 220**
Hungarian government bonds	29 839			29 839	30 411
Corporate bonds			374 283	374 283	403 326
Mortgage bonds	7 325			7 325	7 483
Loans			**1 646 358**	**1 646 358**	**1 656 348**
Customer loans			***1 463 459***	***1 463 459***	***1 472 719***
General governments			55 259	55 259	55 153
Other financial corporations			343 024	343 024	336 135
Other non-financial corporations			903 432	903 432	911 013
Households			161 744	161 744	170 418
Loans to banks			***182 899***	***182 899***	***183 629***
Refinancing loans			0	0	0
Other loans			182 899	182 899	183 629
Other financial assets			***1 647***	***1 647***	***1 647***
Trade receivables			1 477	1 477	1 477
Margin accounts			170	170	170
Deposits at central and other banks			***26 585***	***26 585***	***26 588***
Central bank deposits			0	0	0
Other bank deposits			26 585	26 585	26 588
Financial liabilities at amortized cost		**1 656 772**	**1 288 670**	**2 945 442**	**3 000 896**
Deposits			***73 728***	***73 728***	***87 098***
Interbank deposits			34 952	34 952	34 957
Customer deposits (collateral behind loans)			34 020	34 020	47 254
Other customer deposits			4 756	4 756	4 887
Due from banks			***1 201 649***	***1 201 649***	***1 215 189***
Refinancing loans			152 959	152 959	178 095
Other loans taken			1 048 690	1 048 690	1 037 094
Debt securities issued		**1 656 772**		**1 656 772**	**1 685 316**
Listed HUF bonds		637 920		637 920	664 573
Listed CCY bonds		1 018 852		1 018 852	1 020 743
from this listed on foreign stock exchange		940 291		940 291	947 894
Other financial liabilities			***13 293***	***13 293***	***13 293***
Margin accounts			8 853	8 853	8 853
Creditors and other financial liabilities			2 860	2 860	2 860
Finance lease liabilities			1 580	1 580	1 580

The fair value of cash and cash equivalents and demand and short-term bank deposits was considered to be equal to the carrying amount at the reporting date.

Where available, the fair value of loans and advances is based on observable market transactions. Where observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Input into the valuation techniques includes expected lifetime credit losses, interest rates, prepayment rates and primary origination or secondary market spreads. For collateral-dependent impaired loans, the fair value is measured based on the value of the underlying collateral. Input into the models may include data from third party brokers based on OTC trading activity, and information obtained from other market participants, which includes observed primary and secondary transactions.

In case of purchased and issued debt securities measured at amortized cost, the fair value of the instrument is calculated based on the daily market closing rates available in the Inforex system. Where this information is not available, the securities are classified into level 2 or 3 fair value hierarchy and accordingly, discounted cash flow method is applied by using the current market yield curves. The fair value of issued bonds is determined based on data provided by market makers, however as there is no active market for these bonds therefore, they were categorized into level 2.

The fair value of deposits from banks and customers is estimated using discounted cash flow techniques, applying the rates that are offered for deposits of similar maturities and terms. The fair value of deposits payable on demand is the amount payable at the reporting date.

35. OFFSETTINGS

The below tables include all repurchase agreements and all such derivatives where ISDA agreements allows the net settlements.

Financial assets subject to offsetting and potential offsetting agreements – 31 December 2025

	Gross carrying amount	Amounts set off against financial liabilities	Net carrying amount	Potential effect of netting agreement not qualifying for offsetting in the Financial Position Statements			Net amount after potential offsetting
				Financial instruments	Cash collateral received	Non-cash financial collateral received	
Derivatives	37 655	0	37 655	(4 122)	0	0	**33 533**
Repurchase agreements	0	0	0	0	0	0	0
Total	**37 655**	**0**	**37 655**	**(4 122)**	**0**	**0**	**33 533**

Financial liabilities subject to offsetting and potential offsetting agreements – 31 December 2025

	Gross carrying amount	Amounts set off against financial assets	Net carrying amount	Potential effect of netting agreement not qualifying for offsetting in the Financial Position Statements			Net amount after potential offsetting
				Financial instruments	Cash collateral given	Non-cash financial collateral given	
Derivatives	65 590	0	65 590	(40 958)	0	0	**24 632**
Reverse repurchase agreements	0	0	0	0	0	0	0
Total	**65 590**	**0**	**65 590**	**(40 958)**	**0**	**0**	**24 632**

Financial assets subject to offsetting and potential offsetting agreements – 31 December 2024

	Gross carrying amount	Amounts set off against financial liabilities	Net carrying amount	Potential effect of netting agreement not qualifying for offsetting in the Financial Position Statements			Net amount after potential offsetting
				Financial instruments	Cash collateral received	Non-cash financial collateral received	
Derivatives	31 946	0	31 946	(8 853)	0	0	**23 093**
Repurchase agreements	0	0	0	0	0	0	0
Total	**31 946**	**0**	**31 946**	**(8 853)**	**0**	**0**	**23 093**

Financial liabilities subject to offsetting and potential offsetting agreements – 31 December 2024

	Gross carrying amount	Amounts set off against financial assets	Net carrying amount	Potential effect of netting agreement not qualifying for offsetting in the Financial Position Statements			Net amount after potential offsetting
				Financial instruments	Cash collateral given	Non-cash financial collateral given	
Derivatives	23 237	0	23 237	(170)	0	0	**23 067**
Reverse repurchase agreements	0	0	0	0	0	0	0
Total	**23 237**	**0**	**23 237**	**(170)**	**0**	**0**	**23 067**

36. MATURITY TABLE

The following table shows the residual maturity breakdown of financial assets and liabilities. The guarantees were classified in the category „within a year", irrespective of the actual maturity of the credit line holding period. The loan commitments were classified based on their actual maturity.

	31.12.2025			31.12.2024 Restated		
	Within a year	**Over a year**	**Total**	**Within a year**	**Over a year**	**Total**
Financial Assets						
Cash, cash balances at central banks and other demand deposits	330 744		330 744	72 335		72 335
Financial assets held for trading	29 425		29 425	24 136		24 136
Non-trading financial assets mandatorily at fair value through profit or loss	1 648	837 138	838 786	2 875	803 739	806 614
Financial assets at fair value through other comprehensive income	12 892	27 150	40 042	5 450	49 226	54 676
Financial assets at amortized cost	228 890	2 002 598	2 231 488	231 152	1 894 651	2 125 803
Derivatives – Hedge accounting	8 230		8 230	7 810		7 810
Fair value changes of the hedged items in portfolio hedge of interest rate risk	7 609		7 609	12 580		12 580
Total Financial Assets	**619 438**	**2 866 886**	**3 486 324**	**356 338**	**2 747 616**	**3 103 954**
Financial Liabilities						
Financial liabilities held for trading	55 139		55 139	685		685
Financial liabilities at amortized cost	646 392	2 916 259	3 562 651	505 508	2 495 388	3 000 896
Derivatives – Hedge accounting	10 451		10 451	22 552		22 552
Total Financial Liabilities	**711 982**	**2 916 259**	**3 628 241**	**528 745**	**2 495 388**	**3 024 133**
Guarantees	**1 146 269**		**1 146 269**	**1 111 841**		**1 111 841**
Capital commitments	**66 106**	**5 651**	**71 757**	**133 922**	**15 544**	**149 466**
Loan commitments	**194 433**	**240 364**	**434 797**	**195 311**	**41 841**	**237 152**

The Group manages liquidity risk through liquidity reserves (Central Bank eligible securities) and liquidity GAP limits. It provides timely renewal and replacement of expiring funds.

37. EXERCISING OWNER'S RIGHTS

The Bank exercises the owner's rights in the name of the Hungarian State for state owned companies determined by Annex 1., point 9. of the Decree No. 1/2022. (V.26.) of Ministry of Economic Development and in venture capital funds determined by the decrees 8/2016. (IV.19.) and 64/2016. (XII.28.) of Ministry for National Development, furthermore 15/2022. (XII.6) of Ministry for Economic Development. Incomes and expenses arising from the management of State assets form the incomes and expenses of the central budget. The Bank acts as an agent, that is not allowed to sell the entities and is not entitled for any dividend (unless has its own investment in the entity).

The companies and venture capital funds in which the Bank exercises the owner's rights on 31st December 2025 and 2024 are the following:

Name of the company / fund	**Activity**	**State ownership**		**Subscribed capital**	
		31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
AJH Növekedési Kockázati Tőkealap	Venture capital fund	69.99%	69.99%	4 286	4 286
Bonitás Kockázati Tőkealap	Venture capital fund		69.23%		6 500
Bonitás Kockázati Tőkealap II	Venture capital fund	76.87%	76.87%	12 158	12 158
Capitalisatio Kockázati Tőkealap	Venture capital fund	70,00%	70,00%	13 351	13 351
Conor Seed Capital Kockázati Tőkealap	Venture capital fund		69.77%		2 150
Core Venture Közös Növekedési Kockázati Tőkealap	Venture capital fund	69.93%	69.93%	4 290	4 290
Diákhitel Központ Zártkörűen Működő Részvénytársaság	Crediting	100.00%	100.00%	300	300
Finatech II. Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	13 351	13 351
Forte Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	3 617	3 617
GRAN III. Kockázati Tőkealap	Venture capital fund	74.03%	74.03%	6 931	6 931
Kutatás-fejlesztési és Innovációs Állami Tőkealap	Venture capital fund	100.00%	100.00%	30 000	30 000
Infokommunikációs Állami Tőkealap	Venture capital fund	100.00%	100.00%	6 075	6 075
Innovation Europe Agrár Innovációs Magántőkealap (former Green Europe Agrár Tőkealap)	Capital fund	70.00%	70.00%	38 540	164 036
PBG FMC Tőkealap	Venture capital fund	69.77%	69.77%	4 300	4 300
Prosperitás Profit Közös Növekedési Kockázati Tőkealap	Venture capital fund	69.98%	69.98%	6 430	6 430
Prosperitás Proseed Közös Magvető Kockázati Tőkealap	Venture capital fund	69.77%	69.77%	2 150	2 150
Regionális Fejlesztési Holding Zártkörűen Működő Részvénytársaság	Economy development activities		100.00%		23 842
Solus I. Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	13 351	13 351
Solus II. Kockázati Tőkealap	Venture capital fund	87.51%	87.51%	8 010	8 010
Takarék Kockázati Tőkealap I.	Venture capital fund	76.92%	76.92%	12 150	12 150
Üzleti Infokommunikációs, Digitalizációs Tőkealap	Venture capital fund	100,00%	100,00%	9 226	9 226
Valor Capital Közös Zártvégű Kockázati Tőkealap	Venture capital fund	69.99%	69.99%	2 934	2 934

Name of the company / fund	Activity	State ownership		Subscribed capital	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
X-VENTURES ALPHA I. Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	2 492	2 492
X-Ventures Béta Kockázati Tőkealap	Venture capital fund	69.77%	69.77%	3 280	3 280
Vespucci Capital I. Kockázati Tőkealap (former X-Ventures Delta Kockázati Tőkealap)	Venture capital fund	70.00%	70.00%	13 351	13 351
X-Ventures Gamma Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	13 351	13 351

38. EVENTS AFTER THE REPORTING PERIOD

All adjusting events after the balance sheet date have been considered the preparation of the consolidated financial statements of the Group. The Group has assessed the current war conflicts and their economic impacts. Based on our assessment, the processes experienced do not adversely affect the Group's operations and the going concern principle applies for the 12-month period following the balance sheet date.

MFB HUNGARIAN DEVELOPMENT BANK

MFB Hungarian Development Bank Private Limited Company's annual consolidated management report for 2025

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Executive summary

MFB Hungarian Development Bank Private Limited Company (hereinafter: "MFB Plc.", "MFB" or the "Bank") has prepared its 2025 management report in compliance with the Act C of 2000 on Accounting and pursuant to the rules of procedure of its Board of Directors and Supervisory Board. The purpose of the report is to allow the Bank's governing bodies to learn the details of the Bank's operations and business processes in the reporting period, and, based on balance sheet and income statement data, to gain an accurate picture of the Bank's financial management in 2025.

MFB Plc.'s performance in 2025 was determined by external factors resulting from the high export orientation of the national economy (the transformation of production chains due to the rise of protectionism, structural problems in export markets), moderate economic growth, a decline in investment, the strengthening of the forint against the euro due to the general weakening of the dollar, and the slowdown in the domestic quantitative easing cycle. In Hungary in 2025, the strict central bank policy slightly reduced the interest rates on newly granted long-term corporate forint loans, which contributed to a moderate increase in credit demand with a minimal upturn in corporate investment climate. This is in line with the results of the MFB's corporate questionnaire surveys (MFB-INDIKÁTOR): by autumn 2025, the proportion of companies planning to raise some form of external financing in the next 12 months rose from 24% in the previous year to 25%.

Despite subdued investment demand, and following more than HUF 1 000 billion in new commitments and disbursements in the previous year, the Bank once again delivered an outstanding performance in 2025, reaching nearly HUF 1 000 billion in new loan placements, guarantee provision and equity investments.
In 2025, businesses continued to benefit from several loan and capital programmes, individual loans and bonds, as well as guarantees complementing the lending activities, in order to fulfil their investment and working capital requirements, to address economic difficulties, liquidity problems and ultimately to help economic development and regain stability.

Business activity continued to show growth, with MFB Group's being available to businesses with loan, capital and guarantee products. The Bank financed its business activity in the reporting year through new domestic bond issues and short and medium-term borrowing. MFB did not receive any capital contribution from its owner in the year under review; Thanks to the capital-equalisation mechanism implemented in 2025, the Bank's total capital adequacy ratio increased to 20.63% by the end of 2025.

The MFB Group's consolidated profit after tax for 2025 was negative. The main reasons were:

- The Bank's net interest income was significantly below the prior year's level.
- Following consultations with the auditor, the Bank implemented significant methodological changes to its credit classification system in 2025. As a result, the Bank was required to recognise higher provisions against its loan portfolio.
- Results at the Group's companies declined year-on-year

In summary, in 2025 the MFB Group continued to actively support economic development through substantial loan and equity placements and by providing guarantees to businesses. Despite a negative result, its capital position remained stable and it did not require any state capital injections.

1. Operating conditions

Macroeconomic factors

Based on seasonal and calendar-adjusted data, investment performance in the national economy reached a record high in mid-2022, but has been declining steadily on an annual basis since then. In 2025, the volume of investments was 4.3% lower than a year earlier, due to the decline in construction investments, while investments in machinery and equipment essentially stagnated. Across the various economic sectors, the decline in investments was primarily caused by lower-volume development activity in the manufacturing industry. There are many reasons behind the slowdown in development (e.g. weak external economic conditions, gloomy economic outlook, low utilization of production capacity, high interest rates, unfavourable budgetary situation, drying up of EU funds).

The gross corporate loan portfolio increased by 3.7% or HUF 480 billion in 2025 compared to the end of 2024 (December 2025: HUF 13 612 billion). The picture is improved by the fact that the stock of foreign currency loans increased by HUF 74 billion as a result of the forint's strengthening during the year, while forint loans increased by HUF 406 billion (+6.2%). Transaction data also confirm the favourable trends: as a result of disbursements and repayments, the stock of forint loans increased by HUF 423 billion and the stock of foreign currency loans by HUF 564 billion in 2025.

MNB's Monetary Council did not change monetary conditions in 2025, with base rate remaining at 6.50% since September 2024.

Legislative changes with a significant bearing on the operations of the MFB Group

The table below shows the Bank's utilization of state guarantees and interest subsidies approved in accordance with the provisions of Act XC of 2024 on Hungary's central budget for 2025 at the end of the year:

data in HUF billion	Limit	Drawn down	Available
Fundraising limit	5 000	3 662	1 338
Loan financing, surety and guarantee limit	2 000	1 664	336
Exchange rate hedging agreement limit	2 000	1 494	506
Interest subsidy limit	400	29	371

In 2025, the legislation enacted in the framework of emergency legislation regarding the state(s) of emergency ordered by the Government (thus in particular regarding the freeze on reference and default interest rates) continued to affect the activities of MFB Plc.

Founder's Resolutions

The Minister for National Economy, who exercises shareholder rights over the Bank, has taken a number of important decisions concerning the Bank's operations. In the year 2025, most of the Founders' Resolutions adopted by the founders – acting within the scope of their duties and powers as defined in the Articles of Association – were related to the amendment of the Articles of Association, taking of business decisions, specifying deadlines for their completion and describing the method for verifying their implementation, as well as the recall and election of executive officers.

2. Business events in 2025

MFB is the lead credit institution of a company group in long-term state ownership that provides a complex range of services. The core of the companies included in the scope of consolidation consists of MFB's strategic investments. The MFB Group (excluding MFB) included 6 companies or capital funds at the end of 2025.

The combined (pre-consolidation) net earnings of the MFB Group in 2025 (without MFB) was a profit of HUF 6 613 million, which was lower than the previous year's figure. The largest profit in 2025 was also achieved by MKK Plc., which had an annual profit of HUF 7 371 million on an IFRS basis.

The individual companies' net earnings for the year, recognised for the purposes of consolidation and before adjustments, were as follows:

(HUF million)	2025.	2024.	Difference
MKK Hungarian Claim Work out Plc. (IFRS)	7 371	15 728	(8 357)
MFB Property Development Plc. (HAS)	2 095	2 165	(70)
MFB Invest Investment and Asset Management Plc. (HAS)	469	3 466	(2 997)
Hiventures Venture Capital Fund Management Plc. (HAS)	66	437	(371)
MFB Growth Capital Fund (HAS)	(2 179)	(1 277)	(902)
Fashion & Design Capital Fund (HAS)	(1 210)	(1 597)	387
Total	**6 613**	**18 922**	**(12 309)**

The core activities of the companies differ, and so we have highlighted the key aspects of the operations of the various members of the MFB Group individually below.

2.1. MFB Hungarian Development Bank Private Limited Company

MFB was the dominant institution within the MFB Group in terms of both capitalisation and total assets.

Business processes

Lending, new guarantees

In 2025, new loan disbursements amounted to HUF 338.3 billion; at the end of the year, the Bank's total net loans portfolio[1] amounted to nearly HUF 1 596.4 billion, which was HUF 33 billion less than at the end of 2024.
New corporate bond underwriting[2] shown under credit securities amounted to HUF 109.0 billion; while the year-end net balance of corporate bonds, credit institution bonds and mortgage bonds was HUF 520 billion.
In 2025 the Bank granted its clients new guarantees and guarantee limits of HUF 190.7 billion; the year-end balance of guarantees and guarantee limits exceeded HUF 1 146.3 billion.

Equity interests

In 2025 MFB's subscriptions of investment units in the various capital funds and thus its support for the capital placements made through these funds continued to be heavily represented among its direct investments. In addition, buyback transactions were carried out during the year as part of the active portfolio management.

[1] The aggregate value of the lines of Loans in the accounting balance sheet.
[2] In the balance sheet, for corporate bonds, classified as financial assets at FVOCI or as financial assets at amortised cost, the amount presented under debt securities comprises bonds issued by credit institutions, mortgage bonds and corporate bonds.

The main elements of capital increases in its own businesses and investment unit subscription commitments were the following:

- Subscription of investment units in the capital funds to meet the capital increase commitments previously undertaken by MFB-funded Crisis and Tourism capital funds.
- Subscription of investment fund units under the Baross Gábor Capital Programme and fulfillment of the subscription commitment, Programme Financing of other domestic or EU-managed capital funds
- Capital contribution to MFB Invest Ltd.
- Other MFB Group investments

The main elements of the exit rebuys and share reductions were as follows:

- Sale of units owned by Gábor Baross Capital Programme Securities funds.
- The acquisition of the investment units of the Central European Opportunity Private Equity Fund, which was launched within the framework of the MFB-funded Crisis Capital Fund

The Bank's net equity interest portfolio grew by HUF 261 billion in 2025[3], to HUF 1 589.5 billion, actual capital placements and investment-unit subscriptions amounted to nearly HUF 345.0 billion.

EU funds management

MFB was a fund management entity in the 2007-2013 programming period, and a Fund of Funds implementing entity in the 2014-2020 European Union programming period and in the 2021-2027 programming period, it plays the role of the organisation implementing the Holding Fund and the organisation implementing the Financial Instrument, and disposes over the available funds in its own name, but for the benefit of the Governing Authorities/National Authority operating under the control of the National Development Centre. Consequently, it maintains separate records of the funds of programming periods; these do not form part of the Bank's balance sheet.
In 2025, the Bank disbursed EU funds totalling HUF 44.1 billion through intermediaries related to the 2021-2027 programming period and the RRF (in the form of refundable and non-refundable loans).

Funding management

In 2025, MFB Plc. raised medium and long-term external funds worth HUF 1 101.3 billion. In terms of currency, the forint accounted for 44.7%, the euro for 49.7% and the dollar for 5.6% of the funds. International bonds represented 36.7%, domestic bonds 24.7%, bilateral bank loans 24.6%, syndicated loans 12.4% and institutional loans 1.6% of the funds.

Financial management

The Bank's net interest income (negative HUF 15 569 million) was down on the previous year's level due to the repricing of existing loans and the high interest expenses of newly acquired funds, as well as due to the significant financing needs of non-interest-bearing assets. Net fee and commission income (HUF 6 698 million) came in higher than the previous year's figure due to a larger guarantee portfolio, and dividend income (HUF 18 016 million) was also higher than in 2024.

During the year, the accounting gain on market funds measured at fair value (HUF 32 974 million) represented a significant item, which however decreased compared to 2024.

The expenses of banking operations (HUF 21 134 million) increased in 2025 mainly due to the carry-over effect of the integration of DHK in the second half of 2024, which affected the entire year. With respect to changes in impairments/provisions, methodological adjustments increased the required

[3]Also presented in this part of the balance sheet are the capital fund units recognised among *Non-trading financial instruments mandatorily measured at fair value through profit or loss*. The volume amount is consistent with the balance sheet numbers in section V of the report; the balance sheet is presented in detail in that section.

provisions for loans; however, this was partly offset by impairment write-backs on investments, also due to methodological changes. Consequently, the cost of risk in 2025 was lower than in 2024, amounting to HUF 21.3 billion

The Bank spent HUF 2 189 million on bank-operation investments in 2025. These capital investments were aimed at ensuring the necessary infrastructure, implementing developments required for performing the requisite range of tasks, and at replacing obsolete equipment and vehicles.

MFB-DHK integration

Based on the decision of the Government and the Founder, in 2025 MFB continued to perform a significant part of the tasks of DHK Plc. in 2025. The outsourcing of the tasks belonging to DHK Plc. and the employees performing those tasks induced an increase in costs MFB Plc. The Bank recognises part of this cost increase as revenue in the form of service fees and cost pass-through.

Summary

The Bank's activities in 2025 were largely determined by its response to the emerging overall economic crisis, and the measures taken to maintain economic stability, handling economic difficulties and economic development. In 2025, the Bank provided significant funds to businesses to mitigate economic damage and to expand investments to support economic growth. Accordingly, the balance sheet total increased along with the business activity. In addition, one of the key goals of the Bank in 2025 was to ensure the optimal and rational use of state assets, and in 2025 the Bank realised a profit of HUF 2.3 billion after tax.

2025 was the fourth year of the Bank's implementation of its 2022–2030 medium-term strategy. The strategy, revised in 2024, foresees HUF 4 100 billion of new commitments by 2025 and a further HUF 2 700 billion between 2026 and 2030. The Bank met the first-phase deployment target by the end of 2025; normal business activity between 2022 and 2025 exceeded HUF 4 200 billion. In light of this performance and based on the figures in the approved business plan, the Bank expects to achieve the projected business activity by 2030.

Based on MFB's latest questionnaire-based corporate survey (MFB INDICATOR) conducted at the end of 2025, there is approximately HUF 522 billion in unmet but reasonably profitable lending demand (gap) in the Hungarian economy (including investment loans, working capital loans and overdraft facilities). The estimated gap measured in the investment loan market is HUF 475 billion, the gradual filling of which is a justifiable task in line with EU principles as well.

2.2. Activities of the main companies included in the scope of consolidation

As of 31 December 2025, the key information relating to the subsidiaries included in the scope of consolidation was as follows:

MKK Hungarian Claim Work out Plc.

The management of retail-customer debt and of other, proprietary receivables continues to be predominant within the Company's business activity, and within this, its main activities include the management of tax and contribution claims purchased from the tax authority (in a decreasing extent in line with the depletion of the portfolio), workout activity, brokerage activity and factoring.
The Company's operations continued undisturbed in 2025, and its liquidity position remained stable. It also retained its market presence and share during the year. In 2025, the company continued to purchase secured and unsecured claims and to manage Széchenyi credit card type receivables.
In 2025, the bank derived the majority of its revenues from its core business, in particular yields on and revenues from secured and unsecured individual claims.

MKK Plc.'s after-tax profit for the year 2025 under IFRS is HUF 7 371 million.

MFB Invest Investment and Asset Management Plc.

The company's activities include the financing of development projects for medium and large companies. It carries out its activities directly, through individual investments, or indirectly, through investments in capital funds. In accordance with Government Decision 1512/2022 (X.24.) on the restructuring of the operating structure of state-backed capital funds, the Hungarian Banking Association, designated as the central actor of the new structure, acquired ownership interest in MFB Invest Plc. by acquiring 1 preference share in December 2022. According to the new operating model, from 2023 onwards, MFB Invest Plc. will exercise the investor rights related to the investment units owned by the Bank (among other tasks) and will liaise with the actors involved in state-owned capital funds, based on an agreement with the Bank.
The Company's placements in equity and debt securities amounted to HUF 217 558 million in 2025, increasing the total value of invested funds to HUF 444 637 million — more than 81.5% above the 2024 figure. The Company also participated as an investor in the establishment of several funds in 2025, with placements typically executed through funds managed by market asset managers. In many cases, resources provided by MFB Invest Plc. were complemented by market funding, thereby expanding financing opportunities for companies carrying out development projects — predominantly SMEs.
The company's after-tax profit for 2025 is HUF 469 million.

Hiventures Venture Capital Fund Management Plc.

The main objective of MFB Plc. was to build a venture capital fund management company that is able to provide venture capital investment from the incubation to the growth phase, using EU funds and MFB Plc.'s own resources, thus contributing to the long-term growth of the national economy. Over the years, the Fund Manager's activities have expanded significantly, first opening up to the traditional SME sector, then to large corporates, in the equity financing sector, helping to alleviate the shortage of private equity in the business sector compared to the EU average. In the wake of the COVID-19 crisis, to the provision of rescue financing to distressed economic operators. Hiventures Plc., operating as a subsidiary of MFB Invest Plc., is responsible for the management of the MFB Growth Capital Fund created through direct investment by the Bank, the Fashion & Design Capital Fund created through investment by MFB Invest Plc., the EU capital funds (the State Capital Fund for Research, Development and Innovation – KFI, the Information and Communication Capital Fund – IKT, and the Digitalisation Capital Fund – DTA), as well as the Hungarian-American Private Equity Fund (until 30 September 2025).
In 2024–2025 Hiventures undertook a strategic refocus and transferred the management of certain private equity funds to another state-owned fund manager.
In 2025, alongside a decline in assets under management, the Company's fee income decreased significantly compared with 2024; together with a slight reduction in operating expenses, this resulted in a post-tax profit of HUF 66 million.

Fashion & Design Capital Fund

The aim of the Fashion & Design Capital Fund, which was launched in September 2019 with funding of HUF 5 billion, is to finance start-ups or young innovative companies with high growth potential in the fashion and design sector that, through the capital support, can create innovative products or services by implementing their ideas and refining prototypes that can then be taken to the international market. Through the new fund, the Hungarian economy and Hiventures will open up towards an industry in which there are substantial opportunities for innovation and digital transformation, as well as for launching new clothing products and fashion accessories. To this end, as a first step, Hiventures entered into a strategic cooperation agreement with the Hungarian Fashion & Design Agency in 2019.
The loss of the Capital Fund in 2025 was HUF 1 210 million.

MFB Growth Capital Fund

In terms of development stages, the Capital Fund finances micro, small and medium-sized enterprises (and in some cases, large companies) that are at the start of the development and financing chain. Hiventures can make investments in three main phases within this framework, namely:

- pre-seed investments: the pre-seed phase is where visions at the idea stage are given business substance, and the founders are prepared to raise capital later;
- seed investments: the seed phase is where a significant part of product development takes place and, in some cases, where market validation begins; and
- growth investments: this is the stage when a product is launched to the market or its sales are increased, or new markets are entered.

In terms of investment focus, the MFB Growth Capital Fund takes an industry-flexible approach and thus has a broad industry focus, primarily aiming to build a portfolio of companies that mainly develop and sell innovative products and services. In terms of geographical focus, all regions of Hungary are eligible for funding, with the proviso that, in the case of investment in a foreign-based company, the resources made available must be used or benefited from domestically.
The loss of the Capital Fund in 2025 was HUF 2 179 million.

MFB-Property Development Plc.

During the reporting period, the Company operated as the real estate competence centre of the MFB Group. As part of this, it performed the banking group's property management, development, utilisation and sales tasks, but under its new strategy from 2022, it also completed market-based purchases of properties that were consistent with its existing activities and portfolio (e.g. office buildings), which allowed it to stabilise its profit-generating capacity.

In 2025, the company continued to perform facilities management and utilisation tasks in respect of the properties taken over from the members of the MFB Group and those in its portfolio.
The Company's after-tax profit for the year 2025 was a profit of HUF 2 095 million.

2.3. Key features of the internal audit and risk management systems of the corporate group

According to Section 134 (3) of the Accounting Act relating to consolidated management reports, if the negotiable securities of a company included in consolidation have been admitted for trading on a regulated market of any country of the European Economic Area, it's consolidated management report must include a description of the main features of the corporate group's internal audit and risk management systems in connection with the preparation of the consolidated annual accounts.

Given the fact that the bonds issued by MFB Hungarian Development Bank Private Limited Company had been admitted for trading on the Stock Exchange, we present below the main features of the corporate group's internal audit and risk management systems in connection with the preparation of the consolidated annual accounts:

- MFB's companies included in the consolidation circle are consolidated on the basis of reporting packages containing Hungarian annual accounts and IFRS adjustments audited by independent statutory auditors and, in the case of subsidiaries newly added to the consolidation circle, on the basis of a "purchase price allocation" (PPA) valuation prepared by an independent consultancy firm.
- In its consolidation accounting policy, MFB specifies the deadlines and the contents of the consolidation data reports.
- MFB decides on the business policy and business plans of the companies belonging to the MFB Group and approves the founder's resolutions and general meeting mandates relating to these

companies, including the election of the senior executives, supervisory board members, and the companies' chief executive officers.

- MFB delegates a representative to the Supervisory Board and Board of Directors of all the consolidated companies.
- MFB's Internal Audit Directorate may audit the members of MFB Group on the basis of the annual audit plan approved by MFB's Supervisory Board. In order to ensure the consistent quality of internal audit within the Group, the Bank applies a group-wide policy that sets out the internal control processes and the methodologies to be applied and assures the independence of the internal audit function within the organisation.
- In accordance with Section 8 (2) of the MFB Act, MFB is exempt from the requirements relating to consolidated supervision. At the same time, MFB lays down, in Board directives, specific rules on group-level risk taking, which contain guidance for the risk management activities of the MFB Group in respect of lending, market and operational risk. Members of the MFB Group have incorporated the requirements of the group-level policies into their own internal policies, in accordance with the personal scope of the respective group-level policy.
- MFB exercises monitoring activity in respect of the members of the MFB Group through monthly and quarterly reporting.

The risk management policy of the MFB Group, the hedging policy, and the price, credit, interest rate, liquidity and cash flow risks are described in detail in Note 34 of the consolidated statements.

3. Main features of the consolidated accounts

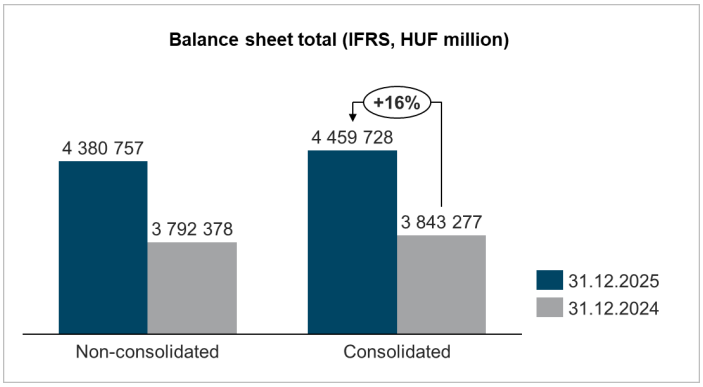
MFB's consolidated annual accounts for the year 2025 contain the following key data in accordance with international accounting standards:

- The consolidated balance sheet total was HUF 4 459 728 million as of 31 December 2025.
- The value of consolidated shareholders' equity amounted to HUF 762 545 million at the end of 2025.
- Consolidated net loss for the year 2025 was HUF 3 483 million.

The explanations for the significant quantifiable features of the consolidated accounts are as follows:

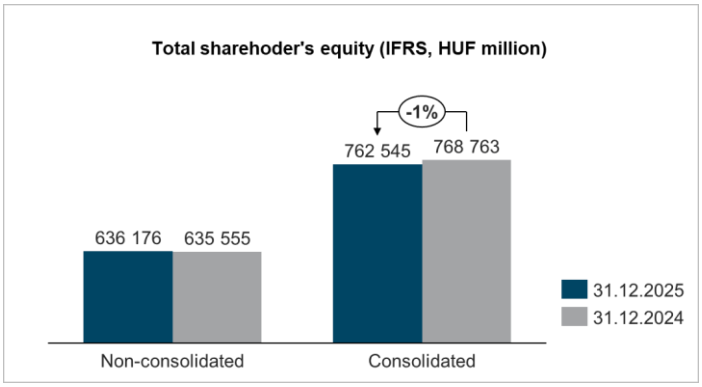
3.1. Balance sheet total

In 2025 the group-level balance sheet total amounted to HUF 4 459.7 billion, which is 16% more than the 2024 figure. During the year, the increased balance sheet total was mainly due to an increase in lending activity, as well as capital placements and subscriptions for investment units, which can be attributed to the activities of MFB, the parent company.
MFB's HUF 4 381.8 billion balance sheet total represents 98% of the group's balance sheet total.



3.2. Shareholders' equity

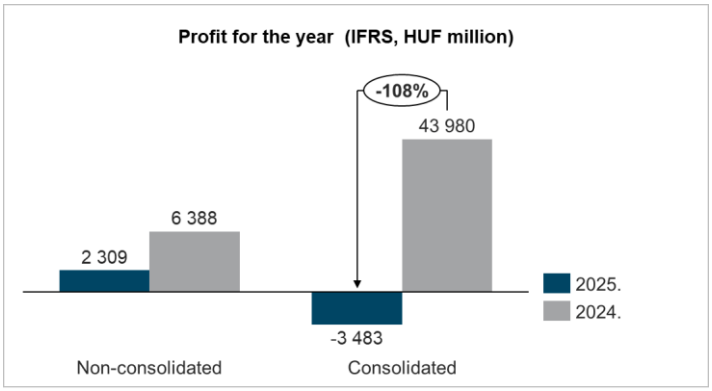
Consolidated equity is 1% lower than in 2024: primarily due to the consolidated net loss. The capitalisation of the group provides sufficient funding for operations and assures the secure discharge of tasks.



3.3. Net profit

MFB's non-consolidated 2025 profit after tax for the year under international accounting standards was HUF 2 309 million. Considering the changes due to consolidation, MFB's consolidated loss after-tax loss for 2025 amounted to HUF 3 483 million, the main reasons for which were:

- the Bank's net interest income was significantly below the prior year's level;
- due to methodological changes, the Bank had to recognise higher loan loss provisions on its loans;
- weaker results at group companies compared with the previous year.



The changes in the consolidated profit figures are summarised in the following table:

(HUF million, %) **Consolidated result**	**2025.**	**2024.**	**Index**
Net interest and commission income	4 828	19 537	25%
Dividend income	7 230	1 254	577%
Gains or (-) losses on financial instruments and liabilities held for trading	(45 862)	27 947	-164%
Gains or (-) losses on non-trading financial instruments measured at fair value through profit or loss	28 261	39 764	71%
Exchange rate difference, profit or (-) loss	44 619	(19 906)	-224%
Other operating income	19 426	17 016	114%
Net gain/(loss) on derecognition of financial assets and liabilities not measured at fair value through profit or loss	*383*	*196*	*195%*
Net gains/(losses) from hedge accounting	*(101)*	*(2 677)*	*4%*
Net gain or (loss) on derecognition of non-financial assets	*1 058*	*(737)*	*-144%*
Other operating income	*18 086*	*20 234*	*89%*
General and administrative costs	(36 089)	(32 523)	111%
Other operating expenses	(12 313)	(15 740)	78%
Modification gain or (-) loss	(17)	(271)	6%
Impact of impairment losses / provisions	(26 123)	(16 601)	157%
Share of profits or (-) losses on investments in joint ventures and associated companies valued using the capital method	14 274	26 042	55%
Fees and taxes	(1 717)	(2 933)	59%
Profit after tax	**(3 483)**	**43 980**	**-8%**

MFB's consolidated after-tax loss for the reporting year amounted to HUF 3 483 million, which is substantially lower than the profit recorded in 2024. Compared to the previous year, there were significant changes in the following items:

- The Bank's net interest income was down significantly from the previous year's level. This was driven, on the one hand, by higher interest expense on maturing liabilities as they were repriced and on newly acquired funding, and on the other hand by the expansion of the non-interest bearing asset base and the comparatively higher interest cost of financing that expansion with interest bearing sources versus the previous year.
- Dividend income is higher than in 2024, primarily due to increased dividend receipts from MFB Invest.
- The profit from financial instruments and liabilities held for trading purposes is significantly lower than in the previous year, mainly due to derivatives, but the exchange rate effect related to these instruments is of a similar magnitude but with the opposite sign, appears as a loss on the exchange rate difference, gain or (-) loss line.
- The profit from financial instruments that are mandatorily measured at fair value through profit or loss, and are not held for trading, is lower than in 2024. This is partly due to gains on the disposal of investment fund units—because the Bank did not recognise a positive fair value adjustment on these units in 2025—and partly due to smaller positive fair value adjustments on existing fund units compared with 2024 (some of which were realised as dividend income).
- The bulk of the increase in other operating income was attributable to the impact of changes in the fair value of derivatives and to gains on derecognition of non-financial assets (the latter resulting from the sale of an equity).
- The amount of overhead and administrative expenses exceeded the prior year, with the increase largely attributable to costs related to the parent company. Personnel expenses rose mainly as a result of the MFB–DHK integration on 12 July 2024, since the integration's cost impact was reflected for the full year in 2025; inflation-linked salary increases also hiked personnel costs. A significant part of the increase in non-personnel (operating) expenses was driven by higher IT and communications costs and by other items (insurance, audit fees, training), as well as by an increased number of students employed under the internship programme.
- The amount of other operating expenses was lower than in the prior year. This was mainly due to a more favourable expense from initial fair-value adjustments on loans granted and, secondly, because the Bank was relieved from paying the extra-profit tax as a result of a negative tax base.
- The impact of impairment losses and provisions on profit was materially less favourable than in 2024. This was driven by a methodological change to the model applied to collectively assessed loans at the Bank, which led to a significant increase in recognised impairment and provisioning. In addition, MKK recorded substantially fewer write-backs compared to the prior year.
- Profit from investments in joint ventures and associates accounted for using the equity method was lower than in 2024, owing to substantially weaker results of the associated funds compared to the prior year.
- Taxes include corporate income tax, local business tax and the innovation contribution, the combined amount of which was slightly lower than last year, mainly due to a lower tax base.

3.4. Key indicators of MFB's consolidated operations

Financial indicators

ROA		2025	2024	HUF million, % Index
1.	Net Profit/loss for the yea	(3 483)	43 980	-7.92%
2.	Balance sheet total	4 459 728	3 843 277	116.04%
3.=1/2	**Return on assets (ROA)**	**-0.08%**	**1.14%**	**-6.82%**

ROE		2025	2024	HUF million, % Index
1.	Net Profit/loss for the yea	(3 483)	43 980	-7.92%
2.	Shareholders' equity	762 545	768 763	99.19%
3.=1/2	**Return on equity (ROE)**	**-0.46%**	**5.72%**	**-7.98%**

By the end of 2025, both ROA and ROE declined materially and turned negative, primarily driven by a negative profit after tax. The Bank's balance sheet total increased due to expanded activity, while shareholders' equity remained essentially unchanged.

Cost/income		2025	2024	HUF million, % Index
1.	Total operating expenses	48 419	48 534	99.76%
2.	Total operating income	58 502	85 612	68.33%
3.=1/2	**Cost/income ratio**	**82.76%**	**56.69%**	**145.99%**

Total operating expenses remained flat in 2025, while within total operating income fair value gains on equity instruments declined materially and net interest income was also weaker. Consequently, the metric deteriorated compared with the prior year.

Liquid assets		2025	2024	HUF million, % Index
1.	Cash, Central bank and interbank deposits, Government securities	353 492	98 923	357.34%
2.	Total assets	4 459 728	3 843 277	116.04%
3.=1/2	**Liquid assets ratio**	**7.93%**	**2.57%**	**307.95%**

Despite the activity expansion in 2025 and substantial new funding raised, the Bank's holdings of cash, central bank deposits and other interbank deposits (liquid assets) increased significantly compared to the prior year-end. This was partly attributable to a buyout of a fund's units by co-investors and partly to the Bank's temporary placement of unused new funds in liquid assets. Consequently, the year-end liquidity position provides headroom to support further activity expansion.

Leverage		2025	2024	HUF million, % Index
1.	Balance sheet total	4 459 728	3 843 277	116.04%
2.	Shareholders' equity	762 545	768 763	99.19%
3.=1/2	**Leverage indicator**	**5.85**	**5.00**	**116.99%**

While shareholders' equity remained essentially unchanged in 2025, the balance sheet total increased significantly over the year in line with the activity expansion, resulting in a deterioration of the Bank's

leverage ratio compared to the prior year. At consolidated level, however, the Group retains adequate capital to ensure the safe continuation of its operations.

Non-financial indicators

Headcount		2025	2024	nr, % Index
1.	Closing headcount	958	928	103.23%
2.	Average headcount	913	849	107.55%

Both the Bank's year-end and average headcount increased in 2025, surpassing the 2024 level. The headcount growth is largely attributable to the carry-over impact of the MFB–DHK integration into 2025.

Announced MFB programmes and sub programmes		2025	2024	nr / HUF billion, % Index
1.	MFB programmes (nr)	8	3	266.7%
2.	Total programme funds (HUF billion)	437	161	271.1%

At the end of 2025, the following three loan programmes funded by MFB Plc. were available:

- MFB Széchenyi Microcredit Refinancing Programme 2.0 announced for refinancing the Széchenyi Microcredit MAX and MAX+ scheme of KAVOSZ Ltd. (announced budget: HUF 150 billion)
- The MFB PVRK Current Asset Loan Programme can be applied for from 19 November 2024 (announced budget: HUF 40 billion)
- MFB Livestock Working Capital Loan Programme 2025 - available for applications from 15 May 2025 (announced financial envelope: HUF 100 billion)
- MFB Agriculture Working Capital Loan Programme 2025
- MFB Food Production Working Capital Loan Programme 2025
- MFB TÉSZ Working Capital Loan Programme 2025 - available for applications from 28 November 2025 (the three products have a combined announced financial envelope of HUF 16.464 billion)
- MFB Condominium Plus Loan Programme - available for applications from 14 November 2025 (announced financial envelope: HUF 100 billion)
- MFB Green Momentum Loan Programme - available for applications from 16 December 2025 (announced financial envelope: EUR 75 million, approx. HUF 30 billion)

In addition, on 11 December 2024, the Bank joined KAVOSZ Ltd. as a distributor for the Széchenyi Restart Investment Loan MAX+, Agri Széchenyi Restart Investment Loan MAX+ and Széchenyi Restart Liquidity Loan MAX+ schemes. On 8 January 2025, the Bank joined as a distributor to EXIM Bank's Future Exporters Investment Loan and Future Exporters Investment Green Loan programmes. Thus, together with these, businesses can apply for financing in 13 own-funded schemes.

The MFB acted as the funds-managing body in the 2007–2013 programming period, as the Implementing Body of the Funds of Funds in the 2014–2020 EU programming period, and as the Implementing Body for the Holding Fund (hereinafter: HVSZ) in the 2021–2027 programming period; during the implementation of the RRF it serves as the Implementing Body for Financial Instruments (hereinafter: PEVSZ). It administers the resources made available to it in its own name but on behalf of the Managing Authorities/National Authority operating under the direction of the National Development Centre. Accordingly, the programming-period and RRF resources are not part of the Bank's balance sheet and are maintained in a separate register.
By the end of 2025, the loan and capital programmes listed in the table below were announced based on the Annual Development Allocations (ÉFK).

Financial Program code	Program name	Annual Development Allocations (ÉFK) (HUF billion)
GINOP Plusz-1.4.3-24	SME Technology Plus Loan program	85.5
GINOP Plusz-1.4.3-24/B	SME Technology Plus Loan program - working capital loan program	70
GINOP Plusz-1.4.4-24	SME Technology Plus Budapest Loan program	73.2
GINOP Plusz-1.4.5-25	National Champions - supporting green and digital transformation -combined loan in one operation	155.6
DIMOP Plusz-1.2.3/A-24	Supporting micro-small-medium size enterprises digitalization - combined loan in one operation	29.4
DIMOP Plusz-1.2.3/B-24	Supporting small-and medium size enterprises digitalization - Loan program	7.3
KEHOP Plusz-4.1.7-24	Home renovation program for supporting households' energy efficiency investments	66.8
KEHOP Plusz-4.1.8-24	Home renovation program for supporting households' energy efficiency investments - Budapest	6.2
RRF-REP-10.13.1-24	Home renovation program for supporting households' energy efficiency investments	108.2
RRF-REP-10.14.1-24	Setting up recharging stations for electric vehicles (EVs)	30.1
GINOP Plusz-2.5.1.25*	Early-stage R&D capital programme	18.1
DIMOP Plusz-1.1.4.25**	Digital Startup programme	16.7

**The selection process for the financial intermediary had not been completed in 2025.*
***Pursuant to the amendment of Government Decision 1158/2023 (IV. 27.), effective from 6 February 2026, the call's reference identifier was changed to DIMOP Plus–5.1.4.*

4. The MFB Group's strategic business policy concept for 2025

The core mission of MFB Group is to support domestic economic development, address market failures and provide market players with financing under favourable terms and conditions that enable investments and development projects.

The activities of MFB group as a development bank group will continue to complement the operations of the Hungarian banking sector in 2025 through the Bank's involvement in financing transactions that would not take place on a market basis but that are desirable for the national economy.
Based on the representative MFB-INDIKÁTOR questionnaire survey conducted among businesses in autumn 2025, the Hungarian economy has an unmet lending gap of around HUF 522 billion (including investment loans, working capital loans and overdraft facilities), which offers reasonable returns. The size of the gap measured in the investment credit market, which is a priority area for monitoring, is

estimated at HUF 475 billion, the gradual filling of which is a justifiable task, in line with EU principles as well.

MFB Plc. sees 2026 as the year of financial stability and maintained activity, and its goal is to maintain the financing of the economy by providing the necessary funding, ensuring a stable background for businesses.

The most important objectives for 2026:

- Economic development: the aim is to support economic growth, provide funding to address economic imbalances/deficiencies and take over part of the credit and capital risks from the market.
- EU funds management: To complete and accelerate EU disbursements, with a total of nearly HUF 95 billion in new disbursements under the RRF and the 2021-27 programming cycle
- MFB-funded business activity: To continue to expand MFB-funded placements in 2025 a total of HUF 695 billion in new disbursements, of which HUF 239 billion in new loan placements, HUF 32 billion in new guarantees provided and HUF 329 billion in new capital injections. Stable banking operations: To ensure the stability of the outstanding stock following the significant new commitments of over HUF 6 000 billion in the previous years. Cost and investment levels aligned with business activity and consistent with stable operations.
- Creating sustainable profitability: Implement measures to achieve medium-term profitability (Maintaining and strengthening market position, sustainability, and the green transition).
- The goal is to maintain the stability of the Hungarian economy in the face of global financial and economic difficulties, to facilitate the financing of businesses, and to ensure the continued availability of loan, guarantee and capital financing.

In addition to these factors, financial and business risks that could affect the plan's implementation must also be taken into account in 2026, including financial market volatility, resource scarcity, the performance of the subsidiary portfolio, the timely implementation of capital fund placements, and the challenges of channel and product renewal. Managing these risks will remain a key task in the future.

5. Other key processes

Sustainability Report (ESG)

Pursuant to the exemption set out in Section 95/F(11) of Act C of 2000 on Accounting, the Bank does not prepare an individual sustainability report and fulfils the sustainability reporting obligation only on a consolidated basis. The Bank will prepare the consolidated sustainability report for the 2025 financial year as an annex to the annual report and will also publish it as a standalone document on its website. The sustainability report includes, inter alia, the Group's employment policy and its activities related to environmental protection

The following Companies have branch sites:

- MKK Plc. – business address, as per the Articles of Association: 1138 Budapest, Madarász Viktor u. 47-49.
- MFB-Property Development Plc.
  - The Company's business sites:
    - 1135 Budapest, Szegedi út 35-37.
    - 1134 Budapest, Dózsa György út 128-130.
  - The Company's branch offices:
    - 2800 Tatabánya, Bárdos László u. 2.
    - 9970 Szentgotthárd, Füzesi út 3/b.
    - 2700 Cegléd, Fürdő utca 24.
    - 3100 Salgótarján, Kassai sor 6.

- 3100 Salgótarján, Alkotmány út 18. fszt.
- 3100 Salgótarján, Alkotmány út 18. I. emelet

MFB and the other members of the MFB Group do not have any business sites outside their registered office.

6. Important events that have occurred since the balance sheet date

All adjusting events after the balance sheet date have been considered during the preparation of the consolidated financial statements of the Group. The Group has assessed the current armed conflicts and their economic impacts. Based on our assessment, the processes experienced do not adversely affect the Group's operations and the going concern principle applies for the 12-month period following the balance sheet date.

Budapest, 1 April 2026

Zsolt Kovács
Chairman and CEO

Dénes Miklós Szluha
Managing Director

MFB Hungarian Development Bank Plc.

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Consolidated Sustainability Statement

31 December 2025

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I. GENERAL INFORMATION

1. General basis for preparation of the Report

The aim and scope of the Report

MFB Hungarian Development Bank Private Limited Company (hereinafter: MFB Plc. or Bank) prepares and publishes the Consolidated Sustainability Report of the MFB Group (hereinafter: MFB Group, Group or Banking Group), aimed at providing a comprehensive overview of the Group's environmental, social, and governance practices and results for the year 2025. MFB Plc. considers it an important mission to be at the forefront of disseminating sustainability-related good practices and approaches in Hungary, and its commitment to this is also demonstrated by its many years of experience in independent and voluntary sustainability reporting in line with the Global Reporting Initiative (GRI) standards. This Report contains the verified data of MFB Plc. and its controlled subsidiaries fully consolidated in the financial statements as described in Note 1A to the annual consolidated financial statements, in accordance with Act C of 2000 on Accounting (hereinafter: Accounting Act), as well as the provisions of the EU Corporate Sustainability Reporting Directive (CSRD). The scope of this Sustainability Report does not extend to other members of the MFB Group, such as associated companies, funds belonging to the entrusted asset circle, asset-managed companies, and companies holding entrusted assets. However, there are specific data points required by the European Sustainability Reporting Standards (ESRS) (e.g., the calculation of greenhouse gas (GHG) emissions under Scopes 1, 2 and 3), where these entities must also be included in the data provision, considering their status in the value chain of MFB Plc., the operational control position exercised by it, or their partial consolidation (using only the equity method). In such cases, where data related to a different scope compared to the MFB Group concept presented above is included, the relevant chapter of the Report clearly states this. The Sustainability Report was prepared according to the data points of the ESRS. To present the Group's sustainability performance for 2025 to its stakeholders in a more transparent manner, in the absence of sector-specific EU standards, the Report also uses additional sustainability reporting standards and sector-specific standards, which are the generic GRI standards as well as the GRI G4 standards applicable to the financial services industry.

Reporting entity	MFB Hungarian Development Bank Plc. Headquarters: 1051 Budapest, Nádor u. 31.
Scope of the Sustainability Statement	*Reporting entity* MFB Plc. *Entities included in financial consolidation* MFB Invest Investment and Asset Management Plc. (hereinafter: MFB Invest Plc.) MFB-Property Development Plc. (hereinafter: MFB-Property Development Plc.) MKK Hungarian Claim Work-Out Plc. (hereinafter: MKK Plc.)

Scope of the Sustainability Statement	Hiventures Venture Capital Fund Management Plc. (hereinafter: Hiventures Plc.) MFB Growth Capital Fund (hereinafter: MFB GCF) Fashion & Design Venture Capital Fund (hereinafter: Fashion & Design VCF) The owner of Hiventures Plc. is MFB Invest Plc., however, under a special agreement, the ownership rights of Hiventures Plc. are exercised by MFB Plc. The fund manager of MFB NTA and Fashion & Design Venture Capital Fund is Hiventures Plc. In the case of MFB NTA, MFB Plc. provides 100% of the capital and determines the investment policy and management rules. The financing of the Fashion & Design Venture Capital Fund is provided by MFB Invest Plc., thus it also exercises the right to determine the investment policy and management rights. MFB Plc. holds approximately 99.9% of the ownership interests in MFB Invest Plc., thus the exercise of ownership rights is also the responsibility of MFB Plc. Due to the described ownership structure, the governance framework, and the fact that the information related to MFB NTA and the Fashion & Design Venture Capital Fund is provided by other Group members included in the scope of this consolidation, these two funds are not presented separately in the Report. For the reporting period, the subsidiaries included in the consolidation were not required to prepare an Independent Sustainability Statement.
Period covered	1 January 2025 – 31 December 2025
Reporting cycle	Annual
Date of publishing	This Sustainability Statement was approved by the Board of Directors of MFB Plc. on 1 April 2026.

Disclosures in relation to specific circumstances

- **Time horizons:** This Report is the MFB Group's second Sustainability Report prepared in accordance with ESRS requirements, therefore, where required by the ESRS, the Report also includes information for 2024 as comparative data. Regarding forward-looking information, the Group uses the time horizons defined by the ESRS during the reporting process. Thus, short-term refers to a period of 1 year, medium-term refers to a period between 1–5 years, and long-term refers to a period longer than 5 years. Any deviations from these definitions will be indicated by the Group in the respective disclosure with justification.
- **Value chain:** Due to its specialised development banking function, the Banking Group is continuously in contact with various stakeholder groups during its operations, therefore, in addition to its own operations, the Report also presents the sustainability impacts, risks and opportunities arising in its value chain. The Sustainability Report covers the upstream value chain, which includes the suppliers and service providers necessary for the operation of the

MFB Group, as well as the financing banks and institutional investors from the fundraising side. In addition, the examination of sustainability issues has also been conducted regarding the downstream value chain. This includes affected clients through the lending portfolio (such as financed businesses and projects, refinanced commercial banks and financial enterprises, and beneficiaries of guarantees).

- **Sources of estimation and outcome uncertainty:** The MFB Group strives for factual and accurate, clear and concise data provision, which also includes the most precise determination of metrics. Thus, for all disclosures that cannot be measured directly, estimates or assumptions were applied, the fact of which is clearly indicated in the Report together with the level of uncertainty, if this is possible and available. These pieces of information related to measurement estimates and estimation uncertainty will be indicated in the relevant associated data tables. Additionally, if relevant, the process of data collection will be presented, as well as a summary of the techniques, methodologies and sources used for calculating or estimating the data, and the planned measures for future improvement of the data.
- **Incorporation by reference:** Since certain disclosures according to ESRS are presented in other sections of the Annual Report, they are not included in the Sustainability Report, or only in part. The list of disclosures made public through references can be found in Annex 1 under the title “List of Fulfilled ESRS Disclosure Requirements”.
- **Information corresponding to intellectual property:** The MFB Group did not take advantage of the opportunity outlined in ESRS to omit specific information that qualifies as intellectual property, know-how, or innovation results. The Report discloses all relevant information, thereby ensuring completeness and transparency in sustainability reporting.
- **Disclosure of impending developments or matters in the course of negotiation:** The MFB Group did not use the exemption under Article 29a(3) of the Non-Financial Reporting Directive (2014/95/EU, NFRD) regarding the omission of information related to imminent developments or issues under negotiation during reporting, considering that the disclosure of such information would severely harm the Group’s business position.
- **Transitional provision:** The MFB Group has utilised the phase-in option for the gradual introduction of disclosure for certain data points. In addition, the Group has applied the EU “quick fix” of 11 July 2025 (Commission Delegated Regulation (EU) 2025/1416 amending Delegated Regulation (EU) 2023/2772 as regards the deferral of the application start date of certain disclosure requirements for certain undertakings). Consequently – since the amendment classifies the MFB Group among those organisations for which the application start date of the disclosure obligations has been postponed – the Bank Group will also make use of the 1-year phase-in introduction of data points in the 2025 financial year. The list of these data points is published in Annex 1.
- **Reporting errors and changes:** This Sustainability Report, presenting the 2025 financial year, is the MFB Group’s second Sustainability Report prepared in accordance with ESRS requirements. Consequently, any reporting errors related to previous periods and the associated data changes—if practices have changed or if errors occurred in the previous reporting period—will be presented in the Report for the 2025 financial year in the relevant accounting principle or in the section addressing the topic.
- **ESEF taxonomy compliance:** The ESEF taxonomy for sustainability reports has not yet been adopted, therefore, the Group was not required to tag the disclosures.

2. Introduction of the MFB Group

2.1 Introduction of MFB Plc.

MFB Plc. has been operating since 1991 as a specialised credit institution wholly owned by the Hungarian State, with a primary mission to fulfil the traditional development banking function, namely, to address financing gaps and support long-term economic development without continuous financial intervention from the State, within a sustainably viable business model. Its focus area as a development bank is primarily the support of businesses and activities where market-based lending cannot be effectively realised. In carrying out these tasks, it closely collaborates with commercial credit institutions and partner organisations, as well as financial enterprises. Another key activity is the intermediation of European Union refundable funds, for which the Bank has established the network of MFB Points (MFB Point Plus network in the European Union's 2021–2027 programming period), which serves businesses and retail customers nationwide (Act XX of 2001 on the Hungarian Development Bank Plc.).

MFB Plc. has direct and indirect ownership interests in the following entities that are relevant in terms of the Sustainability Report:

- MFB Invest Plc.,
- MFB-Property Development Plc.,
- MKK Plc.,
- Hiventures Plc.

The MFB Group's member companies work closely together. As a result of structural transformations in previous years, the MFB Group operates as a unique development institution group in Europe. Together, its members are able to provide all banking products necessary for corporate operations, such as loans, capital and guarantees, as well as related financial services to Hungarian businesses.

2.2 Subsidiaries

In order to present the sustainability activities of the MFB Group as transparently and in detail as possible, it is important to describe the subsidiaries included in the scope of financial consolidation and to present their activities from a sustainability perspective. Since sustainability topics have varying significance in the operations of the individual subsidiaries, the Report will highlight only those companies for which the specific topic is relevant in the respective chapters. Subsidiaries that are not relevant to the topic will be presented grouped together or not presented at all. Each chapter of the Report will contain accurate data and statements and will not omit any facts that are significant for assessing the Group's situation.

MFB Invest Investment and Asset Management Private Limited Company

The main activity of MFB Invest Plc. is the financing of development projects for medium and large enterprises. It carries out its activities directly through individual investments or indirectly through investments in capital funds. In the case of investment projects, MFB Invest Plc. increasingly prioritises the promotion of environmental and social benefits, and projects that contribute to sustainable economic development, environmental protection, circular economic models and the enhancement of positive social impacts are beginning to come to the forefront. To reinforce this, MFB Invest is an investor in funds that specifically carry out investments with social and environmental benefits.

Hiventures Venture Capital Fund Management Private Limited Company

The activity of Hiventures Plc. focuses on supporting the Hungarian startup ecosystem, contributing to incentivising domestic business creation and market development. Its goal is to finance innovative businesses with high potential using the resources of the capital funds it manages, as well as to increase the value of its existing startup portfolio. The unique value of the company lies in its ability to cover the full spectrum of financing needs, from simple transactions to more complex investments, with its extensive financing solutions.

MFB-Property Development Private Limited Company

One of the tasks of MFB-Property Development Plc. is to maintain a record of certain properties taken over from the members of the MFB Group and other properties acquired by the Company, to monitor their legal, technical and real estate market status, and to arrange for their utilisation or sale. Another mission is to make individual assets suitable for functions according to the end-user's needs, in the presence of tenants or other utilisation intentions and potential that align with the strategy approved by MFB Plc. This is done by carrying out value-enhancing investments at its own expense and risk, meaning that, if necessary, it conducts targeted real estate development activities. These activities include energy efficiency improvements such as pressure regulation of air handling units, replacement of LED light sources, and installation of frequency-controlled circulating pumps, which significantly contribute to energy savings in buildings.

MKK Hungarian Claim Work-Out Private Limited Company

MKK Plc. is a financial enterprise that engages in retail and corporate debt management, financing and factoring activities. It also carries out the MFB Group’s work-out activities (minimising losses and enforcing claims in the case of problematic receivables) but primarily purchases receivables from other market participants. The company’s goal is to collect debts effectively and efficiently, while providing the highest level of protection for consumer interests.

2.3 Strategic goals and business model

The fundamental task of the MFB Group is to support domestic economic development, address market deficiencies, and provide financing with favourable structures that enable investments and developments for market participants. Its main goal is to meet the needs of economic actors throughout the entire lifecycle of businesses. Within the member companies of the MFB Group, MFB Plc. carries out its tasks in cooperation with commercial credit institutions and financial intermediaries. As a development banking group, the priority for the MFB Group in 2025 was to complement the functioning of the domestic financial system in such a way that financing transactions that are less efficiently realisable on a market basis, as well as those that are prioritised and important from a national economic perspective, can also be implemented.

Entity	Activity	Loan, bond, factoring	Guarantee	Capital	Service within the MFB Group
MFB Plc.	Own-funded lending, program lending, equity investments, guarantee transactions, bond issues and management of EU-funded financial instruments.	✓	✓	✓	✓
MFB Invest Investment and Asset Management Plc.	Support for individual (direct) large-scale equity investments, fund of funds function, and bond financing.	✓		✓	✓
MKK Hungarian Claim Work-Out Plc.	Debt management, as well as factoring services, with solutions covering the entire debt management vertical and services provided as the debt management competence centre of the MFB Group.	✓			✓
Hiventures Venture Capital Fund Management Plc.	Programmatic (fund-based) incubation and equity investment support for seed and startup companies.			✓	✓
MFB-Property Development Plc.	Real estate management, development, utilisation, and evaluation competence centre.				✓

The MFB Group implements its business strategy by operating in the following segments:

1. **Lending:** The primary target group for MFB Plc.'s individual, large-scale own-funded loans consists of large enterprises, as well as, in certain cases, SMEs, project companies, midcap companies and local governments. The own-funded loan programmes can predominantly be utilised by micro, small and medium-sized enterprises (SMEs) and, in certain cases, large enterprises that meet the requirements of the specific loan programme. In the case of bond financing, both SMEs and large enterprises are part of the target group.

2. **Investment:** Activities related to securities and investments. Individual large-scale equity investments are carried out by MFB Invest Plc., which is funded by MFB Plc.

3. **EU fund management:** MFB Plc. is also involved in the intermediation and management of European Union funds, during which it also finances sustainability goals. The primary target group for financial instruments funded by the European Union consists of SMEs, and in the case of investments aimed at increasing energy efficiency, the general public.

4. **Debt management:** The activities of debt purchasing, debt management and factoring are also among the key tasks of MFB Plc. Within the MFB Group, this activity is carried out by MKK Hungarian Claim Work-Out Plc. for SMEs and large enterprises.

5. **Venture capital investment:** Activities related to venture capital investment that provide opportunities for the development of companies in their early and growth stages. Accordingly, the target group for venture capital programmes (from EU or own sources) primarily consists of start-up businesses.

6. **Property utilisation:** MFB-Property Development Plc. manages and utilises its own properties, including value-adding and efficiency-enhancing investments and improvements.

The total net revenue for 2025 reported in the consolidated annual financial statements of the MFB Group is HUF 259 655 million. The revenue data used consists of items B1, B2, B3, B4 and B7 of the revenue definition outlined in Article 28 of EU Council Directive 86/635/EEC (on the annual accounts and consolidated accounts of banks and other financial institutions). This includes interest received, dividend income, profits from the involvement of associated companies, commission income received, net profit from financial operations and other items adjusted for the difference between the initial fair value of borrowed funds. The Group primarily conducts its business activities in Hungary and has no significant foreign operations therefore, it does not present its activities by geographical breakdowns. The MFB Group provides financial services in accordance with European Union and Hungarian regulations and has no product or service that is prohibited in certain markets. As a development bank, MFB Plc. operates as one of the engines for Hungary's transition to a fair and sustainable economy through financing and risk-taking. The aim of its business model is to establish and support the successful fulfilment of the Bank's mission and the tasks defined in Act XX of 2001 on the Hungarian Development Bank Plc. (hereinafter: MFB Act). The business model of MFB Plc. is determined by the organisation's mission and values, and its implementation occurs at the operational level through its business activities, allowing relatively broad frameworks for the various functions and activities that implement the processes, in line with market practice. Thus, the above serves as a framework defining the value-creating capacity of MFB Plc. and the manner of realising its development banking mission.

The primary task of MFB Plc. is to fulfil the classic development banking function, namely to address financing gaps and support long-term economic development without continuous financial intervention of the State, within a sustainably viable business model. In this role, the Bank has a particularly important function during economic downturns, where it can mitigate the economic and social impacts through its counter-cyclical tools.

The activities of the Bank are regulated by the MFB Act, which defines the Bank's tasks and scope of activities, budgetary and governmental relations, as well as its organisation, operation and supervision. According to the Act, the Bank's task is to participate—partly independently and partly in cooperation with other domestic and international organisations—in providing the necessary development resources for the economic development goals defined by the Government's medium- and long term economic strategy, keeping in mind the requirements of transparency, appropriateness, economy, efficiency and prudence, including the intermediation of European Union funds (see: Chapter 3, paragraph 5 of the 2025 Management Report of MFB Hungarian Development Bank Plc. – EU fund management). To this end, the State irrevocably acts as a guarantor backed by the central budget for the fulfilment of payment obligations incurred by MFB Plc., with the upper limits set by the law on the current central budget. Furthermore, the Minister responsible for public finances may also enter into a currency hedging agreement with MFB Plc. on behalf of the State, based on a Government Decision, to share any currency risk arising from the Bank's activities.

Accordingly, the value creation of MFB Plc. can be directly determined in relation to several stakeholders, particularly in the following cases:

- clients who do not have access to financing sources or do not have sufficient access,
- the Government, to whose economic development goals the Bank significantly contributes through its business activities,
- refinancing partners, financial intermediaries, and other suppliers and subcontractors involved in the business activities.

In achieving its strategic objectives, the Bank must pay particular attention to the European Union, national and other legal and prudential regulations relevant to its activities. Among these, compliance with the expectations set by the European Commission regarding the operation of national development banks and the European Union's State Aid Framework is particularly important.

MFB Plc. fundamentally achieves its commitment to these objectives through its lending, guarantee and equity financing activities.

2.4 ESG Strategy

As the core institution of the MFB Group, the role of MFB Plc. extends beyond classic development banking activities, such as long-term investment support under favourable conditions; it must now also respond to new economic and social challenges. Its operations must align with the continuously changing corporate demands and government economic policy objectives, while emphasising long-term sustainability and socioeconomic balance. Since 2021, the Bank has placed particular emphasis on considering ESG (environmental, social and governance) aspects and considers sustainability essential to avoid harmful environmental and social impacts. MFB Plc. has already integrated sustainability considerations into its Business Strategy for the period 2022–2030, indicating the management's firm commitment to making the principles of sustainability an integral part of fundamental banking processes and procedures, business culture and daily operations. One of the most important strategic objectives set by the Bank's highest governing body remains to contribute to Hungary's sustainable economic growth and the reduction of greenhouse gas emissions, taking into account related national policy strategies. At the same time, a key objective is to achieve a high level of compliance with the MNB Green Recommendation (Recommendation No. 10/2022 (VIII.2) of the Hungarian National Bank on climate-related and environmental risks, as well as Green Recommendation published on 9 March 2026 (Recommendation No. 2/2026. (III.6.) of the Hungarian National Bank). Furthermore, the enforcement of environmental sustainability aspects in the activities of credit institutions), as well as related EU regulations (Directive 2022/2464 on corporate sustainability reporting, Commission Delegated Regulation (EU) 2023/2772 on the European Sustainability Reporting Standards (ESRS), and Regulation (EU) 2020/852 on the EU Taxonomy), and Chapter III/A of the Accounting Act. In addition to environmental commitments, the Bank continuously strives to expand the scope of financing activities that yield positive social impacts and to ensure high-quality working conditions for its employees.

In 2024, MFB Plc. reinforced the importance of sustainability considerations by creating an ESG strategy (according to the *Sustainability (ESG) Strategy of MFB Hungarian Development Bank Private Limited Company (2024–2030) – "Responsible thinking, sustainable future"*). The ESG Strategy aligns as a sub-strategy with the Bank's Business Strategy, is built around three strategic directions, and defines the Bank's sustainability objectives for the period 2024–2030. This endeavour encompasses the integration of the United Nations Sustainable Development Goals (SDGs) as a fundamental ideological framework within the Bank's strategy. In 2025 the Bank began developing action plans and key performance indicators (KPIs) related to strategic objectives, as well as defining the framework necessary to achieve these objectives with clear roles and responsibilities. The Bank intends to define

goals that can be measured against available metrics, progressing continuously. Progress towards the defined goals is monitored on an ongoing basis. In 2025, the Bank developed KPIs related to the three strategic directions of the Sustainability (ESG) Strategy, which were adopted in 2026. The measurement of strategic objectives and performance indicators takes place twice a year, aligned with the Bank's business strategy, with closing dates of 31 December and 30 June. The targets defined during the review are included in the ESG KPI Targets Table of the Sustainability (ESG) Strategy. The Bank aims to incorporate an increasing number of aspects derived from the double materiality assessment into its ESG Strategy annually, through the development of the ESG maturity of the organisation. This will be achieved through the annual review and periodic update of the double materiality assessment, which also considers stakeholder opinions. The development of the relationship between the ESG Strategy and the double materiality assessment will be based on quantifying financial opportunities and risks in the coming years, alongside planning the financial resources necessary for implementing the strategy.

In 2025, the Bank reviewed its ESG Strategy based on the following:

- For the preparation of the 2025 Sustainability Report, the double materiality assessment carried out in accordance with the ESRS revealed new material topics. According to the assessment of impacts, risks and opportunities (IRO), performed based on the results of the 2025 benchmark analysis (Chapter 4.2. Double materiality assessment) and the examination of the current business context of the MFB Group, two new topics became material. Within the topic of Circular Economy, the subtopic 'Waste' is material in the downstream value chain, while within the topic Consumers and End-users, two subtopics are material: impacts related to information provided to consumers and/or end-users, and social inclusion of consumers and/or end-users.
- In 2025, the MFB Sustainable Finance Framework was reviewed, during which two categories (road infrastructure projects and waste management infrastructure and technologies) were added to the eligible green categories.
- In the Consolidated Sustainability Report prepared for 2024, the Bank committed to setting performance indicators (KPIs) linked to the objectives of MFB Plc., which have been completed.
- Furthermore, prior to the development of the ESG Strategy for the period 2024–2030, the Bank updated the ESG Strategy based on the results achieved in the field of sustainability and with future goals in mind.
- The strategic directions defined in the ESG Strategy approved for the period 2024–2030 were reaffirmed during the review.

The revised ESG Strategy document contains, in a consolidated structure, the updated ESG Strategy for the period 2024–2030. During the review, the strategic objectives were expanded with KPIs that measure them, and the measurement of these KPIs ensures the monitoring of the progress of the strategic objectives. The introduction of ESG KPIs is gradual and scheduled, with later extensions – particularly regarding emission reduction under Scope 1, Scope 2, and Scope 3 – to be determined by the Bank following the practical implementation of the MNB's Green Recommendation published on 9 March 2026 (Recommendation No. 2/2026. (III.6.) of the Hungarian National Bank), as well as the preparation of the transition plan required therein. The MFB – in line with the expectations of the MNB – will enact the transition plan by no later than 1 July 2027.

MFB Plc. ESG Strategic Objectives for the Period 2024–2030	
1st strategic direction: Sustainable own operations of MFB Plc., responsible banking operations and corporate governance	**Target completion date**
• The Bank's objective is to establish the indispensable measurement conditions for tracking its sustainability performance: data collection and the definition of ESG performance indicators, together with their continuous monitoring and reporting. A priority objective is to measure and continuously examine the environmental and social impacts exerted by its own operations and its banking activities.	The definition of performance indicators and data collection is carried out on an ongoing basis.
• The Bank intends to join the Partnership for Carbon Accounting Financials (PCAF) established by financial institutions.	Completed (2024)
• Furthermore, it intends to join the United Nations Environment Programme's Principles for Responsible Banking (UN PRB).	The Bank has not set a target date for accession.
• In addition to legal compliance, particular attention is paid to the Bank's role as a responsible employer in its internal operations.	Completed (from 2024 on a continuous basis)
• It will establish the conditions for integrating climate-related and environmental risks into internal reporting systems in order to underpin decision-making at the management level.	Completed (2025)
• From 2024, it prepares a sustainability report in accordance with the CSRD Directive / ESRS standards.	Completed (from 2024 on a continuous basis)
• By improving its sustainability performance, the goal is to improve its existing ESG rating and obtain additional ESG ratings.	Completed (2024)
• The Bank is committed to continuously maintaining the Green Office certification and to the gradual reduction of energy use and carbon footprint wherever possible.	Completed (from 2024 on a continuous basis)
• In 2026, the Bank will develop a carbon-neutrality plan in line with climate-related and environmental sustainability objectives.	2026
• It aims to achieve the net-zero emissions target by 2050.	2050
Review 2025: new targets	
• The Bank will reduce Scope 1 and 2 emissions by 10%.[1]	2030
• By prioritising digital solutions, the Bank aims to reduce annual paper use per capita by 5%.	2030
• The Bank aims to maintain staff turnover at a low level; the turnover rate (%) should be less than 15%.	2030
• The Bank aims to increase ESG awareness through training. The number of ESG-themed trainings per year should be at least 1 or more.	2030
• The Bank aims to expand knowledge related to data protection through training. The proportion (%) of employees successfully passing data protection training should be greater than 95%.	2030
2nd strategic direction: Sustainable funding and financing in line with development banking objectives	**Target completion date**
Funding	
• In its fundraising activities—and in cooperation with lenders and investors—the Bank applies the mobilisation of funds aimed at achieving positive sustainability, green and social impacts, depending on asset-side needs and taking market opportunities into account. During the strategic period, the Sustainable Finance Framework will serve as the basis for sustainability-oriented market fundraising (loan/bond) and will be reviewed every two years.	Completed (from 2024 on a continuous basis)

[1] *The ESG KPIs related to Scope 1–2 will be introduced from 1 January 2027. The reason for this is the practical implementation of the MNB's Green Recommendation No. 2/2026. (III.6.), published on 9 March 2026, as well as the preparation of the transition plan required therein, will establish a stable measurement basis for emissions. The MFB – in line with the expectations of the MNB – will enact the transition plan by no later than 1 July 2027.*

MFB Plc. ESG Strategic Objectives for the Period 2024–2030	
2nd strategic direction: Sustainable funding and financing in line with development banking objectives	**Target completion date**
Funding	
• Depending on market opportunities, the Bank intends, on the issuer side, to be a regular participant in the domestic and international green/social/sustainability bond markets. In line with the prevailing asset-liability management policy, it seeks to appear in this market preferably on an annual basis.	Completed (from 2024 on a continuous basis)
• Depending on asset-side needs, the Bank intends to continue relying significantly on the financing and refinancing opportunities of international and supranational development banks.	Completed (from 2024 on a continuous basis)
• To meet transparency expectations towards domestic and international investors, the Bank intends to maintain its ESG ratings on an ongoing basis in the long term.	Completed (from 2024 on a continuous basis)
• By achieving these objectives, MFB Plc. can establish close cooperation with lenders and investor stakeholders, and using the funds, it will exert broad positive environmental and social impacts.	Completed (from 2024 on a continuous basis)
Sustainable financing and related risk-taking activities	
• MFB Plc.'s objective is to develop products for the financing of green and/or transition activities increasingly in line with the EU Taxonomy conditions.	Completed (from 2024 on a continuous basis)
• For asset-side activities, the Bank considers the green and social eligibility categories of the Sustainable Finance Framework to be guiding. Accordingly, during the biennial review of the Framework, these are updated in line with needs and opportunities.	Completed (from 2024 on a continuous basis)
• In addition to the targets set out in the Framework, a key aim is to facilitate the green transition by financing investments compatible with and contributing to the conditions of the transition, thereby avoiding lock-in to activities with harmful impacts.	2030
• The Bank further aims to incentivise investments in sectors where the highest national-economic, environmental and social impact and employment can be achieved, through long-term loans and guarantees (at least 10 years).	Completed (from 2024 on a continuous basis)
• The Bank aims to reduce social inequalities through SME loan programmes provided by MFB Plc. (strengthening SME innovation and entrepreneurship, supporting enterprises operating in disadvantaged regions, and increasing employment).	Completed (from 2024 on a continuous basis)
• The Bank strives to ensure that among the concurrently operated loan programmes, there is at least one sustainability-oriented loan programme, or another dedicated loan programme supported by appropriate market analysis—serving sectors and loan purposes preferred from a sustainability perspective (e.g. energy-efficiency investment programmes).	Completed (from 2024 on a continuous basis)
• The Bank sets the objective of developing its programme to achieve climate-related and environmental sustainability objectives. To this end, it intends to develop a concrete plan for the monitoring and management of risks in the short, medium and long term (for at least a 10-year horizon).	2027
• As an investor, it intends to continue playing an active role in both the primary and secondary corporate bond markets, thereby supporting Hungarian enterprises' access to funding.	Completed (from 2024 on a continuous basis)
• In parallel with the development of the domestic green covered bond market, and depending on market opportunities, it intends to increase within its liquidity buffer—alongside government securities—the volume of green covered bonds, thereby also supporting the development of domestic green mortgage lending.	Completed (from 2024 on a continuous basis)
• The Bank seeks to further develop, with a sustainability focus, its guarantee-issuing practice that is already important in current operations.	Completed (from 2024 on a continuous basis)

MFB Plc. ESG Strategic Objectives for the Period 2024–2030	
2nd strategic direction: Sustainable funding and financing in line with development banking objectives	**Target completion date**
• The Bank also aims to increase the share of green and sustainable investments/loans and the number of green/sustainability products.	2030
Review 2025: new target	
• The Bank aims to support the financing of environmental-objective economic activities. The total volume of green transactions (including the portfolio of individual loans supporting environmental objectives, equity investments, purchased green bonds, covered bonds and guarantees provided behind green bonds) shall not fall below the portfolio level as at 31 December 2025.	2030
3rd strategic direction: Developing the financial awareness of clients and employees; strengthening the MFB Knowledge Centre	**Target completion date**
• To achieve sustainability objectives, the Bank strives for conscious consumer awareness-raising and financial education that gives special attention to climate-related and environmental risks. Information—considering the characteristics of products and services—also covers climate-related and environmental risks. Among enterprises and refinancing partner institutions, financial awareness is increased through advisory, innovative products, training and better access to services.	Completed (from 2024 on a continuous basis)
• Alongside its commitment to financing the green transition, client advisory in this regard and client education are treated as priorities.	2030
Review 2025: new target	
• The Bank aims to strengthen the sustainability approach among clients and partner institutions by organising ESG-themed business clubs/conferences once a year or more.	2030

Results achieved by MFB Plc. in implementing the ESG Strategy for the period 2024–2030 (2025 performance)
1st strategic direction: Sustainable own operations of MFB Plc., responsible banking operations and corporate governance
• As a result of the expectations set out as best practice in the Green Recommendation, the Green Office Project was implemented. In December 2022, the Bank obtained the Green Office certification for two years. In December 2024, the certification was renewed. In 2025, MFB Plc. extended the Green Office Programme to all its sites, including the offices located in Kacsa Street and in the Westend office building.
• In 2022, MFB Plc. obtained the Family-friendly Workplace certification for two years, which was successfully renewed in 2024 for a further two years. MFB Plc. continues to operate as a Family-friendly Workplace.
• To comply with the Green Recommendation and the findings of the MNB Comprehensive Inspection, internal processes were established to ensure that members of the governing bodies have appropriate qualifications and up-to-date knowledge regarding climate and environmental risks. In 2025, members of MFB Plc.'s governing bodies were briefed on tasks and challenges related to climate and environmental risks affecting the Bank.
• Since 2022, with the involvement of external experts—and according to internationally accepted methodology—the Bank has measured its carbon footprint annually. In 2025, MFB Plc. again measured its carbon footprint according to the internationally accepted Bilan Carbone methodology.
• In the performance evaluation system, annual performance targets have been expanded with sustainability aspects. In 2025, a sustainability objective continued to be included for employees in MFB Plc.'s performance evaluation system.
2nd strategic direction: Sustainable funding and financing in line with development banking objectives
• According to the ESG rating by Morningstar Sustainalytics (one of the world's leading ESG rating agencies), the Bank remained in the low ESG risk category. At the time of reporting, it ranked 112th out of 1,009 financial institutions assessed. The next review is expected in Q1 2026.

Results achieved by MFB Plc. in implementing the ESG Strategy for the period 2024–2030 (2025 performance)
2nd strategic direction: Sustainable funding and financing in line with development banking objectives
• To support its international fundraising activities—and considering the guidelines of the relevant international standards—MFB Plc. established its Sustainable Finance Framework in 2023. The Framework was reviewed in 2025, for which S&P Global issued an independent Second-Party Opinion on 30 September 2025. As a result of the review, driven by business needs, instead of the previous six eligibility categories, it now has eight "green" and, as before, three "social" eligibility categories. The new green eligibility categories are climate change adaptation, as well as prevention and reduction of pollution.
• According to the records of the International Capital Market Association (ICMA Group), in the 2024 financial year, MFB Plc., with its social bond issuance, was among the first not only in Hungary but also in the Central and Eastern European region. In 2025, the Bank carried out another social bond issuance (in the form of a tap) in the amount of HUF 16 billion.
• In addition to integrating ESG risks into the lending process, in 2025, the identification and assessment of transition risks and physical risks were also carried out. Moreover, Bank staff received professional training on two occasions to ensure that, when preparing submissions for individual lending transactions, the expectations laid down in the Bank's prevailing internal regulations are correctly and comprehensively applied in the assessment and analysis of transaction-level ESG risks.
• On 16 December 2025, the MFB Green Momentum Loan Programme was announced, which—based on the Bank's Sustainable Finance Framework—supports the green-targeted investments of domestic enterprises and the financing of related working capital needs. Through investment and working capital financing, the programme provides an opportunity at market interest rates for the modernisation of Hungarian SMEs and large enterprises, for increasing their efficiency and for the standardisation and high-level automation of production and service delivery via robotisation and digitalisation, prioritising the financing of investments necessary for sustainable operations, green activities and the promotion of circular economy solutions.
• The value of the green covered bond portfolio was HUF 12 169.1 million at the end of 2025.
• MFB Plc. played an active role in the successful implementation of green transactions under MNB programmes such as the Bond Funding for Growth Scheme and the Funding for Growth Scheme. The Bank continues to have a significant portfolio of green corporate bonds (HUF 91 331.2 million).
2nd strategic direction: Sustainable funding and financing in line with development banking objectives
• In 2025, for the first time since establishing the Sustainable Finance Framework, MFB Plc. prepared an Allocation Report and an Environmental Impact Assessment Report for the portfolios outstanding as at 31 December 2024. According to the reports, through Green Buildings and Renewable Energy transactions that meet the eligibility categories of the Framework, the estimated annual avoided GHG emissions amounted to 75 502.7 tonnes of CO_2-equivalent; while in relation to the amount of green sources, the environmental impact achieved by MFB Plc. as issuer was an estimated annual avoided GHG emissions of 17 154.2 tonnes of CO_2-equivalent. Under the Job Creation eligibility category of the Framework, MFB financed 9 loan programmes, comprising 3 644 projects and a total of 2 825 SMEs.
• By the end of 2025, the total portfolio of green and environmentally targeted allocations amounted to HUF 259 222.0 million (renewable energy, green real estate). In addition, the portfolio of green corporate bonds stood at HUF 91 331.2 million, and the portfolio of green guarantees amounted to HUF 62 706.5 million.
• By the end of 2025, the portfolio compliant with social utility criteria—covering SME programme loans, access to healthcare and domestic student lending—amounted to HUF 213 619.4 million.
3rd strategic direction: Developing the financial awareness of clients and employees; strengthening the MFB Knowledge Centre
• The Bank also regularly publishes to its employees the fulfilment of tasks set out in the Green Office Action Plan, as well as its plans for further measures aimed at strengthening sustainability aspects. In this context, staff were informed via newsletters about new measures of the Green Office Programme in 2025.
• The Bank continuously provides training opportunities for employees on topics relevant to sustainability. With 90 participants, an ESG-themed training was held in January 2025 on the main expectations of the domestic ESG regulation (e.g., ESG Act) and of the Corporate Sustainability Reporting Directive (CSRD), its introduction for companies within the financed portfolio, the sustainable finance practices of banks and the aspects of managing ESG risks in banking. In addition, more than 20% of the Bank's employees—beyond the general e-learning training—took part in an ESG-focused training programme or professional event.

Results achieved by MFB Plc. in implementing the ESG Strategy for the period 2024–2030 (2025 performance)
3rd strategic direction: Developing the financial awareness of clients and employees; strengthening the MFB Knowledge Centre
• On 11 November 2025, the Bank organised its ESG conference—"Renewed Trust: ESG, Regulation and Opportunities"—for the third time. At the forum organised jointly with the Hungarian Economic Association, participants not only discussed the continuously changing regulatory environment affecting ESG, but representatives of banks, financed companies and the regulatory side also debated the challenges and opportunities ahead. This year, the conference had a dual primary objective: firstly, to align the expectations of supervisory authorities with the preparedness and reporting obligations of domestic market participants; secondly, to demonstrate how the practical implementation of ESG requirements increases market confidence and competitiveness.
• In 2025, the Bank became a Gold-level Patron Member of MMESZ – the Hungarian Renewable Energy Association. By now, the Bank has developed close cooperation with member companies of the Association and has become a full member of all working groups. The Bank's business division also joined the joint work. In addition, on 14 October 2025, the Bank participated as a speaker at the MMESZ "Green Talks" conference, where—together with representatives of domestic commercial banks—it shared its sustainability practices with the participants.

The ESG Strategy of MFB Plc. applies solely to the Bank and defines the strategic directions related to its operations and activities. However, it is important to mention that the commitment to sustainability is not only a focus of MFB Plc. but also plays an important role in the activities of several members of the MFB Group. As reinforcement of this, the subsidiaries of the MFB Group prepared their individual ESG Strategies in 2025, in alignment with the ESG Strategy of MFB Plc., ensuring that ESG considerations are enforced at the Group level as well.

2.5 Value Chain

In order to ensure transparency and completeness throughout the Report, in addition to its own operations, the MFB Group also shares information on sustainability matters concerning its upstream and downstream value chain. As a responsible Banking Group, it strives, during its business operations, to monitor impacts and risks arising in the value chain and, to the extent possible, to manage them. The value chain of MFB Plc. is presented in more detail later in this chapter.

Strategic directions and the relationship of value chain segments

Value chain segment	Strategic objective
Upstream activities	Sustainable funding
Own activities	The Bank's sustainable operations, responsible banking practices, and corporate governance
Downstream activities	Sustainable financing in line with the development banking goals, enhancing financial awareness among clients and employees.

2.5.1 Upstream activities

Assessing the impacts of the Bank's activities at the Group level, on the upstream side, procurement and fundraising have been taken into consideration. In the context of the MFB Group, the upstream value chain comprises suppliers and service providers, as well as, on the funding side, financing banks and institutional investors.

Although the Group, which predominantly performs financial activities, has traditional suppliers among its upstream activities (e.g., office equipment, IT procurement), their role in the value chain is not significant. Regarding procurement procedures, MFB Plc. proceeds in accordance with the relevant sections of the Public Procurement and Procurement Rules. As an enterprise in exclusive state

ownership, for procurements exceeding the public procurement threshold the Bank must fully comply with the provisions of Act CXLIII of 2015 on Public Procurement (Kbt.), which extends to the order of procedures, processes, record-keeping and documentation, the acceptance and fulfilment of environmental, social and labour-law requirements, and also regulates the scope of responsibilities and extent of procedural steps. As a contracting entity, MFB Plc. can enforce only the exclusion grounds set out in the Public Procurement Act during procurement procedures; there is no possibility to apply other exclusion grounds, and it may request data concerning the supplier's subcontractors during performance only in the manner and to the extent prescribed in the Public Procurement Act. In connection with EU-level procurements, further requirements must be met, among other things, in relation to conflicts of interest, in addition to the safeguards that conflict-of-interest provisions are met between MFB Plc. and the tenderer. In conducting procurement procedures, a key objective—alongside ensuring transparency and fair competition—is the full compliance with conflict-of-interest rules and legislation. Relationships with suppliers are governed, in the case of subsidiaries, as well, by their respective procurement regulations.

MFB Plc. raises the funds necessary for its development banking activities from both the domestic and international money and capital markets, which is key to establishing the Bank's operational background. The Bank primarily finances itself through the issuance of debt securities and by contracting interbank, bilateral and club loans; in addition, it borrows on favourable terms from international development institutions, which are typically for dedicated purposes. The enforcement of sustainability considerations also permeates fundraising activity, appearing as a strategic objective alongside ensuring increasing volumes of funding aligned with asset-side needs. To this end, in 2023 MFB Plc. established its Sustainable Finance Framework (hereinafter: the Framework or SFF) in line with international standards (e.g. International Capital Market Association (ICMA), Loan Market Association (LMA), and market practice. In 2025, MFB Plc. reviewed and expanded its Framework. Instead of the previous six 'green' eligibility categories, it now has eight 'green' and, as before, three 'social' eligibility categories. More detailed information on the Sustainable Finance Framework is provided in Section 5.3, in the part of the ESRS E1 standard. Beyond defining sustainability objectives within the SFF, the Bank actively cooperates with international multilateral/supranational and development financial institutions on sustainability topics.

2.5.2 Own activities

The MFB Group is one of the key actors of the Hungarian economy; its core task is to support domestic economic development, address market gaps, and provide financing with favourable structures that enable investments and developments for market participants. As a development banking group, in 2025, the MFB Group continues to complement the functioning of the domestic financial system by participating in financing transactions that cannot be efficiently realised purely on a market basis but are preferred from a national economic perspective. The activities of the Banking Group are presented in full detail in Sections 2.1 Introduction of MFB Plc. and 2.2 Subsidiaries.

With respect to its own activities, MFB Plc. focuses on its own sustainable operations as well as on responsible and ethical banking practices; consequently, environmental topics play a prominent role in this value-chain segment as well. As part of this, the Bank implements its Green Office environmental management programme and the energy-efficiency developments established within it. In addition, the Bank considers the responsible and ethical shaping of corporate culture to be a key strategic objective. While ensuring continuous legal compliance, the Bank places great emphasis on the working conditions and rights of its employees. A high level of data protection is fundamental for the Bank, both in corporate governance and for employees. Furthermore, as a development bank, it plays an important role in

supporting the functioning of the Hungarian economy, thereby indirectly exerting a broad positive impact on Hungarian society as a whole.

2.5.3 Downstream activities

In the downstream value-chain segment, the Banking Group primarily examines the impacts related to its financing activities, specifically the effects exerted through the financed portfolio.

Products and services

The financed clients of the Banking Group cover a very wide range, including, among others, micro, small and medium-sized enterprises, as well as large enterprises. With the contribution of their 958 employees, the Group's member companies continuously strive to provide services of the highest quality and to meet their clients' needs at a high level. The Bank is connected to retail and private clients indirectly through the intermediation of EU financial products.

Furthermore, MFB Plc. aims to meet the strategic expectations that set business and sustainability directions, in particular by developing and distributing those types of products that contribute to the reduction of GHG emissions and to increasing clients' environmental awareness and sustainability mindset. Within the scope of own-funded products, in 2025, sustainability considerations were integrated into financing activities in connection with the introduction of a new loan programme. The MFB Green Momentum Loan Programme aims to facilitate the transition of domestic enterprises and organisations to sustainable operations, their technological renewal and the strengthening of their competitiveness. The Programme focuses particularly on financing investments that promote circular economy solutions and green-targeted developments. The green expectations for transactions implemented under the Programme were defined based on the Bank's Framework.

MFB Plc. performs the sustainability-focused assessment of significant markets and client groups in accordance with the ESG criteria set out in the second recommendation (7/2025. (VI.23.)) of the MNB on the minimum ESG questionnaire, and also by collecting market data and conducting analyses for every client. Primarily through the evaluation of ESG client and transaction questionnaires, the degree to which a given client group (its individual transaction and the related market or sector) can be considered sustainable is assessed along sustainability considerations. Regular analyses prepared by the MFB Centre for Analysis take account of sustainability trends, and these issues also come to the fore during any client interviews, thereby making it possible to identify the commitment and willingness towards sustainability, as well as development/financing opportunities, across markets, sectors and individual clients or client groups. The main products provided to clients by MFB Plc., as the most significant financier of the Banking Group, are presented below.

The main financing products offered by MFB Plc. to clients and the intermediated EU financial instruments		
Target group	**Service group**	**Available products 2024**
Individuals	EU fund management	RRF-REP-10.13.1-24 Home Renovation Programme KEHOP Plusz-4.1.7-24 Home Renovation Programme KEHOP Plusz-4.1.8-24 Home Renovation Programme
Micro enterprises	Lending	MFB Széchenyi Microcredit Refinancing Programme 2.0 MFB PVRK Working Capital Loan Programme KAVOSZ Széchenyi Liquidity Loan MAX+ KAVOSZ Széchenyi Investment Loan MAX+

The main financing products offered by MFB Plc. to clients and the intermediated EU financial instruments		
Target group	**Service group**	**Available products 2024**
Micro enterprises	Lending	KAVOSZ Agricultural Széchenyi Investment Loan MAX+ **Newly introduced products in 2025:** MFB Livestock Working Capital Loan Programme 2025 MFB Agricultural Working Capital Loan Programme 2025 MFB Food Industry Working Capital Loan Programme 2025 MFB Producer Organisations (PO/TÉSZ) Working Capital Loan Programme 2025 MFB Condominium Plus Loan Programme MFB Green Momentum Loan Programme
	EU fund management	GINOP Plus-1.4.3-24 SME Technology Plus Loan Programme GINOP Plus-1.4.4-24 SME Technology Plus Budapest Loan Programme GINOP Plus-1.4.5-25 National Champions – Single-Operation Combined Loan Programme for Green and Digital Transition DIMOP Plus-1.2.3/A-24 Single-Operation Combined Loan Product Supporting the Digitalisation of Micro, Small and Medium-Sized Enterprises RRF-REP-10.14.1-24 Installation of Electric Vehicle Charging Stations
Small enterprises	Lending	MFB Széchenyi Microcredit Refinancing Programme 2.0 MFB PVRK Working Capital Loan Programme KAVOSZ Széchenyi Liquidity Loan MAX+ KAVOSZ Széchenyi Investment Loan MAX+ KAVOSZ Agricultural Széchenyi Investment Loan MAX+ **Newly introduced products in 2025:** MFB Livestock Working Capital Loan Programme 2025 MFB Agricultural Working Capital Loan Programme 2025 MFB Food Industry Working Capital Loan Programme 2025 MFB Producer Organisations (PO/TÉSZ) Working Capital Loan Programme 2025 MFB Condominium Plus Loan Programme MFB Green Momentum Loan Programme
	EU fund management	GINOP Plus-1.4.3-24 SME Technology Plus Loan Programme GINOP Plus-1.4.4-24 SME Technology Plus Budapest Loan Programme GINOP Plus-1.4.5-25 National Champions – Single-Operation Combined Loan Programme for Green and Digital Transition DIMOP Plus-1.2.3/A-24 Single-Operation Combined Loan Product Supporting the Digitalisation of Micro, Small and Medium-Sized Enterprises DIMOP Plus-1.2.3/B-24 Loan Programme Supporting the Digitalisation of Small and Medium-Sized Enterprises RRF-REP-10.14.1-24 Installation of Electric Vehicle Charging Stations
Medium enterprises	Lending	KAVOSZ Széchenyi Liquidity Loan MAX+ KAVOSZ Széchenyi Investment Loan MAX+ KAVOSZ Agricultural Széchenyi Investment Loan MAX+ Custom financing/provision of loans, bonds, and bank guarantees

The main financing products offered by MFB Plc. to clients and the intermediated EU financial instruments		
Target group	**Service group**	**Available products 2024**
Medium enterprises	Lending	Project and structured financing **Newly introduced products in 2025:** MFB Livestock Working Capital Loan Programme 2025 MFB Agricultural Working Capital Loan Programme 2025 MFB Food Industry Working Capital Loan Programme 2025 MFB Producer Organisations (PO/TÉSZ) Working Capital Loan Programme 2025 MFB Condominium Plus Loan Programme MFB Green Momentum Loan Programme
	EU fund management	GINOP Plus-1.4.3-24 SME Technology Plus Loan Programme GINOP Plus-1.4.4-24 SME Technology Plus Budapest Loan Programme GINOP Plus-1.4.5-25 National Champions – Single-Operation Combined Loan Programme for Green and Digital Transition DIMOP Plus-1.2.3/A-24 Single-Operation Combined Loan Product Supporting the Digitalisation of Micro, Small and Medium-Sized Enterprises DIMOP Plus-1.2.3/B-24 Loan Programme Supporting the Digitalisation of Small and Medium-Sized Enterprises RRF-REP-10.14.1-24 Installation of Electric Vehicle Charging Stations
Large enterprises	Lending	Individual financing for corporates/provision of loans, bonds, and bank guarantees Project and structured financing **Newly introduced products in 2025:** MFB Livestock Working Capital Loan Programme 2025 MFB Food Industry Working Capital Loan Programme 2025 MFB Condominium Plus Loan Programme MFB Green Momentum Loan Programme
	EU fund management	RRF-REP-10.14.1-24 Installation of Electric Vehicle Charging Stations

Sales channels and customer relationships

Within the framework of the loan programmes, financing sources generally reach enterprises through refinancing partners or intermediaries, while in certain cases, clients may submit their loan applications at the Bank's central customer service. The Bank maintains active relationships with 25 financial enterprises as refinancing partners.

The Bank pays particular attention to the intermediation of European Union refundable funds and, to this end, has established a financial intermediary network under the names of MFB Points and MFB Point Plus. In 2016, MFB Plc. began the intermediation of the financial instruments—i.e. EU loan programmes—available under the 2014–2020 EU programming period by operating the MFB Points network. Nationwide, a total of 642 MFB Points were available to enterprises and private individuals. The network included 63 first-category MFB Points, which carried out the full lending and sales process for all available products; a further 260 second-category MFB Points, where the full lending and sales process for products available nationwide was implemented; and 319 third-category MFB Points, whose main task was to provide information and forward customer enquiries. As the programming period ended on 31 December 2023, no new product sales took place in 2024; the main task in 2025 remains the comprehensive management and monitoring of the existing portfolio alongside the closing tasks of the

programming period. In the 2021–2027 programming period, starting from 2024, enterprises and retail clients alike can access EU-funded loans through the MFB Point Plus network. The new network, under the name MFB Point Plus, continues to provide effective and easily accessible professional administration related to loan programmes tailored to customer needs. The MFB Point Plus branch network serving corporate clients consists of 175 branches available to interested enterprises. The branch network is made up of designated branches of Gránit Bank Plc., MBH Bank Plc. and OTP Bank Plc. The MFB Point Plus branch network serving retail clients consists of 267 branches available to interested individuals, also comprising designated branches of MBH Bank Plc., OTP Bank Plc. and Gránit Bank Plc. First, the MFB Points, and later the MFB Point Plus branch network, make it possible to accelerate the catching-up of economically less developed regions and to reduce the economic differences between small settlements and large cities. At the same time, the network places emphasis on larger towns where many small and medium-sized enterprises operate, and where, therefore, based on experience, interest in EU tenders is the highest.

Venture capital programmes and private equity funds launched from the European Union or their own resources operate in both direct and indirect forms. Indirect implementation takes place with the involvement of market fund managers, as well as MFB Invest Plc., which belongs to the MFB Group, or its subsidiary Hiventures Plc., and Focus Ventures Plc., which is under indirect state ownership. MFB Plc. does not provide individual large-scale equity investments directly; these are provided by MFB Invest Plc., for which MFB Plc. provides the funding.

3. The role of management in addressing sustainability issues

The governing bodies, executive bodies and supervisory boards of the MFB Group are collectively responsible for compliance with the legal requirements applicable to the Sustainability Report. They also ensure that the report is prepared and published in accordance with the CSRD and the Hungarian Accounting Act. The following chapter presents the management and control procedures applied by these bodies within the MFB Group to monitor, manage and supervise sustainability issues. Additional information on responsible corporate governance and ethical operations will be published in Chapter IV 'Governance Information'.

3.1 Governance structure

Exclusive state ownership is an important and defining element of the governance of MFB Plc. The minister responsible for the supervision of state assets (the Minister of National Economy) represents the Hungarian State in the company and individually exercises ownership rights, and appoints the 7-member Board of Directors as the governing body of MFB Plc., the 6-member Supervisory Board responsible for overseeing its operations, and its chief operational executive, the Chief Executive Officer (according to the MFB Act and the Statutes). As in previous years, the work of the Supervisory Board is supported by a 3-member Audit Committee elected from its independent members. Since MFB Plc. is a single-member joint-stock company, it has no General Assembly. Further information on the governance structure and the main governing bodies of MFB Plc. is available in the Responsible Corporate Governance Statement published as part of the Business Report.

Board of Directors

The Board of Directors is the executive body of MFB Plc. The Board of Directors represents MFB Plc. in dealings with third parties, before courts and other authorities, and establishes and directs its organisational structure. Its scope of responsibilities is prescribed in the Statutes and includes, among other things, the preparation and submission of financial statements and reports for approval, the submission of asset management plans for approval, and the preparation of reports on the financial

position and business policy of MFB Plc. The Board is also responsible for maintaining the shareholder register, notifying the exercising party of ownership rights in the event of financial problems, and exercising employer rights over employees authorised to substitute for the CEO. In carrying out its executive functions, the Board regularly reviews the financial situation of MFB Plc., may delegate signing authority, determines the activities and business sectors that MFB Plc. can actually pursue, approves regulatory documents within its competence, and makes decisions on significant financial and risk-taking matters defined in the Statutes and the MFB Act.

According to the MFB Act, the Board of Directors shall consist of 5–9 members, and at the previous appointment, 7 members were designated. The members of the Board are appointed by the exercising party of ownership rights for a term of 5 years and can be recalled by the exercising party. The Chairperson of the Board is elected by the members from among themselves; currently, this role is performed by the leader who also performs CEO duties, in the role of Chairperson-CEO. The legal basis for holding both positions simultaneously is provided by the MFB Act, like the criteria for appointing Board members.

Supervisory Board

The Supervisory Board is the controlling body of MFB Plc. It oversees the management of MFB Plc. to protect the Bank's interests. In this capacity, it may inspect the documents, accounting records and books of MFB Plc. and may request information from executive officers and employees. The Supervisory Board ensures the existence of a comprehensive control system, proposes the identity and remuneration of the auditor, reviews the financial reports, and professionally directs and supervises the internal audit organisation. In addition, it is required to examine all significant business policy reports that require a decision by the exercising party of ownership rights, as well as all proposals related to matters within the exercising party's competence. The exercising party may only decide on the financial statements under the Accounting Act on the basis of the written report of the Supervisory Board.

In 2025, the Supervisory Board consisted of 6 members, all of whom must be natural persons and, except for employee representatives, may not have an employment relationship with MFB Plc. The Chairperson and members of the Supervisory Board are elected and recalled by the exercising party of ownership rights for a fixed term not exceeding 5 years. At least one independent member must have accounting or auditing qualifications. One-third of the members are representatives of employees, as long as the average number of full-time employees of MFB Plc. exceeds 200 annually. Members must act personally and cannot be instructed in their activities; they are liable for any damage caused by failing to fulfil or improperly performing their supervisory obligations.

Audit Committee

The exercising party of ownership rights elects a 3-member Audit Committee from among the independent members of the Supervisory Board. The committee supports the work of the Supervisory Board, participates in overseeing the financial reporting system, in the selection of the auditor and in cooperation with the auditor, and monitors the effectiveness of the Bank's internal control and risk management systems.

Presentation of participants involved in the management of MFB Plc.

In carrying out the tasks related to the management of MFB Plc., the deputy CEOs, executive directors, directors and the heads of individual departments participate. Leaders are appointed by the CEO, who also consults with the direct superiors of the respective leaders to ensure that competence-related aspects are fully considered when filling leadership positions at the Bank. The list of the main decision-making

bodies and decision-makers is included in the Decision-making Order, while their powers, organisation and operating procedures are defined in the Statutes, the Rules of Procedure of the Board of Directors and the Decision-making Order. The governance of subsidiaries is the responsibility of the companies' Boards of Directors, Supervisory Boards and company executives, including CEOs and executive directors. The composition of their executive and supervisory bodies is detailed below, presenting information for 2024 and 2025.

Composition of the management bodies

Composition and diversity of administrative, management and supervisory bodies: [Reporting period]: 01.01.2024.-31.12.2024 and 01.01.2025-31.12.2025				
	Number of executive members		**Number of non-executive members**	
	2024	**2025**	**2024**	**2025**
MFB Plc.	2	2	9	11
Hiventures Plc.	5	5	3	3
MFB-Property Development Plc.	5	5	3	6
MFB Invest Plc.	5	5	7	6
MKK Plc.	5	2	5	9

[Reporting period]: 01.01.2024-31.12.2024 and 01.01.2025-31.12.2025		Administrative, management and supervisory bodies				Independent members			
		Gender distribution (headcount / FTE)		Gender distribution in percentages (%)		Gender distribution (headcount / FTE)		Gender distribution in percentages (%)	
		2024	2025	2024	2025	2024	2025	2024	2025
MFB Plc.	Female	2	4	18,2	30,8	1	3	14,3	33,3
	Male	9	9	81,8	69,2	6	6	85,7	66,7
	Other	0	0	0,0	0,0	0,0	0,0	0,0	0,0
	No information	0	0	0,0	0,0	0,0	0,0	0,0	0,0
	Total	**11**	**13**	**100,0**	**100,0**	**7**	**9**	**100,0**	**100,0**
Hiventures Plc.	Female	0	2	0,0	25,0	0	2	0,0	28,6
	Male	8	6	100,0	75,0	7	5	100,0	71,4
	Other	0	0	0,0	0,0	0	0	0,0	0,0
	No information	0	0	0,0	0,0	0	0	0,0	0,0
	Total	**8**	**8**	**100,0**	**100,0**	**7**	**7**	**100,0**	**100,0**
MFB-Property Development Plc.	Female	4	7	50,0	63,4	3	6	60,0	60,0
	Male	4	4	50,0	36,4	2	40	40,0	40,0
	Other	0	0	0,0	0,0	0	0	0,0	0,0
	No information	0	0	0,0	0,0	0	0	0	0
	Total	**8**	**11**	**100,0**	**100,0**	**5**	**10**	**100,0**	**100,0**
MFB Invest Plc.	Female	3	2	25,0	18,2	2	2	50,0	20,0
	Male	9	9	75,0	81,8	2	8	50,0	80,0
	Other	0	0	0,0	0,0	0	0	0	0
	No information	0	0	0,0	0,0	0	0	0	0
	Total	**12**	**11**	**100,0**	**100,0**	**4**	**10**	**100,0**	**100,0**
MKK Plc.	Female	2	5	20,0	45,5	3	4	30,0	44,4
	Male	8	6	80,0	54,5	7	5	70,0	55,6
	Other	0	0	0,0	0,0	0	0	0,0	0,0
	No information	0	0	0,0	0,0	0	0	0,0	0,0
	Total	**10**	**11**	**100,0**	**100,0**	**10**	**9**	**100,0**	**100,0**

3.2 ESG governance structure

The management of MFB Plc. establishes the necessary organisational frameworks, tools and resources to achieve ESG-oriented strategic objectives and operates the complex systems related to them. The members of the 7-member Board of Directors, acting as the governing body of MFB Plc., have extensive relevant experience; they hold economics and law degrees primarily, and their decades of organised experience in EU fund utilisation, securities, macroeconomics, banking, asset management and regional development ensure that they can view the ESG strategic area from multiple perspectives. In the corporate governance system of MFB Plc., ESG governance plays an increasingly decisive role; the head of the Strategic Division of MFB Plc. is the responsible leader who is accountable within senior management for sustainability considerations.

At MFB Plc., a separate organisational unit established in April 2022 is responsible for the broader coordination of sustainability governance and the related tasks. The Strategic and Sustainability

Directorate is responsible for tasks related to sustainability and business advisory, as well as for the development and modification of strategy for the Bank and Group members. Deepening the importance of the topic further, it coordinates -integrated into the Bank's organisation - the transformation of internal processes and business activities along sustainability goals. According to Section VII.4.3 of the Organisational and Operational Rules, the Strategic and Sustainability Directorate is responsible for developing the Bank's ESG strategy, as well as for conducting the double materiality assessment presented in Chapter 4.

Main ESG-related tasks of the Strategic and Sustainability Directorate:

Own ESG tasks, general bank ESG Compliance	Internal ESG coordination within the organisation, ESG business compliance coordination	External ESG relationship management
- ESG strategy development - Development steps for ESG rating - Senior management reporting - Coordinating the work of external ESG advisors - Intranet appearance (Green Zone) - Green Office Programme Coordination	- Adoption of ESG approach - MNB Green Recommendation Compliance - ESG data collection and sustainability reporting - Performing tasks related to the Sustainable Finance Framework - Support for Lending, Product Development, Funding, Communication Departments	- MFB Group - Domestic and international partners, international development banks, government institutions - Market and financial players (financial institutions), rating agencies, professional organisations, associations

As part of MFB Plc.'s execution of ESG-related activities, the ESG Working Group established in 2020 to coordinate the implementation of the expectations of the MNB Green Recommendation is also part of the organisation; due to its Bank-wide nature, its work is supported by internal project management in accordance with the Rules of Procedure of the Strategic and Sustainability Directorate. The operational working group, which meets weekly, consists of permanent members from the Strategic and Sustainability Directorate (SFI), the Strategic Risk Management Directorate (SKI), and representatives of the business areas, with colleagues from other banking departments joining on an ad hoc basis where relevant. The working group monitors the progress of compliance with the MNB Green Recommendation and provides a professional forum for coordinating ESG-related tasks that span across the Bank's specialist areas.

The Sustainable Finance Committee was established in 2023 under MFB Plc.'s Sustainable Finance Framework prepared on the basis of international standards (ICMA, LMA), as the decision-making and oversight body within the Bank for the performance and approval of tasks related to the commitments associated with the Sustainable Finance Framework. In accordance with the instruction on the application of the Sustainable Finance Framework of MFB Plc., the Committee continuously monitors, tracks and controls sustainable funding activities and the allocation activities in line with the eligibility categories of the Sustainable Finance Framework, as well as the development of the volumes included in and to be potentially included in the allocation.

The organisational unit responsible for the management and control of climate-related and environmental risks is the Risk Management Division, the head of which also serves as the Chief ESG

Risk Officer. In 2025, ESG contact persons were designated by the organisational units of MFB Plc. The responsibilities of the contact persons extend to supporting ESG-related projects and project-like operations, performing the necessary data provision and reporting tasks, participating in external and internal audits, and participating in ESG-related trainings, including sharing the acquired knowledge within their organisational unit.

According to the Risk Management Strategy and Policy instruction, the Bank consciously strives to identify ESG risks affecting its operations, on the one hand, from the perspective of which ESG risks play a role in the occurrence of operational risk events, and on the other hand, whether these events induce further ESG risks. In its operational risk management activities, MFB Plc. identifies, classifies and records risks based on the taxonomy set out in the instruction entitled ESG Credit Risk Policy. During risk assessment, each organisational unit is responsible for uncovering and reporting loss events that occur in its area, and internal loss data are comprehensively collected and categorised. Risks are ranked based on their loss impact, and there are defined thresholds for the collection of loss data. During the annual self-assessment, operational risk managers identify and evaluate operational risk events that may be characteristic of their area. The identified main risks include, among others, losses arising from internal and external fraud; losses resulting from negligence or unintentional breaches of professional obligations; losses due to actions not compatible with employment, health, or legal regulations and agreements; losses arising from business interruption or system failure; as well as losses resulting from erroneous transaction processing or process management. The reduction of identified risks is carried out through various strategies and controls, which include the definition of different action plans, risk-reduction measures by the organisational unit professionally competent to manage the situation, and oversight of the operational risk management reporting process.

The decision-making and supervisory bodies of MFB Plc. (Executive Board, Board of Directors, Supervisory Board, and Audit Committee) monitor the Bank's ESG activities based on a semi-annual submission, prepared in accordance with the Rules of Procedure of the Strategic and Sustainability Directorate, on the execution of the Bank's ESG-related tasks and the results achieved. The Executive Board, the Bank's highest-level operational governing body relevant from a risk management perspective, reviews all significant risks of the organisation through quarterly comprehensive risk-focused reports, which also include ESG risks. These quarterly reports contain a summary of risk events, the status of action plans and their implementation, measurements of key risk indicators, audit results, outcomes of the annual risk self-assessment, and results of scenario analyses. The Bank began to establish, in 2025, based on its 2024 objective, the internal processes, supervisions, and relevant regulations for determining material topics, collecting related data and reporting on them so that it can meet these expectations more comprehensively in the next report. Fitting into the work plan of the Internal Audit Directorate, regular checks are carried out to ensure the Bank's compliance with obligations prescribed by laws and supervisory recommendations related to sustainability. In accordance with the applicable provisions, the Directorate verifies whether the internal control systems effectively ensure the Bank's preparedness to manage climate-related and environmental risks and the achievement of its risk management objectives related to these risks. The Directorate's supervision also extends to the management of climate-related and environmental risks arising in the short, medium and long term. The methodological guideline—annexed to the Internal Audit Directive and the Internal Audit Manual—which also supports the assessment of banking risks, the preparation of the risk map and the risk-based planning of internal audit examinations, has been supplemented with requirements for the management of climate-related and environmental risks. The results of the double materiality assessment flow into MFB Plc.'s ESG Strategy, which defines the Bank's sustainability approach in its own operations as well as in its fundraising, financing and risk-taking activities. In 2025, the Bank prepared the concept for consolidated sustainability reporting, which includes the annual management-level reporting on

significant impacts, risks and opportunities, and the execution of due diligence. MFB Plc. will expand the concept into a consolidated sustainability reporting policy during 2026 and plans to apply it in the preparation of the report for the 2026 financial year.

3.3 ESG education and awareness raising

3.3.1 ESG training

ESG plays an increasingly significant role in the operations of the MFB Group. Integrating ESG considerations into corporate operations not only helps to meet regulatory expectations but also contributes to long-term business success. To this end, MFB Plc. considers the development of its training system and the enhancement of employees' sustainability competencies to be of paramount importance. To achieve effective governance that takes ESG aspects into account, MFB Plc. considers it essential for the Board of Directors and senior management to possess adequate ESG knowledge. In order to comply with the MNB Green Recommendation, internal processes were established in 2023 to ensure that the governing body and persons in key positions have appropriate qualifications and knowledge regarding climate and environmental risks. In 2025, the Bank's governing bodies were briefed on tasks and challenges related to climate and environmental risks affecting the Bank. The internal member of MFB Plc.'s Board of Directors, the Deputy CEO responsible for leading the Business Division, and the Executive Director leading the Risk Management Division contributed their expertise in 2025 as well to the successful management of ESG-related projects, continuously expanding their professional experience regarding the impacts, risks and opportunities included in the double materiality assessment, primarily in the area of green lending. The ESG-related competencies of the governing body and senior management directly support the management of the Bank's significant sustainability impacts, risks and opportunities. Expertise related to climate and environmental risks contributes to the identification and assessment of physical and transition risks associated with climate change during financing and risk management decisions, as well as to the development of sustainable financing opportunities—particularly green lending programmes. In addition, ESG knowledge at the management level supports the alignment of the Bank's business strategy and product development activities with sustainability objectives, as well as compliance with relevant regulatory expectations.

Continuous corporate training and development programmes help ensure that employees have up-to-date knowledge in the ESG field and can apply it effectively in their daily work. In 2025, MFB Plc. again provided its employees with training opportunities focused on sustainability (e.g., the operation of the Bank's Green Office Programme and the mainstreaming of ESG considerations were incorporated into the Bank's online e-learning training and examination system). Within the Bank's e-learning examination obligation, all employees—totaling 564 individuals—completed the Green Office training related to sustainability topics in 2025. In addition, several employees working in different banking areas participated in ESG (sustainability) trainings or professional conferences; in 2025, MFB Plc. held its ESG conference for the third time, which had a dual primary objective: on the one hand, to align the expectations of supervisory authorities with the readiness of domestic market players for reporting, and on the other hand, to show how the practical implementation of ESG requirements increases market confidence and competitiveness. Furthermore, in November 2025, the Centre for Analysis, organised by the Strategic and Sustainability Department, held a presentation entitled "Green Investments – There is still room for the expansion of sustainable finance" for the Sustainable Finance Committee, thereby contributing to the expansion of the knowledge of employees attending the meeting regarding sustainable finance. In addition, ESG training is available to employees in the training catalogue. The Bank's communication to its employees on ESG topics and contributions to the development of their ESG mindset continued in 2025 on a dedicated ESG platform created on the Bank's intranet, called the Green Zone. The ESG department continuously published educational materials, presentations and

information related to ESG topics, which the Bank accessed through participation and collaboration in professional organisations (Hungarian Banking Association ESG Working Group, Project Management Association, Business Council for Sustainable Development in Hungary (BCSDH), KÖVET Association for Sustainable Economy, etc.), as well as through extensive relationships with other international organisations and market players, and participation in sustainability-themed professional conferences. Employees responsible for ESG data reporting in the subsidiaries also sought to acquire as much professional knowledge as possible at various ESG-related professional events.

3.3.2 Integration of sustainability-related performance in incentive schemes

The integration of sustainability and ESG goals into the remuneration system directly motivates employees and leaders to apply sustainable practices and to achieve the corporate sustainability and ESG objectives set, while also helping to establish and strengthen commitment to sustainability within the corporate culture. At MFB Plc., sustainability considerations were incorporated into the incentive system in 2023. The external members of the MFB Plc. Board of Directors and the non-employee representative members of the Supervisory Board are not employees of MFB Plc.; therefore, no sustainability performance targets are set for them. The internal members of the Board of Directors include the Chairperson-CEO and the Deputy CEO (senior employees). The remuneration policy issued by the ministry exercising ownership rights does not include sustainability considerations for senior employees. In 2025, unlike in 2024, MFB Plc.'s internal regulations did not prescribe provisions for senior employees. For the non-senior employee members of MFB Plc.'s Executive Board and the employee representative members of the Supervisory Board, the policy entitled Instructions of the CEO on the remuneration of senior and non-executive employees, i.e. the performance announcement according to the general employee Remuneration Policy, continues to apply. According to this policy, one of the four indicators among the overall organisational goals linked to the achievement of the Annual Business Plan is defined as a sustainability indicator, which aims year by year to comply with the MNB Green Recommendation. In 2022 and 2023, the goal was to establish and continuously develop MFB Plc.'s operational framework and conditions, while in 2024, the focus was on integrating ESG risks into lending processes. In 2025, as part of the Bank's efforts related to sustainability, the process of integrating the consolidated sustainability reporting process into policy began. As a first milestone, the overall organisational goal for 2025 was met, i.e. the development of the concept for consolidated sustainability reporting, which includes compliance with CSRD/ESRS requirements.

According to the policy entitled Instructions of the CEO on the remuneration of senior and non-executive employees, the annual performance announcement (including the sustainability indicator) is determined, where possible, simultaneously with the approval of the business plan for the given year or within 30 days thereafter; in exceptional, duly justified cases, it may take place thereafter. Since the sustainability goal is set among the overall organisational goals related to the achievement of the business plan in the annual performance announcements, it is considered a reference value. During the annual performance announcements, the proposal for the sustainability indicator among the overall organisational goals is obtained by the head of the Human Resources Directorate by requesting data from the Strategic and Sustainability Directorate in accordance with the given year's announcement, which is then announced to the employees. The performance announcement is approved by the employee and the direct supervisor specified in the employee's job description. The evaluation and settlement of the annual performance announcement take place upon the acceptance of the report (balance sheet), closing the business year or within 30 days thereafter; in exceptional, duly justified cases, thereafter. The performance announcement is evaluated by the employee's direct supervisor specified in the employee's job description, who may involve another leader or superior from the relevant area in the evaluation, if necessary.

In the 2025 performance announcements, the weighting of the sustainability goal was established in proportion to the weighting of the overall organisational goals related to the achievement of the business plan as set out in the policy entitled Instructions of the CEO on the remuneration of senior and non-executive employees. For members of the Executive Board, regardless of classification level, this ratio was 12.5%, while for each classification level it was as follows: classification levels 20–22: 10%; classification levels 18–19: 5%; classification level 17: 3.75%; classification level 16: 2.5%; classification level 15: 2.5%; classification levels 12–14: 2.5%; classification levels 10–11: 1.25%.

In 2025, none of the subsidiaries included sustainability- and climate-related considerations in the remuneration of members of their administrative, executive or supervisory bodies. At Hiventures Plc., MFB Invest Plc. and MKK Plc., there were no incentive mechanisms or remuneration policies related to sustainability issues. In contrast, at MFB-Property Development Plc., sustainability forms part of employee performance evaluation, with references to ESG goals primarily related to energy savings and building certification. The proportion of variable remuneration dependent on sustainability-related goals and/or impacts is determined each year based on the premium announcements for that year.

4. Process to identify material impacts, risks and opportunities

4.1 Stakeholder engagement

The MFB Group continuously engages with various stakeholder groups, whose feedback and topics raised have a significant impact on the Group's daily operations and decision-making processes. As presented in Chapter 4.2 of the Report, the Banking Group carried out the double materiality assessment in 2025 as well, in accordance with the ESRS requirements, which, besides bringing sustainability issues to the forefront, provided the Group with an opportunity in this financial year to engage in deeper, two-way communication with stakeholders. The first double materiality assessment, prepared in 2024, was reviewed by the Bank in 2025, based on an updated assessment of the business context and extended benchmarking, to improve the analysis, during which minimal methodological changes were made. and new impacts, risks and opportunities were also identified.

The Group's internal stakeholders are primarily employees and the owner, while the main external stakeholders, in addition to clients, are government and supervisory bodies, suppliers of products and services, international partners, as well as representatives of professional organisations, non-governmental organisations (NGOs) and local communities. In 2025, like the previous year, the MFB Group maintained contact with these groups along with the main topics presented in the stakeholder map below.

Stakeholder map				
Stakeholder group	**Description**	**Frequency of consultation**	**Aim of consultation**	**Communication channel**
Employees	The employees and management of MFB Group	Continuous	Flexible working, health preservation, training and development, review of compensation policy	- Executive meetings, briefings, reports - Intranet, internal newsletter, emails - Work discussions - Internal policies and instructions - Reporting channels - Satisfaction surveys every 2 years - Corporate training - Corporate events
Clients	The MFB Group's municipal and private clients, intermediaries (commercial banks and financial enterprises)	Continuous	Service provision, ESG-based product development directions, assessment of new ESG-related financing needs, market impacts and tensions due to the energy crisis and international conflicts, data protection	- Contract - Client contacts - Customer service - Reporting channels - Website and newsletter, social media platforms - MFB Indicator survey - PR and marketing communication channels
Owner (exerciser of ownership rights)	The Hungarian State and its designated representatives exercising ownership rights over the MFB Group	Regular	Ownership expectations, operational frameworks, economic strategic directions, market impacts caused by the energy crisis and international conflicts, addressing and mitigating shortages	- Regular financial reports - Various reports, accounts, and analyses - Meetings
Government and regulatory bodies	The Hungarian National Bank and ministries and secretariats involved in achieving government sustainability goals	Regular	Legal compliance during service provision, compliance with the Green Recommendation and evaluation of the Action Plan	- Reports and accounts - Official inquiries - Website - Data reporting
Product and service suppliers	Supplier partners providing products and services necessary for the operation of the MFB Group	Regular	Products and services, procurement rules	- Contract - Business contact - Meetings - Electronic correspondence

Stakeholder map				
Stakeholder group	**Description**	**Frequency of consultation**	**Aim of consultation**	**Communication channel**
International partners	International partners with whom the MFB Group collaborates or follows their guidance (e.g., International Development Banks, European Commission, EIF, EIB, CEB, UNEP FI)	Regular	The Group's ESG progress, sharing and adopting good practices and experiences for the development of new planned sustainability-focused products.	- Partner meetings - Website - Reports
Professional Organizations	Professional associations representing financial institutions	Regular	Exchange of experiences regarding compliance with the Green Recommendation and the development of questionnaires and methodologies suitable for collecting ESG data in the Hungarian banking sector	- Partner meetings - Website - Reports - Professional advocacy and organizational membership - annual partnership review
NGOs, representatives of local communities	Non-governmental organizations and representatives of local communities, with particular attention to social equality, environmental, and conservation issues	Regular	Corporate social responsibility initiatives, specific actions, and the Group's ESG progress	- Collaboration - Corporate social responsibility programs and initiatives - Reporting channels

4.2 Double materiality assessment

Consideration of stakeholder interests and views

The members of the MFB Group continuously examine the alignment of the positions of their stakeholders with the business tasks and strategies of the companies. As part of this, MFB Plc. shapes its operations, offering products and services in accordance with the objectives set out in its Business Strategy (2022–2030) and its business model. In 2025, there was no need to change the strategy and business model from the stakeholders' perspective, as these were originally developed taking into account the interests and positions of this group. When developing MFB Plc.'s Sustainability (ESG) Strategy (2024–2030), MFB Plc. designated the strategic directions important to it based on the material topics. As a result of the review of the ESG strategy, in the next steps currently planned, the Bank will maintain the directions defined in the strategy; maintaining relations with stakeholders and taking into account the views of stakeholders will continue to be of key importance for the Bank in the future. In defining the three main strategic directions and also during the review, the Bank took into account the perspectives and opinions of the stakeholders. In the case of responsible operations, the expectations of its own employees, the owner, as well as the Bank Supervisory Authority and governmental bodies played a role, while in the case of sustainable financing the opinions of clients, intermediaries, refinancing and funding partners, and in the case of financial awareness the views of employees and clients contributed to the development of the strategy. The Bank intends to continue relying on the opinions of stakeholders in the future as well.

The management of MFB Plc. receives regular updates on feedback and stakeholder positions. In 2025, among other things, reports were prepared on the results of the MFB-INDICATOR survey; in addition, in the submission titled Status of Compliance with the MNB Green Recommendation, not only the Executive Board but also the Board of Directors and the Supervisory Board were informed. Regarding ESG risks, the Bank informed the Executive Board and the Board of Directors within the framework of the Quarterly Comprehensive Risk Report, with the Supervisory Board having the right of review. Regarding the positions and interests of all stakeholders in relation to sustainability impacts, the Bank informed the Executive Board in a submission presenting the results of the Double Materiality Assessment (DMA).

The sustainability disclosures according to the ESRS are based on the principle of double materiality; therefore, in 2025, the MFB Group reviewed the 2024 double materiality assessment with the aim of identifying the Group's significant impacts, risks and opportunities related to sustainability, referred to as IROs (impact, risk and opportunity). These significant impacts, risks and opportunities are the key areas through which the Banking Group has the greatest perceived or actual impact on society and the environment (impact materiality), as well as where the effects of sustainability topics are most significant for the Group's operations (financial materiality). The significant topics identified through the double materiality assessment are those that, in addition to the so-called mandatory disclosures, designate the topics to be presented in the Sustainability Statement.

The double materiality assessment was carried out according to the process set out in the ESRS and in accordance with the non-binding guidelines of the European Financial Reporting Advisory Group (EFRAG), which operates as a technical advisory association of the European Commission.

During the 2025 double materiality assessment, the Group reviewed the 2024 assessment and focused on further improvements. As a result, in the 2025 assessment, both external and internal stakeholders were involved via a questionnaire-based methodology. In addition, in the analysis, the Bank identified IROs at the sub-sub-topic level defined in the table corresponding to Application Requirement 16 of the ESRS 1 "General Requirements" standard, which ensured a deeper evaluation and examination of sub-

topics. In the 2025 double materiality assessment, when evaluating the IROs, the Group could not only indicate, for each impact, risk and opportunity, which segment of the value chain it occurred in (upstream/supplier side, downstream/customer side, entire value chain, own operations), but could also specify combinations thereof, such as downstream and own operations together. Regarding time horizons, the Group proceeded similarly, identifying not only impacts, risks and opportunities occurring in the short, medium and long term, but also those occurring simultaneously across multiple time horizons, e.g. both short- and medium-term. In the 2025 assessment, the financial materiality examination was also supplemented by the examination of dependencies, on which more information can be found in Part VI, "Assessment of financial materiality".

The process followed the following main steps:

I. Examination of business context

In preparation for the double materiality assessment, the Banking Group examined the business context, in the course of which it outlined the scope of corporate data, the Bank's purpose, value proposition, objectives, business model and strategy; described, based on its services, the upstream (supplier side) and downstream (customer side) parts of its value chain; identified external and internal stakeholders and whether the stakeholder is a user of the Report or a stakeholder of the Group; and gathered information on the legal and regulatory environment.

The stakeholders of the Banking Group are presented in full detail in Chapter 4.1 using a comprehensive stakeholder map, which also formed the basis for identifying the stakeholders involved in the double materiality assessment. Those external and internal stakeholders were included in the impact materiality assessment process whose interests are positively or negatively affected, or may be affected, by the activities of the MFB Group and its direct and indirect business relationships across the entire value chain. While the Banking Group requested the primary users of the general-purpose financial statements and the Sustainability Statement (primarily internal stakeholders) for the financial materiality assessment..

II. Benchmarking

The Banking Group also carried out benchmarking, during which it performed comparisons with competitors and market analysis. The aim was for the MFB Group to assess topics that are material for the industry as defined in various international standards (MSCI and SASB), as well as topics material for companies operating in the banking sector and for development banks. In the course of the analysis, the Banking Group examined in total 8 international development and investment banks as well as domestic commercial banks. According to the benchmark, material topics for the Banking Group may include the following:

- ESRS E1 (climate change),
- ESRS S1 (own workforce),
- ESRS S4 (consumers and end-users), and
- ESRS G1 (business conduct).

In the banking sector, data security and cyber defence, the fight against financial crime, access to finance and indirect economic impacts are also specifically highlighted. This holistic approach expanded and updated the list of potential topics for the MFB Group.

III. Development of the topic list

The Banking Group in the process of the double materiality assessment, as a so-called long (expanded) topic list, all sub-sub-topics defined in the table corresponding to Application Requirement 16 of the ESRS 1 "General Requirements" standard were used. Through a preliminary assessment (relevance examination) carried out at sub-sub-topic level with the involvement of the Bank's specialist areas, a short, narrowed topic list (potentially material topics) was developed The specialist areas of the Banking Group critically evaluated the practice carried out in the previous financial year and the topics considered material; and, during the benchmarking analysis, new topics also became potentially material that other financial sector participants considered material, such as the social inclusion of consumers and/or end-users. Beyond the sustainability topics set out in the ESRS, in the absence of industry-specific standards, further company-specific potential material sustainability issues were also included based on the 2024 double materiality assessment. These company-specific issues were based on the analysis of industry competitors and the industry guidelines recommended by the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). In addition to a detailed review and comparison of relevant indicators within the sector, validation conducted by MFB Group experts also contributed to reinforcing the analysis. The Banking Group identifies, assesses and prioritises potential and actual impacts on people and the environment through an integrated process embedded in its corporate governance and risk management systems. This process includes identifying the business context and organisational units, a detailed review of the value chain (upstream/downstream/own operations), the analysis of relevant internal documents, as well as the involvement of expert departments. The aim of the process is to provide a comprehensive understanding of potentially material topics and to ensure that the identification of IROs covers the entire value chain. The process of impact identification is closely linked to the Banking Group's sustainability governance practices by ensuring the regular analysis of potential and actual impacts associated with activities, financing decisions and business relationships. This is based on the review of the value chain, the analysis of relevant operational and financing activities, and internal expert consultations. The impacts identified in this way are evaluated and prioritised based on their severity and likelihood, which directly supports the prioritisation of impacts, risks and opportunities (IROs) identified during the double materiality assessment. The Banking Group regularly reviews the identified impacts and monitors the implementation and effectiveness of measures aimed at addressing them.

IV. Stakeholder engagement

Paragraph 45 of ESRS 1 emphasises that the assessment of impact materiality must be carried out by the undertaking on the basis of due diligence procedures. Paragraph 24 of ESRS 1 further points out that stakeholder engagement plays a central role in the materiality assessment. The company involved stakeholders (external and internal stakeholders) using a questionnaire-based methodology—unlike the 2024 process, in which only external stakeholders were involved using a questionnaire-based methodology. Stakeholders completing the questionnaire were able to evaluate the sustainability issues on the short topic list on a 5-point scale according to the extent of the impacts exerted by the MFB Group.

In the 2025 double materiality assessment, the information collected during stakeholder engagement was not weighted during the assessment of impacts, risks and opportunities, in contrast to the 2024 double materiality assessment. The opinions of stakeholders were taken into account by the Banking Group when determining the threshold of the double materiality assessment, also known as the materiality threshold—more detailed information on this can be found in Section VII.

V. Assessing impact materiality

As the first step in determining impact materiality, each sustainability issue identified in the short topic list indicated in point III was assigned to internal experts, who, within the framework of a dedicated workshop, identified positive or negative, potential or actual, social or environmental impacts related to each topic, and then evaluated them in terms of time horizon, scale, scope and probability—and, in the case of negative impacts, irremediability.

VI. Assessing financial materiality

Following the impact materiality assessment of the sustainability issues on the short topic list, the internal stakeholder group first identified actual or potential risks and opportunities associated with each topic in a workshop setting, and then evaluated the financial risks and opportunities of the current topics for the MFB Group in terms of time horizon, scale of financial impact and probability of occurrence, using a 6-point scale. In 2024, the Bank did not apply a separate ranking system for assessing sustainability-related risks in relation to other types of risks and did not use dedicated risk assessment tools for this purpose. In 2025, the Bank examined from which risk type the loss arising from sustainability-related risks is realised: credit, market, liquidity, operational or other risk type. When risks are quantified, they typically appear as credit risk, even if the initial condition indicates an ESG risk. The quantified loss is not segregated from ESG; at the same time, it is also assessed using a classification system separated in the course of risk assessment (ESG-oriented assessment, OPTEN ESG index, MNB client questionnaire, ESG limit). According to the Bank's findings, ESG risks appear below the materiality level in market, liquidity and operational risks. The Bank's sectoral exposures are in line with the Bank's development banking objectives. The Bank operates sector-type limits in order to reduce risks arising from sectors and to reduce concentration. The Bank assessed the geographical areas affected by physical risks and considers the mitigation of potential risks of movable collateral present in these areas.

In the analysis of financial impacts, the MFB Group considered the interrelationships related to its impacts and dependencies, as well as the risks and opportunities arising from them. With regard to dependencies, two aspects were assessed:

- To what extent are resources (natural, social and economic) available/sensitive?
- To what extent can the company rely on existing business relationships?

VII. Summary of results, validation, subsidiary verification and approval

After the evaluation of the topics included on the short topic list by internal and external stakeholders, the results were summarised. By fully completing the table for the assessment of impacts, risks and opportunities, every sustainability topic relevant to the MFB Group was evaluated. In order to determine the final topic list, MFB Plc. established the threshold values: in the case of impact materiality, the materiality threshold was identified at 60% of the maximum value (5), resulting in a threshold of ≥3, while in the case of financial materiality, a threshold of 2 was established at 40% of the maximum value (on a 0–5 scale). The opinions of stakeholders were taken into account by the MFB Group when determining the threshold of the double materiality assessment. Stakeholder opinions were taken into account in such a way that, as a result of determining the threshold, no ESRS sub-topic or sub-sub-topic that was of particular importance to external or internal stakeholders in terms of the MFB Group's operations and value chain would be omitted from the list of material topics. The determination of threshold values was carried out using a commonly applied statistical method, the use of percentiles. According to the ESRS, any

sustainability issue that exceeds the established threshold value in terms of impact or financial materiality, or both, must be considered material; thus, by applying the threshold values, a list of material topics was generated.

In determining the thresholds, the qualitative explanation is that the MFB Group paid particular attention to ensuring that no topic that was material to stakeholders and on which the MFB Group reported last year would be omitted; it also took into account the benchmarking analysis, which ensures that the company does not omit a topic reported by companies examined in the banking sector for the 2024 financial year. After the summary of results, all subsidiaries belonging to MFB Plc.'s financial consolidated group were directly involved in the verification. The various specialist areas and the subsidiaries evaluated the potential material topics of the MFB Group and validated the results of the assessments in the framework of thematic workshops. This was followed by senior management verification and final approval. Following the determination of the possible thresholds, the threshold was established with the approval of senior management. The finalisation of the topic list was achieved with the briefing and approval of the Executive Board. At the end of the process, the MFB Group's list of material sustainability topics, developed in accordance with the requirements of the ESRS standard system, was adopted.

The decision-making process related to the materiality assessment and its internal control mechanisms ensured the soundness and transparency of the assessment. The internal control mechanism was ensured by the participation of the Compliance Directorate in every consultation where impacts, risks and opportunities were identified and evaluated. Using the results of the analyses prepared in the 2024 and 2025 financial years, in 2025 the future process of double materiality assessments was improved, and the results were integrated into general risk management processes.

List of MFB Group's material topics in 2025

Material subtopic		Type of materiality	
		Impact materiality	Financial materiality
1.	Climate change adaptation (ESRS E1)	X	X
2.	Climate change mitigation (ESRS E1)	X	X
3.	Energy (ESRS E1)		X
4.	Waste (ESRS E5)	X	X
5.	Working conditions (ESRS S1)	X	
6.	Equal treatment and opportunities for all (ESRS S1)	X	X
7.	Other work-related rights (ESRS S1)	X	
8.	Communities' economic, social and cultural rights (ESRS S3)	X	X
9.	Communities' civil and political rights (ESRS S3)	X	
10.	Information-related impacts for consumers and/or end-users (ESRS S4)	X	
11.	Social inclusion of consumers and/or end-users (ESRS S4)	X	X
12.	Corporate culture (ESRS G1)	X	
13.	Protection of whistle-blowers (ESRS G1)	X	
14.	Management of relationships with suppliers, including payment practices (ESRS G1)	X	X
15.	Corruption and bribery (ESRS G1)	X	
16.	Data protection and cyber security (entity-specific)	X	
17.	Indirect economic effect (entity-specific)	X	X

Rows marked in blue contain sub-topics that entered the materiality scope during the 2025 review as a result of the updated assessment of the business context and extended benchmarking. In 2025, the scope of the assessment covered a deeper evaluation of impacts across the entire value chain and the integration of updated practices of industry benchmarks; in addition, greater emphasis was placed on examining stakeholder feedback and the implementation risks of corporate transition plans. These new pieces of information and aspects were not fully available in 2024; therefore, their identification is a natural part of continuous improvement.

List of the MFB Group's significant impacts, risks and opportunities (IROs) in 2025

ID	Description	Value chain location	Time horizon	Negative/positive impact, risk, opportunity	Material topic
1.	MFB Plc. conducts resilience analysis of transition risks, the scope of which extends to the sectors that are most risky from an ESG perspective as well as those with the greatest risk exposure. The Bank's lending practices influence adaptation, and the need to adapt is strongly felt across numerous sectors in the portfolio.	Across the value chain	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS E1- Climate Change
2.	MFB Plc. pays attention to financing solutions linked to climate change mitigation when raising funds. In addition, as part of its corporate energy-efficiency loan programmes, it finances domestic enterprises and SMEs for energy-efficiency upgrades and projects. At MFB Invest, dedicated capital funds that finance specific green investments are also present, supporting energy efficiency.	Across the value chain	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS E1- Climate Change
3.	The MFB Group has significant Scope 3 emissions. Within Scope 3, the most material category is Category 15: Investments.	Across the value chain	All three time horizons (short-, medium- and long-term)	Negative Impact	ESRS E1- Climate Change
4.	Sources tied to adaptation to climate change may offer more favourable lending/financing terms for MFB Plc. Sources tied to climate change mitigation may also offer more favourable lending terms for MFB Plc.	Across the value chain	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS E1- Climate Change
5.	Funds tied to climate change mitigation may have more favourable lending terms for MFB Plc.	Across the value chain	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS E1- Climate Change
6.	Funds tied to climate change mitigation may have more favourable lending terms.	Across the value chain	All three time horizons (short-, medium- and long-term)	Risk	ESRS E1- Climate Change
7.	MFB Plc. supports companies that manage waste responsibly in light of its economic impacts.	Downstream	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS E5 – Circular Economy
8.	If MFB Plc. provides loans to companies that support the development of waste management, processing and reuse, which can enhance the Bank's reputation and returns.	Downstream	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS E5 – Circular Economy

ID	Description	Value chain location	Time horizon	Negative/positive impact, risk, opportunity	Material topic
9.	MFB Plc., Hiventures, MFB Invest Plc., MKK Plc. and MFB Real Estate Development Plc. by default conclude indefinite-term employment contracts.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce
10.	In MKK Plc.'s Equal Opportunities Plan, the provision of part-time employment options is stipulated. With the exception of MFB Real Estate Development Plc., part-time employment is also available at the other Group companies.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce
11.	At MFB Plc. and MKK Plc., within the framework of the Human Resource Management Plan, salaries have been increased and nonwage benefits expanded, which has a positive effect on retaining and developing the entire workforce and securing the necessary human resources. At MFB Real Estate Development Plc., HAY pay bands have been introduced and salaries for specific roles have been adjusted accordingly.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce
12.	At MFB Plc., cooperation with the works council elected by employees is continuous, ensuring regular and regulated communication between employees and the employer.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce
13.	Through its employment policy, MFB Plc. ensures responsible employment, the maintenance of work–life balance, and development opportunities—for example, by providing extra leave linked to family friendly workplace certification and recreational leave in its Labour Regulations.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce
14.	MFB Plc. and MKK Plc. introduce various measures to preserve physical and mental health for employees, such as yoga classes, an in-house psychologist, and mental health education.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce
15.	According to EUROSTAT data, based on 2024 figures, the pay gap at the MFB Group is below the level typical of the financial sector.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce
16.	The MFB Group provides specialised training and further training opportunities, and offers performance evaluation and targeted career path support for employees.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce
17.	MFB Plc.'s Code of Conduct and Ethics prohibits harassment and deems any form of harassment unacceptable. The Bank particularly condemns sexual harassment and any unwanted physical, verbal, written or suggestive conduct of a sexual nature, as it violates human dignity, causes fear, and creates a hostile and humiliating environment.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce
18.	MFB Plc.'s Code of Conduct and Ethics sets out fundamental principles concerning employees, one of which is the Bank's respect for employees' privacy.	Own operation	Short- and medium-term	Positive Impact	ESRS S1 – Own Workforce

ID	Description	Value chain location	Time horizon	Negative/positive impact, risk, opportunity	Material topic
19.	In terms of its own workforce, a diverse workforce holds numerous potential opportunities, which, if leveraged, can enhance the satisfaction and efficiency of MFB employees, as well as the effectiveness of the MFB Group.	Own operation	Short- and medium-term	Opportunity	ESRS S1 – Own Workforce
20.	Through its financing, the MFB Group indirectly contributes to housing for affected communities; examples include the Housing Capital Programme and EU programmes such as the Home Renovation Programme.	Downstream and Own operation	Medium- and long-term	Positive Impact	ESRS S3 – Affected Communities
21.	Through its financing, MFB Plc. indirectly contributes to access to adequate food, for example, via loan and guarantee programmes for the agricultural sector. In the case of MFB Invest, capital funds may invest in such companies.	Downstream	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS S3 – Affected Communities
22.	MFB Plc.'s Sustainable Finance Framework includes wastewater conveyance and treatment projects, covering sewer networks and pumping stations.	Downstream	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS S3 – Affected Communities
23.	MFB Plc.'s Sustainable Finance Framework includes the financing and/or refinancing of agricultural and forestry projects; in agriculture, organically certified farming in line with EU or national regulations has a positive effect on land related impacts.	Downstream	Medium- and long-term	Positive Impact	ESRS S3 – Affected Communities
24.	By respecting human rights and contributing positively to local economic development, the MFB Group ensures social, economic and cultural security. Minimum Social Safeguards (MSS) requirements are applied in financing, and the same holds true for refinancing.	Downstream	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS S3 – Affected Communities
25.	The MFB Group operates whistleblowing channels and processes to ensure freedom of expression and to report objections concerning the operation and services of Group members.	Across the value chain	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS S3 – Affected Communities
26.	By supporting housing, it supports the affected communities, builds reputation, and this can also translate into positive financial results.	Downstream	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS S3 – Affected Communities
27.	Through Sustainable Finance, the Bank's perception can become more positive, as the company is integrating and expanding ESG considerations into its operations, which is increasingly important for stakeholders and affected communities. (Adequate food)	Downstream	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS S3 – Affected Communities

ID	Description	Value chain location	Time horizon	Negative/positive impact, risk, opportunity	Material topic
28.	Through Sustainable Finance, the Bank's perception can become more positive, as the company is integrating and expanding ESG considerations into its operations, which is increasingly important for stakeholders and affected communities. (Water and water utility services)	Downstream	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS S3 – Affected Communities
29.	Through Sustainable Finance, the Bank's perception can become more positive, as the company is integrating and expanding ESG considerations into its operations, which is increasingly important for stakeholders and affected communities. (Land related impacts)	Downstream	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS S3 – Affected Communities
30.	Social loans aimed at job creation, job retention and alleviating unemployment (MFB Microcredit Refinancing Programme, MFB Crisis Loan, MFB Crisis Loan Plus, MFB Economic Reconstruction Loan) account for a significant share of MFB's own funded loan portfolio for the SME sector, and expanding this portfolio could generate additional interest income for the Bank.	Downstream	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS S3 – Affected Communities
31.	Providing quality information ensures objective facts and understanding of financial products for every client. Delivering this affects clients' wellbeing and financial situations, as a financial product can significantly influence the client and the operation of their company. This topic is primarily important for SME clients and private individuals.	Downstream	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS S4 – Consumers and end users
32.	Ensuring access to financial products for disadvantaged clients requires careful and objective consideration and strict rules on the Bank's part, and this is ensured; in every case the Bank reviews such matters and applies no discrimination.	Downstream	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS S4 – Consumers and end users
33.	Access to financial products and services supports the operation and development of enterprises. The activities of Hiventures Plc., for example, focus on supporting the Hungarian start-up ecosystem and financing innovative companies in the pre-seed, seed and growth stages, or those with potential.	Downstream	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS S4 – Consumers and end users
34.	MFB handles the interests of clients and their representatives with a high degree of professionalism, and frameworks define bank operations. The goal of the Bank's subsidiary, MKK Plc., is efficient and effective debt collection and the highest level of consumer protection.	Downstream and Own operation	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS S4 – Consumers and end users
35.	By providing financial products, the pool of financeable clients expands, and a diversified product range leaves no room for discrimination.	Downstream	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS S4 – Consumers and end users

ID	Description	Value chain location	Time horizon	Negative/positive impact, risk, opportunity	Material topic
36.	If the Group supports start-ups, enterprises, SMEs, large companies, and private individuals to receive financing or support, the company can gain greater trust and reputational advantage. The set of financed clients expands.	Downstream	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS S4 – Consumers and end users
37.	The MFB Group places special emphasis on transparency and ethical operations in terms of its corporate culture. As part of this, all employees of the Group receive compliance and ethics training, and the principles of ethical procedures include, among other things, the publication of cases and the prohibition of discrimination, thereby ensuring a transparent presentation of its own operations. The company also operates an ethics committee.	Own operation	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS G1 – Business conduct
38.	The MFB Group operates whistleblowing channels and processes to ensure freedom of expression and to report objections concerning the operation and services of Group members. At least one channel allows anyone to report abuses, including anonymously (except at MFB Invest—however, a complaint channel with confidential data handling also operates there). Whistleblowing is available for issues related to own operations and the upstream; downstream stakeholders can submit other types of complaints. Even where a report is made with a name, the reporter's data are treated confidentially.	Upstream and Own operation	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS G1 – Business conduct
39.	In managing supplier relationships—particularly with respect to payment practices, the MFB Group applies a strict protocol that covers the entire procurement and supplier payment processes. Even before contracting, during the request for proposal period, the Group screens exclusionary factors among suppliers, such as overdue tax, customs and contribution obligations, disqualification from operation, or being under liquidation. Supplier contracts set out payment terms precisely, which the Bank meets in a timely manner with the support of its internal supplier and payment systems.	Upstream and Own operation	All three time horizons (short-, medium- and long-term)	Positive Impact	ESRS G1 – Business conduct
40.	To ensure legal compliance and ethical operations, the Group has an anti-corruption policy that records the Bank's commitment to zero tolerance. In addition to the policy, all Bank employees receive conduct and ethics training that includes an anti-corruption module. Furthermore, the prohibition of corruption and restrictions on business gifts are important elements of the conduct rules. At MFB Plc., obtaining ISO 37001 is in progress.	Own operation	Short-term	Positive Impact	ESRS G1 – Business conduct

ID	Description	Value chain location	Time horizon	Negative/positive impact, risk, opportunity	Material topic
41.	Supplier assessments and performance reviews that take sustainability aspects into account are part of supplier relationships, which safeguard the MFB Group's financial position and mitigate potential financial risks.	Upstream and Own operation	All three time horizons (short-, medium- and long-term)	Opportunity	ESRS G1 – Business conduct
42.	Company policies such as the Incident Management Policy, the Data Protection and Data Security Policy, the Central Log Collection and Analysis Policy, the Data Leakage Prevention Policy and the Information Security Policy support data security and cyber defence in the company's operations. MFB has comprehensive policies that enable the Bank to comply with legal requirements and supervisory expectations that extend beyond them. Group subsidiaries also have policies relating to data and information security.	Own operation	All three time horizons (short-, medium- and long-term)	Positive Impact	Data security and cybersecurity – entity-specific
43.	The MFB Group (except MKK Plc.) supports the development of the Hungarian economy through its financing and Risk-taking activities—including support programmes, lending, corporate support, equity investments and guarantees. MKK Plc., as a debt management competence centre, helps increase the Group's profitability and, as a significant player in the receivables purchasing/servicing market, has an impact on the stability of the financial sector and thereby on GDP contribution.	Across the value chain	All three time horizons (short-, medium- and long-term)	Positive Impact	Indirect economic impacts – entity-specific
44.	Market turbulence can create situations in which the MFB Group's counter-cyclical economic role can assert itself, thereby supporting the resilience of the Hungarian economy.	Across the value chain	All three time horizons (short-, medium- and long-term)	Opportunity	Indirect economic impacts – entity-specific

In addition to the summary table above, a brief description of the MFB Group's significant impacts, risks and opportunities will also be published in tabular form in each chapter, presenting the significant topics (II. Environmental Information, III. Social Information, IV. Governance Information).

With respect to the value chain and time horizon, unlike the 2024 double materiality assessment, multiple options were available, so that certain impacts, risks and opportunities may appear across the entire value chain and across all three time horizons. In the 2025 double materiality assessment, the Banking Group reviewed the IROs, confirming some impacts, risks and opportunities, while transforming others. During the 2024 assessment, 23 material IROs were identified, while in 2025, 44 were identified. The reason is that in this financial year, the Banking Group identified impacts, risks and opportunities at sub-sub-topic level.

These identified significant impacts, risks and opportunities primarily relate to the Bank's own operations and the downstream value chain, mainly deriving from the operations, business strategy and business model of the Banking Group, as well as its financing activities. In terms of time horizon, most of them occur across all three time horizons. For significant impacts, the Banking Group publishes both negative and positive, as well as potential and actual impacts, in order to provide a reliable and accurate picture of the sustainability-related activities of the Banking Group in the Sustainability Statement, in accordance with the ESRS requirements.

Submitting the proposal presenting the results of the double materiality assessment to the Executive Board provided an opportunity in 2025 for MFB Plc. to identify sustainability-related strategies, goals, policies and actions to be created or modified in the future, through which the identified impacts and risks can be managed, and the opportunities can be leveraged. During 2025, the Bank assessed, within a project, its portfolio's exposure to physical and transition risks, defined a methodology based partly on objective foundations to manage these, and transposed it into regulation. The Bank conducted a resilience analysis for 2024, will also prepare it for 2025, and is preparing to develop a transition plan. As a result of the Bank's resilience analysis, no physical and transition risks requiring immediate intervention were identified. With regard to physical and transition risks, within the framework of regular monitoring, larger financial damages potentially caused by climate risk are identified; and at the level of collateral (based on the address data of real estate collateral) and transaction (based on the address data of clients' registered offices), the sensitivity of exposures to physical risks has been modelled, thereby identifying the most affected elements of the portfolio. The Bank finances only such clients and projects that fully comply with domestic legal requirements, which set increasingly stringent expectations in order to increase resilience (e.g., the range of materials used).

In the medium term, the Bank will determine the expected financial impacts of physical and transition risks and incorporate them into its strategic planning process; the start time of the specific task is the year 2027. More information on the Transition Plan is provided in the ESRS E1 chapter. The assessment of exposures to physical and transition risks will support the Bank in the future in taking these analyses into account when determining significant impacts, risks and opportunities and in assessing IROs on a well-founded basis. The determination of the actual financial implications of these possible actions concerning current and future impacts, risks and opportunities has not yet been carried out, because the Bank is currently working on developing the transition plan, which will allow the reliable and comparable quantification of the financial impacts of risks in the future. The current double materiality assessment is primarily based on qualitative and risk-oriented evaluation, in the course of which the identification and ranking of significant impacts, risks and opportunities have been carried out; however, financial values have not yet been assigned to them. Consequently, the quantification of financial impacts was not available with sufficient reliability in this reporting period. After the transition plan is completed, the Bank will be able to make a commitment as to the year in which it will be able to present

the determination of the actual financial implications of the measures. At the same time, the corporate governance processes described in Chapter 3.2 on ESG governance structure did not change as a result of the findings from the double materiality assessment.

The Bank's decision-making and supervisory bodies (Executive Board, Board of Directors, Supervisory Board, and Audit Committee) monitor the Bank's ESG activities on the basis of a semi-annual submission prepared by the Strategic and Sustainability Directorate on the execution of the Bank's ESG-related tasks, the sustainability topics related to strategic progress and the results achieved (in accordance with the Rules of Procedure of the Strategic and Sustainability Directorate and the Decision-making Order). The Sustainable Finance Committee receives quarterly information at in-person meetings on the quarterly development of volumes under the Sustainable Finance Framework (green and social asset volumes), including the Allocation Report presenting year-end volumes and the Environmental Impact Assessment Report, as well as on the time profile of the volumes. The Executive Board receives information, in the form of a submission, on the process of the double materiality assessment, on the thresholds identified with senior management approval necessary for determining material topics, and on the scope of material topics, which it approves following the briefing (in accordance with the Decision-making Order and the description of the Sustainability Reporting Process). The Executive Board, the Bank's highest-level operational governing body relevant from a risk management perspective, reviews all material risks of the organisation through quarterly comprehensive risk-focused reports, which also include ESG risks. These quarterly reports contain a summary of risk events, the status of action plans and their implementation, measurements of key risk indicators, audit results, the results of the annual risk self-assessment and the results of scenario analyses (according to the instruction entitled Risk Management Strategy and Policy).

In the case of subsidiaries, in 2025, the integration of the results of the double materiality assessment into corporate functions began, and the subsidiaries' ESG strategies were developed in line with MFB Plc.'s ESG Strategy. In addition, MFB Plc. developed the concept for consolidated sustainability reporting, which aims to support the future reporting process by defining tasks and responsibilities. No ESG-related policy was issued by the subsidiaries in 2025. ESG considerations were incorporated into MFB Plc.'s risk management processes (according to the instruction entitled ESG Credit Risk Policy), including the assessment of clients' and transactions' ESG risks based on the ESG questionnaire prescribed in the MNB Green Recommendation[2] [3]. In 2025, the Bank assessed physical and transition risks for its financed portfolio.

4.3 Mandatory topic-specific disclosures independent of double materiality

Based on the MFB Group's double materiality assessment, in addition to significant impacts, risks and opportunities, further sustainability issues and topics defined in the table corresponding to Application Requirement 16 of the ESRS 1 "General Requirements" standard arose, the assessment of which led the Banking Group to determine that they are not relevant or not material for a Banking Group primarily operating in the financial sector. The related mandatory ESRS requirement is elaborated on further below.

[2] The ESG questionnaire for clients is available at: https://www.mfb.hu/backend/documents/MFB_ESG_%C3%9CGYF%C3%89L_adatbek%C3%A9r%C5%91_sablon_1.xlsx

[3] The ESG questionnaire for transactions is available at: https://www.mfb.hu/backend/documents/MFB_ESG_adatbek%C3%A9r%C5%91_sablon_%C3%9CGYLET_0.xlsx

As a financial institution, the MFB Group does not engage in its upstream and own operations, in activities with an assessable level of environmental pollution. In the lending portfolio, there may be participants in the downstream segment from the heavy and processing industries that have pollution potential; however, their proportion is marginal compared to all financed companies. Thus, pollution of water, soil, and living organisms/food sources cannot be attributed to the activities of the MFB Group, nor can issues related to substances of concern and microplastics. In relation to these topics, the Banking Group did not conduct consultations with the affected communities during the double materiality assessment. The impacts, risks and opportunities related to marine resources are also not considered relevant, as the Banking Group does not rely on marine resources due to either its location or its activities, and there is no financing of this nature in its lending portfolio. During the examination of the portfolio, no value chain participants were identified who could impact biodiversity or ecosystems; therefore, these topics were not subject to detailed evaluation. No identification and assessment of transition and physical risks and opportunities related to biodiversity and ecosystems, taking into account systemic risks, took place, and no stakeholder consultation took place in relation to the topic. The MFB Group has determined that it does not have facilities in or near areas sensitive to biodiversity; therefore, it is not necessary to implement mitigation measures related to biodiversity.

II. ENVIRONMENTAL INFORMATION

5. Environmental impacts of sustainable finance and fundraising

Material subtopic	**Climate change adaptation** **Climate change mitigation**	
Used standards	**ESRS E1** **GRI G4 FS8**	
Introduction	This chapter presents the MFB Group's direct and indirect greenhouse gas emissions and the related emission-reduction targets and initiatives. It also describes the integration of the MFB Group's climate change-related risks into the business model, as well as the Sustainable Finance Framework established by MFB Plc.	
Supported UN Sustainable Development Goals (UN SDG)	  	
Relevance of the material topic to the MFB Group	Basis of materiality	Impact materiality Financial materiality
	Impacts	1. MFB Plc. conducts resilience analysis of transition risks, the scope of which extends to the sectors that are most risky from an ESG perspective, as well as those with the greatest risk exposure. The Bank's lending practices influence adaptation, and the need to adapt is strongly felt across numerous sectors in the portfolio. (Across the value chain) 2. The MFB Group has significant Scope 3 emissions. Within Scope 3, the most material category is Category 15: Investments. (Across the value chain)
	Financial risks	-
	Financial opportunities	1. Funds tied to climate change adaptation may have more favourable lending terms for MFB Plc. (Across the value chain) 2. Funds tied to climate change mitigation may have more favourable lending terms for MFB Plc. (Across the value chain)
Management of the material topic	Connection to ESG strategy	The Bank's sustainable own operations Sustainable funding and financing in line with development banking goals
	Corporate policies	Related policies and rules of MFB Plc.: • Risk Management Strategy and Policy • Risk Management Framework • Sustainable Finance Framework Document • Sustainability (ESG) Strategy Related policies and rules of MKK Plc.: • Risk Management Framework • MFB Group Client Risk Acceptance Policy
	Priority actions	Key actions of MFB Plc.: • Joining the Partnership for Carbon Accounting Financials (PCAF) • Green Office Program • Green Bond Issuance • Social Bond Issuance Key actions of the MFB Group: • Definition of Scope 1 and 2 emissions • Definition of Scope 3 (categories 1-14) • Definition of Scope 3 financed emissions (category 15)

Management of the material topic	Metrics	Value of issued green bonds Value of issued social bonds Scope 1 and 2 emission rate Scope 3 (categories 1-14) emission rate Scope 3 financed emissions (category 15) rate
	Targets	Transition plan Issuance of sustainable financing instruments Setting decarbonization targets Green transactions: The total portfolio of green transactions must not fall below the 2025 level by 2030

Material topic	**Energy**	
Used standards	**ESRS E1** **GRI G4 FS8**	
Introduction	This chapter presents the energy consumption and energy efficiency initiatives related to the MFB Group's own operations. Additionally, the chapter outlines the MFB Group's environmental financing activities, including own-funded environmental financing and European Union-funded environmental financing. Furthermore, it introduces the Sustainable Finance Framework established by MFB Plc.	
Supported Sustainable Development Goals (UN SDG)		
Relevance of the material topic to the MFB Group	Basis of materiality	Impact materiality Financial materiality
	Impacts	MFB Plc. pays attention to financing solutions linked to climate change mitigation when raising funds. In addition, as part of its corporate energy-efficiency loan programmes, it finances domestic enterprises and SMEs for energy-efficiency upgrades and projects. At MFB Invest, dedicated capital funds that finance specific green investments are also present, supporting energy efficiency. (Across the value chain)
	Financial risks	Financing energy-intensive, fossil-fuel-using companies may pose credit and reputational risks for MFB Plc. (Across the value chain)
	Financial opportunities	-
Management of the material topic	Connection to ESG strategy	The Bank's sustainable own operations Sustainable funding and financing in line with development banking goals
	Corporate policies	Related policies and rules of Hiventures Plc.: • Vehicle Use Policy • Operational Rules Related policies and rules of MFB Plc.: • Sustainable Finance Framework Document • Business Strategy • Annual Business Plan • Product Management Regulations for the Bank's Own Source Products • Instruction No. 103/2023 - "Procedural Order for Refinancing"

Management of the material topic	Corporate policies	• Instruction titled "Product Management Policy for EU-Funded Loan Products" • Rules of Procedure of the IT and Operations Directorate • Organisational and Operational Rules Related policies and rules of MFB-Property Development Plc.: • Property Management and Utilisation Rules • Organisational and Operational Rules Related policies and rules of MFB Invest Plc.: • Vehicle Use Policy • Organisational and Operational Rules Related policies and rules of MKK Plc.: • CEO's Instruction on the Procurement Procedure of MKK Plc. • Organisational and Operational Rules
	Priority actions	Green Office Program Green Bond Issuance Social Bond Issuance Own-funded individual financing activities supporting environmental goals EU-funded financing activities supporting environmental goals
	Metrics	Value of issued green bonds Value of issued social bonds Year-end effective capital amount or nominal value and gross book value of MFB Plc.'s individual loans and securities supporting environmental goals Value of MFB Plc.'s EU-funded disbursements and holdings promoting environmental objectives MFB Group's total energy consumption Proportion of different energy sources within total energy consumption
	Targets	Preparation of the Transition Plan in 2026 Issuance of sustainable financing instruments Annual equity and EU funding activities for environmental purposes according to the Business Plan Reduction of Scope 1 and Scope 2 greenhouse gas emissions by 10% by 2030[4]

5.1 Disclosure pursuant to the Taxonomy Regulation

MFB Plc. declares that the Sustainability Statement contained in its Annual Report has been prepared in accordance with the sustainability reporting standards prescribed by the Hungarian Accounting Act, the ESRS, to be applied pursuant to the Corporate Sustainability Reporting Directive (CSRD), and the EU Taxonomy Regulation.

The EU Taxonomy Regulation is of fundamental importance to the financial sector, as it creates a new framework for the assessment of sustainable investments and lending. The Regulation provides guidance to banks and financial institutions precisely determining which activities meet the criteria for environmental sustainability. This not only requires the development of financial products, but also the revision of existing procedures and data management systems to ensure compliance with the taxonomy

[4] *The ESG KPIs related to Scope 1–2 will be introduced from 1 January 2027. The reason for this is the practical implementation of the MNB's Green Recommendation No. 2/2026. (III.6.), published on 9 March 2026, as well as the preparation of the transition plan required therein, will establish a stable measurement basis for emissions. The MFB – in line with the expectations of the MNB – will enact the transition plan by no later than 1 July 2027.*

requirements. Banks must thoroughly analyse their financing activities and disclose the extent to which their activities contribute to sustainability targets, resulting in transparency and responsible financial decision-making.

The EU Taxonomy Regulation is not only a compliance obligation but also a strategic opportunity for the financial sector. Financial institutions that are able to adapt to the taxonomy's requirements can gain a competitive advantage in the market for sustainable investments. As demand grows for financial products focusing on sustainability, they will be able to develop more attractive offerings that not only help achieve environmental objectives but also strengthen the confidence of investors and clients. In addition, the framework provided by the taxonomy enables financial institutions to better manage climate-related risks and support the green economic transition, thereby contributing to the creation of a sustainable future. Four conditions must be met for an economic activity to be considered environmentally sustainable. The activity must:

- be a relevant activity, i.e. be included on the list of activities deemed by the European Union to be the most important for achieving environmental objectives. Relevant activities are referred to as taxonomy-eligible activities and are described in Delegated Acts;
- contribute substantially to at least one of the six environmental objectives and meet the technical screening criteria for substantial contribution as set out in the Delegated Acts[5];
- do no significant harm to the other environmental objectives and meet the 'Do No Significant Harm' (DNSH) technical screening criteria as set out in the Delegated Acts; and
- be carried out in accordance with minimum social and governance safeguards (Minimum Social Safeguards, MSS).

An economic activity that meets the four conditions is referred to as a taxonomy-aligned economic activity. The EU Taxonomy Regulation defines the following six environmental objectives:

- climate change mitigation (CCM Climate Change Mitigation);
- climate change adaptation (CCA Climate Change Adaptation);
- sustainable use and protection of water and marine resources (WTR Sustainable Use and Protection of Water and Marine Resources);
- transition to a circular economy (CE Transition to a Circular Economy);
- prevention and reduction of pollution (PPC Pollution Prevention and Control); and
- protection and restoration of biodiversity and ecosystems (BIO Protection of Restoration of Biodiversity and Ecosystem).

The EU Taxonomy Regulation requires undertakings falling within the scope of the NFRD to provide, in their sustainability reports, information on how and to what extent their activities are associated with environmentally sustainable economic activities pursuant to Articles 3 and 9 of the Taxonomy Regulation.

Pursuant to points (b) and (c) of Article 1(1) of the EU Taxonomy Regulation, the scope of the Regulation includes financial market participants making financial products available, as well as undertakings that, under the CSRD, are obliged to publish a non-financial statement or a consolidated (group) sustainability report.

[5] (EU) 2021/2139 Climate Delegated Act; (EU) 2022/1214 Supplementary Climate Delegated Act; (EU) 2023/2485 Amendments to the Climate Delegated Act; (EU) 2023/2486 Environmental Delegated Act

In the case of the MFB Group, the preparation of the report is based on exposures and balance sheet figures corresponding to the prudential consolidation perimeter pursuant to Article 18 of the Capital Requirements Regulation (Regulation (EU) No 575/2013, CRR), with respect to the asset types and accounting portfolios defined under the EU Taxonomy Regulation and the related implementing regulations – including the disclosure templates of Regulation (EU) 2021/2178 as amended and updated in 2024–2025 – covering information on stocks and stock changes, transition and enabling activities, as well as specialised and general-purpose lending. Since MFB Plc. is not subject to consolidated supervision, meaning that it has no prudential consolidation perimeter, it fulfils the requirements laid down in Annex V of the Implementing Regulation and completes the form to be applied in Annex VI with data relating to the Bank (on an individual basis).

The table below presents the specific information of the MFB Group relating to the mandatory KPIs (key performance indicators for nonfinancial undertakings) falling within the scope of the EU Taxonomy Regulation, prepared using the sample (table) published in Annex VI to the applicable Implementing Regulation (EU) 2021/2178, including the relevant 2024–2025 amendments. The carrying amount of exposures is based on the reference date of 31 December 2025.

Summary of the main KPIs to be published by credit institutions in accordance with Article 8 of the Taxonomy Regulation

Main KPI – Green Asset Ratio (GAR) Stock	
Total environmentally sustainable assets (million HUF)	195.4
KPI (turnover-based, %)	0.0%
KPI (CAPEX-based, %)	0.02%
Coverage ratio % (relative to total asset stock)	91.7%
% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	79.3%
% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)	8.4%

Additional KPIs	**GAR (flow)**	**Trading book***	**Financial guarantees**	**Assets under management**	**Fees and commissions income***
Total environmentally sustainable activities (million HUF)	0.0	-	0.0	0.0	-
KPI (turnover-based, %)	0.0%	-	0.0%	0.0	-
KPI (CAPEX-based, %)	0.0%	-	0.0%	0.0	-
% coverage (over total assets)	76.6%				
% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	76.6%				
% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)	23.4%				

* Applicable after 2026

The low published stock aligned with the taxonomy and the KPI percentage can be attributed to the fact that the Bank does not yet have any individual green loans that fully meet all aspects of the taxonomy. Therefore, as part of the mandatory report, in line with legal compliance, we only calculated using the taxonomy-aligned ratios reported by undertakings falling within the scope of the CSRD/ESRS, and where data were not available, we assumed this ratio to be zero. A significant proportion of the MFB

Group's corporate financing is directed towards clients not covered by the legislation, where, on the one hand, compliance with environmental objectives is not known and, on the other hand, the Bank does not yet have any individual green loans that fully meet all aspects of the taxonomy in this segment either.

In the mandatory report, GAR Table 1: Based on the assets considered for the calculation of the GAR (CAPEX), the taxonomy-eligible GAR KPI CAPEX ratio is close to 5%, while the aligned ratio is 0.02%. Further detailed continuation of the GAR tables below can be found in Annex 5 to the Annexes.

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	530 704	114 246	575	-	239	23	58 338	-	-	-	-	-	-	-	5 646	251	-	-
2	**Financial undertakings**	119 805	3 092	278	-	41	-	15 162	-	-	-	-	-	-	-	1 038	-	-	-
3	Credit institutions	79 194	3 092	278	-	41	-	15 162	-	-	-	-	-	-	-	1 038	-	-	-
4	Loans and advances	57 984	2 961	238	-	39	-	15 162	-	-	-	-	-	-	-	1 038	-	-	-
5	Debt securities, including UoP	21 209	130	41	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial corporations	40 611	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2025) - continued

		s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	22	-	-	-	178 251	827	-	239	23
2	**Financial undertakings**	-	-	-	-	22	-	-	-	19 314	278	-	41	-
3	Credit institutions	-	-	-	-	22	-	-	-	19 314	278	-	41	-
4	Loans and advances	-	-	-	-	22	-	-	-	19 184	238	-	39	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	130	41	-	2	-
6	Equity instruments	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
20	**Non-financial undertakings**	322 169	111 155	297	-	198	23	43 176	-	-	-	-	-	-	-	4 607	251	-	-
21	Loans and advances	7 617	1 325	297	-	198	23	-	-	-	-	-	-	-	-	274	251	-	-
22	Debt securities, including UoP	314 552	109 829	-	-	-	-	43 176	-	-	-	-	-	-	-	4 333	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
24	**Households**	88 316	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	632	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-
28	**Local governments financing**	414	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	414	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	3 404 048	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	2 555 585																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	2 555 585																	
35	Loans and advances	1 534 077																	
36	of which loans collateralised by commercial immovable property	204 525																	
37	of which building renovation loans	-																	
38	Debt securities	152 852																	
39	Equity instruments	868 656																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-																	
41	Loans and advances	-																	
42	Debt securities	-																	
43	Equity instruments	-																	

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2025) - continued

		s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	158 938	548	-	198	23
21	Loans and advances	-	-	-	-	-	-	-	-	1 600	548	-	198	23
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	157 338	-	-	-	-
23	Equity instruments	-	-		-	-	-		-	-	-		-	-
24	**Households**	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-		-	-	-		-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations													
35	Loans and advances													
36	of which loans collateralised by commercial immovable property													
37	of which building renovation loans													
38	Debt securities													
39	Equity instruments													
40	Non-EU country counterparties not subject to NFRD disclosure obligations													
41	Loans and advances													
42	Debt securities													
43	Equity instruments													

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
																Disclosure reference date T			
	Million HUF	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
44	**Derivatives**	18 208																	
45	**On demand interbank loans**	32 182																	
46	**Cash and cash-related assets**	0																	
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	798 073																	
48	**Total GAR assets**	3 934 752	114 246	575	-	239	23	58 338	-	-	-	-	-	-	-	5 646	251	-	-
49	**Assets not covered for GAR calculation**	358 661																	
50	**Central governments and Supranational issuers**	67 614																	
51	**Central banks exposure**	291 047																	
52	**Trading book**	-																	
53	**Total assets**	4 293 413	114 246	575	-	239	23	58 338	-	-	-	-	-	-	-	5 646	251	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																			
54	Financial guarantees	960	3	-	-	-	-	188	-	-	-	-	-	-	-	19	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
3. Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
4. For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2025) - continued

		s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
44	**Derivatives**													
45	**On demand interbank loans**													
46	**Cash and cash-related assets**													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**													
48	**Total GAR assets**	-	-	-	-	22	-	-	-	178 251	827	-	239	23
49	**Assets not covered for GAR calculation**													
50	**Central governments and Supranational issuers**													
51	**Central banks exposure**													
52	**Trading book**													
53	**Total assets**	-	-	-	-	22	-	-	-	178 251	827	-	239	23
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	-	-	-	-	-	-	-	-	211	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	439 331	268 656	698	-	538	16	19 251	-	-	-	-	-	-	-	2 463	-	-	-
2	**Financial undertakings**	70 579	343	-	-	-	-	16 511	-	-	-	-	-	-	-	1 935	-	-	-
3	Credit institutions	70 579	343	-	-	-	-	16 511	-	-	-	-	-	-	-	1 935	-	-	-
4	Loans and advances	60 949	343	-	-	-	-	16 511	-	-	-	-	-	-	-	1 935	-	-	-
5	Debt securities, including UoP	9 630	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings**	273 994	267 580	698	-	538	16	-	-	-	-	-	-	-	-	321	-	-	-
21	Loans and advances	8 028	1 614	698	-	538	16	-	-	-	-	-	-	-	-	321	-	-	-
22	Debt securities, including UoP	265 966	265 966	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
24	**Households**	94 232	733	-	-	-	-	2 252	-	-	-	-	-	-	-	207	-	-	-
25	of which loans collateralised by residential immovable property	648	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-
28	**Local governments financing**	487	-	-	-	-	-	487	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	487	-	-	-	-	-	487	-	-	-	-	-	-	-	-	-	-	-

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2024) - continued

	Million HUF	a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitiona l	Of which enabling
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	439 331	-	-	-	-	43	-	-	-	290 412	698	-	538	16
2	**Financial undertakings**	70 579	-	-	-	-	37	-	-	-	18 826	-	-	-	-
3	Credit institutions	70 579	-	-	-	-	37	-	-	-	18 826	-	-	-	-
4	Loans and advances	60 949	-	-	-	-	37	-	-	-	18 826	-	-	-	-
5	Debt securities, including UoP	9 630	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	273 994	-	-	-	-	-	-	-	-	267 901	698	-	538	16
21	Loans and advances	8 028	-	-	-	-	-	-	-	-	1 935	698	-	538	16
22	Debt securities, including UoP	265 966	-	-	-	-	-	-	-	-	265 966	-	-	-	-
23	Equity instruments	-	-	-		-	-	-		-	-	-		-	-
24	**Households**	94 232	-	-	-	-	7	-	-	-	3 198	-	-	-	-
25	of which loans collateralised by residential immovable property	648	-	-	-	-	-	-	-	-	1	-	-	-	-
26	of which building renovation loans	14	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-		-	-	-		-	-	-	-	-	-
28	**Local governments financing**	487	-	-	-	-	-	-	-	-	487	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	487	-	-	-	-	-	-	-	-	487	-	-	-	-

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitiona l	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	3 118 067	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	2 304 328																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	2 304 328																	
35	Loans and advances	1 549 212																	
36	of which loans collateralised by commercial immovable property	158 983																	
37	of which building renovation loans	-																	
38	Debt securities	141 701																	
39	Equity instruments	613 415																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-																	
41	Loans and advances	-																	
42	Debt securities	-																	
43	Equity instruments	-																	
44	**Derivatives**	43 925																	
45	**On demand interbank loans**	1 035																	
46	**Cash and cash-related assets**	0																	
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	768 779																	
48	**Total GAR assets**	3 557 398	268 656	698	-	538	16	19 251	-	-	-	-	-	-	-	2 463	-	-	-
49	**Assets not covered for GAR calculation**	119 780																	
50	**Central governments and Supranational issuers**	58 293																	
51	**Central banks exposure**	61 487																	
52	**Trading book**	-																	
53	**Total assets**	3 677 179	268 656	698	-	538	16	19 251	-	-	-	-	-	-	-	2 463	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																			
54	Financial guarantees	3 360	1 442	209	-	161	5	-	-	-	-	-	-	-	-	96	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 1 of GAR: 1. Assets Considered for the Calculation of GAR (CAPEX, 2024) - continued

		a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	39	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	3 118 067	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	2 304 328													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	2 304 328													
35	Loans and advances	1 549 212													
36	of which loans collateralised by commercial immovable property	158 983													
37	of which building renovation loans	-													
38	Debt securities	141 701													
39	Equity instruments	613 415													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-													
41	Loans and advances	-													
42	Debt securities	-													
43	Equity instruments	-													
44	**Derivatives**	43 925													
45	**On demand interbank loans**	1 035													
46	**Cash and cash-related assets**	0													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	768 779													
48	**Total GAR assets**	3 557 398	-	-	-	-	43	-	-	-	290 412	698	-	538	16
49	**Assets not covered for GAR calculation**	119 780													
50	**Central governments and Supranational issuers**	58 293													
51	**Central banks exposure**	61 487													
52	**Trading book**	-													
53	**Total assets**	3 677 179	-	-	-	-	43	-	-	-	290 412	698	-	538	16
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations															
54	Financial guarantees	3 360	-	-	-	-	-	-	-	-	1 538	209	-	161	5
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	530 704	103 510	173	-	-	-	59 171	-	-	-	-	-	-	-	2 121	23	-	-
2	**Financial undertakings**	119 805	3 159	165	-	-	-	15 162	-	-	-	-	-	-	-	1 038	-	-	-
3	Credit institutions	79 194	3 159	165	-	-	-	15 162	-	-	-	-	-	-	-	1 038	-	-	-
4	Loans and advances	57 984	3 011	139	-	-	-	15 162	-	-	-	-	-	-	-	1 038	-	-	-
5	Debt securities, including UoP	21 209	147	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial corporations	40 611	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings**	322 169	100 351	8	-	-	-	44 009	-	-	-	-	-	-	-	1 083	23	-	-
21	Loans and advances	7 617	526	8	-	-	-	-	-	-	-	-	-	-	-	183	23	-	-
22	Debt securities, including UoP	314 552	99 825	-	-	-	-	44 009	-	-	-	-	-	-	-	900	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2025) - continued

		s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	37	-	-	-	164 839	195	-	-	-
2	**Financial undertakings**	-	-	-	-	37	-	-	-	19 396	165	-	-	-
3	Credit institutions	-	-	-	-	37	-	-	-	19 396	165	-	-	-
4	Loans and advances	-	-	-	-	37	-	-	-	19 249	139	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	147	26	-	-	-
6	Equity instruments	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	145 443	30	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	708	30	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	144 734	-	-	-	-
23	Equity instruments	-	-		-	-	-		-	-	-		-	-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
																Disclosure reference date T			
	Million HUF	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
24	**Households**	88 316	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	632	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-
28	**Local governments financing**	414	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	414	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	3 404 048	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	2 555 585																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	2 555 585																	
35	Loans and advances	1 534 077																	
36	of which loans collateralised by commercial immovable property	204 525																	
37	of which building renovation loans	-																	
38	Debt securities	152 852																	
39	Equity instruments	868 656																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-																	
41	Loans and advances	-																	
42	Debt securities	-																	
43	Equity instruments	-																	
44	**Derivatives**	18 208																	
45	**On demand interbank loans**	32 182																	
46	**Cash and cash-related assets**	0																	
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	798 073																	
48	**Total GAR assets**	3 934 752	103 510	173	-	-	-	59 171	-	-	-	-	-	-	-	2 121	23	-	-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2025) - continued

		s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
24	**Households**	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-		-	-	-		-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations													
35	Loans and advances													
36	of which loans collateralised by commercial immovable property													
37	of which building renovation loans													
38	Debt securities													
39	Equity instruments													
40	Non-EU country counterparties not subject to NFRD disclosure obligations													
41	Loans and advances													
42	Debt securities													
43	Equity instruments													
44	**Derivatives**													
45	**On demand interbank loans**													
46	**Cash and cash-related assets**													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**													
48	**Total GAR assets**	-	-	-	-	37	-	-	-	164 839	195	-	-	-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
																Disclosure reference date T			
Million HUF		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
49	**Assets not covered for GAR calculation**	358 661																	
50	**Central governments and Supranational issuers**	67 614																	
51	**Central banks exposure**	291 047																	
52	**Trading book**	-																	
53	**Total assets**	4 293 413	103 510	173	-	-	-	59 171	-	-	-	-	-	-	-	2 121	23	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																			
54	Financial guarantees	960	6	-	-	-	-	187	-	-	-	-	-	-	-	0	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
3. Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
4. For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2025) - continued

		s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
49	**Assets not covered for GAR calculation**													
50	**Central governments and Supranational issuers**													
51	**Central banks exposure**													
52	**Trading book**													
53	**Total assets**	-	-	-	-	37	-	-	-	164 839	195	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations														
54	Financial guarantees	-	-	-	-	-	-	-	-	194	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
																Disclosure reference date T			
	Million HUF	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	439 331	267 684	8	-	-	-	19 251	-	-	-	-	-	-	-	2 262	-	-	-
2	**Financial undertakings**	70 579	343	-	-	-	-	16 511	-	-	-	-	-	-	-	1 935	-	-	-
3	Credit institutions	70 579	343	-	-	-	-	16 511	-	-	-	-	-	-	-	1 935	-	-	-
4	Loans and advances	60 949	343	-	-	-	-	16 511	-	-	-	-	-	-	-	1 935	-	-	-
5	Debt securities, including UoP	9 630	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings**	273 994	266 608	8	-	-	-	-	-	-	-	-	-	-	-	120	-	-	-
21	Loans and advances	8 028	642	8	-	-	-	-	-	-	-	-	-	-	-	120	-	-	-
22	Debt securities, including UoP	265 966	265 966	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2024) - continued

		a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	439 331	-	-	-	-	43	-	-	-	289 240	8	-	-	-
2	**Financial undertakings**	70 579	-	-	-	-	37	-	-	-	18 826	-	-	-	-
3	Credit institutions	70 579	-	-	-	-	37	-	-	-	18 826	-	-	-	-
4	Loans and advances	60 949	-	-	-	-	37	-	-	-	18 826	-	-	-	-
5	Debt securities, including UoP	9 630	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	273 994	-	-	-	-	-	-	-	-	266 729	8	-	-	-
21	Loans and advances	8 028	-	-	-	-	-	-	-	-	763	8	-	-	-
22	Debt securities, including UoP	265 966	-	-	-	-	-	-	-	-	265 966	-	-	-	-
23	Equity instruments	-	-	-		-	-	-		-	-	-		-	-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
24	**Households**	94 232	733	-	-	-	-	2 252	-	-	-	-	-	-	-	207	-	-	-
25	of which loans collateralised by residential immovable property	648	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-
28	**Local governments financing**	487	-	-	-	-	-	487	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	487	-	-	-	-	-	487	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	3 118 067	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	2 304 328																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	2 304 328																	
35	Loans and advances	1 549 212																	
36	of which loans collateralised by commercial immovable property	158 983																	
37	of which building renovation loans	-																	
38	Debt securities	141 701																	
39	Equity instruments	613 415																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-																	
41	Loans and advances	-																	
42	Debt securities	-																	
43	Equity instruments	-																	
44	**Derivatives**	43 925																	
45	**On demand interbank loans**	1 035																	
46	**Cash and cash-related assets**	0																	
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	768 779																	
48	**Total GAR assets**	3 557 398	267 684	8	-	-	-	19 251	-	-	-	-	-	-	-	2 262	-	-	-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2024) - continued

		a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
24	**Households**	94 232	-	-	-	-	7	-	-	-	3 198	-	-	-	-
25	of which loans collateralised by residential immovable property	648	-	-	-	-	-	-	-	-	1	-	-	-	-
26	of which building renovation loans	14	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-		-	-	-		-	-	-	-	-	-
28	**Local governments financing**	487	-	-	-	-	-	-	-	-	487	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	487	-	-	-	-	-	-	-	-	487	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	39	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	3 118 067	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	2 304 328													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	2 304 328													
35	Loans and advances	1 549 212													
36	of which loans collateralised by commercial immovable property	158 983													
37	of which building renovation loans	-													
38	Debt securities	141 701													
39	Equity instruments	613 415													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-													
41	Loans and advances	-													
42	Debt securities	-													
43	Equity instruments	-													
44	**Derivatives**	43 925													
45	**On demand interbank loans**	1 035													
46	**Cash and cash-related assets**	0													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	768 779													
48	**Total GAR assets**	3 557 398	-	-	-	-	43	-	-	-	289 240	8	-	-	-

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
																		Disclosure reference date T	
	Million HUF	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
49	**Assets not covered for GAR calculation**	119 780																	
50	**Central governments and Supranational issuers**	58 293																	
51	**Central banks exposure**	61 487																	
52	**Trading book**	-																	
53	**Total assets**	3 677 179	267 684	8	-	-	-	19 251	-	-	-	-	-	-	-	2 262	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																			
54	Financial guarantees	3 360	1 152	2	-	-	-	-	-	-	-	-	-	-	-	36	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
3. Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
4. For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure

Table 2 of GAR: 1. Assets Considered for the Calculation of GAR (Revenue, 2024) – continued

		a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
49	**Assets not covered for GAR calculation**	119 780													
50	**Central governments and Supranational issuers**	58 293													
51	**Central banks exposure**	61 487													
52	**Trading book**	-													
53	**Total assets**	3 677 179	-	-	-	-	43	-	-	-	289 240	8	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations															
54	Financial guarantees	3 360	-	-	-	-	-	-	-	-	1 188	2	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-

In the mandatory report, GAR Table 1: Based on the assets taken into account for the calculation of the GAR (CAPEX), the proportion of financial enterprises' portfolios that are taxonomy-eligible exceeds 16%. For non-financial enterprises, the same ratio is 49.33%, while the proportion of exposures aligned with the Taxonomy Regulation is 0.02%. Methodologically, this is the ratio of the total amount of all environmental credit objectives that are taxonomy-eligible or taxonomy-aligned and the amount of the gross exposure relevant to that line in the Credit Institutions' GAR table for the individual bank.

Activities related to nuclear energy and fossil gas, along with the tables associated with them, are presented in Annex 6.

Overall, the KPI indicators in the mandatory report do not fully reflect the efforts of the MFB Group in the field of sustainable finance. In recent years, the Bank has built a green asset portfolio (green loans and bonds) in which the assets do not yet meet all the conditions required under the EU Taxonomy Regulation (e.g. DNSH compliance), but do comply with the conditions of green/sustainable finance frameworks in line with international standards, prepared by the Bank itself or by clients. This portfolio is presented in Section 5.4.

5.2 Developing a business model that facilitates climate change mitigation and adaptation

The following subsections present the development of a business model that facilitates climate change mitigation and adaptation, highlighting the role of MFB Plc. in integrating environmental risks and achieving sustainability objectives. MFB Plc. also seeks to contribute to sustainable development through its Risk Management Policy. This chapter also provides a detailed overview of the resilience assessments carried out by MFB Plc., which were prepared based on the recommendations of PACTA (Paris Agreement Capital Transition Assessment) and the European Investment Bank, as well as the Transition Plan the Bank aims to develop, which will be based on the methodology of the Partnership for Carbon Accounting Financials (PCAF) and on the Scope 3 GHG calculation performed in 2025.

5.2.1 Integration of climate change-related risks into the business model

As a key member of the MFB Group, MFB Plc. considers its climate-related liquidity risks to be of moderate significance and has therefore begun integrating them into its business processes. The Bank's Risk Management Policy and its Risk Management Strategy Framework Document include exposure to environmental risks based on the principle of double materiality (the impact of risks on the Bank and the environmental impacts of the Bank's business activities), as well as the risk-driver concept (the nature of sustainability risks influencing traditional risks).

The Bank integrates processes for identifying, assessing and managing climate-related aspects connected to its financing activities into its risk-management processes. In 2024, MFB Plc. began identifying transition and physical environmental risks affecting its operations in accordance with international standards, currently applying a qualitative approach focusing on short- and medium-term impacts, particularly in one or two key areas of its business activities, such as the large corporate loan portfolio. In 2025, the Bank launched a separate project to assess physical and transition risks at the portfolio level and to prepare the resilience assessment. The Bank has identified and examined the following physical risks in relation to its adaptive capacity: precipitation, water scarcity, heatwaves, uncontrolled vegetation fire, storms and heavy rainfall. The Bank has not yet identified quantitative scenarios related to physical climate-related risks and therefore has not carried out related upstream or downstream risk analyses.

The Bank first identifies physical risk events and evaluates them at the portfolio level in line with regulatory expectations. The process begins with the location-based (country-based) identification of

acute and chronic risk events. As the vast majority of the Bank's exposures are located in Hungary and the Carpathian Basin, the analysis concentrates primarily on the climatic characteristics of this region. This is followed by determining the relevance of the events for the Bank. For this purpose, the Bank considers sectors with significant representation in its portfolio (manufacturing, construction, transport, electricity generation and financial services), where geographical extent or infrastructural presence increases the relevance of certain events. Events irrelevant for the Bank (for example, sea level rise, saltwater intrusion, ocean acidification, avalanches, cyclones/tornadoes, glacial lake outburst floods, and permafrost thaw), as they do not affect Hungary or MFB's exposures, are filtered out. Specific climate indicators are then defined and assigned to relevant events (e.g. maximum number of consecutive dry days), enabling objective measurement of the risks. The next step involves examining climate scenarios associated with the indicators selected for medium- and high-relevance events, using data and scenario pathways from the KlimAdat database (https://klimadat.met.hu/). The Bank does not publish the full assessment, as it contains internal methodologies. The Bank uses the KlimAdat MET model results prepared by the Hungarian Meteorological Service (OMSZ), which incorporate domestic and international models[6] and include results for three scenarios (minimum, median and maximum). The analysis covers short-term (to 2030), medium-term (to 2050) and long-term (to 2070) impacts. Subsequently, the probability of occurrence of each medium or highly relevant physical event is estimated, based on climate scenarios and portfolio data. The severity of risks associated with the events is then assessed by estimating potential financial impacts, considering financing practices and market data. Finally, overall risk levels for each physical event are assessed by combining probability and magnitude. These assessments are performed across all time horizons (short, medium and long term). Events relevant even in the short term must be addressed across all time periods, while risks relevant only in the long term are expected to materialise significantly only as climate change progresses, so the Bank allocates fewer resources to their short-term management. Nonetheless, all short, medium and long-term risks are quantified, managed consciously and reviewed annually.

MFB Plc. identifies and assesses transition risks affecting its portfolio in line with the TCFD methodology. When determining the scope of affected activities, the Bank identifies key sectors within its financing activities in which it holds significant emissions-intensive exposures. Following this identification, the Bank analyses the potential impacts of specific transition events. For each relevant key event, it determines whether it represents a challenge (e.g. loss of certain client segments or markets; new, stricter regulations that constrain operations; insolvency due to high taxes; high compliance costs related to new regulations) or an opportunity (e.g. financing opportunities for green projects; developing and financing new lower emission products or services; revenue increase; strengthening corporate reputation; improving customer satisfaction). The Bank assigns time horizons to each event: short-term (1–3 years), medium-term (3–5 years) and long-term (5+ years). Based on this analysis and particularly on the identification of affected sectors, the Bank determines the probability of occurrence of transition events using a scoring scale. If a transition risk affects several sectors where the Bank holds significant financed emissions, its likelihood score increases. The magnitude of each risk is also scored based on the opportunities or challenges associated with that event. Multiplying probability and magnitude produces the composite risk score, which determines whether the risk is insignificant, low, medium, high or critical. The Bank does not apply structured management to insignificant and low transition risks. However, medium, high and critical risks are subject to regular resilience assessments and improvement analyses as described in later chapters.

[6] (REMO (1-2.) and ALADIN-Climate (3-4.)) international models

In addition to examining its own operations, MFB Plc. has begun mapping the exposure of its credit instruments to environmental risks, broken down by industry and benchmarked against industry averages. Quantification of environmental risk exposure is not yet comprehensive across all significant business areas or geographical regions. The qualitative analysis of clients' environmental risks and the assessment of their contribution to environmental sustainability (based on double materiality) also form part of the process. The results of the environmental risk assessment significantly influence client and partner rating evaluations, supported by methodological documentation. Environmental risk analysis is carried out within the Bank under a unified framework supported by internal regulations (ESG Credit Risk Policy).

5.2.2 Climate risks and strategy

Resilience assessment

The resilience assessment of MFB Plc.'s strategy and business model in relation to climate change was prepared based on the recommendations of PACTA and the European Investment Bank. The scope of the resilience assessment covers the sectors most at risk from an ESG perspective and those with the highest environmental risk exposure. In 2025, as part of a dedicated project, the resilience assessment was completed, including scenario analyses for the year 2024. Its methodology has been recorded in an internal regulation (ESG Credit Risk Policy). The resilience assessment for 2025 is prepared in parallel with the preparation of the sustainability report.

In 2025, the Bank conducted a Group-level Scope 3 calculation, which included assessing emissions related to the financed portfolio. The GHG Scope 3.15 calculation forming the basis of the Transition Plan was completed for 2025, and its methodology was refined. In addition, during 2025, the Bank defined and distinguished the concepts of physical and transition risks and developed methodologies for measuring them. It carried out the resilience assessment and recorded the details of these methodologies in internal regulations.

In 2025, the Bank analysed how, based on the results of the resilience assessment, it should adjust its strategy and business model in the short, medium and long term to address the negative impacts of climate change. In 2025, the Bank identified and assessed those exposures subject to physical climate risks. It also determined the impact and significance of climate risks relevant for Hungary on the Bank's portfolio across the short, medium and long term. The Bank carried out these analyses in the most significant sectors of its portfolio exposure (financial services, manufacturing, transport, mining, construction) in 2025, and the results are included in the resilience assessment. Furthermore, for exposures subject to physical risks, the Bank assessed median and worst-case scenarios for 2030 and 2050, based on HungaroMet projections. For acute and chronic physical risks, the Bank defined the level of sensitivity, indicating the degree and scope of sensitive exposures. Acute physical risks primarily arise from the geographic location of assets and the climate vulnerability of the region concerned—these include exposure to extreme weather events such as floods, heatwaves or wildfires. Chronic physical risks relate to long-term climatic changes such as increasing heat stress or water scarcity. These risks particularly affect assets whose operation or value is highly dependent on natural resources or climatic conditions. In the assessment of transition risks, the Bank did not identify any process step where resilience would require immediate intervention or where the risk would be considered critical. With respect to physical risks, in the 2030 median scenario the Bank did not identify significant exposures or client numbers above the sensitivity threshold.

In 2025, as part of the resilience assessment carried out for 2024, no task requiring immediate intervention was identified. However, the Bank stands ready to apply targeted practical measures as required based on future results. The Bank will prepare a report for the 2025 financial year in 2026. According to the Bank's Business Strategy for the 2022–2030 period, MFB Plc.'s primary mission is to fulfil the classical development banking functions: addressing financing gaps and supporting long-term economic development without continuous financial intervention by the State, operating within a long-term business model.

In the stress testing process, the Bank used the approved plan figures valid for 2024 and forecasts derived from MFB Plc.'s mission, strategy and long-term objectives as the baseline. To prepare the stress tests, a baseline and stress scenario were developed for the period 2024–2026 based on certain assumptions. The plans for 2025–2026 were not discussed by the Bank's decision-making bodies; they were created solely for the purposes of the stress test. The stress testing process began with an overview of the economic and legal environment, along with quantitative and qualitative analyses, which led to the development of eight stress scenarios of varying severity and assumptions, covering all credit risk exposures. In addition to system-wide stress scenarios affecting the entire economy, several unique institution-specific stress scenarios were identified. In modelling the shock effects, the Bank examined how the occurrence of these scenarios would alter the Bank's risk profile, liquidity position, profitability and capital adequacy.

The Bank defined stress scenarios of varying severity and time horizons. Among these, the effects of climate-related and environmental risk exposures—specifically the physical and transition risks—over the short and medium-term (climate stress test) constitute the scenario dedicated to environmental impacts. In 2025, using the HungaroMet database, the Bank defined medium- and long-term scenarios[7] based on median and maximum quantiles. Expert-identified sensitive geolocation data were compared with the addresses of the Bank's property collateral and with the registered offices and operational sites of financed partners. Based on the recommendations of PACTA and the European Investment Bank, the Bank identified the sectors most exposed to climate-related and environmental risks, which are highlighted in red according to the Bank's limit classification as the highest risk ESG sectors. Climate-related and environmental risk exposures currently exert only modest negative impacts in the short term, but these limited impacts already result in negative outcomes for every year within the assessment period. From 2025 onwards, the examination of physical risks has also been incorporated into the resilience assessment. This was identified as a target in the 2024 report for the 2025 financial year. The impacts and occurrence probabilities of physical risks—both acute and chronic—relevant for Hungary and for MFB's own-risk portfolio (including storms, heavy rainfall and its variability, water scarcity, flooding, heatwaves and uncontrolled vegetation fires) were determined for the short, medium, and long term in 2025. The Bank did not identify any business activities or assets incompatible with the transition to a climate-neutral economy or requiring substantial effort to become compatible.

Furthermore, transition risks and their subcategories were defined, along with their impacts and probabilities on the Bank's portfolio across the short, medium and long term. The Bank assessed the extent to which its assets and business activities are exposed to identified transition events, performing these analyses in the most relevant sectors in 2025. The resilience assessment includes the results, and the Bank also assessed its distance from the IEA Net Zero Emissions by 2050 scenario[8], which informs

[7] User Guide for the HungaroMet KlimAdat Geoinformation System

[8] The IEA's 'Net Zero Emissions by 2050' (NZE) scenario is a non-forecast, 1.5 °C-aligned transition pathway that illustrates how the global energy system could achieve net-zero greenhouse gas emissions by 2050. It outlines accelerated energy efficiency measures, a significant expansion of renewables and electrification, and a sustained reduction in the demand for fossil energy. The scenario serves as a reference for corporate transition plans.

the Transition Plan. The Bank operates an ESG limit framework as part of its Risk Management Policy to measure and manage ESG risks.

Under Section 114 of the Act on Credit Institutions, the Bank updates and maintains its Recovery Plan annually. This Plan provides an action plan in the event of the materialisation of risks identified in the resilience assessment. Considering the specific characteristics of the Bank's mission and business model, the Recovery Plan lists the main risks and impacts that may require the implementation of the measures described therein to ensure the uninterrupted operation of the Bank. It also provides an overview of the Bank's total recovery capacity and its ability to restore its financial position after major deterioration. The Recovery Plan defines trigger levels and emergency thresholds, as well as a communication plan to be applied when specific recovery actions are activated. As the resilience assessment expands with the incorporation of physical risks, the Recovery Plan will also be updated. The next revision will be carried out by the Bank in 2026.

Transition Plan

In recent years, the MFB Group has mobilised significant resources to ensure that the input conditions for the Transition Plan are met. It has clarified its green terminology and has separated its climate-related risks into physical and transition risks. These changes have been reflected in its internal regulations (ESG Credit Risk Policy), systems and processes. The Bank has specified in detail its requirement to distinguish its green asset portfolio, ESG-related risks, and to support existing reporting obligations for green lending within its core systems.

Through training, the Bank has ensured that the relevant processes are carried out at the highest quality level. It has calculated and included key KPI values (distribution of clients' ESG ratings, ESG limit utilisation, GAR and GHG Scope 3.15 values) in its quarterly comprehensive risk reports. Of particular note is the GHG Scope 3.15 calculation, which follows the PCAF methodology based on the GHG Protocol. As a member of PCAF, the Bank has committed to the continuous annual calculation of GHG emissions using increasingly sophisticated methods. The calculation for 2025 was performed at the Group-level. The Bank considers this to be the baseline scenario of the Transition Plan. The decarbonisation plan will be developed in 2026 in cooperation with the professional, risk-taking and risk-management areas, supported by external advisors.

The GHG emission targets that MFB Plc. can currently commit to are included in its ESG Strategy, approved in 2024 and reviewed in 2025. In the coming years, in addition to qualitative commitments, quantitative targets will also be set. The Bank intends to define targets that can be measured against available indicators progressively. Taking into account the climate-related and environmental sustainability objectives set out in the MNB Green Recommendation, MFB Plc. will develop a carbon neutrality plan in 2026, which will be enacted by 1 July 2027, using the results of the Group-level GHG calculation for 2025 as the base year, since the GHG calculation methodology applied in the 2024 business report has changed. For the 2025 calculation, the activity of the end-user served as the basis for refinanced portfolios. The carbon neutrality plan aims to reduce and offset the Bank's direct and indirect (Scope 1, 2 and 3 – including financed emissions) GHG emissions to near zero. MFB Plc. follows the EU reference indicators aligned with the Paris Agreement, and its efforts are consistent with Article 2(1)(c) of the Paris Agreement, which stipulates that "financial flows should be consistent with a pathway towards low greenhouse gas emissions and climate resilient development". In line with global climate action commitments under the Paris Agreement, including the 1.5°C target, the European Green Deal and commitments by the Hungarian Government, MFB Plc. aims to achieve net zero emissions by 2050. The Bank regularly measures and publishes its emissions. The ESG KPIs related to Scope 1–2 will be introduced as of 1 January 2027. The reason for this is the practical implementation of the MNB's

Green Recommendation No. 2/2026. (III.6.), published on 9 March 2026, as well as the preparation of the transition plan required therein, will establish a stable measurement basis for emissions. The MFB – in line with the expectations of the MNB – will enact the transition plan by no later than 1 July 2027.

To achieve the sustainability objectives set out in its Business Strategy and ESG Strategy, MFB Plc. has identified several tools and measures to mitigate climate change and reduce the company's GHG emissions. These form the foundational pillars of the emerging Transition Plan. The financing categories and criteria set out in the Bank's Framework also support the reduction of GHG emissions. The Transition Plan to be prepared in 2026 will be approved by the Bank's Board of Directors.

Within its own operations, the Green Office Programme has been launched, enabling lower emissions in office spaces. The details of the Programme are presented in Chapter 6.1 Energy Consumption.

Beyond its own operations, MFB Plc. also supports decarbonisation goals along its downstream value chain through the distribution of EU sustainability products, the development of its own sustainability products and programmes containing decarbonisation requirements, direct green lending aimed at reducing GHG emissions and the provision of guarantees. These programmes are highlighted in MFB Plc.'s Business Strategy, emphasising the achievement of sustainability and emission reduction goals, and setting the general objective of integrating sustainability into existing banking organisations, processes and products. Furthermore, MFB Plc. aims to increase the proportion of financing in its portfolio that aligns with the EU Taxonomy and to develop products aligned with the EU Taxonomy. Further information on the EU Taxonomy can be found in Section 5.1.

It is important for MFB, in line with its mission, to participate in financing sectors that are directly affected by the negative impacts of climate change and where technologically and economically viable low-carbon alternatives do not yet exist. The activities of enterprises operating in these sectors must also be financed to support the green transition and help them progress towards more sustainable levels of production and operation. This type of financing requires enhanced and more detailed due diligence requirements for climate-sensitive sectors. Green transition activities relate to the climate change mitigation objective and are those for which low-carbon alternatives either do not exist or are only viable in the long term. These activities contribute to climate change mitigation if they:

- have greenhouse gas emission levels corresponding to the best performance in the relevant sector or industry;
- do not hinder the development and introduction of low-carbon alternatives; and
- do not result in lock-in of carbon-intensive assets, considering their economic lifetime.

Green transition activities may be financed if the given activity meets defined emission thresholds for life-cycle emissions and, among other conditions, its annual GHG emissions do not exceed the level set for the specific sector.

In line with ESRS requirements, the Bank has identified its significant capital expenditure related to economic activities associated with coal, oil and gas based on the activity codes of its clients and users.

During the data classification, the Bank applied the provisions of Commission Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU regarding sustainability reporting standards. In accordance with ESRS E1-1 paragraph 16(f), the following activity codes were considered:

(a) B.05 Mining of coal and lignite; B.06 Extraction of crude petroleum and natural gas (limited to crude petroleum); B.09.1 Support activities for petroleum and natural gas extraction (limited to crude petroleum);

(b) C.19 Manufacture of coke and refined petroleum products;

(c) D.35.1 Electric power generation, transmission and distribution;

(d) D.35.3 Steam and air-conditioning supply (limited to coal- and oil-fired electricity and/or heat generation);

(e) G.46.71 Wholesale of solid, liquid and gaseous fuels and related products (limited to solid and liquid fuels). For gas-related activities, the determination of the NACE code applies to activities with direct GHG emissions above 270 g CO_2/kWh.

During the detailed classification, the Bank considered the main activity codes of clients and end-users relating to the financing portfolios existing as of 31 December 2025, as well as the targeted activity codes of all financed investments according to the TEÁOR25 structure. This ensures transparency and completeness by capturing not only financing provided to enterprises operating in the listed sectors, but also financing provided to all other enterprises for investments in those sectors. In addition, for gas-related activities, contrary to the above-mentioned threshold (270 g CO_2/kWh), all gas-related activities are included, prioritising transparency and completeness.

Based on these classifications, the outstanding exposures as of 31 December 2025 and disbursements made between 1 January 2025 and 31 December 2025 evolved as follows (the table includes the data reported for the 2024 financial year as well):

Portfolio existing as of 31 December 2024 and 31 December 2025	Year	Gross book value (million HUF)	% of the TOTAL
Coal-related economic activities	2024	42 573.0	2.5%
	2025	117 115.3	7.0%
Oil-related economic activities	2024	2 749.0	0.2%
	2025	27 911.7	1.7%
Gas-related economic activities	2024	39.9	0.00%
	2025	28.7	0.00%
Total	**2024**	**45 363.0**	**2.7%**
	2025	**145 055.7**	**8.7%**
Percentage of TOTAL	2024	2.7%	
	2025	8.7%	
TOTAL*	**2024**	**1 712 237.0**	
	2025	**1 685 538.0**	

* Direct + refinanced loans included in the balance sheet (excluding employee loans)

Annual disbursement 01.01.2024.-31.12.2024 01.01.2025.-31.12.2025	Year	Disbursement (million HUF)	% of the TOTAL
Coal-related economic activities	2024	1 009.0	0.2%
	2025	2 326.9	0.7%
Oil-related economic activities	2024	2 634.0	0.5%
	2025	7 017.0	2.1%
Total	**2024**	**3 645.0**	**0.7%**
	2025	**9 343.9**	**2.8%**
Percentage of TOTAL	2024	0.7%	
	2025	2.8%	
TOTAL*	**2024**	**584 791.0**	
	2025	**338 286.0**	
*Direct + refinanced loans included in the balance sheet (excluding employee loans)			

Of the total portfolio of MFB Plc. as of 31 December 2025, only 8.61% relates to financing associated with fossil fuels, which presents a realistic picture in relation to the Bank's development bank role. In addition, in 2025, a total of HUF 9.34 billion was disbursed in connection with transactions related to fossil fuels, representing only 2.76% of MFB Plc.'s total disbursements for 2025. The proportion of fossil fuel-related financing increased compared to 2024. This increase occurred to meet business demand consistent with MFB's development bank mission.

5.3 Sustainable funding

MFB Plc., in its development banking activities, raises its funds from both domestic and international money and capital markets, which is essential for establishing the operational background of the Bank. The Bank primarily finances its operations through the issuance of securities representing credit relationships, interbank, bilateral and club loans, and also obtains loans with favourable terms, usually for specific purposes, from international development institutions. In 2025, MFB Plc. raised HUF 1 101.3 billion in medium- and long-term funding. Depending on market opportunities, MFB aims to be a regular issuer in the domestic and international green, social and sustainability bond markets.

The two fundamental pillars of the fundraising activity are the state payment guarantee established by law and international credit ratings. MFB Plc. has had its own credit ratings from Moody's since 2003 and, since 2013, also from Fitch Ratings, related to its entry into the dollar market. As a state-backed borrower, the Bank's credit rating is closely linked to that of the Hungarian State.

Sustainability considerations form an integral part of the fundraising activity and appear as a key strategic objective in addition to increasing the overall fundraising volume. To this end, in 2023, with support from international advisers, the Framework was established in line with international standards (ICMA, LMA) and market practice. In connection with the Framework, a Second-Party Opinion (SPO) was also issued in 2023, in which Morningstar Sustainalytics confirmed that MFB Plc. meets the expectations set out in international standards and market practice relating to eligibility criteria, internal processes and related procedures. In 2025, the Framework was reviewed, and on 30 September 2025, S&P Global issued an independent SPO. As a result of the review and taking business needs into account, the Framework now includes eight green and three social eligibility categories instead of the previous six green categories. The new green eligibility categories include road infrastructure projects aimed at climate adaptation and the prevention and reduction of environmental pollution. The purpose of the Framework is to enable MFB Plc. or its subsidiaries to issue sustainable financing instruments for the financing and refinancing of projects that facilitate the transition to a low-carbon and climate-resilient economy and/or deliver positive social impacts, as well as alleviate social challenges. The MFB Group is committed to supporting sustainable business activities in Hungary's industrial sectors. By raising funds through sustainable financing instruments, MFB Plc. ensures enhanced transparency for the projects and assets financed under the Framework, which provide environmental and social benefits. The Bank aims to encourage additional investments in environmentally and socially sustainable assets, helping achieve commitments under the Paris Agreement and the UN Sustainable Development Goals.

The Framework provides a unified structure for managing the Bank's sustainability-related fundraising and the allocation of those funds to green and social lending and investment activities (primarily loans and bond issuances, but equity investment products may also be included), encompassing both the eligibility categories and the exclusions. The Framework defines the range of sustainable finance objectives, eligibility categories, and the environmental, social and governance indicators associated with them. The environmental loan objectives specified in the Framework correspond to economic activities defined as sustainable or to environmental objectives under the EU Taxonomy Regulation. In line with international standards, full compliance with the conditions specified in the Taxonomy (e.g.

DNSH and Minimum Social Safeguards) is not mandatory under the Framework. Financing under the Framework currently corresponds to taxonomy-eligible economic activities.

The Bank continuously informs its clients and refinanced partners about the financing opportunities, products and lending programmes that fall under the green and social eligibility categories defined in the Framework. The Framework's eight green eligibility categories (Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water Management and Wastewater Treatment, Sustainable Land Use, Clean Transportation, Road Infrastructure Projects, Waste Management) and three social categories (Job Creation, Access to Education, Access to Healthcare) provide new opportunities for sustainable finance.

The Sustainable Finance Committee of MFB Plc. is responsible for evaluating and selecting projects, ensuring that they meet the sustainability criteria set out in the Framework. Selected projects must directly contribute to the UN Sustainable Development Goals (SDGs). The Bank has committed to preparing annual Allocation and Impact Reports on the allocation of funds raised under the Framework (including the size of the portfolio eligible for allocation and its distribution across eligibility categories) and on the environmental and social impacts of the financed projects. These reports detail how funds from sustainable financing instruments were used and what specific impacts were achieved. Prior to its first green and social bond issuances in 2024, the Bank prepared a Pre-Issuance Allocation Report[9], certified by an independent external auditor, which is available on its official website. In 2025, for the first time since the establishment of the Framework, the Bank prepared Allocation and Impact Reports for investors, based on the stock of eligible assets as of the end of 2024. According to these reports, the certified stock of assets meeting the Framework's criteria amounted to HUF 193 900.6 million at the end of 2024. The estimated annual avoided GHG emissions from Green Buildings and Renewable Energy projects aligned with the Framework amounted to 75 502.7 tonnes of CO2 equivalent, while the issuer-level environmental impact per amount of green funding was estimated at 17 154.2 tonnes of CO2 equivalent annually. The GHG emissions financed by the Bank (6.2.2 Characteristics of GHG Emissions) also include the emissions arising from the green-purpose financed loan portfolio; however, investors are not required to disclose these emissions. For investors, the presentation of avoided GHG emissions is required according to the relevant indicators of the Framework.

Within the Framework's Job Creation eligibility category, MFB financed nine loan programmes, 3 644 projects and 2 825 SMEs.

In line with the Bank's voluntary commitment, the Allocation Report, the Environmental Impact Assessment Report and the independent SPO on the Allocation Report are publicly available on the Bank's official website[10].

In its ESG Strategy, the Bank has defined that the green and social eligibility categories of the Framework, reviewed every two years, serve as guidance for its strategic directions in sustainable finance and risk-taking activities.

MFB Plc strives to filter out any potential negative risks and impacts during the preliminary analysis of each financing transaction. In February 2025, MFB Plc raised HUF 16 billion during the issuance of the second tranche of the social bonds originally issued in April 2024, for the financing of projects that generate positive social impact (alleviation of social problems and inequalities). The issuance of the

[9] Preliminary Allocation Report of MFB Plc for the Year 2024: https://www.mfb.hu/backend/documents/El--zetes-allokacios-jelentes.pdf
[10] MFB_Allocation_Report_Assurance-Letter_20250702.pdf
MFB-Hungarian-Development-Bank_Green-and-Social-Bond-Impact-Report_final.pdf

above social bonds was carried out in accordance with international standards and in line with the voluntary commitment set out in the Bank's Framework. In line with its commitment under the Framework, the Bank strives to use the social-purpose funds raised exclusively for such social-purpose financing that falls under the eligibility categories set out in the Framework and in which the achievement of positive social impacts is demonstrably ensured. The Bank is committed to continuously measuring the social impacts of the financings according to the defined indicators and to publishing them on its website for the information of the partners investing in its bonds.
The GHG emissions financed by the Bank (6.2.2 Characteristics of GHG Emissions) also include the emissions arising from the loan portfolio financed from social-purpose sources; however, investors are not required to present these emissions.

Beyond defining sustainability objectives in the Framework, the Bank actively cooperates with international multilateral or supranational financial institutions, such as the European Investment Bank (EIB) and the Council of Europe Development Bank (CEB). These collaborations involve integrating their environmental and social policies and sustainability guidelines into the Bank's lending programmes. These guidelines align with national and EU regulations (e.g. the EU Taxonomy), ensuring that financed investments deliver genuine positive environmental and social impacts through compliance with these standards.

5.4 Own-funded financing supporting environmental goals

The following subsections focus on the detailed analysis of own-funded individual transactions and the environmental activities supported by subsidiaries, highlighting the role of financial institutions in promoting environmental sustainability. Through the sustainable financing objectives set out in MFB Plc.'s Business Strategy, the Bank is committed to contributing to increasing positive environmental and social impacts through its financing activities. By applying the GRI G4 sector-specific standards for financial services, the Bank is able to transparently present the environmental benefits supported by its sustainable financing activities. This chapter provides a detailed overview of the green loans, bonds and guarantees granted under the Bank's own Framework or the green finance frameworks established by its clients in line with international standards, as well as their impact on achieving environmental goals, including the financing of renewable energy sources and green buildings.

5.4.1 Financing of individual transactions

MFB Plc. implements the sustainable financing objectives set out in its Business Strategy through its financing activities. Below, by reviewing the Bank's individual loan, bond and guarantee exposures, we present how the Bank's financing supports the achievement of increasing positive environmental and social impacts. This section presents financing activities related to environmental impacts.

The GRI G4 sector-specific standard for financial services contains disclosures enabling financial institutions to report on key aspects of their sustainability performance relevant to the sector. Within this, for the material topic Energy, the Bank Group applies the GRI G4 FS8 indicator (Monetary value of products and services designed to deliver environmental benefits, broken down by business line and purpose) to demonstrate MFB Plc.'s role in economic stimulation.

The GRI G4 FS8 indicator assesses the financial value of products and services that specifically provide environmental benefits, broken down by business line. This indicator measures the significance of environmentally focused funds within the organisation's overall portfolio and highlights its capacity for innovation in developing new environmentally beneficial products or services. The indicator excludes asset management; however, the reporting organisation must identify specific environmentally focused products and services (e.g. green mortgages or sustainable investment funds) and clarify how these

offerings provide environmental benefits. Reporting requirements include disclosing the total financial value of environmental products and services by business segment and the ratio of this value to the total value of products and services within each segment. Environmental products and services are designed specifically to address environmental issues, including solutions targeting renewable energy and water conservation.

In the case of the GRI G4 FS8 indicator, MFB Plc. presents its activities based on its own funded loan programmes and the environmental impacts of EU financial instruments.

For determining data related to its own funded loans supporting environmental goals, the Bank applied the following definitions:

Sustainable Finance Framework: A condition system based on internationally accepted standards, such as those from the International Capital Market Association (ICMA) and the Loan Market Association (LMA). It includes the green and social deployment objectives related to MFB Plc.'s sustainability-linked fundraising. Environmental objectives supported by MFB Plc.'s Framework and aligned with the EU Taxonomy can be categorised as follows:

Green (residential and commercial) buildings: Financing and/or refinancing the construction, purchase or renovation of new and/or existing buildings defined in MFB Plc.'s Sustainable Finance Framework (and aligned with international standards), meeting at least one of the following criteria:

- Buildings constructed before 31 December 2020 with an "A" EPC rating;
- Buildings constructed before 31 December 2020 belong to the top 15% of the national building stock in terms of primary energy demand (PED);
- Buildings constructed after 31 December 2020 with energy performance at least 10% better than the national NZEB (nearly Zero Energy Building) threshold;
- Buildings renovated, achieving at least a 30% reduction in primary energy demand;
- Renovated buildings meeting the criteria for significant renovation under applicable construction regulations;
- New, existing or renovated commercial buildings holding at least one of the following certifications:
    - BREEAM "Very Good" or higher;
    - LEED "Gold" or higher;
    - DGNB "Gold" or higher;
    - HQE "Excellent" or higher;
    - or another internationally recognised equivalent certificate.

Renewable energy utilisation: As defined in the Framework (aligned with international standards):

a) Financing and/or refinancing the development, manufacturing, construction, operation or maintenance of equipment:
- Solar energy: Photovoltaic (PV), concentrated solar power (CSP) and solar thermal facilities;
- Wind energy: Onshore and offshore wind energy generation facilities and new technologies;
- Bioenergy: Projects involving anaerobic digestion of biowaste producing biogas for energy use (electricity and heat); energy crops and non-waste feedstocks are excluded;
- Geothermal energy: Geothermal plants with lifecycle emissions below 100 g CO2e/kWh.

b) Infrastructure supporting the transmission, distribution and storage of renewable energy.

Corporate green bond: Exposure arising from the purchase of a corporate green bond issued under a Framework aligned with one of the environmental sustainability financing guidelines set out in the

Green Bond Principles, the Climate Bonds Standards or the European Green Bond Standards, where the issuer ensures compliance with the green bond framework as verified by an external Second-Party Opinion (SPO).

Green mortgage bond: Exposure arising from the purchase of a green mortgage bond issued under a Framework aligned with the environmental sustainability financing guidelines defined in the Green Bond Principles or the Climate Bonds Standards, where the issuer ensures compliance with the green bond framework as certified by an external and independent Second-Party Opinion (SPO).At MFB Plc., individual financings aligned with sustainability loan objectives—specifically green loan objectives—are carried out in accordance with the EU Taxonomy, the Bank's Framework developed in line with international standards and following the environmental objectives of the EU Taxonomy regulation, or the corporate clients' own frameworks developed in line with international standards.

The effective principal or nominal value and gross carrying amount (in HUF million) of MFB Plc.'s individual loans, debt securities and guarantees supporting environmental objectives as of year-end:

The year-end effective capital amount or nominal value, as well as the gross book value of MFB Plc.'s individual loans supporting environmental goals, securities representing credit relationships, and provided guarantees (million HUF)				
	Effective capital/ Book value/ Nominal value* (million HUF)		**Gross book value (million HUF)**	
Category	**31 December 2024**	**31 December 2025**	**31 December 2024**	**31 December 2025**
Utilisation of renewable energy	18 467.1	16 181.0	19 031.2	16 735.2
Green buildings	31 054.0	28 932.1	30 954.7	28 867.5
Green guarantees	68 679.3	62 706.5	68 679.3	62 706.5
Green corporate bonds	94 270.2	94 220.8	92 262.8	91 331.2
Green mortgage bonds	6 264.3	12 264.3	6 097.0	12 169.1

** For renewable energy and green buildings financing, the effective principle is shown in the first and second columns. For corporate bonds and mortgage bonds, the nominal value is presented. For guarantees, the carrying value is presented.*

In MFB Plc.'s reporting for own-funded loan programmes, 'Renewable energy utilisation' corresponds to the 'Renewable Energy' green eligibility category of the Bank's Framework, while 'Green properties' correspond to the 'Green (residential and commercial) buildings' category. Together, these categories amounted to HUF 45 602.6 million at the end of 2025.

For 2025, in line with commitments under the Framework, the Bank will prepare its Allocation Report and Environmental Impact Assessment Report for assets allocated under the Framework by 30 June 2026.

The stock of guarantees issued by MFB Plc. in 2025 for commercial bank loans provided for green lending purposes in accordance with the corporate clients' own frameworks with SPO certification, as well as for commercial bank bond purchases, amounted to HUF 62 706.5 million

The volume of corporate green bonds issued in 2025 under a Framework that complies with one of the environmental sustainability financing guidelines defined in the Green Bond Principles, the Climate Bonds Standards, or the European Green Bond Standards amounted to HUF 91 331.2 million.

Among transactions deemed green according to the issuer's own framework and international standards, green mortgage bonds purchased for liquidity management purposes amounted to HUF 12 169.1 million in 2025. (These mortgage bonds were issued under the issuer's SPO-certified green framework.)

The development and implementation of the Bank's own-funded environmental loan programmes are regulated by several internal instructions, including 'Product Management Regulation for Own-Funded Products' 'Refinancing Procedures'. The Refinancing, Standard Lending and Business Development Directorate is responsible for implementation. The Bank carries out objectives linked to its own-funded environmental loan programmes in accordance with the Business Strategy and the annual Business Plan.

During the 2025 revision of its Sustainability (ESG) Strategy, MFB Plc. set the objective of maintaining its green financing portfolio. The Bank's strategic aim is to support the financing of environmentally sustainable economic activities. To this end, it strives to maintain and ensure the long-term stability of its green financing portfolio. The indicator measures the total stock of green transactions, including individual environmental loans, equity investments, purchased green bonds, green mortgage bonds and guarantees for green bonds. The baseline is the 31 December 2025 green portfolio. The Bank's goal is to ensure that, throughout the 2024–2030 ESG strategy period, the green financing portfolio does not fall below the end of 2025 level. The calculation of the indicator is based on the Bank's internal financial records and portfolio data. The Bank monitors this indicator annually and publishes the results in its Sustainability Report.

5.4.2 Presentation of subsidiaries' activities supporting environmental goals

Along its value chain, Hiventures Plc. has an increasing number of startups (~30) supporting sustainable economic activities (environmental awareness, sensitisation, impact), to which it has provided approximately HUF 5 billion in investments over the years. In 2025, Hiventures invested in Kuube Hungary Ltd., a Hungarian company developing an off-grid smart public furniture product family that supports digital infrastructure, sustainability objectives and the redefinition of community spaces.

MFB Invest Plc. has contributed to financing several new solar parks and related smart infrastructures, partly through its own funds and partly through investments in energy-focused capital funds. Examples include investments supporting environmentally conscious developments by Hungarian companies under the Baross Gábor Capital Programme, which launched capital funds financing green transition-focused developments mainly for mid-sized and large companies. At the regional level, the financing of the SajóSolar Ltd. project stands out, where two 19.2 MW solar parks were built on the reclaimed sludge reservoirs of the decommissioned Borsod Power Plant thanks to MFB Invest's capital financing.

5.5 European Union financial instruments supporting environmental goals

5.5.1 Presentation of the results supporting environmental goals from the European Union's 2014–2020 and 2021–2027 programming periods, as well as the Recovery and Resilience Facility

MFB Plc. carries out the financing activities described in Chapter 2.3 Strategic Goals and Business Model, which also include the management of European Union funds. It performs these activities during the EU programming periods. In the 2014–2020 programming period, the Bank acted as the implementing body of the Holding Fund, with the closure of the programming period taking place in 2024. The Government designated MFB Plc. as the implementing body of the Holding Fund for the 2021–2027 EU programming period and as the implementing organisation for financial instruments under the Recovery and Resilience Facility. Accordingly, the Bank is responsible for coordinating the implementation of EU financial instrument–type support. As a result, in 2025, loan programmes related

to the 2021–2027 programming period and the Recovery and Resilience Facility were launched, which also support environmental objectives.

Using the GRI G4 FS8 indicator, MFB Plc. presents its environmental EU financing activities for 2025 in a similar manner to the 2024 Sustainability Report. In this context, the Bank defines environmental benefit as follows: the total of disbursements related to developments implemented through EU funding or co-financing, which generate direct, indirect and cascading positive environmental impacts (e.g. increasing the energy efficiency of residential buildings and the use of renewable energy in residential buildings) for society as a whole or for segments living in economically disadvantaged regions. Micro, small and medium-sized enterprises are defined as economic entities considered Hungarian residents, with a registered office in Hungary or in the European Economic Area with a branch in Hungary, and classified as micro, small, or medium-sized enterprises under Annex I of Commission Regulation 651/2014/EU.

Aggregate value of EU-funded disbursements and outstanding balances promoting green objectives (in millions of HUF) related to environmental ESG objectives		
	2021–2027 programming period, Recovery and Resilience Facility	**2014-2020 programming period**
Allocated fund (millions of HUF) (December 31, 2024)	742.2	128 061.7
Allocated fund (millions of HUF) (through December 31, 2025)	25 125.2	128 061.7
Number of projects (December 31, 2024)	217	27 280
Number of projects (through December 31, 2025)	5 595	27 280

The dataset presents disbursements and outstanding portfolio values of EU-funded loan programmes mediated by MFB Plc. during the 2014–2020 and 2021–2027 programming periods, as well as the implementation of the Recovery and Resilience Facility.

Under the 2021–2027 programming period and the Recovery and Resilience Facility, the following combined loan programmes were announced under the Recovery and Resilience Plan and Cohesion Policy: RRF-REP-10.13.1-24 Home Renovation Programme; KEHOP Plusz-4.1.7-24 and KEHOP Plusz-4.1.8-24 Home Renovation Loan Programmes; and GINOP Plusz-1.4.5-25 National Champions – Green and Digital Transition Loan Programme. These products consist of repayable (R) and non-repayable (NR) components. As the financial instrument implementing body and holding fund, the Bank disbursed HUF 11 719.4 million under the R component and HUF 14 148.0 million under the NR component.

In relation to the 2014–2020 programming period, the Bank's environmental loan programmes included the GINOP-8.4.1/B-16 SME Energy Loan Programme, the VEKOP-5.2.1-17 programme aimed at increasing energy efficiency and renewable energy use in residential buildings, and the GINOP-8.4.1/A-17 Residential Energy Efficiency Loan Programme. A total of HUF 128 061.7 million in EU-funded disbursements supported 27 280 projects.

In addition, throughout 2025, continuous consultations took place with the designers of the still unannounced programmes of the European Union's cohesion policy — the Environmental and Energy Efficiency Operational Programme Plus (KEHOP Plus), the Economic Development and Innovation

Operational Programme Plus (GINOP Plus), and the Territorial and Settlement Development Operational Programme Plus (TOP Plus). These discussions focused on the product types, product parameters, and implementation schedules already included in the Annual Development Framework or planned for inclusion. All of the above programmes include development objectives supporting energy efficiency and the green transition.

In 2025, the following EU-funded loan programmes from the 2021–2027 programming period and the Recovery and Resilience Facility were available:

The Home Renovation Programme (RRF-REP-10-13-1-24), implemented through the MFB Pont Plusz retail network to support household energy-efficiency investments, aims to improve households' access to financing within the energy-efficiency segment of residential buildings in Hungary and to reduce energy consumption in the residential sector. Under the framework of the Home Renovation Programme, a total of HUF 17 357.3 million of funds were disbursed to support the implementation of 3 775 projects.

As a continuation of this, the sale of the KEHOP Plusz-4.1.7-24 and KEHOP Plusz-4.1.8-24 Home Renovation Programmes—implemented through the MFB Pont Plusz retail network to support household energy-efficiency investments—also commenced. The aim of these programmes is to improve households' access to financing within the energy-efficiency segment of residential buildings in Hungary and to reduce energy consumption in the residential sector. A total of HUF 7 619.3 million contributed to the implementation of 1 819 investments.

Regarding the GINOP Plusz-1.4.5-25 National Champions – Green and Digital Transition single-operation combined loan product, by the end of 2025, one loan application had been disbursed, in the amount of HUF 148.6 million.

The directly implemented RRF-REP-10.14.1-24 Installation of Electric Vehicle Charging Stations programme was also available to enterprises, with the aim of facilitating the establishment of publicly accessible electric charging points, primarily—but not exclusively—in regions of the country where the current level of e-mobility adoption is low. No disbursements had been made under this product by the end of 2025. Beneficiaries of projects supported by European Union funds are required to comply with the DNSH principles applicable to the project, meet horizontal criteria, and, in the case of infrastructure investments, carry out a climate resilience assessment.

The purpose of MFB Plc.'s instruction titled Product Management Policy for EU-Funded Loan Products is to comprehensively regulate the product development tasks related to the Bank's European Union-funded products, including programmes supporting environmental objectives. The product description (in the 2014–2020 programming period for standalone loan programmes) and the call for applications (in the 2014–2020 programming period for combined loan programmes, and in the 2021–2027 programming period for all loan programmes) are documents prepared for applicants and contain all information necessary for submitting funding applications. Implementation of these documents is primarily the responsibility of the EU Sales and Client Relations Directorate. The Bank pursues the objectives related to its EU-funded loan programmes in line with its Business Strategy and the goals set out in the annual Business Plan.

6. Reducing our environmental footprint

The Group's most significant environmental impact arises through its financed portfolio, while its own operations also have a substantial effect on the environment. To mitigate these impacts, MFB Plc., as a key institution of the Group, launched its Green Office Programme in 2022, for which it renewed its certification in 2024 for another two years, and in 2024, it joined the PCAF partnership established by financial institutions. In its ESG Strategy, described in Chapter 2.4, the Bank set the objective of reducing its operational carbon emissions by 2030. It has committed to developing a carbon-neutrality plan in 2026 in line with climate-related and environmental sustainability objectives and aims to achieve net-zero emissions by 2050. Through this commitment, the Bank seeks to reduce its environmental impacts through sustainable operations, continuously monitor its sustainability performance and implement measures promoting the green transition. The MFB Group's energy consumption and GHG emissions for 2025 are detailed in Chapters 6.1 Energy Consumption and 6.2 Greenhouse Gas Emissions.

6.1 Energy consumption

Improving energy efficiency not only serves to optimise the operation of the Banking Group but also helps reduce its environmental footprint and contributes to the fight against global climate change. Chapter 6.1 provides a comprehensive overview of the MFB Group's energy consumption and related activities, reflecting the Group's efforts towards sustainable development.

6.1.1 Characteristics of energy consumption

A significant portion of the MFB Group's energy consumption in 2025 was attributable to energy consumption of buildings, supplemented by fuel consumption from the Group's vehicles. Among the subsidiaries, MKK Plc. and MFB-Property Development Plc. prepare annual energy specialist reports (the latter also monthly reports) to analyse energy consumption. Hiventures Plc. and MFB Invest Plc. do not prepare such reports. The MFB Group's total energy consumption for 2025 amounted to 3 000.4 MWh, with detailed consumption and energy composition shown in the table below.

The MFB Group complete energy consumption						
Energy consumption (MWh)	**Year**	**Hiventures Plc.**	**MFB-Property Development Plc.**	**MFB Invest Plc.**	**MKK Plc.**	**MFB Plc.**
Total fossil energy consumption	2024	110.75	22.52	49.52	604.28	833.10
	2025	78.84	26.79	47.11	611.81	949.44
Consumption from nuclear sources	2024	11.38	6.64	5.44	104.37	492.84
	2025	11.86	6.79	4.93	106.98	539.23
Fuel consumption from renewable sources, including biomass (which includes biologically derived industrial and municipal waste, biogas, renewable hydrogen, etc.)	2024	0.00	0.00	0.00	0	0.00
	2025	0.00	0.00	0.00	0	0.00
Consumption of electricity, heat, steam and cooling purchased from renewable sources	2024	8.51	4.96	4.07	78.03	368.47
	2025	8.87	3.56	3.69	93.93	474.41
Consumption of self-generated renewable energy from non-fuel sources.	2024	0.00	0.00	0.00	0.00	0.00
	2025	0.00	0.00	0.00	0.00	0.00
Total renewable energy consumption	**2024**	**8.51**	**4.96**	**4.07**	**78.03**	**368.47**
	2025	**8.87**	**3.56**	**3.69**	**93.93**	**474.41**
Total renewable energy consumption	**2024**	**130.64**	**34.14**	**59.05**	**786.68**	**1694.42**
	2025	**99.57**	**37.14**	**55.72**	**812.71**	**1 963.08**

Share of different energy sources in total energy consumption						
Energy consumption	**Year**	**Hiventures Plc.**	**MFB-Property Development Plc.**	**MFB Invest Plc.**	**MKK Plc.**	**MFB Plc.**
Share of fossil sources in total energy consumption (%)	2024	84.77%	65.96%	83.86%	76.81%	49.17%
	2025	79.18%	72.13%	84.55%	75.28%	48.36%
Share of energy consumption from nuclear sources in total energy consumption (%)	2024	8.71%	19.45%	9.21%	13.27%	29.09%
	2025	11.91%	18.28%	8.85%	13.16%	27.47%
Share of renewables in total energy consumption (%)	2024	6.51%	14.53%	6.89%	9.92%	21.75%
	2025	8.91%	9.59%	6.62%	11.56%	24.17%

The proportion of energy sources within total consumption was determined based on the energy mix calculated from the 2025 production forecast published by the Hungarian Energy and Public Utility Regulatory Authority (MEKH) in its table titled "4.2 Gross Electricity Production"[11]. Subsidiary energy data published in MWh were adjusted proportionally using MEKH's 2025 figures.

Energy data collection at the Group's subsidiaries is performed by the operations department, except in the case of Hiventures Plc. and MFB Invest Plc., where data is provided by the Economic Directorate of NTH Plc. Vehicle fleet and building operations are handled by MFB Plc.'s Supply and Operations Department, the Property Management Division of MFB-Property Development Plc., the Procurement and Operations Group of MKK Plc., and by the Economic Directorate of NTH Plc. for Hiventures Plc. and MFB Invest Plc. Operational tasks are governed by the companies' Organisational and Operational Rules, as well as the Rules of Procedure of the IT and Operations Directorate at MFB Plc., the Vehicle Use Policy at Hiventures Plc. and MFB Invest Plc., the Property Management and Utilisation Rules at MFB-Property Development Plc., and the CEO's Instruction on the Procurement Procedure at MKK Plc.

6.1.2 Energy efficiency initiatives of the Green Office Programme

MFB Plc. is committed to integrating sustainable practices into its everyday operations. The development of MFB Plc.'s ESG Strategy serves as an example of this commitment, setting out the Bank's sustainability objectives for the period 2024–2030, along with additional sub-objectives and action plans, as described in Section 2.4. In addition, the Bank strives to obtain certifications such as the Green Office Programme, which attest to environmentally conscious operations and serve as an example and source of inspiration for the Bank's partners and employees in adopting green solutions. The following paragraphs present the Green Office Programme and the primarily energy-efficiency-focused measures defined and implemented under this initiative.

As a first step towards improving energy efficiency, MFB Plc. identified the operational areas with the highest energy use. Given that most of the Bank's energy consumption stems from office building operations, it introduced the Green Office Programme. As part of the programme, a sustainability-focused assessment of its office buildings was performed, including detailed analyses and evaluations. The heritage status of the Bank's central office building currently limits opportunities for

[11] The table titled 'Gross Electricity Generation, 2024 – Section 4.2', published by MEKH, is available at the following link:
https://www.mekh.hu/download/b/d2/91000/4_2_brutto_villamos_energia_termeles_eves_2014_2024E.xlsx

installing renewable energy infrastructure, meaning heating needs must be met using fossil-fuel sources. Major forms of energy consumption include electricity and natural gas used for heating and domestic hot water (DHW). Based on these assessments, the Bank approved its Green Office Action Programmes for 2022–2024 and 2024–2026 and successfully renewed its Green Office Certified Workplace title for another two years on 6 December 2024.

Energy-efficiency-related measures implemented under the Programme included:

1. Central regulation of heating and cooling, including setting minimum cooling and maximum heating temperature levels.
2. Ongoing procurement of energy-efficient office and kitchen equipment to replace older devices.
3. Employee training and awareness raising on environmentally conscious behaviour, including educational content shared on the "Green Zone" intranet, ESG and Green Office e-learning modules with examinations, and MFB podcasts.
4. In 2023, a decision was made to relocate MFB Plc. to a newly constructed, modern office building equipped with advanced engineering systems, expected in 2026. This will enable the use of modern, efficient cooling/heating/lighting technologies, improving energy efficiency.

Additionally, the Green Office Programme includes non-energy-efficiency measures such as the use of environmentally friendly, biodegradable cleaning products and improved indoor air quality through the procurement of green office plants.

6.2 Greenhouse gas emissions

Among the objectives of the ESG strategy of MFB Plc, presented in detail in Chapter 2.4, the reduction of greenhouse gas emissions, that is, the carbon footprint, plays a prominent role, as it is the primary metric for measuring environmental impact across the entire Banking Group. The Bank measures the aforementioned objectives starting from 2027 and publishes them on its website. The Bank calculated its corporate carbon footprint for 2021, 2022 and 2023 for Scope 1 and Scope 2, published voluntarily in its sustainability reports according to the GRI standard. The MFB Group calculated its Scope 1, Scope 2 and all relevant Scope 3 emissions at the Group-level for 2024 and 2025. Since 2024 serves as the baseline year for reduction targets, the 2025 report includes comparative data. The Strategic and Sustainability Directorate is responsible for developing MFB Plc.'s GHG-reduction ESG targets, KPIs and action plans. KPI development and related corporate policies began in 2025, in line with the targets described in Chapter 6.2.1. Subsidiaries prepared their own ESG Strategies in 2025 in alignment with MFB Plc.'s 2024–2030 ESG Strategy.

6.2.1 GHG reduction targets

MFB Plc. currently seeks to contribute to the reduction of GHG emissions through the qualitative objectives set out in its ESG Strategy. Quantitative targets will be defined in the future during the review of the strategy and the preparation of the transition plan, after which it will be possible to set more detailed objectives. The Bank develops these targets in accordance with the requirements of the ESRS. In line with the ESRS 2 MDR-A requirements, the Bank examines whether its ability to implement the measures depends on the availability and allocation of resources, and if so, to what extent. The Bank has defined measures to address the material climate-related risks and opportunities, in line with the impacts identified based on the ESRS E1-1 and E1-2 disclosure requirements. The purpose of the measures is to mitigate transition and physical climate-related risks, as well as to ensure that business decision-making is grounded in climate considerations. The measures cover the Bank's own operational GHG emissions (Scope 1–2), as well as the climate-related risks and opportunities associated with its financing and investment activities (value chain). The main measures include the integration of climate

considerations into lending and investment decision-making processes, the incorporation of climate risks into the risk-management and stress-testing framework, analytical and data-collection processes that support the understanding and monitoring of emissions associated with financed activities, as well as steps aimed at reducing energy consumption and emissions within the Bank's own operations. The Bank ensures adequate human, financial and organisational resources for the implementation of the measures. The resources primarily target internal expert capacities, the development of risk-management and data-management systems, and energy-efficiency measures related to the Bank's own operations. The resources related to the measures are allocated within the Bank's business and risk-management budget. Designated organisational units of the Bank are responsible for implementing the measures. The Bank regularly monitors progress through internal reports, relevant indicators and feedback incorporated into the risk-management processes. The Bank reviews the measures as necessary to ensure that they remain aligned with the evolution of climate-related risks and strategic objectives. This enables the linkage of the significant CAPEX and OPEX amounts required for the implementation of the measures taken or planned to the relevant line items or notes of the financial statements, and to the key performance indicators prescribed in Article 8 of Commission Delegated Regulation (EU) 2021/2178, for which more detailed information can be found in the chapter on the EU Taxonomy Regulation-related disclosures.

MFB Plc. already partially has a concrete plan for achieving its climate-related and environmental sustainability objectives up to 2030. The Bank developed the key performance indicators and key risk indicators ("key risk indicator", KRI) related to material climate-related and environmental aspects in 2025. Alongside this, MFB Plc. demonstrates its commitment to sustainable energy management and innovative processes through several initiatives, the details of which are presented below.

In 2025, MFB Plc. defined a target for Scope 1 and Scope 2 emissions, which is aligned with the Bank's sustainability and emission reduction objectives as set out in its Business Strategy for the period 2022–2030. The ESG KPIs related to Scope 1–2 will be introduced in conjunction with the transition plan. The MFB – in line with the expectations of the MNB – will enact the transition plan by no later than 1 July 2027. In 2025, the Banking Group does not report on the achieved GHG reduction nor on the expected GHG emission reduction, the reason for which is the introduction of the relevant Scope 1–2 KPI and the future implementation of the transition plan.

The Bank's objective is to reduce its Scope 1 and Scope 2 greenhouse gas emissions arising from its own operations. The monitoring of target achievement is carried out by measuring the organisation's total Scope 1 emissions and its market-based Scope 2 emissions. This target is an absolute emission reduction target, aiming to reduce the greenhouse gas emissions associated with the Bank's direct and indirect (energy-related) operational activities.

The carbon emission reduction targets are presented in the table below:

Scope category	Baseline year	Baseline value	Target year	Planned reduction
Scope 1	2025	301.2 tonnes CO_2-equivalent	2030	10% reduction (for Scope 2, market-based)[12]
Scope 2 – market-based[13]		311.5 tonnes CO_2-equivalent		
Scope 2 – location-based[14]		317.8 tonnes CO_2-equivalent		

The Bank measures and evaluates the achievement of the target on an annual basis, and the results are presented in the Sustainability Report. If changes in the business or operational environment significantly affect the achievement of the target, the Bank initiates a review of the target and the identification of necessary measures.

The determination of the target value was based on the historical data of the Bank's operational emissions, as well as the analysis of energy consumption trends. The calculation of emissions is carried out based on the Bank's operational data, energy consumption data and the relevant emission factors, applying the approved data collection and verification processes. In the case of Scope 2 emissions, the Bank applies a market-based calculation methodology, which is based on the emission factors provided by the electricity supplier. This method enables emission reduction not only through reducing energy consumption, but also through choosing energy sources that provide a more favourable energy mix. The methodology applied for measuring and calculating greenhouse gas emissions is based on internationally accepted emission factors and databases. During the determination of the target values, the Bank's internal expert units worked in cooperation, taking into account regulatory expectations, owner directives and the requirements of sustainability reporting frameworks.

From 16 December 2025, a new comprehensive financing opportunity became available at the Bank under the name MFB Green Momentum Loan Programme. The programme, launched with a budget of EUR 75 million (approximately HUF 30 billion), consists of two products — an investment loan and a working capital loan — and aims to support the transition of domestic enterprises and organisations to sustainable operations, technological renewal and the strengthening of their competitiveness. The programme focuses particularly on financing investments that promote circular economy practices and green development objectives, thereby contributing to the reduction of GHG emissions. The products of the Programme may be used by micro, small and medium-sized enterprises, large enterprises and other entities with double-entry bookkeeping, registered in Hungary or operating through a branch office in Hungary, that seek to finance green investments or green working capital needs. Compliance with the

[12] When defining the target, the application of market-based Scope 2 KPIs is more advantageous. In the case of the location-based approach, the basis of the calculation is the average emission factor shown above. The market-based methodology takes into account the emission factor provided directly by the electricity supplier, thus the calculation actually reflects what energy mix the organisation purchases and uses. Therefore, achieving the market-based target can be supported not only by reducing energy consumption, but also by choosing a supplier/contract that provides a more favourable energy mix. This provides greater flexibility for achieving the target value and for managing potential risks. The location-based methodology, however, does not allow for this flexibility due to the use of an emission factor based on the national average energy mix.

[13] The market-based approach uses the emission factor provided directly by the electricity supplier; the calculation reflects what type of energy the organisation actually purchases and uses.

[14] In the case of the location-based approach, the basis of the calculation was the emission factor derived from the database issued by the European Commission's Joint Research Centre (GHG Emission Factors for Electricity Consumption. European Commission, Joint Research Centre – JRC).

green requirements of the Programme is ensured through criteria set out in the Bank's Framework. The green conditions aim to achieve positive environmental impacts within the green categories of the Framework, in all cases, including the reduction of GHG emissions. On 2 August 2022, the MNB issued its Green Recommendation under number 10/2022, formulating 56 proposals for the Hungarian banking sector regarding sustainability. In content, it is closely linked to the recommendations developed by international organisations (e.g. EBA, UN Principles for Responsible Banking). Based on the Recommendation's expectation — not mandatory, but best practice — regarding the future quantification of Scope 1, 2 and 3 emissions, MFB Plc. introduced the Green Office Programme described in Section 6.1.2, through which it was able to meet the best-practice requirements set out in the Recommendation. As part of the Programme, an assessment of MFB's office buildings was carried out using the eco-mapping method, the Green Office Action Plans for 2022–2024 and 2024–2026 were adopted, and the Green Office Certification process was successfully completed.

MFB Plc., as a responsible organisation, places great emphasis on ensuring that its activities comply with both economic and environmental sustainability requirements. A central element of these efforts is conscious and efficient energy management, which is presented in detail in Section 6.1.1 Characteristics of Energy Consumption.

MFB Plc. is committed to green financing, and therefore, in line with the development of the ongoing transition plan and the ESG objectives associated with the Bank's strategy, decarbonisation tools aimed at mitigating climate change (typically green financing solutions and loan programmes) are being expanded, developed and implemented. MFB – in line with the expectations of the MNB (Recommendation No. 2/2026. (III.6.) of the Hungarian National Bank) – will enact the transition plan by no later than 1 July 2027. Until the detailed decarbonisation targets are set, the MFB Group calculates its Scope 1, 2 and 3 emissions annually — including financed emissions — and monitors their year-on-year changes.

To achieve the above objectives, MFB joined the PCAF partnership in 2024, a partnership established by financial institutions, and intends to maintain this membership on an ongoing basis in the future. Through its harmonised accounting approach, PCAF provides financial institutions with the foundations needed to set science-based targets and to align their portfolios with the Paris Climate Agreement.

In accordance with the MNB's Green Recommendation, MFB Plc. will develop a carbon neutrality plan in 2026 in line with climate-related and environmental sustainability objectives, which will be enacted by 1 July 2027. Within the framework of the transition plan, the company aims to achieve the net-zero emission target by 2050, which is at the core of the European Green Deal and is aligned with the commitment to global climate action under the Paris Agreement, as well as with the commitments of the Hungarian government. Following the completion of the transition plan, from 2027 onwards, continuous monitoring of the achievement of the transition objectives will also begin.

In managing sustainability-related risks, banks — especially MFB Plc. — have not only a restrictive but also a supportive role. The assessment of various sectors based on sustainability, and their classification in terms of financeability, not only signals risks but also indicates financing needs and, therefore, opportunities. For MFB Plc., it is important — also arising from its mission — to participate in the financing of those sectors that are still directly affected by the negative impacts of climate change. The activities of enterprises operating in these areas must also be financed, helping the green transition and thereby contributing to their progress toward more sustainable levels of production and operation. This type of financing activity requires the application of enhanced, more detailed due diligence requirements for designated sensitive sectors. Green transition activities relate exclusively to the objective of mitigating climate change, and these are activities for which no technologically and economically

feasible low carbon alternative exists, or such an alternative will only become feasible in the long term. These activities contribute to the objective of mitigating climate change if the activity:

- has a greenhouse gas emission level corresponding to the best performance in the relevant sector or industry;
- does not hinder the development and introduction of low-carbon alternatives; and
- does not result in lock-in to carbon-intensive assets, taking into account the economic lifetime of such assets.

Green transition activities may be financed if the given activity meets defined emission thresholds regarding lifecycle emissions and, under other conditions, if their annual GHG emissions do not exceed a specified level.

As described earlier, the subsidiaries defined their own sustainability objectives in 2025 and adopted their own ESG strategies.

6.2.2 Characteristics of GHG emissions

Reporting scope and scope-based GHG emission calculations

The MFB Group has prepared its own greenhouse gas (GHG) emissions inventory (hereinafter: GHG emissions) in accordance with the MNB Green Recommendation, as well as the ESRS requirements, and in line with the provisions of the GHG Protocol. According to the GHG Protocol, Scope 1 emissions arise from the Group's own natural gas consumption and corporate vehicle fuel consumption, as well as from refrigerant leakage from cooling and air-conditioning equipment, while Scope 2 emissions include emissions related to purchased electricity consumption. In accordance with paragraphs 50(a) and 50(b) of ESRS E1-6, the calculation of Scope 1 and Scope 2 emissions must be extended not only to companies belonging to the consolidated financial reporting perimeter (50a) but also to investee companies that are not part of the fully consolidated financial group or over which MFB Plc. exercises operational control (50b). Under paragraph 50(a), this includes MFB Plc. and its subsidiaries and sub-subsidiaries (MFB Plc., Hiventures Plc., MFB-Property Management Plc., MFB Invest Plc., MKK Plc.). Under paragraph 50(b), associate companies, entrusted asset funds and entrusted asset companies were examined.

Associate companies are consolidated financially based on ownership share and therefore fall within the Scope 1 and Scope 2 assessment perimeter. Their emissions were accounted for in the Group-level emissions inventory in proportion to the ownership share.

Among entrusted asset companies, in some cases MFB Plc. exercises operational control, but this refers solely to control over the entrusted assets. Considering the emission sources relevant to Scope 1 and Scope 2 (real estate, vehicles), no relevant emission sources were identified in these cases. Other entrusted asset companies, where no operational control is present and which are not consolidated financially, were not included in the Scope 1 and Scope 2 assessment boundary.

MFB Plc., as well as its subsidiaries and sub-subsidiaries, form part of the Scope 3 assessment boundary, since subsidiaries and sub-subsidiaries are fully consolidated financially in MFB Plc.'s balance sheet (financial control), and entrusted asset companies are included when MFB Plc. has operational control over the entrusted assets. For categories 3.1–3.14, the material Scope 3 categories were identified based on relevance (activity based sub-category filtering) and materiality (their contribution to total Scope 3 emissions). For the Scope 3.15 category, financed emissions were calculated according to the PCAF asset class methodology, applied equally to parent, subsidiary and sub-subsidiary companies. MFB-Property Development Plc., a subsidiary fully controlled operationally by MFB Plc., is also included in

the consolidation perimeter and therefore included in the Scope 3 calculation, although the loans and investments category (Scope 3.15) is not relevant for the company.

Within category 3.15, a materiality threshold was defined, taking into account the balance sheet total of entrusted asset companies as well as the consolidated balance sheet total. If the ratio between an individual company's balance sheet total and the adjusted consolidated balance sheet total does not reach 3%, those companies were excluded from the emissions calculation.

Entrusted asset funds and companies are not consolidated financially; however, they form part of MFB Plc.'s value chain, and therefore belong to the Scope 3 assessment perimeter. Within category 3.15, entrusted asset funds are accounted for as 'investee companies', provided they exceed the materiality threshold. According to this methodology, the total emissions (Scope 1, 2, 3) of a given entrusted asset fund are allocated to MFB Plc. proportionally to the ratio of entrusted assets to total assets.

MFB Plc. exercises direct operational control over the Student Loan Centre Plc. (hereinafter: Student Loan Centre), but this entity is not consolidated financially because it does not meet the return-based conditions defined in IFRS 10. Currently, no PCAF methodology exists for unsecured retail consumer loans. Emissions associated with overdue fixed purpose student loans were therefore estimated using an internal methodology.

Methodology of GHG emission calculations by scope

For MFB Plc., Scope 2 GHG emissions relate to purchased electricity. Location-based GHG emissions (LB): Under the location-based approach, the emission factor from the database published by the Joint Research Centre (GHG Emission Factors for Electricity Consumption, European Commission, Joint Research Centre – JRC)[15] served as the basis for calculation. This method reflects the average emission intensity of energy sources available in the relevant geographical region. According to the JRC database, the emission factor for electricity consumption in Hungary is 220 g CO_2 equivalent/kWh.

Market-based GHG emissions (MB): This approach uses the emission factor directly provided by the electricity supplier, reflecting the actual energy purchased and consumed by the organisation. MFB Plc. has a contractual relationship with MVM Next Energiakereskedelmi Plc., and therefore, the emission factor published by MVM Next for 2024, corresponding to the Hungarian consumers' energy mix, was applied in the calculation of market-based Scope 2 emissions. MVM Next's specific CO2 equivalent emission factor in 2024 was 274.9 g/kWh. The difference between the two methodological approaches is that the location-based approach uses the regional average energy mix, while the market-based method uses the specific emission factor provided by the service provider.

For calculating emissions in Scope 3 categories 1–14, the consumption data used as input are primary data, derived directly from the organisation's own measurements, invoices and internal records. No secondary sources (e.g. industry averages, literature-based estimates) were used. Accordingly, the data inputs are 100% primary. However, the results (consumption × emission factor) qualify as secondary data, since emission factors originate from standardised external databases.[16]

[15] https://data.jrc.ec.europa.eu/dataset/919df040-0252-4e4e-ad82-c054896e1641, Bastos, Joana; Monforti-Ferrario, Fabio; Melica, Giulia (2024): GHG Emission Factors for Electricity Consumption. European Commission, Joint Research Centre (JRC) [Dataset] PID: http://data.europa.eu/89h/919df040-0252-4e4e-ad82-c054896e1641

[16] https://ghgprotocol.org/scope-3-calculation-guidance-2, https://ghgprotocol.org/corporate-value-chain-scope-3-standard

For Scope 3.15 emissions—that is, financed emissions—secondary proxy data were also used, because primary data were available only to a very limited extent. Following the guidance of the GHG Protocol, financed emissions were calculated using the PCAF methodology. PCAF's data quality scoring system was applied, whereby emissions calculated on the basis of score 1 data qualify as primary. In cases where PCAF defined equivalent values were required, these counted as secondary sources. Based on this, only the sovereign debt asset class allowed the use of primary data. Thus, secondary data accounts for 99.7% of both Scope 3.15 emissions and total Scope 3 emissions.

Aggregated emission results

In 2025, the MFB Group's operations resulted in total greenhouse gas emissions of 2 733 884.4 tonnes of CO2 equivalent within the Scope 1, Scope 2 and Scope 3 system boundaries (market-based approach). The tables below present the emissions and their distribution for 2024 and 2025. The data show that the majority of the MFB Group's emissions originate from financed emissions (Scope 3, category 15), which amounted to 2 727 570.0 tonnes of CO2e in 2025. These are followed by Scope 1 emissions and Scope 2 emissions.

The MFB Group's contribution to climate change is illustrated not only by its GHG emissions data but also by its GHG intensity indicator. This metric expresses the total GHG emissions shown in the table below in proportion to the Group's total net revenue reported in the consolidated annual financial statements (HUF 259 655 million). The revenue figure is derived from items B1, B2, B3, B4 and B7 as defined in Article 28 of Council Directive 86/635/EEC (on the annual accounts and consolidated accounts of banks and other financial institutions), including interest received, dividend income, the share of profit from associates, fee and commission income, net profit from financial operations and other income adjusted for the difference between the initial fair value of borrowings received. In 2024, the MFB Group's GHG intensity was 10.6 tonnes of CO_2 equivalent per HUF million.

GHG emissions overview*		
Consolidated financial reporting group (parent and subsidiaries)	**2024**	**2025**
Scope 1 GHG emissions		
Scope 1 gross GHG emissions (tonnes of CO_2 equivalent)	483.1	517.5
Scope 1, percentage of GHG emissions from regulated emissions trading systems (%)	-	-
Scope 2 GHG emissions		
Scope 2, location-based gross GHG Emissions (tonnes of CO_2 equivalent)	319.9	404.7
Scope 2, market-based GHG emissions (tonnes of CO_2 equivalent)	467.9	396.6
Scope 3 significant GHG emissions		
Total gross indirect (Scope 3) GHG emissions (tonnes of CO_2 equivalent)	2 445 497.0	2 732 970.3
1. Purchased goods and services	2 455.9	2 981.2
2. Capital goods	128.8	121.3
3. Fuel and energy-related emissions not included in Scope 1 and 2	121.6	121.9
4. Upstream transportation and distribution	0.02	0.3
5. Waste generated in operations	17.8	26.1
6. Business travel	42.4	9.3
7. Employee commuting	526.9	526.9
8. Upstream leased assets	Not relevant for the group	Not relevant for the group

GHG emissions overview*		
Consolidated financial reporting group (parent and subsidiaries)	**2024**	**2025**
9. Downstream transportation and distribution	Not relevant for the group	Not relevant for the group
10. Processing of sold products	Not relevant for the group	Not relevant for the group
11. Use of Sold Products	Not relevant for the group	Not relevant for the group
12. End-of-life treatment of sold products	Not relevant for the group	Not relevant for the group
13. Downstream leased assets	1 863.9	1 613.5
14. Franchises	Not relevant for the group	Not relevant for the group
15. Investments	2 440 339.7	2 727 570.0
Total GHG emissions		
Total GHG emissions (Scope 1 + Scope 2 location-based + Scope 3) (tonnes of CO_2 equivalent)	2 446 299.2	2 733 892.5
Total GHG emissions (Scope 1 + Scope 2 market-based + Scope 3) (tonnes of CO_2 equivalent)	2 446 448.0	2 733 884.4
Revenue-based GHG intensity (Scope 1 + Scope 2 location-based + Scope 3) (tonnes of carbon dioxide equivalent / million HUF)	8.0	10.5
Revenue-based GHG intensity (Scope 1 + Scope 2 market-based + Scope 3) (tonnes of carbon dioxide equivalent / million HUF)	8.0	10.5

*In 2025, there were no GHG emissions from facilities subject to biogenic emission and emissions trading schemes (ETS).

Considering the entirety of Scope 1, Scope 2 and Scope 3 emissions, the Bank's largest emissions arise in Scope 3, category 15. The Scope 3 categories 10–11–12 (sold products, their use, and end-of-life waste) are not applicable to the Bank's activities. The emissions belonging to Scope 3 categories 8 and 14 are negligible within total emissions, and the collection of related data faces difficulties.

GHG emissions overview		
Investment recipient undertakings, such as associates, joint ventures, or non-consolidated subsidiaries, which are not subject to full consolidation in the consolidated financial statements group's financial statements, as well as contractual arrangements that are not joint arrangements structured through an entity (i.e. jointly controlled operations and assets) over which it exercises operational control.	**2024**	**2025**
Scope 1 GHG emissions		
Scope 1 gross GHG emissions (tonnes of CO_2 equivalent)	1 662.7	5 095.9
Scope 1, percentage of GHG emissions from regulated emissions trading systems (%)	-	-
Scope 2 GHG emissions		
Scope 2, location-based gross GHG emissions (tonnes of CO_2 equivalent)	787.7	4 627.1
Scope 2, market-based GHG emissions (tonnes of CO_2 equivalent)[17]	-	-

[17] The Scope 2 data was calculated by the relevant group members using the SZTFH calculator. (https://sztfh.hu/tevekenysegek/esg-hatosagi-tevekenyseg/esg-kerdoiv-kitolteset-segito-kalkulator/) According to the information available on the website of the SZTFH, the Scope 2 of the calculator is calculated using a location-based method, therefore the Scope 2 value is included only in the locality-based row for these group members.

Other supplementary information

The calculation of the carbon footprint for Scope 1, Scope 2 and Scope 3.1–14 categories was carried out on the basis of the Bilan Carbone methodology. The Bilan Carbone methodology was developed by the French Association Bilan Carbone (ABC) and by the French environmental agency L'Agence de l'environnement et de la maîtrise de l'énergie (ADEME) and is updated with the necessary emission factors (Base Carbone). The methodology takes into account the emissions of the following greenhouse gases and converts them into carbon-dioxide equivalent (CO2 e): carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons, sulphur hexafluoride (SF_6), nitrogen trifluoride (NF_3). Bilan Carbone complies with the ISO 14064 and ISO 14069 standards, the GHG Protocol and the CDP guidance, and the method is based on the Base Carbone database.

The holiday property located in Csopak and owned by MFB Plc. was not included in the calculations relating to energy consumption and greenhouse gas emissions for 2025. The reason for this is that the energy consumption and emissions associated with the operation of the property are insignificant in relation to the Bank's overall operations and emission profile, and therefore their impact on the reported indicators is marginal. The use of the holiday property forms part of the benefit system available to employees and is not directly related to the Bank's core activities or operational functioning. Accordingly, the property is not considered material for evaluating the Bank's sustainability performance and was therefore not taken into account when defining the reporting boundary.

The calculation was carried out on the basis of directly measured, calculated, or estimated data. For the preparation of the calculation, indicators based on external sources—such as emission factors—were also required, which originate from internationally recognised databases and are presented in detail in the carbon-footprint reports of the companies forming the MFB Group. The methodology is based on the Base Carbone emission factor database, but in addition, where possible, national emission factors and other internationally recognised databases were also used during the calculation. The emission factors applied are summarised in the table below.

Database/source name	Description
Bilan Carbone	Emission factor database updated by the Bilan Carbone Association (ABC).
DEFRA	A database maintained by the UK Department for the Environment and providing internationally recognised emission factors for various activities.
Bastos, Joana; Monforti-Ferrario, Fabio; Melica, Giulia (2024): GHG Emission Factors for Electricity Consumption 2022	A database published by the European Commission's Joint Research Centre (JRC) containing greenhouse gas (GHG) emission factors for electricity consumption.
ESG calculator of the Supervisory Authority for Regulated Activities (SZTFH)	The emission factors provided in the ESG calculator developed by the Hungarian Supervisory Authority for Regulated Activities.
MVM	Emission factors provided by MVM Next that can be used to calculate the environmental impact of electricity consumption.

Regarding the carbon footprint calculated within Scope 1 and Scope 2, the uncertainty is negligible, as it is based on direct data; however, the uncertainty of the calculation of the Scope 3.1–14 categories can be traced back to several factors:

The accuracy of calculated and estimated data:

1. Precise measurement of the quantity of purchased materials, packaging materials and waste,
2. For calculating the emissions from employees' commuting to work, data collected by questionnaires were extrapolated to the entire Group, and an assumption had to be made for average fuel consumption.

The uncertainty of emission factors from international databases:

- For certain data points, only emission factors from non-identical geographical regions were available,
- The classification of purchased goods and services based on expenditure is approximate, since the emission factors do not perfectly cover the costs reported in the reporting year,
- Calculations related to food and drink consumption are also approximate, since the emission factors do not perfectly cover the specified products.
- For the calculation of the Scope 3.1 category, we used expenditure-based data, relying on the emission factors from the Base Carbone database. As these emission factors pertain to France, the calculation results carry not only the uncertainty of the emission factors (the values are listed in the table) but also the uncertainty arising from locational differences.

For data such as the quantity of waste generated or the quantity of purchased materials and packaging materials, the Group plans to introduce an efficient data collection procedure in order to collect data more accurately in the coming years.

The methodology for calculating Scope 3.15 emissions at the MFB Group is based on the PCAF framework. PCAF has developed its own detailed methodology tailored to the needs of the financial sector, which is fully based on the principles and requirements of the GHG Protocol. The aim of PCAF is for the financial sector to contribute to climate change mitigation by making institutions more transparent and accountable for the carbon footprint of their financing decisions. MFB Plc. also joined the PCAF international cooperation in December 2024, which, in addition to access to the database, demonstrates the commitment to promoting the sustainability goals of the Banking Group.

The calculation is based on the closing stocks as of 31 December 2025, based on the information available at the Bank and its subsidiaries at the time of data reporting.

During the calculation, we first reconciled and finalised the asset classes, taking into account the data-quality score classification based on the available data. In addition to developing the formula required for the calculations, we managed the elements of the portfolio at the transaction level and assigned PCAF emission factors to them based on the sector classification. Exchange rates were converted according to the average exchange rates of the MNB and the European Central Bank, ensuring that the calculations were based on the most recent financial data. The calculation was made for the asset classes defined by PCAF, such as listed shares, corporate loans, project finance, commercial real estate finance, mortgages and sovereign debt, while there was no exposure in the portfolio for motor vehicle loans.

Asset classes according to PCAF							
Institution	**Listed equity and corporate bonds**	**Business loans and unlisted equity**	**Project finance**	**Commercial real estate**	**Mortgages**	**Motor vehicle loans**	**Sovereign debt**
Hiventures Plc.		X					
MFB Plc.	X	X	X	X	X		X
MFB Invest Plc.	X	X					
MKK Plc.		X			X		

PCAF has defined a five-level data-quality scale to indicate the accuracy of the calculation and to ensure appropriate transparency. According to the scale, a score of 1 refers to the highest quality (e.g. a published, externally verified GHG inventory), while a score of 5 refers to the lowest quality (e.g. emissions calculated based on sector-average revenue-based carbon intensity). The MFB Group has made significant efforts to perform the calculation with the highest possible data quality. Nevertheless, in many cases, the factual data required for the calculation were not available, and therefore, the data had to be derived using average values and proxies.

Future development plans at the MFB Group focus on improving data quality, as current reports typically rely on data-quality scores 4 and 5, except for the sovereign-debt asset class, where the data quality is score 1. Portfolio companies are expected to become increasingly prepared in sustainability matters, allowing the measurement and storage of the necessary data and thus enabling the use of higher data quality, especially in the case of listed companies, where verified GHG emissions will also become available.

The application of higher data quality in future calculations is among the Group's medium-term plans. This may correspond to data-quality scores 2, 3 and 4. MFB Plc. has already taken the first steps towards automating data collection and data storage and is working on the development of various flags to support the automatic classification of asset classes, as well as the establishment of PCAF-compatible credit-purpose classifications. From 2025 onwards, the PCAF sector mapping corresponding to the updated TEÁOR codes has been implemented, and the aim is the full automation of the GHG-calculation process.

The data-quality scores achievable following the implementation of the current and future development plans are presented in detailed tables, broken down by asset class and MFB Group members, supporting the Group in achieving its objectives and improving sustainability performance continuously.

The portfolio elements at the transaction level were always classified into PCAF sectors. Where the sector could not be clearly determined, the TEÁOR/NACE code and, where necessary, the client's main activity was used. No PCAF guidance is available for student-loan-type investments; therefore, emissions associated with fixed-purpose student loans were estimated using a dedicated internal methodology.

Methodologies applied by asset class:

Listed equity and corporate bonds

- For listed companies, the reported GHG emissions are allocated based on the investor's contribution (outstanding exposure) relative to the company's enterprise value including cash.
- For corporate bonds, the reported GHG emissions are allocated based on the investor's contribution (outstanding exposure) relative to the company's total equity and debt.
- In the PCAF database, Hungary was selected as the region.

Corporate loans and equity investments

- When data quality is high, the methodology is the same as for listed companies.
- When data quality is low, the company's GHG emissions are allocated based on the company's outstanding exposure, asset-turnover ratio and revenue.
- Where revenue is zero, the investment's emissions are also zero.
- In some cases, the relevant region was selected from the PCAF database.

Project finance

- This includes all on-balance sheet loans, corporate bonds or equity investments linked to specific projects, i.e. where the 'use of proceeds' is known.
- The focus is on financing projects—such as energy, industrial, infrastructure and agricultural projects—whose repayment is primarily based on the project's cash flow.
- According to the PCAF methodology, the reported GHG emissions of the project are allocated based on the investor's contribution (outstanding exposure) relative to the project company's total equity and debt.

Commercial real-estate finance

- Transactions in which the asset owner holds a partial ownership stake in the building within a joint venture, joint operation or joint ownership structure, but does not have full authority to introduce and implement the building's operational policies.
- Even without operational control, the commercial real estate investments of asset owners fall into this asset class.
- According to the PCAF methodology, the building's Scope 1–2 GHG emissions are allocated based on the investor's contribution (outstanding exposure) relative to the property value at the time of the loan or equity issuance.
- The building's emissions were estimated using location-based international sources.

Mortgages

- Balance sheet loans issued for specific consumer purposes, primarily for the purchase and refinancing of residential properties.
- For properties, the calculation methodology is the same as for commercial real estate.
- Building emissions were estimated based on average Hungarian consumption data.

Sovereign debt

- Government bonds and sovereign loans issued in domestic or foreign currency with any maturity.

- According to the PCAF methodology, the verified GHG emissions of the Hungarian state are allocated based on the institution's contribution (outstanding exposure) relative to the state's PPP-adjusted GDP.

Student loans

- In the absence of PCAF methodology, a dedicated internal method was developed.
- The average per capita household GHG emissions are allocated based on the Bank's contribution (outstanding exposure) relative to the per capita annual average student expenditure.
- Data from the Hungarian Central Statistical Office (KSH) on student expenditures and household emissions were used.

Scope 3.15 emissions, broken down by PCAF asset classes:

Asset class	Financed GHG emissions (t CO2e) in 2024	Financed GHG emissions (t CO2e) in 2025
Listed equity and corporate bonds	58 154.5	124 844.5
Business loans and unlisted equity	1 720 752.8	2 318 228.3
Project finance	206 026.2	13 911.6
Commercial real estate	181.5	156.7
Mortgages	436 833.6	259 054.1
Sovereign debt	17 531.3	10 378.1
Overdue fixed-use student loans	859.9	996.6
Total	**2 440 339.7**	**2 727 570.0**

The Banking Group does not have internal carbon pricing and does not use carbon credits, because in the case of the MFB Group, direct (Scope 1–2) emissions are not significant, and the majority of emissions appear in the financed portfolio (Scope 3). The management of climate risks takes place through ESG considerations integrated into financing decision-making and through the application of the Framework.

Regarding disclosures on the financial effects expected from significant physical and transition risks, as well as potential climate-related opportunities (E19), the MFB Group has decided to apply the 'phase-in' period and the 'quick fix' delegated act, and therefore, these disclosures are not included in this year's sustainability report.

7. Circular economy in our operations

Material topic	**Waste (Circular economy)**	
Used standards	**ESRS E5**	
Introduction	The chapter presents the MFB Group's policies related to the circular economy, as well as the measures through which the Group effectively ensures the proper management and reduction of waste, thereby contributing to the prevention and mitigation of environmental pollution.	
Supported Sustainable Development Goals (UN SDG)		
Relevance of the material topic to the MFB Group	Basis of materiality	Impact materiality Financial materiality
	Impacts	MFB Plc. supports companies that manage waste responsibly in light of its economic impact. (Downstream)
	Financial risks	-
	Financial opportunities	If MFB Plc. provides loans to companies that support the development of waste management, processing and reuse, which can enhance the Bank's reputation and returns. (Downstream)
Management of the material topic	Connection to ESG strategy	The Bank's sustainable own operations Sustainable funding and financing in line with development banking goals
	Corporate policies	Related policies and rules of Hiventures Plc.: • Statutes • Operational Rules Related policies and rules of MFB Plc.: • Sustainable Finance Framework • Partner Ethics Declaration • Code of Conduct and Ethics • Customer Service Operating Procedures • Statutes • Organisational and Operating Rules • Regulation on the classification of countries and partners and on the establishment of limits • ESG Credit Risk Policy • Product Management Policy for the Bank's Own-Funded Products • Product Group Policy for Direct Lending • Product Management Policy for EU-funded Loan Products • Instruction on the Application of the Sustainable Finance Framework of MFB Plc. Related policies and rules of MFB-Property Development Plc.: • Statutes • Organisational and Operational Rules Related policies and rules of MFB Invest Plc.: • Statutes • Organisational and Operational Rules Related policies and rules of MKK Plc.: • Statutes • Organisational and Operational Rules

Material topic	Waste (Circular economy)	
Used standards	ESRS E5	
Management of the material topic	Priority actions	Objective related to the circular economy under the MFB Green Momentum Loan Program Support for projects defined under the Sustainable Finance Framework Environmental Impact Assessment Report
	Metrics	-
	Targets	The Bank aims to promote the spread of sustainable and circular economic solutions through its financing activities, while minimising the risk of indirectly contributing to projects that involve significant negative environmental impacts, excessive resource use, or unsustainable waste management practices. The Bank's commitment to the circular economy — aligned with the evolving national circular economy strategy — has not yet taken the form of a dedicated, targeted policy.

7.1 The MFB Group's approach to the circular economy

As a development bank operating in the financial sector, the Hungarian Development Bank and its subsidiaries recognise that their financing activities indirectly impact the Hungarian economy's use of resources and its transition to a circular economy. The Bank is committed to the circular economy, and within it to waste management, which rests on the view that sustainability is a core corporate responsibility and contributes to long-term- business operations and the resolution of today's environmental challenges. While this commitment aligns with the evolving national circular economy strategy, it has not yet taken concrete form in a dedicated policy that would comprehensively cover the material impacts identified through the double materiality assessment. This commitment is reflected to some extent in the Bank's revised Sustainability (ESG) Strategy and in its Framework, which was revised in 2025 and supplemented with an environmental objective of contributing to the circular economy.

The Bank's capital-allocation decisions influence which investments are implemented and, accordingly, to what extent they contribute to reducing raw-material use, mitigating waste generation, promoting reuse and recycling, and fostering the spread of resource-efficient business models. The Bank aims to promote the dissemination of sustainable and circular economic solutions through its financing activities, while minimising- the risk of indirectly contributing to projects with significant negative environmental impacts, excessive resource use, or unsustainable waste management practices. During the 2025 double materiality assessment, the Group examined its actual and potential impacts, risks and opportunities related to resource use and the circular economy within its own operations as well as across its upstream and downstream value chain. This assessment identified impacts, risks and opportunities related to resource use and the circular economy; however, the sub-topics of resource inflows, including resource use, and resource outflows related to products and services were not included among the material topics of the Banking Group. Based on the assessment results – in which stakeholders, including the Bank's clients, also participated- through a survey – the ESRS E5 topic was assessed as material primarily in the Bank's downstream value chain, i.e., through the activities of financed projects and clients, specifically regarding the waste sub-topic. This sub-topic is not material for the Bank's own operations, as MFB Plc. does not engage in direct waste management activities, and as a financial institution, the amount of waste it generates is not significant. The Bank seeks to enhance its contribution to the circular economy through financing activities targeting clients that are already financed or served through guaranteed products — primarily those with their own voluntary green or sustainability frameworks — for whom contributing to the circular economy is a key environmental objective. These

clients aim to increase the proportion of their industrial processing waste that is recycled as part of responsible corporate governance. The Bank further increases the impact of its financing by expanding its cooperation with several existing financed clients who have targeted and are leading in the implementation of fully circular operations, thereby placing strong emphasis on environmentally friendly solutions. The direct resource use impacts arising from the Bank's own operations, as well as its upstream (supplier-related) activities, were not classified as material impacts or as financially material topics.

7.1.1. Policies related to the circular economy

The Bank's approach is based on the fundamental principle that its operations should not directly cause significant negative environmental impacts, and that through its financing activities, it should not contribute to the implementation of investments that run counter to the objectives of the transition towards a circular economy. The Bank strives to encourage its clients to adopt resource efficient, innovative and long term sustainable circular business models by integrating resource use and circular economy considerations into financing decision-making, and by applying its Framework, which defines the eligible green categories, the environmental conditions to be applied, as well as the exclusion principles that ensure that financing does not contribute to significant negative environmental impacts. In parallel, the Bank aims to create long-term value for its clients, partners, the economy and the environment. The Framework applies to the Bank's own source sustainable financing schemes, as defined in the product description. The Framework is reviewed and updated by the Sustainable Finance Committee, which involves internal professional (business and risk) areas in the process. The review of the Framework is carried out in accordance with international guidelines, and external stakeholders are indirectly involved in the update through the consultation and assessment of business areas. Within senior management, the Head of the Bank's Strategic Division is responsible for ensuring the enforcement of sustainability considerations. With the support of the Strategic and Sustainability Directorate (SFI), the objective of the professional area is to deepen the significance of the topic and to coordinate the integrated transformation of internal processes and business activities in line with sustainability objectives. The Sustainable Finance Framework Document and the related external Second Party- Opinion (SPO)[18] [19] are available on the Bank's website.

The Framework defines, with respect to the supported environmental objectives - including the circular economy - those activities eligible for financing that contribute to the prevention of waste generation, the increase of reuse and recycling rates, and the spread of resource-efficient production and business models. Based on the Framework, the Bank is prepared to finance projects involving the expansion of waste collection, sorting- and processing capacities; business models based on reuse; investments supporting secondary raw-material production; and technological developments that enhance resource efficiency. The Bank is already providing financing to clients who have transitioned to circular operations or who apply recycling practices, based on their own green frameworks. Through the financing of such activities, the Bank seeks to exert a positive environmental impact by reducing resource use and mitigating landfill disposal. At the same time, financing decisions may also carry risks if an investment is implemented without appropriate environmental standards; therefore, the Framework applies exclusion criteria and environmental compliance requirements.

[18] MFB_Fenntarthato_Finanszirozasi_Keretrendszer_20251113.pdf
[19] MFB-Hungarian-Development-Bank-Sustainable-Finance-Framework-Second-Party-Opinion.pdf

7.1.2 Financing activities supporting circular economy objectives

The Bank is committed to ensuring that its financing decisions are aligned with the objectives of the transition towards a circular economy, as well as with the relevant EU policy frameworks and EU Taxonomy requirements. As a result, part of MFB Plc.'s circular economy related measures will be implemented through the application of the Framework in the following target categories: the Bank's objective is to finance projects that support the circular economy, including infrastructure for waste prevention and waste management, such as the remediation and restoration of contaminated sites, as well as the financing and/or refinancing of waste management infrastructure and technologies.

The Bank has not yet financed waste management projects in accordance with the eligibility criteria of the Framework. The financing of waste management and circular economy projects may take place under the green eligibility criteria set out in the Framework, which enables segregated tracking and reporting. The Environmental Impact Assessment Report, which is linked to the Framework in line with international standards, may include, for each eligibility category, the description of sustainable projects financed from sustainable sources as presented in the Allocation Report, the breakdown of sustainable projects according to the nature of the financed activity, as well as potential indicators of the environmental and social impacts of the projects. About pollution prevention and reduction, the indicators defined in the revised Framework also include waste-related indicators, namely:

- The amount of waste diverted from landfill or disposed of at locations other than landfill [t].
- The amount of waste avoided, reduced, or recycled [t].
- The number or proportion of companies/communities participating in projects aimed at improving solid waste management.

The selection and application of the appropriate indicator from the above depends on the category of the project as defined in the Framework. The Bank strives to present the environmental outcomes of financed activities based on the available data. The Bank has not established a separate, dedicated budget or human resource allocation for circular economy activities, as these measures are implemented within the existing organisational structure.

By applying sustainable financing instruments - including green loan programmes and sustainable investments - the Bank directs resources towards resource-efficient projects. Implementation is supported by dedicated expert capacity and internal control mechanisms, in accordance with the Instruction on the Application of the Framework of the Bank. In the case of the issuance of sustainable financing instruments, external assurance (in accordance with- ISAE 3000) ensures market and regulatory compliance during allocation. Based on the product description of loan programmes under the Framework, MFB expects its refinancing partners to use the financing provided by MFB, under the Framework, exclusively for transactions that meet the green or social eligibility criteria listed in the section "Use of Proceeds" of the Framework—while fully complying with the conditions and requirements of the relevant loan -programme documentation — thus passing on MFB's preferential conditions to the final borrower.

MFB aims to increase the proportion of its sustainable finance portfolio, which also includes expanding the number of projects supporting the circular economy.

On 16 December 2025, MFB Plc. launched a new, comprehensive financing opportunity under the name "Green Momentum Loan Programme". The objective of the Programme is to ensure that the loans provided by MFB Plc. facilitate the modernisation and efficiency improvement of domestic SMEs, large enterprises and other organisations, as well as the standardisation and high-level automation of

production and service provision through robotics and digitalisation, prioritising the financing of investment and working capital needs necessary for sustainable operations, green activities and the promotion of circular- economy practices. The Green Momentum Investment Loan provides financing for developments that directly contribute to enterprises' sustainable operations, improvements in energy efficiency, or reductions in environmental footprint, including developments in sustainable water and waste management, investments supporting circular operations, industrial energy efficiency improvements through equipment and technology upgrades, and green real estate development projects.

The Green Momentum Working Capital Loan serves to cover costs related to enterprises' daily operations that support green activities, such as the purchase of environmentally friendly raw materials and inventories, the financing of inventories related to green technologies, and the provision of resources needed for costs arising in circular operations. The Bank does not currently publish aggregated, quantitative impact indicators for the Green Momentum Loan Programme, as the programme was launched at the end of 2025 and no data is yet available for the 2025 reporting year. Data reporting for the indicators defined according to the loan objectives is carried out by clients in accordance with the product description and in the same manner as described for the relevant eligible loan category in the Framework. Loan or credit agreements under the Green Momentum Loan Programme may be concluded by 31 December 2026. The Bank has not established a specific, dedicated budget or human resource allocation for this measure.

The Bank has not yet defined an independent, quantitative circular economy target for the downstream value chain within the scope of the E5 topic. In the Bank's Sustainability (ESG) Strategy, the strategic direction for Sustainable Funding and Financing is based on the Bank's Framework. Considering that, based on client interest and anticipated demand, Pollution Prevention and Reduction has been included as an eligible target category in the revised Framework, the Bank is closely monitoring financing opportunities for circular economy projects, including the financing of infrastructure developments for waste prevention and management. The Bank intends to measure the environmental impact achieved through financing based on the sustainable finance strategy and the indicators defined in the Framework in line with the EU Taxonomy Regulation, and to disclose these in accordance with the commitments made in the Framework.

The absence of the target stems from the Bank's business model, in which the impact on resource use is indirect and materialises through the financing activity. The Bank will, in the future and depending on the development of the regulatory and market environment, also consider defining a dedicated, quantitative E5 target, the time horizon and measurement methodology of which will be published separately.

For financing aligned with the objectives described in the Bank's product descriptions, the following indicators listed in the Bank's Framework also serve as a basis for measuring future progress under the E5 topic:

- the amount of waste diverted from landfill or disposed of at locations other than landfill [t];
- the amount of waste avoided, reduced, or recycled [t];
- the number or proportion of companies/communities participating in projects aimed at improving solid waste management [#].

In line with the ESG Credit Risk Policy, the Bank assesses ESG risks using the OPTEN ESG Index and the data request questionnaire (client questionnaire). The Bank's ESG questionnaire follows the MNB's recommended ESG questionnaire and includes questions on the raw materials used by the company seeking financing, the quantity of waste generated, as well as remediation and environmental impacts.

The Bank is currently collecting this data, and the development of associated methodologies and the setting of impact-related targets are planned once sufficient information is available based on a larger number of transactions.

MFB currently does not have more detailed information necessary for measuring impacts related to the circular economy, as general standards for impact measurement have not yet been established, and industry or scientific reference values are not always available. Measuring impacts would require more detailed information than what is currently accessible to the Bank. The Bank does not yet have the tools necessary for this.

7.1.3 Target related to operational activities

Based on the Banking Group's double materiality assessment, resource inflow—including the sub-topic of resource use—has not been identified as a material ESG topic within its own operations. Accordingly, the related mandatory ESRS disclosures are not applied in full detail in this report. At the same time, as the topic does appear at the operational level within the Bank's activities, the organisation has voluntarily set a target for the management and monitoring of this area. To reduce the environmental impacts of its operations, the Bank has set the objective of reducing office paper consumption and expanding the use of digital solutions. The target is linked to the Bank's strategic efforts towards sustainable operations and supports the application of circular economy- principles within organisational processes. The target is a resource efficiency objective aimed at reducing annual printing paper- consumption per capita. The indicator measures the amount of printing paper used each year relative to the number of employees. The baseline value is the per capita paper consumption as of 31 December 2025, which amounted to 1 033 sheets per employee. The Bank aims to reduce this value by at least 5% by 2030. The target has been defined for the 2024–2030 ESG strategy period, and its progress is assessed annually by the Bank. The target value was established based on historical paper consumption- data as well as the expected impact of digitalisation measures. Paper consumption reduction can primarily be achieved by expanding the use of digital document management- solutions, the digitalisation of internal processes and the promotion of electronic communication. The Bank monitors progress towards the target annually and discloses the results within the Sustainability Report.

III. SOCIAL INFORMATION

8. Responsible Employment

Material subtopic	**Working conditions**	
Used standards	**ESRS S1**	
Introduction	An overview of the employees of the MFB Group, including remuneration and benefits, programs promoting employee well-being, initiatives supporting occupational health and safety and work-life balance.	
Supported Sustainable Development Goals (UN SDG)		
Relevance of the material topic to the MFB Group	Basis of materiality	Impact materiality
	Impacts	1. MFB Plc., Hiventures, MFB Invest Plc., MKK Plc. and MFB Real Estate Development Plc. by default conclude indefinite-term employment contracts. (Own Operation) 2. In MKK Plc.'s Equal Opportunities Plan, the provision of part-time employment options is stipulated. Except for MFB Real Estate Development Plc., part-time employment is also available at the other Group companies. (Own Operation) 3. At MFB Plc. and MKK Plc., within the framework of the Human Resource Management Plan, salaries have been increased and non-wage benefits expanded, which has a positive effect on retaining and developing the entire workforce and securing the necessary human resources. At MFB Real Estate Development Plc., HAYS pay bands have been introduced, and salaries for specific roles have been adjusted accordingly. (Own Operation) 4. At MFB Plc., cooperation with the works council elected by employees is continuous, ensuring regular and regulated communication between employees and the employer. (Own Operation) 5. Through its employment policy, MFB Plc. ensures responsible employment, the maintenance of work–life balance, and development opportunities - for example, by providing extra leave linked to family-friendly workplace certification and recreational leave in its Labour Regulations. (Own Operation) 6. MFB Plc. and MKK Plc. introduce various measures to preserve physical and mental health for employees, such as yoga classes, an in-house psychologist, and mental health education. (Own Operation)
	Financial risks	-
	Financial opportunities	-
Management of the material topic	Connection to ESG strategy	Family-friendly workplace

Material subtopic	**Working conditions**	
Used standards	**ESRS S1**	
Management of the material topic	Corporate Policies	Related policies and rules of Hiventures Plc.: • Rules of Hiventures Plc. on the system of interests, welfare and social benefits • Remuneration Policy • Rules on the method and extent of remuneration of non-executive employees • Regulation on workplace risk assessment, the rules for the provision of personal protective equipment, the procedures for occupational health medical examinations, and the fire safety and occupational safety training material Related policies and rules of MFB Plc.: • Remuneration Policy • Labor Rules • Benefits Policy • Occupational Health and Safety Rules • On the method and extent of the remuneration of certain senior and non-executive employees Related policies and rules of MFB-Property Development Plc.: • Remuneration Policy • Labor Rules • Occupational Health and Safety Rules Related policies and rules of MFB Invest Plc.: • MFB Invest Plc.'s Rules on the Interest Scheme, Welfare and Social Benefits • Rules on the method and extent of remuneration of non-executive employees • Remuneration Policy • Labor Rules • Occupational Health and Safety Rules Related policies and rules of MKK Plc.: • Instructions of the CEO on the interest and benefit system of MKK Plc. • Occupational Health and Safety Rules • Remuneration Policy • Instructions of the CEO on the method and extent of the remuneration of certain senior and non-executive employees
	Actions	MFB Internship Program MFB Aprófalva Workplace Nursery MFB Daycare MFB Plc. Recreational absence MFB Plc. Physical and mental health support programs MKK Plc. Physical and mental health support programs
	Metrics	Fluctuation (%) Proportion of people taking family leave (%) Percentage of persons covered by the health and safety management system (%) Staff participation in regular performance and career development reviews (%) Average number of training hours by gender (hours)
	Targets	MFB Plc. has defined a quantified, measurable KPI for the material topic of working conditions. The objective is to maintain employee turnover at a low level; the KPI is the turnover rate, and the target value is less than 15%.

As a responsible employer, the MFB Group considers the interests and rights of its employees - including respect for their human rights - when developing its business model. The Group places particular emphasis on safeguarding employees' health, developing their skills, creating a family-friendly workplace, and ensuring competitive, fair- and transparent remuneration. Through its employment policy, MFB Plc. strives to continuously ensure responsible employment, the maintenance of work–life balance, as well as opportunities for development.

The Group has a material influence primarily on employees who are subject to its instructions and internal regulations. These are mainly individuals employed under an employment relationship with the companies of the Bank Group, who are obliged to comply with the provisions of the Labour Code (hereinafter: Labour Code) applicable to employees, and who are entitled to remuneration, benefits and other conditions necessary for their work in accordance with their employment contracts and other relevant rules on benefits, remuneration and other social and welfare provisions. The CEO(s) and those employees authorised to deputise for the CEO(s) qualify as executive employees under Section 208 (1) of the Labour Code. Owing to the nature of the activities carried out by members of the Group, the Group's own employees predominantly perform intellectual work. Chapter 8.1.1 Introduction of Our Employees provides a detailed description of people employed who do not qualify as own employees and who, therefore, are not covered by the Group's benefits, welfare, remuneration, training or leave systems. The positive effects arising from responsible employer practices of the Group, which is registered and operating under Hungarian legislation, are primarily limited to the territory of Hungary and may affect all direct employees, regardless of their location within the country. The Human Resources Directorates of the Bank Group did not allocate additional resources beyond their regular operating budgets to address material impacts related to employees in 2025. The planned amount of personnel-related expenditure for 2025 at MFB Plc. was HUF 15 368 million.

Similar to other market participants, the employment situation of the MFB Group and its practices towards employees are significantly influenced by the macroeconomic environment, which may create wage adjustment pressure. To manage potential risks arising from this, employee well-being programmes and ethical employer behaviour may keep employee turnover at a low level, reducing recruitment and selection costs and difficulties, and increasing employee efficiency, thereby improving employer reputation. In addition, harnessing a diverse workforce also carries numerous potential opportunities, which may likewise increase employee satisfaction and efficiency, contributing to the performance of the Bank Group. These effects and opportunities identified during the double materiality assessment presented in Chapter 4.2 of the report apply generally to the entire workforce, and no specific findings were made for particular groups during the analysis. In addition to identifying general risks, we also seek to identify why vulnerable groups, those working under specific circumstances, or those performing specific activities, may be exposed to greater risks. Their identification is supported by our employee satisfaction measurements presented in detail in Chapter 8.3 Retention of Our Employees, and by our direct communication channels with employees. As the Group members do not have a transition plan, the material impacts related to reducing adverse environmental effects and transitioning to greener, climate-neutral operations – including possible restructuring and the resulting redeployment, creation, or discontinuation of certain functions – were not included in the HR plans for 2025, and the Group did not identify any associated risks. Consequently, this report does not describe the opportunities and measures arising from job creation, retraining, or upskilling in this context. Due to its activities and geographical location, the MFB Group is also not exposed to the risks associated with operations involving child labour or forced labour.

In 2025, MFB Plc. set KPIs during the review of its Sustainability (ESG) Strategy. With respect to its own workforce, the objective is to maintain turnover at a low level, as this supports strengthening the Bank's responsible employer practices, contributes to maintaining a stable and committed workforce, and retains organisational knowledge and maintains employee satisfaction. The target applies to the entire workforce of the Bank and is measured through the development of the turnover rate. The baseline value is the turnover rate measured at the end of 2025, which was 12%. The Bank's objective is that the turnover rate should remain below 15% during the strategic period. The target has been set for the period 2024–2030. When determining the target, the Bank considered the labour market trends characteristic of the financial sector and the importance of maintaining organisational stability. The indicator is widely used in human-resources management, allowing the monitoring of the effectiveness of workforce-retention measures. Internal professional areas were involved in the development of the indicator. The development of the indicator is monitored annually, and the results are published in the Sustainability Report.

The MFB Plc. and MKK Plc. prepare independent "Annual Human Resources Management Plans" (HR Strategy) each year, which are developed in all cases in alignment with the strategic objectives of the respective company. The Plan includes the measures undertaken by the company for the given year and the annual targets to be achieved, on the progress of which the HR departments of the companies regularly prepare reports. In the case of MFB Plc., this takes place on a semi-annual basis. For Hiventures Plc., MFB-Property Development Plc., and MFB Invest Plc., the annual directions of the HR functions are defined as part of the Annual Business Plan, considering the operational nature of the companies. The companies do not, in all cases, assign quantified, measurable KPIs to the targets undertaken, however, each focus area is covered by various related actions, the effectiveness of which is regularly reviewed in each company. Senior management of the companies is informed of the results through the human resources controlling system. The fulfilment of the annual targets is also included in the so-called Report Documents of the Human Resources Management Plans.

At MFB Plc., the main task of the Human Resources Directorate, responsible for strategic planning and implementation related to human resources, continued to be employee retention in 2025, which was carried out through community building, strengthening the Bank's leadership feedback culture and supporting the physical and mental well-being of employees. When setting HR-related objectives, the member companies of the MFB Group work closely with their own workforce and employee representatives. This is implemented using different methods and at different levels of depth at each company, depending on the size of the organisation. During MFB Plc.'s 2023 employee satisfaction survey, employees expressed a need for stronger managerial feedback and support, therefore, one of the main tasks for 2024 was the development of a system providing the opportunity for managerial feedback, which continued to be applied in 2025. This creates an opportunity for employees to discuss their requests, difficulties, and professional development needs with their managers during their work. Uniform templates with predefined content (feedback forms) were created with the aim of recording the results of these conversations. These serve as guidelines for participants in feedback discussions, ensuring consistency of the process and enabling future traceability. The predictability and traceability of implementation are also supported by the fact that a KPI relating to the processing and results of feedback appears among the individual performance objectives of managers. The Bank continuously analyses lessons learned from performance outcomes and achieved improvements. Based on the information gathered through feedback, problems and development needs arising among employees are identified. Using this information, processes are improved, and measures are taken to increase employee satisfaction and performance. In the 2025 HR strategy, the main focus areas continued to be the

organisation of recreational and community-building programmes, as well as the support of physical and mental well-being.

8.1 Supporting Employee Well-Being

8.1.1 Introduction of Our Employees

In 2025, the total number of employees of the MFB Group was 958, of which the number of permanent employees was 933[20], while the number of employees with fixed-term contracts amounted to only 25. The total number of employees is published in headcount for the closing date of the reporting period (31 December 2025). 96.7% of our employees work full-time, while the number of employees employed under an availability obligation[21] is 0. At the Group-level, 32 people worked part-time in 2025, 96.9% of whom were women. There was no employment outside the country. The total number of employees leaving the MFB Group during the reporting year was 120, which represents 12.5% in percentage terms. As a responsible employer, the Group has continuously sought to reduce this ratio through various employee-retention programmes, well-being initiatives, and programmes supporting work-life balance. The distribution of our employees described above is presented in detail in the table below.

[20] Information relating to employees is presented in the financial statements as the average statistical headcount.
[21] Employees with on-call availability obligations are engaged by the company without a minimum or guaranteed number of working hours.

Total number of employees at the end of the reporting year (headcount)												
			2024					2025				
			Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MFB Plc.	Number of employees (number)		308	219	0	0	527	325	235	0	0	560
	Number of permanent employees (number)	Information disclosed in 2024	308	219	0	0	527	315	232	0	0	547
		Corrected 2024 information	304	217	0	0	521					
	Number of employees on permanent contracts (number)	Information disclosed in 2024	0	0	0	0	0	10	3	0	0	13
		Corrected 2024 information	4	2	0		6					
	Number of employees with availability obligation (number)		0	0	0	0	0	0	0	0	0	0
	Number of full-time employees (number)		290	218	0	0	508	308	234	0	0	542
	Number of part-time employees (number)		18	1	0	0	19	17	1	0	0	18
Hiventures Plc.	Number of employees (number)		28	35	0	0	63	27	19	0	0	46
	Number of permanent employees (number)		24	20	0	0	44	27	19	0	0	46
	Number of employees on permanent contracts (number)		3	16	0	0	19	0	0	0	0	0
	Number of employees with availability obligation (number)		0	0	0	0	0	0	0	0	0	0
	Number of full-time employees (number)		22	19	0	0	41	22	19	0	0	41
	Number of part-time employees (number)		2	1	0	0	3	5	0	0	0	5

Total number of employees at the end of the reporting year (headcount)											
		2024					2025				
		Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MFB-Property Development Plc.	Number of employees (number)	9	8	0	0	17	8	8	0	0	16
	Number of permanent employees (number)	9	8	0	0	17	8	8	0	0	16
	Number of employees on permanent contracts (number)	0	0	0	0	0	0	0	0	0	0
	Number of employees with availability obligation (number)	0	0	0	0	0	0	0	0	0	0
	Number of full-time employees (number)	9	8	0	0	17	8	8	0	0	16
	Number of part-time employees (number)	0	0	0	0	0	0	0	0	0	0
MFB Invest Plc.	Number of employees (number)	16	12	0	0	28	13	15	0	0	28
	Number of permanent employees (number)	15	11	0	0	26	13	15	0	0	28
	Number of employees on permanent contracts (number)	1	1	0	0	2	0	0	0	0	0
	Number of employees with availability obligation (number)	0	0	0	0	0	0	0	0	0	0
	Number of full-time employees (number)	15	11	0	0	26	13	15	0	0	28
	Number of part-time employees (number)	1	1	0	0	2	0	0	0	0	0

Total number of employees at the end of the reporting year (headcount)											
		2024					2025				
		Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MKK Plc.	Number of employees (number)	201	92	0	0	293	210	98	0	0	308
	Number of permanent employees (number)	191	88	0	0	279	200	96	0	0	296
	Number of employees on permanent contracts (number)	10	4	0	0	14	10	2	0	0	12
	Number of employees with availability obligation (number)	0	0	0	0	0	0	0	0	0	0
	Number of full-time employees (number)	195	92	0	0	287	201	98	0	0	299
	Number of part-time employees (number)	6	0	0	0	6	9	0	0	0	9

Employee turnover during the reporting year				
	2024		2025	
	Total number of employees leaving the company (persons)	Fluctuation (%)	Total number of employees leaving the company (persons)	Fluctuation (%)
MFB Plc.	40	8.0	68	12.1
Hiventures Plc.	67	106.3	20	43.5
MFB-Property Development Plc.	0	0,0	2	12.5
MFB Invest Plc.	3	10.7	6	21.4
MKK Plc.	41	14.0	24	7.8

In addition to our employees employed under direct employment contracts, we also employed other individuals under external contractual arrangements, such as external contractors and interns. These headcount figures are presented in the table below, expressed in number of persons, for the closing date of the reporting period (31 December 2025). No estimation was used to determine the data.

	Number of other external contracted workers at the end of the reporting year											
			2024					2025				
			Female (person)	Male (person)	Other (person)	No information (main)	Total	Female (person)	Male (person)	Other (person)	No information (main)	Total
MFB Plc.	Total number of non-employees	Information disclosed in 2024	2	5	0	0	7	22	22	0	0	44
		Corrected 2024 information	22	23	0	0	45					
	Number of self-employed persons not employed	Information disclosed in 2024	0	0	0	0	0	1	4	0	0	5
		Corrected 2024 information	2	5	0	0	7					
	Persons made available by undertakings engaged in 'employment activities'	Information disclosed in 2024	0	0	0	0	0	21	18	0	0	39
		Corrected 2024 information	20	18	0	0	38					
Hiventures Plc.	Total number of non-employees		0	0	0	0	0	4	7	0	0	11
	Number of self-employed persons not employed		0	0	0	0	0	4	5	0	0	9
	Persons made available by undertakings engaged in 'employment activities'		0	0	0	0	0	0	2	0	0	2

	Number of other external contracted workers at the end of the reporting year										
		2024					2025				
		Female (person)	Male (person)	Other (person)	No information (main)	Total	Female (person)	Male (person)	Other (person)	No information (main)	Total
MFB-Property Development Plc.	Total number of non-employees	0	0	0	0	0	0	0	0	0	0
	Number of self-employed persons not employed	0	0	0	0	0	0	0	0	0	0
	Persons made available by undertakings engaged in 'employment activities'	0	0	0	0	0	0	0	0	0	0
MFB Invest Plc.	Total number of non-employees	0	0	0	0	0	1	2	0	0	3
	Number of self-employed persons not employed	0	0	0	0	0	0	2	0	0	2
	Persons made available by undertakings engaged in 'employment activities'	0	0	0	0	0	1	0	0	0	1
MKK Plc.	Total number of non-employees	17	4	0	0	21	16	4	0	0	20
	Number of self-employed persons not employed	0	0	0	0	0	0	0	0	0	0
	Persons made available by undertakings engaged in 'employment activities'	17	4	0	0	21	16	4	0	0	20

For 2024, the figures relating to MFB Plc. were adjusted because, in the 2025 reporting data, student workers were presented under the category of ‘persons provided by enterprises engaged in employment services. As a result, the total number of individuals not employed directly by the company also changed.

At MFB Plc., the MFB Internship Programme has been in place for years, providing a framework for employing fulltime higher education students with active student status. This is carried out through an external service provider, a student cooperative partner. From the outset, the Bank has placed great emphasis on ensuring a continuous talent pipeline and providing a professional career plan and perspective. Therefore, the primary aim of the Programme is to expand the practical knowledge of students. Interns may participate in the work of numerous functions within the organisation, and their activities consist of an average of three quarters of professional tasks related to the field and one quarter administrative tasks. Their work is coordinated by the Bank's experienced (senior) employees, known as Mentors. For students who perform outstandingly during the Internship Programme, the Bank may offer the possibility of a full-time employment contract. In 2025, a total of 68 fulltime students were employed in internship positions, 42 of whom continued to strengthen the MFB team at the end of the year. Following the termination of student status, 9 individuals were employed full-time in junior positions, which is an outstanding number compared to previous years. On average, interns spend 1 year working in different functions of the Bank. The Bank allocated HUF 169 million for the provision of the internship programme in 2025. The employment of external contractors performing expert and advisory tasks is carried out under separate agency contracts.

At Hiventures Plc., in addition to its own employees, there were 2 part-time student workers employed through a student cooperative. At MFB Invest Plc., 1 retired part-time employee - employed through a pensioner cooperative - supported the work of the secretariat. MKK Plc. employed 20 individuals through workforce leasing. MFB-Property Development Plc. employs only its own workforce.

8.1.2 Remuneration and Benefits

In 2025, the MFB Group continued to enforce the principles of fair performance-based remuneration in its operations. An important pillar of employee motivation and recognition is the remuneration and benefits system, the principles of which are set out in the remuneration policies of the MFB Group companies. The employee remuneration system consists of a basic salary and a performance-based salary. Specific remuneration rules apply to the executive employees, executive officers and members of the Supervisory Board of each company within the Group. The remuneration policies applicable to the employees of each company are approved - in the case of subsidiaries - by MFB Plc., which exercises the founder's rights, and in the case of MFB Plc., by the CEO. These policies are available on the internal intranet interfaces of each company and are implemented under the coordination of the human resources divisions. There is no collective bargaining agreement in effect at the MFB Group. The operation of the performance evaluation system is described in Chapter 8.2.1 Training and Development.

At MFB Plc., MFB-Property Development Plc. and MKK Plc., remuneration is paid in accordance with the applicable benchmark values. The uniform methodology of the Hay method allows for objective comparison between positions of different organisations. Job roles are classified into levels based on three basic factors: professional/practical knowledge, problem-solving, and responsibility. Job levels form the basis of a uniform classification system. Each year, companies obtain the relevant reference salary bands for the classification levels and adjust the remuneration of their employees accordingly, provided that the business plan approved by the owner allows for this. In addition, in the case of MFB Plc., the Human Resources Directorate publishes on the Bank's internal intranet interface the table containing the positions assigned to each organisational unit and the classification levels of those positions developed according to the Hay method. Hiventures Plc. and MFB Invest Plc. determine salary bands - and the salaries within those ranges - based on the annual salary market benchmarks of the consulting company Kornferry and the Hay levels. The salary range data developed on this basis serve

as guidance in the salary development plans of the companies, during internal transfers and promotions, and when hiring new employees.

In 2025, the number of employees within the MFB Group whose salaries were below the applicable benchmark was not significant, as shown in detail in the table below:

		MFB Plc.	MFB-Property Development Plc.	MKK Plc.	Hiventures Plc.	MFB Invest Plc.	Total (person)
Number of employees (person)	2024	527	17	293	63	28	928
	2025	560	16	308	46	28	958
Employees earning below the salary band (person)	2024	36	0	12	6	1	
	2025	35	0	8	6	2	
Employees earning below the salary band (%)	2024	**6.8**	**0.0**	**4.1**	**9.5**	**3.6**	
	2025	**6.3**	**0.0**	**2.6**	**1.3**	**7.1**	

To mitigate the effects of inflation and to preserve the long-term competitiveness and workforce of the MFB Group, the 2025 business plan of MFB Plc. included a 5% average annual salary increase, which was implemented in a differentiated manner - in accordance with managerial discretion but based on uniform principles - in May 2025. The salary increase affected approximately 92% of their employees. The aim of the Group's member companies is to operate non-wage benefit systems tailored to the individual needs of their employees and based on uniform principles within each company, which strengthen employees' identification with corporate objectives and reinforce loyalty. These company-specific provisions are always included in the corporate benefits regulations. In addition to statutory benefits, the Group's member companies provided various ad hoc benefits, benefits necessary for the performance of activities, benefits related to improving employees' health and safety, cafeteria allowances and other benefits to their employees in 2025. Employees had access, among others, to:

- risk life and accident insurance,
- support for the use of passenger cars,
- financial support adapted to specific life situations (e.g. salary advance, employer housing loan),
- professional training and further training opportunities.

The companies also provide healthcare services to their employees, and, in addition, employees of MFB Plc. are offered discounted holiday opportunities and opportunities for sports activities. Among the benefits offered by the Group's member companies, their individual cafeteria systems stand out, within which, from the range of benefits defined by each company, employees may select the package best suited to their needs up to a specified annual budget.

All companies of the MFB Group provide, to varying degrees, social protection for their employees - through state programmes or benefits offered by the companies - against the main types of income loss presented below. In the event of termination of employment, as the primary form of income loss, the Group acts in accordance with applicable legislation, including regulations on severance pay and notice periods.

At MFB Plc., social protection consists of the following elements:

The father is entitled to 10 working days of paternity leave upon the birth of a child, with full, 100% absence pay, and is further entitled to up to 44 working days of parental leave, for which he receives ten percent of the absence pay.

Upon retirement, starting in 2025, employees receive a benefit corresponding to two months of absence pay. In 2024, the two-month benefit was only granted to retiring employees if the Bank did not intend to continue their employment under a new employment relationship or other legal relationship, or if the employee rejected the Bank's initiative to do so.

The Bank also provides voluntary pension fund contributions for employees, and additional contributions may be requested from the cafeteria budget. In the event of work-related injury or acquired disability, statutory accident healthcare services, accident sick pay and accident annuity are provided, and, based on internal regulations, emergency assistance and social aid related to long-term illness may be granted.

In the event of illness, statutory sick pay is provided, and, based on internal regulations, emergency assistance and social aid related to long-term illness may also be granted, the maximum amount of which may extend to the applicant's monthly base salary.

"Social aid related to long-term illness" may be granted in connection with certain types of illness (particularly myocardial infarction, cancer, stroke, conditions involving permanent disability, as well as trauma cases) for the full duration of incapacity for work, but for no longer than two years. The amount payable monthly may not exceed ten times the prevailing minimum wage.

The statutory "carer's working time allowance" (to which the employee is entitled for the purpose of personally caring for a relative in need of care due to serious health reasons or a person living in the same household, for up to five working days per year) is compensated by MFB Plc. at 100% absence pay.

At Hiventures Plc. and MFB Invest Plc., the optional nonwage benefits also include support during parental leave; therefore, employees receive a one-time benefit upon the birth of a child. In the event of illness, the companies also provide health insurance services, including private medical care and diagnostic examinations. In the event of work-related injury or acquired disability, group life and accident insurance services provide protection, which may be used by all employees employed by the company. Upon retirement, the benefits provided by the companies and state programmes together contribute to the financial security of employees, thereby ensuring peaceful and secure retirement years. In addition, employees can save for retirement from their annual cafeteria budget, while already retired former employees may request continued employment either as employees or through a retirees' cooperative. Both companies may provide assistance to employees to help them overcome difficulties in daily living and to reduce the financial burdens arising therefrom (birth, bereavement, school enrolment, marriage). The rules applicable to this are set out in the regulations on the Incentive System and on Welfare and Social Benefits in the case of MFB Invest and Hiventures.

The MFB-Property Development Plc. has introduced measures providing social protection, which include the additional leave for fathers, as well as maternity assistance that may be requested by employees. To help employees overcome difficulties in daily life and to reduce the financial burdens arising in this context, the company may provide assistance to its employees (birth, death and school enrolment). Employees may receive employer contributions to voluntary pension funds within the framework of the cafeteria system. In the event of workplace injury and acquired disability, employees

are provided with an occupational health examination, as well as statutory accident healthcare services, accident sick pay, accident annuity, and health insurance services. Group life and accident insurance are also available. In the event of illness, the company also provides health insurance services, including private medical care and diagnostic examinations. Employees may take up to three working days of absence per year without medical certification, and they receive fifteen working days of sick leave per calendar year for the duration of incapacity for work due to illness, in accordance with the Remuneration Policy.

In the area of social protection, MKK Plc. offers numerous options to its employees. In its incentive and benefits system (as set out in the "CEO Instruction on the Incentive and Benefits System of MKK Plc."), a system of financial assistance has been established, which supports the company's employees in various life situations, such as birth, death, parental leave, start-of-school leave, carer's working time allowance, and, in the case of the basic paternity leave under Act I of 2012 on the Labour Code (hereinafter: Mt.), an additional five days of fully paid leave are granted. In addition, the company also provides employer housing loans. MKK Plc. supports employer contributions to voluntary pension funds, which help employees maintain financial security during their retirement years. In the event of workplace injury and acquired disability, group life, accident and health insurance provides protection, which is ensured for all full-time and part-time employees. In the event of illness, MKK Plc. supports a variety of healthcare services, including occupational health care, on-site medical consultations and general screening examinations, as well as access to health insurance services in case of sickness. Within the cafeteria system, employees may also request employer contributions to health funds, which provide health-preserving and preventive services for employees and their family members. From 2025, MKK Plc. employees have access to the DokiApp online mental health service, and the company has joined the "Active Workplaces Programme Series" organised by the Association for Healthier Workplaces, one stage of which is the "Mozdulnék Sportlabor", which primarily provides fitness and musculoskeletal assessments and counselling. Sportlabor, with the involvement of sports and healthcare professionals, assists those who wish to move more actively and improve their physical condition with personalised measurements and advice.

8.1.3 Supporting Work–Life Balance

The MFB Group, as an employer, places great emphasis on supporting work–life balance, with particular attention to providing family-friendly working conditions and benefits that take into account the needs of employees with families.

Work–life balance is supported by the fact that employees working at the MFB Group work in core time and flexible time; during the flexible time period, daily working hours may be arranged flexibly (within full-time working hours, the employee is obliged to work during core time[22], while during flexible time,[23] the employee determines the working hours). In accordance with legal requirements, all employees are entitled to annual paid leave calculated pursuant to the Labour Code (Mt.), which the Bank Group endeavours to grant at times requested by employees whenever possible. In addition, provided that the conditions under the Labour Code are met, all employees are also entitled to family leave in the following forms specified in the Labour Code: additional leave for children, paternity leave and parental leave.

[22] Core working hours are from Monday to Thursday, 9:00 a.m. to 4:00 p.m., and on Friday from 9:00 a.m. to 2:00 p.m.
[23] Flexible working hours apply from Monday to Thursday between 7:00 a.m. and 9:00 a.m. and between 4:00 p.m. and 7:00 p.m., and on Friday between 7:00 a.m. and 9:00 a.m. and between 2:00 p.m. and 5:00 p.m.

The table below provides a detailed breakdown of the use of family leave in 2025, expressed in headcount, as at the reporting period end date (31 December 2025). In this context, family leave includes maternity leave, paternity leave, parental leave and carer's leave.

	Annual distribution of family leave utilisation										
		2024					2025				
		Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MFB Plc.	Number of employees entitled to family leave (number)	125	104	0	0	229	122	96	0	0	218
	Percentage of staff entitled to family leave (%)	23.7	19.7	0.0	0.0	43.5	21.8	17.1	0.0	0.0	38.9
	Number of eligible employees disaggregated by gender who took family leave (number)	123	97	0	0	220	104	88	0	0	192
	Percentage of eligible staff members broken down by gender who have taken family leave (%)	98.4	93.3	0.0	0.0	41.7	85.2	91.7	0.0	0.0	34.3
Hiventures Plc.	Number of employees entitled to family leave (number)	9	7	0	0	16	9	6	0	0	15
	Percentage of staff entitled to family leave (%)	14.3	11.1	0.0	0.0	25.4	19.6	13.0	0.0	0.0	32.6
	Number of eligible employees disaggregated by gender who took family leave (number)	9	7	0	0	16	9	6	0	0	15
	Percentage of eligible staff members broken down by gender who have taken family leave (%)	100.0	100.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	100-0
MFB-Property Development Plc.	Number of employees entitled to family leave (number)	4	4	0	0	8	2	4	0	0	6
	Percentage of staff entitled to family leave (%)	23.5	23.5	0.0	0.0	47.0	12.5	25.0	0.0	0.0	37.5
	Number of eligible employees disaggregated by gender who took family leave (number)	4	4	0	0	8	2	4	0	0	6

	Annual distribution of family leave utilisation										
		2024					**2025**				
		Female	**Male**	**Other**	**No information**	**Total**	**Female**	**Male**	**Other**	**No information**	**Total**
	Percentage of eligible staff members broken down by gender who have taken family leave (%)	100.0	100.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	100.0
MFB Invest Plc.	Number of employees entitled to family leave (number)	4	8	0	0	12	5	10	0	0	15
	Percentage of staff entitled to family leave (%)	14.3	28.6	0.0	0.0	42.9	17.9	35.7	0.0	0.0	53.6
	Number of eligible employees disaggregated by gender who took family leave (number)	4	8	0	0	12	5	10	0	0	15
	Percentage of eligible staff members broken down by gender who have taken family leave (%)	100.0	100.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	100.0
MKK Plc.	Number of employees entitled to family leave (number)	16	20	0	0	36	3	0	0	0	3
	Percentage of staff entitled to family leave (%)	5.5	6.8	0.0	0.0	1.3	1.0	0.0	0.0	0.0	1.0
	Number of eligible employees disaggregated by gender who took family leave (number)	7	5	0	0	12	3	0	0	0	3
	Percentage of eligible staff members broken down by gender who have taken family leave (%)	43.8	25,0	0.0	0.0	4.1	100.0	0.0	0.0	0.0	100.0

For employees of MFB Plc., both monetary and non-monetary individual and family-support benefits are available for the purpose of ensuring work–life balance. Monetary benefits include one-off and regular non-repayable grants/allowances provided under the Benefits Policy, the total volume of which has increased dynamically in recent years. Non-monetary family-support benefits were also provided by the Bank in 2025 through a broad range of tools. Employees returning from maternity leave are offered the possibility of flexible working arrangements. The process is further supported with useful information provided by the MFB "Kismama Iránytű" ("Maternity Compass") guidance document. The MFB Daycare Programme provides summer holiday care for employees' children, while the "MFB Aprófalva" Workplace Nursery was established to provide daytime care for employees' young children.

The MFB Daycare Programme offers daytime activities for employees' children aged 4 to 12 for seven weeks during the summer holidays. In 2025, a total of 138 children participated in the programme across seven sessions. The "Aprófalva" Workplace Nursery, located in the headquarters of MFB Plc. and opened in early October 2022, continued its operation in 2025. The nursery is available to all employees free of charge. In 2025, the nursery provided care for 8 children with the assistance of four, later three, early childhood educators.

At MFB Plc., the measures supporting work–life balance were further expanded in line with the amendments to the Labour Code entering into force at the beginning of 2023, and additional paternity leave days, parental leave and carer's working-time allowance were introduced. MFB Plc. provides 100% absence pay for the entire duration of paternity leave and carer's working-time allowance, exceeding the relevant provisions of the Labour Code positively. In addition, a new element, recreational leave, was introduced as a form of recognition for the performance and loyalty of employees who have been with MFB Plc. for a long time. These employees are entitled to 5 working days of recreational leave in the year in which they reach 5, 10, 15, 20, 25 or 30 years of service.

The effectiveness of the measures described above is reinforced by the fact that in 2022, MFB Plc. obtained the "Family-Friendly Workplace" certification, the acquisition of which followed on-site audits by the auditors of the Family-Friendly Hungary Centre, covering aspects such as employment practices, employee benefits and support, as well as steps taken to promote corporate community-building and physical and mental well-being. MFB Plc. was entitled to use the certification for two years, and after comprehensive preparatory work, it obtained the Family-Friendly Workplace certification for a further two years again in December 2024.

At MKK Plc., for employees with families in 2025, childbirth-related benefits and back-to-school allowances were available, as well as reimbursement of nursery and kindergarten care costs from the annual cafeteria budget. In addition, "school-start leave" was introduced, which employees with children under the age of 14 were entitled to and which allowed them to take one day of leave on 1 September. At Hiventures Plc. and MFB Invest Plc., employees could make use of similar initiatives. They were provided with childbirth grants, school-start support and, in addition to nursery and kindergarten care reimbursement available through the annual cafeteria budget, a marriage allowance and a benefit available to large families. MFB-Property Development Plc. supported the work–life balance of its employees in accordance with legislative requirements, and in 2025, employees with families also had access to childbirth-related benefits and school-start assistance.

8.1.4 Workplace Health and Safety

The MFB Group has introduced and applied numerous measures, programmes and practices in order to ensure workplace health and safety at a high level, recognising their importance for employees' overall well-being and performance. These efforts not only serve compliance with legal requirements but also aim to enhance employee satisfaction and well-being.

The companies of the MFB Group have workplace accident prevention policies, which are available on the intranet platforms. These occupational safety regulations set out the internal occupational safety framework and requirements of the companies, the rights and obligations of the companies as employers and of employees in relation to occupational safety, as well as the associated procedural rules. The occupational safety regulations also specify, within the framework of legislation and standards, the requirements for safe and healthy working conditions, the mechanisms for occupational safety consultation, the protection of employees' occupational safety interests, and the rights and obligations of occupational safety representatives. These regulations are approved by the chief executive officers of the companies.

Within the MFB Group, due to the nature of office-based work, the preparedness of colleagues and their responsible behaviour, the number of workplace accidents is typically low. The Group's health protection and safety management system applies to all employees. The table below provides a detailed overview of fatalities due to work-related injuries and illnesses in 2025 and 2024, along with the distribution of recorded work-related accidents and illnesses and the number of days lost as a result.

	Health and safety management system in figures					
Years	**MFB Plc.**	**Hiventures Plc.**	**MFB-Property Development Plc.**	**MFB Invest Plc.**	**MKK Plc.**	**Total**
	Number of employees covered by the health and safety management system (number)					
2024	527	63	17	28	293	928
2025	560	43	16	28	308	955
	Percentage of employees covered by the health and safety management system (%)					
2024	100.0	100.0	100.0	100.0	100.0	100.0
2025	100.0	93.5	100.0	100.0	100.0	99.7
	Number of deaths from work-related injuries (number)					
2024	0	0	0	0	0	0
2025	0	0	0	0	0	0
	Number of deaths due to work-related illnesses (number)					
2024	0	0	0	0	0	0
2025	0	0	0	0	0	0
	Number of work-related accidents to be registered (number)					
2024	0	0	0	0	2	2
2025	0	0	0	0	3	3
	Number of work-related illnesses to be registered among the employees of the enterprise (number)					
2024	0	0	0	0	0	0
2025	0	0	0	0	0	0

	Health and safety management system in figures					
Years	**MFB Plc.**	**Hiventures Plc.**	**MFB-Property Development Plc.**	**MFB Invest Plc.**	**MKK Plc.**	**Total**
	Number of days lost due to work-related injuries and deaths, work-related illnesses and deaths due to work-related accidents (days) for the company's employees					
2024	0	0	0	0	0	0
2025	0	0	0	0	89	89

The Group's occupational safety actions and measures include occupational safety inspections, regular and organised training sessions, as well as a wide range of health preservation programmes. Employees of the Group participate each year in compulsory fire safety and occupational safety training, which, in line with legal requirements, covers the necessary precautions and the rules for safe working practices. To support the physical and mental health of employees, MFB Plc. has introduced and operated numerous measures and programmes. In 2025, initiatives aimed at employee retention and community building continued, along with recreational and community building programmes. In support of physical health, the Bank provided running shirts to its employees and covered the entry fees for marathon running events, thereby promoting active participation in community sporting activities and team building. Small group exercise sessions were also held four times a week, such as yoga, spine strengthening and pilates classes, aimed at mitigating the harmful effects of sedentary work. To support mental well-being, free psychological counselling was introduced in September 2024, available once a week over five consecutive sessions, each lasting 50 minutes, in the Bank's designated counselling room. This programme continued in 2025. Its popularity is demonstrated by the fact that approximately 13% of the Bank's total staff signed up for counselling. In 2025, several events and community programmes were also organised, such as the MFB Forum, the MFB Santa Claus celebration and the MFB Christmas event. These measures significantly contribute to increasing employee satisfaction, strengthening community spirit and supporting team building, thereby contributing to the achievement of the company's long-term objectives.

In the framework of its 2025 programmes, MFB-Property Development Plc. organised team-building events - including a painting experience session - employee lunches and a joint Christmas dinner in order to further enhance the positive impact on its employees.

For MKK Plc., employee health is also of great importance, and therefore, numerous measures were taken in 2025 to preserve it. These include, among others, a weekly fruit day, health assessments financed by MKK Plc., twice monthly occupational health appointments and biennial managerial health screenings, which may be used in addition to health insurance and various screening examinations (such as spine and musculoskeletal assessments). In addition, employees are provided with annual unlimited gym memberships, and ergonomic office design is also supported to reduce the development of discomfort caused by sedentary work. To strengthen work–life balance, annual MKK Family Day, Santa Claus Day and Christmas events are organised, which are available not only to active employees.

8.2 Diversity and Equality

Material subtopic	**Equal treatment and opportunities**	
Used standards	**ESRS S1**	
Introduction	Presentation of the MFB Group's trainings, talent and career management, as well as its programs promoting equal treatment and opportunities.	
Supported Sustainable Development Goals (UN SDG)		
Relevance of the material topic to the MFB Group	Basis of materiality	Impact materiality Financial materiality
	Impacts	1. According to EUROSTAT data, based on 2024 figures, the pay gap at the MFB Group is below the level typical of the financial sector. (Own Operation) 2. The MFB Group provides specialised training and further training opportunities and offers performance evaluation and targeted career-path support for employees. (Own Operation) 3. MFB Plc.'s Code of Conduct and Ethics prohibits harassment and deems any form of harassment unacceptable. The Bank particularly condemns sexual harassment and any unwanted physical, verbal, written or suggestive conduct of a sexual nature, as it violates human dignity, causes fear, and creates a hostile and humiliating environment. (Own Operation)
	Financial risks	-
	Financial opportunities	In terms of its own workforce, a diverse workforce holds numerous potential opportunities, which, if leveraged, can enhance the satisfaction and efficiency of MFB employees, as well as the effectiveness of the MFB Group. (Own Operation)
Management of the material topic	Connection to ESG strategy	Responsible company
	Corporate Policies	Related policies and rules of Hiventures Plc.: • Code of Conduct and Ethics Related policies and rules of MFB Plc.: • Labor Rules • On the method and extent of the remuneration of certain senior and non-executive employees

Management of the material topic	Corporate Policies	• Code of Conduct and Ethics (internal instruction) • Code of Conduct and Ethics (Group level policy) Related policies and rules of MFB-Property Development Plc.: • Code of Ethics Related policies and rules of MFB Invest Plc.: • Code of conduct appropriate to the workplace Related policies and rules of MKK Plc.: • Code of Conduct and Ethics
	Actions	MFB Plc. Training program according to the training plan Training program according to the Training Catalogue of MFB Plc. Training program according to the Educational Plan of MKK Plc. Training program according to the Training Catalogue of MKK Plc. Actions under the Equal Opportunities Plan of MKK Plc.
	Metrics	Staff participation in regular performance and career development reviews (%) Average number of training hours by gender (hours) Total number of cases of discrimination, including harassment (pcs) Number of serious human rights incidents related to the company's workforce (number) Percentage of employees with disabilities (%)
	Targets	MFB Plc. has defined quantified, measurable KPIs for the material topic of equal treatment and equal opportunities. The objective is to organise ESG-related trainings to strengthen employees' sustainability awareness. The target value is to conduct at least one ESG-themed training per year.

8.2.1 Training and Development

In 2025, the MFB Group continued its activities aimed at the continuous professional development, training and skills enhancement of its employees. The Group's employees spent a total of 23 138.8 hours in training in 2024. In 2025, the Bank Group did not perform this calculation. The Group is committed to ensuring equal opportunities - including gender equality and equal pay for work of equal value - for its employees in performance evaluation and targeted career path promotion as well. In 2025, the number of employees participating in regular performance and professional advancement reviews across the entire Group was 954, representing 99.6% of employees.

	Number of employees participating in performance and professional development reviews and training during the reporting year (headcount)										
		2024					2025				
		Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MFB Plc.	Number of staff involved in regular performance and career development reviews (number)	308	219	0	0	527	325	235	0	0	560
	Staff participation in regular performance and career development reviews (%)	58.4	41.6	0.0	0.0	100.0	58.0	42.0	0.0	0.0	100.0
	Average number of training hours by gender (hours)	13.0	15.4	0.0	0.0	14.0	10.3	13.7	0.0	0.0	11.7
Hiventures Plc.	Number of staff involved in regular performance and career development reviews (number)	24	20	0	0	44	25	18	0	0	43
	Staff participation in regular performance and career development reviews (%)	54.0	46.0	0.0	0.0	100.0	54.3	39.1	0.0	0.0	93.4
	Average number of training hours by gender (hours)	5.0	5.0	0.0	0.0	5.0	14.3	25.6	0.0	0.0	18.8
MFB-Property Development Plc.	Number of staff involved in regular performance and career development reviews (number)	9	8	0	0	17	8	8	0	0	16
	Staff participation in regular performance and career development reviews (%)	52.9	47.1	0.0	0.0	100.0	50.0	50.0	0.0	0.0	100.0
	Average number of training hours by gender (hours)[24]	-	-	-	-	-	-	-	-	-	-

[24] In the case of MFB-Property Development Plc., data on training hours for the year 2025 are not available.

	Number of employees participating in performance and professional development reviews and training during the reporting year (headcount)										
		2024					2025				
		Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MFB Invest Plc.	Number of staff involved in regular performance and career development reviews (number)	15	11	0	0	26	13	14	0	0	27
	Staff participation in regular performance and career development reviews (%)	57.7	39.3	0.0	0.0	92.9	46.4	50.0	0.0	0.0	96.4
	Average number of training hours by gender (hours)	10.6	10.6	0.0	0.0	10.6	16.0	20.9	0.0	0.0	18.7
MKK Plc.	Number of staff involved in regular performance and career development reviews (number)	201	92	0	0	293	210	98	0	0	308
	Staff participation in regular performance and career development reviews (%)	68.6	31.4	0.0	0.0	100.0	68.2	31.8	0.0	0.0	100.0
	Average number of training hours by gender (hours)	15.0	17.8	0.0	0.0	15.9	22.9	22.2	0.0	0.0	22.8

Average number of training hours, broken down by employee categories (hours)					
	Year	**Permanent staff**	**Temporary staff**	**Staff with an availability obligation**	**Total**
Average number of training hours per employee (hours)					
MFB Plc.	2024	14.0	0.0	-	14.0
	2025	11.9	4.3	0.0	11.7
Hiventures Plc.	2024	5.0	0.0	-	5.0
	2025	18.8	0.0	0.0	18.8
MFB-Property Development Plc.[25]	2024	-	-	-	-
	2025	-	-	-	-
MFB Invest Plc.	2024	10.6	0.0	-	10.6
	2025	18.7	0.0	-	18.7
MKK Plc.	2024	16.2	9.3	-	15.9
	2025	22.8	0.0	0.0	22.8

The training system of MFB Plc. is defined in the annual training plan, which was also prepared for the year 2025. The training plan for the given business year is unique each year, as, in addition to mandatory training, it aims to incorporate the current needs of colleagues when determining optional training. The Labour Regulations specify the list of trainings that employees working in certain organisational units of the Bank are required to complete. This regulation is available on the company's internal intranet platform and is approved by the Chief Executive Officer. These training materials, prescribed by internal banking regulatory documents and applicable legislation, must be completed independently through the e-learning training and examination system, followed by taking an examination on the training material. The optional trainings are included in the 2025 training catalogue, which was compiled by the Bank based on the training options available on the market, taking into account employees' individual needs. All internally and externally organised training sessions are subject to evaluation. In the implemented feedback system, an evaluation questionnaire can be completed after each training session, which helps continuously improve the quality of the trainings and adapt them to employee needs based on predefined evaluation criteria and rating scales.

MFB Plc. places special emphasis on supporting the professional development of employees, which it supports through personalised training and development activities as well as additional tools. The Bank places great emphasis on continuous succession planning and the provision of professional career paths and perspectives from the outset. The details of the performance objectives are defined in the Regulation on the Method and Extent of Remuneration of Certain Managerial Employees and Non-Managerial Employees, approved by the President and CEO, which is accessible to employees on the intranet platform. Based on the provisions, the performance objectives consist of two parts: performance goals and competency development goals. The performance objectives are to be established, where possible, simultaneously with the approval of the annual business plan for the given year, or, in exceptionally justified cases, within 30 days thereafter. When preparing the performance objectives, the deadline for completing the target tasks (which cannot be later than 31 December of the given year) must be defined

[25] For MFB-Property Development Plc. data on the number of training hours is not available.

along with the competency development criteria. The performance objectives are prepared by the employee's immediate supervisor as specified in their job description; this supervisor may, if necessary, involve another manager from the relevant professional area or the supervisor's superior in determining the performance goals and competency development criteria. The evaluation of the performance objectives is also carried out by the employee's immediate supervisor, who may similarly involve another manager from the relevant professional area or their superior if necessary. The performance goals defined for the employee are determined based on organisation-wide goals related to the achievement of the business plan, directorate/department level goals and individual professional goals. As regards organisation-wide goals related to the achievement of the business plan, the same maximum of four indicators (including one sustainability indicator) are uniformly defined for all employees. Competency development goals are defined along with the competencies specified in the competency catalogue prepared by the Human Resources Directorate.

In 2025, managers were again responsible for ensuring that employees of MFB Plc. participated in an adequate number and quality of trainings, enabling them to acquire the knowledge necessary for more effective work performance and to meet competency expectations defined in the performance objectives. In line with the Bank's expectations - business goals and competency requirements - employee development and strengthening employee retention remained key objectives. In 2025, based on job-related competency requirements, the overall development needs for the entire Bank were defined by aggregating the competency development directions determined for each employee during individual performance assessments. Regarding training programmes, the focus areas in 2025 were job-related hard skill trainings, support for English language education, provision of individual coaching, as well as soft skill trainings, group hard skill trainings, ESG-related topics and user-level IT knowledge.

MFB Plc. considers it important that sustainability aspects should be reflected in the organisational culture and daily operations. To this end, the Bank set the objective of increasing employees' ESG-related awareness through training programmes. The objective is measured through the number of ESG-themed trainings organised for the Bank's employees. The baseline value is the number of ESG-themed trainings organised in 2025, which was three. The Bank's goal is to organise at least one ESG-themed training annually during the strategic period. The objective was defined for the ESG strategic period of 2024–2030. The aim of the training programmes is for employees to become familiar with the sustainability regulatory environment, the Bank's ESG objectives and the integration of sustainability considerations into business operations. The Sustainability and Human Resources areas cooperate in designing the training. The Bank monitors the number of trainings annually and reports the results in the Sustainability Report.

In the 2025 training strategy of MKK Plc. (as defined in the "Training Programme according to the Training Catalogue"), the main tasks - beyond expanding employees' existing knowledge - were supporting individual ambitions and encouraging the acquisition of new knowledge. In the 2025 Human Resource Management Plan of MKK Plc., the main objectives included broadening training and development activities, as well as organisational development and skills development. On this basis, the company's 2025 training plan defined various formal and non-formal educational programmes, centrally organised professional, specialised or other internal development trainings, development workshops, and various external trainings (such as mandatory professional further trainings required by law).

8.2.2 Equal Treatment and Opportunities

For the MFB Group, promoting diversity, equal treatment and equal opportunities are fundamental values. The Bank Group believes that its efficiency and effectiveness are influenced by openness and a positive attitude towards new ideas. The relevant regulations appear in the group level directive entitled "Code of Conduct and Ethics", in the Code of Conduct and Ethics approved by the Board of Directors in the case of MFB Plc., and in the internal instructions of the subsidiaries (according to the "Code of Conduct and Ethics" for Hiventures Plc., in the "Ethics Code" for MFB-Property Development Plc., in the "Regulation on Behaviour Appropriate to the Workplace" for MFB Invest Plc., and in the "Code of Conduct and Ethics" for MKK Plc.). MFB Plc. and the MFB Group members fully acknowledge the provisions set out in the Charter of the United Nations (including the Universal Declaration of Human Rights), the OECD Guidelines and the fundamental conventions of the International Labour Organisation (ILO), and they respect all human rights during their business activities, including labour rights. Within the Bank Group, each company has established - within its Code of Conduct and Ethics approved by the CEO, or, in the case of MFB Plc., approved by the Board of Directors - that it is committed to condemning all forms of discrimination based on gender, age, religion, race, political or trade union affiliation, linguistic differences or other distinctions, and to respecting the rights of persons with disabilities. These regulations are accessible on the internal intranet platforms of the Bank Group, and the individual company's websites also contain commitments relating to ethical principles and equal treatment. Within the Bank Group, explicit commitments related specifically to the promotion of diversity are held by MKK Plc., documented in its Equal Opportunities Plan.

The policies applicable to the Group's employees do not explicitly mention the prohibition of human trafficking, forced labour, or child labour. Given that these prohibitions are already established under international conventions, agreements and national legislation, the Group, by complying with labour regulations, excludes the possibility of human trafficking, forced labour, or child labour. The companies of the MFB Group are committed to ensuring that their employees do not face discrimination on the basis of gender, race, mother tongue, skin colour, ethnic or social origin, genetic characteristics, religion or belief, membership of a national minority, property, birth, family status, state of health, disability, geographical location, age or sexual orientation. On 2 December 2025, the group-level Code of Conduct and Ethics entered into force. The companies ensure equal opportunities and gender-neutral treatment for all employees, particularly regarding recruitment, remuneration, career development, and succession opportunities, return from long-term absence and access to training. At the same time, the MFB Group does not have group-level or subsidiary-level targets concerning the impacts related to diversity and equal treatment. Information on discrimination and human rights complaints related to these issues is presented in more detail in Section 8.3.3 Employee Reporting Channels.

In the Equal Opportunities Plan of MKK Plc., various employer measures have been designated to promote equal opportunities, including:

- support provided to employees raising children and the organisation of various events,
- the provision of part-time employment opportunities,
- ensuring equal opportunities regarding training needs and access to training programmes for employees over 40 years of age and those under 25,
- maintaining continuous contact with employees on unpaid leave due to childcare responsibilities and keeping them informed of opportunities affecting them, to support their return to work.

To ensure the implementation of the Equal Opportunities Plan, MKK Plc. has also appointed an Equal Opportunities Officer, who in 2024 was the head of the human resources management group.

The MFB Group primarily focused on gender equality within the organisation. Among its employees, women are in the majority (60.8%), while in senior management, the proportion of men is higher (75%). A total of 64.6% of employees are between 30 and 50 years of age, while colleagues under 30 and over 50 are present in smaller numbers within the Group. In line with its employment principles, the Bank Group seeks to cover the full spectrum of employees' career paths. More detailed information on the MFB Internship Programme and on employment through retirees' cooperatives is provided in Section 8.1.1 Introducing Our Employees. Although the Group currently employs a low number of persons with disabilities - five in total - it recognises the importance of a diverse workforce and the benefits of an inclusive workplace culture. At present, there are no specific measures in place to increase the employment of persons with disabilities; however, the MFB Group remains open to opportunities and solutions that may enable more effective support for the integration and employment of these workers. The number of persons with disabilities was determined based on Act CXCI of 2011.

Number of senior executives within the MFB Group, broken down by gender

The definition of senior management for the 2025 financial year was established in accordance with Section 208 of the Hungarian Labour Code.

Number of senior executives within the MFB Group, broken down by gender, at the end of the reporting year												
Gender distribution of executive management			2024					2025				
			Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MFB Plc	Information disclosed in 2024	number	2	9	0	0	11	0	2	0	0	2
		%	18.2	81.8	0.0	0.0	100.0	0.0	100.0	0.0	0.0	100.0
	Corrected 2024 information	number	0	2	0	0	2					
		%	0.0	100.0	0.0	0.0	100.0					
Hiventures Plc.	number		0	1	0	0	1	0	1	0	0	1
	%		0.0	100.0	0.0	0.0	100.0	0.0	100.0	0.0	0.0	100.0
MFB-Property Development Plc.	number		1	0	0	0	1	1	0	0	0	1
	%		100.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	100.0
MFB Invest Plc.	number		0	2	0	0	2	0	2	0	0	2
	%		0.0	100.0	0.0	0.0	100.0	0.0	100.0	0.0	0.0	100.0
MKK Plc.	Information disclosed in 2024	number	1	3	0	0	4	1	1	0	0	2
		%	25.0	75.0	0.0	0.0	100.0	50.0	50.0	0.0	0.0	100.0
	Corrected 2024 information	number	1	1	0	0	2					
		%	50.0	50.0	0.0	0.0	100.0					

In 2024, MFB Plc. reported the number of members of its management bodies (the Board of Directors and the Supervisory Board) as senior management in the above table. For the 2025 financial year, senior management was defined uniformly in accordance with Section 208 of the Hungarian Labour Code, referring to the Chief Executive Officer and their deputy/deputies. Similarly, in 2024, MKK Plc. reported the Chief Executive Officer and the Executive Directors as senior management in the above table. For 2025, senior management was likewise defined uniformly based on Section 208 of the Hungarian Labour Code, referring to the Chief Executive Officer and their deputy/deputies.

Number of employees within the MFB Group, broken down by age, at the end of the reporting year												
			2024					2025				
	Distribution and number of employees		Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MFB Plc.	Under 30 years of age	number	15	17	0	0	32	18	23	0	0	41
		%	2.8	3.2	0.0	0.0	6.1	3.0	4.1	0.0	0.0	7.1
	Between 30 and 50 years	number	205	143	0	0	348	203	138	0	0	341
		%	38.9	27.1	0.0	0.0	66.0	36.3	24.6	0.0	0.0	60.9
	Over 50 years of age	number	88	59	0	0	147	104	74	0	0	178
		%	16.7	11.2	0.0	0.0	27.9	18.6	13.2	0.0	0.0	31.8
Hiventures Plc.	Under 30 years of age	number	5	4	0	0	9	0	4	0	0	4
		%	7.9	6.3	0.0	0.0	14.3	0.0	8.7	0.0	0.0	8.7
	Between 30 and 50 years	number	22	24	0	0	46	25	13	0	0	38
		%	34.9	38.1	0.0	0.0	73.0	54.3	28.3	0.0	0.0	82.6
	Over 50 years of age	number	1	7	0	0	8	2	2	0	0	4
		%	1.6	11.1	0.0	0.0	12.7	4.4	4.4	0.0	0.0	8.8
MFB-Property Development Plc.	Under 30 years of age	number	0	0	0	0	0	0	0	0	0	0
		%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Between 30 and 50 years	number	7	5	0	0	12	6	3	0	0	9
		%	41.2	29.4	0.0	0.0	70.6	37.5	18.75	0.0	0.0	56.25
	Over 50 years of age	number	2	3	0	0	5	2	5	0	0	7
		%	11.8	17.6	0.0	0.0	29.4	12.5	31.25	0.0	0.0	43.75

Number of employees within the MFB Group, broken down by age, at the end of the reporting year												
			2024					2025				
	Distribution and number of employees		Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MFB Invest Plc.	Under 30 years of age	number	0	0	0	0	0	0	0	0	0	0
		%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Between 30 and 50 years	number	10	6	0	0	16	7	9	0	0	16
		%	35.7	21.4	0.0	0.0	57.1	25.0	32.1	0.0	0.0	57.1
	Over 50 years of age	number	6	6	0	0	12	6	6	0	0	12
		%	21.4	21.4	0.0	0.0	42.9	21.4	21.4	0.0	0.0	42.9
MKK Plc.	Under 30 years of age	number	16	7	0	0	23	16	4	0	0	20
		%	5.5	2.4	0.0	0.0	7.9	5.2	1.3	0.0	0.0	6.5
	Between 30 and 50 years	number	129	66	0	0	195	138	77	0	0	215
		%	44.0	22.5	0.0	0.0	66.6	44.8	25.0	0.0	0.0	69.8
	Over 50 years of age	number	56	19	0	0	75	55	18	0	0	73
		%	19.1	6.5	0.0	0.0	25.6	17.9	5.8	0.0	0.0	23.7

Number of persons with disabilities within the MFB Group, broken down by gender at the end of the reporting year											
		2024					2025				
Number and proportion of people with disabilities among its employees		Female	Male	Other	No information	Total	Female	Male	Other	No information	Total
MFB Plc.	number	0	0	0	0	0	0	0	0	0	0
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hiventures Plc.	number	0	0	0	0	0	0	0	0	0	0
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MFB-Property Development Plc.	number	0	0	0	0	0	0	0	0	0	0
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MFB Invest Plc.	number	0	0	0	0	0	0	0	0	0	0
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MKK Plc.	number	2	1	0	0	3	4	1	0	0	5
	%	0.68	0.34	0.00	0.00	1.02	1.30	0.32	0.00	0.00	1.62

Within the MFB Group, the percentage rate of the gender pay gap for 2025 was calculated in accordance with the requirement set out by the ESRS (ESRS S1 AR 98 (b)). The company also recalculated the 2024 data on the basis of this guidance. In 2024, the average gross hourly wage of women was divided by the average gross hourly wage of men, whereas under AR 98 (b) the Bank calculated the percentage by taking the difference between the average gross hourly wage of male employees and the average gross hourly wage of female employees, dividing it by the average gross hourly wage of male employees and multiplying by 100.[26] In 2025, there was no significant difference in the average pay of men and women within the same employee categories. In addition, the ratio of the total annual remuneration of the highest paid individual to the median of the total annual remuneration of employees (excluding the highest- -paid individual) is presented in detail in the table below for each company.

1 Gender pay gap		
Company	**Year**	**Difference between the average pay level of female and male employees, expressed as a percentage of the average salary level of male employees (%)**
MFB Plc.	2024	85.10
	Corrected 2024 information	14.90
	2025	14.61
Hiventures Plc.	2024	77.70
	Corrected 2024 information	22.30
	2025	30.68
MFB-Property Development Plc.	2024	97.50
	Corrected 2024 information	2.50
	2025	3.48
MFB Invest Plc.	2024	75.70
	Corrected 2024 information	24.30
	2025	29.50
MKK Plc.	2024	76.75
	Corrected 2024 information	23.25
	2025	26.46

[26] According to the ESRS S1 S1-16 AR 98 formula: Gender pay gap = [(Average gross hourly pay of male employees – Average gross hourly pay of female employees) / (Average gross hourly pay of male employees)] × 100.

Pay ratio between the annual remuneration of the highest paid individual and the median annual remuneration- of all employees.		
Company		**Ratio of the total annual remuneration of the highest paid individual to the median of the total annual remuneration of all employees (excluding the highest- paid- individual) (%).**
MFB Plc.	2024	454.55
	2025	413.75
Hiventures Plc.	2024	322.64
	2025	306.77
MFB-Property Development Plc.	2024	217.39
	2025	209.74
MFB Invest Plc.	2024	199.20
	2025	213.77
MKK Plc.	2024	652.46
	2025	600.51

When compiling the indicator relating to the ratio of the total annual remuneration of the highest paid individual to the median of the annual total remuneration of all employees (excluding the highest paid individual), all employees were included in the calculation, and - depending on the remuneration policies of the companies - the base salary (which is the sum of guaranteed, short-term and non-variable monetary income) and the annual bonus (monetary payments, defined as the sum of base salary and monetary benefits, rewards, commissions, profit sharing payments and other forms of variable cash payments - set at 20% of the annual base salary).

In the 2024 financial year, MFB Plc. calculated only the base salary; however, for consolidation purposes, this was amended this year as described above. Based on the resulting data, the total annual remuneration granted to the highest earning individual was proportioned to the median of the total annual remuneration of employees (excluding the highest paid- individual).[27]

[27] According to the ESRS S1 S1-16 AR 101 formula: Ratio = (Total annual remuneration of the highest-paid individual) / (Median of the total annual remuneration of employees, excluding the highest-paid individual).

8.3 Retention of Our Employees

Material subtopic	**Other work-related rights**	
Used standards	**ESRS S1**	
Introduction	Description of the MFB Group's initiatives and complaint handling processes supporting privacy protection.	
Supported Sustainable Development Goals (UN SDG)	 	
Relevance of the material topic to the MFB Group	Basis of materiality	Impact materiality
	Impacts	MFB Plc.'s Code of Conduct and Ethics sets out fundamental principles concerning employees, one of which is the Bank's respect for employees' privacy. (Own Operation)
	Financial risks	-
	Financial opportunities	-
Management of the material topic	Connection to ESG strategy	Family-friendly workplace
	Corporate Policies	Related policies and rules of Hiventures Plc.: • Code of Conduct and Ethics • Operating rules • Occupational Health and Safety Rules • Instructions from the CEO on the Internal Information on Objection, Complaint Handling and Whistleblowing Related policies and rules of MFB Plc.: • Anti-corruption policy • Code of Conduct and Ethics (internal instruction) • Code of Conduct and Ethics (Group level policy) • Organisational and Operational Rules • Strategy and policy and procedures for preventing and dealing with fraud • Fraud prevention rules for the use of EU funds

Management of the material topic	Corporate Policies	Related policies and rules of MFB-Property Development Plc.: • Code of Ethics • Occupational Health and Safety Rules • Organisational integrity violations policy Related policies and rules of MFB Invest Plc.: • Code of Conduct Appropriate for the Workplace • Policy for handling incidents that violate organisational integrity • Labour Rules Associated policies and rules of MKK Plc.: • Anti-corruption Policy • Strategy and Policy for the Prevention and Management of Fraud • Anti-Money Laundering and Sanctions Policy and Procedure • Code of Conduct and Ethics
	Actions	Operation of reporting channels
	Metrics	Proportion of people taking family leave (%) Percentage of persons covered by the health and safety management system (%) Total number of cases of discrimination, including harassment (number)
	Targets	The companies of the Banking Group do not assign quantified, measurable KPIs to other work-related rights.

8.3.1 Employee Information and Consultation

We believe that employee information and consultation, and maintaining two-way communication, play an extremely important role in retaining our employees. The MFB Group does not have a unified group-level communication channel or policies regarding cooperation and communication with employees. Subsidiaries ensure the channelling of employee interests and opinions in different ways.

The primary communication channels towards employees at the companies comprising the MFB Group are the various corporate regulations, instructions, management briefing circle emails, the internal intranet website, as well as "all staff" meetings and online and in-person professional and team meetings. There is no collective agreement in force within the Group, and the companies do not have agreements regarding representation of their employees by a European Works Council (EWC), a European Company (SE) works council, or a European Cooperative Society (SCE) works council. The Bank Group has likewise not entered into separate agreements concerning respect for the human rights of its own workforce, as compliance with such obligations is required by law. The companies' codes of conduct and ethics also state that respect for employees' private lives, personality rights and human dignity is fundamental to establishing a working relationship based on mutual trust.

In addition to regular information sharing, we consider it important to understand our colleagues' views on topics that affect corporate operations and employees' daily work. There is no dedicated channel for gaining insight into the situation of persons within the Group's own workforce who are particularly vulnerable to impacts and/or marginalised (such as women, migrants and persons with disabilities). Our

employees may communicate their observations, problems and suggestions primarily to their direct supervisors and to colleagues working in the human resources area. The proportion of employees covered by employee representation within the Group is 58.5%. Therefore, the HR managers of the Group's subsidiary companies bear primary responsibility for effective cooperation with employees. Reporting information on unlawful or allegedly unlawful acts or omissions, or other misconduct, is carried out at the companies using an effective and reliable internal whistleblowing system in accordance with applicable legal and other requirements; further details are provided in Section 8.3.3 Employee Whistleblowing Channels. Not all Group subsidiaries measure the effectiveness of their cooperation with employees using a formalised effectiveness assessment method.

In addition, at MFB Plc., cooperation is continuous with the works council elected by the employees, which acts as the representative of the employee collective and ensures regular and regulated communication between employees and the employer. The works council's purpose also includes ensuring employee participation in the employer's decisions. The works council chairperson is operationally responsible for ensuring cooperation, providing feedback on opinions and integrating these into the Bank's operations; the chairperson is elected 15 days after the formation of the council. The Bank conducts an employee satisfaction survey every two years; further details may be found in Section 8.3.2 Employee Satisfaction. Due to their size, MKK Plc., MFB--Property Development Plc., Hiventures Plc. and MFB Invest Plc. do not operate such channels.

8.3.2 Employee Satisfaction

In addition to the communication opportunities described in detail in Section 8.3.1 Employee Information and Consultation, one further form of cooperation and shared perspective building is the assessment of employee satisfaction. Employees constitute one of the cornerstones of the MFB Group's operations; therefore, it is important that they regularly share their opinions with management. The Bank Group does not have group-level unified policies or plans regarding satisfaction measurement. Only MFB Plc. has established formalised employee satisfaction measurement processes to monitor the effectiveness of its measures aimed at managing the significant impacts, risks and opportunities on its own workforce. Hiventures Plc., MFB Invest Plc., MFB-Property Development Plc. and MKK Plc. do not have dedicated systems for monitoring this, as their size and employee numbers do not justify such systems. These companies assess employee well-being through annual team-building programmes and one-on-one meetings. They can track the effectiveness of this through annual organisational development programmes.

To achieve progress in the company's internal community, professional knowledge and working environment, MFB Plc. uses employee feedback as guidance for managers in setting appropriate goals. In this spirit, in 2021, it launched a questionnaire-based employee satisfaction measurement system. It is essential for the company to regularly receive a real-time and comprehensive picture of employee satisfaction; therefore, it sets the goal of repeating the survey every two years. The satisfaction survey is voluntary and fully anonymous, meaning the identity of respondents cannot be identified. The Bank provided feedback on the results to colleagues - both employees and managers - and prepared an action plan based on the analysis of results in areas requiring intervention. The action plan included commitments to strengthening internal communication and providing managerial feedback to all employees. The most recent satisfaction survey was conducted in October 2023 with a participation rate of 93.1%. In 2025, the Bank did not conduct a satisfaction survey; in agreement with senior management, it decided to reschedule it, with the exact date yet to be determined.

Hiventures Plc. and MFB Invest Plc. also incorporate employee feedback received through other channels into their processes. Feedback expressed during exit interviews is reported by HR business

partners to managers, and action is taken if necessary. Signals raised to managers or the HR department are investigated in all cases, and if justified, an action plan is developed to address the issue. Each year benefits available under the cafeteria framework and options for social assistance are reviewed and expanded or modified based on employee needs. To continuously improve working conditions, companies take employee opinions into account when procuring office equipment and furnishings, determining their placement, and arranging office decoration. In addition to training programmes, numerous team building and leisure activities are organised based on employee feedback.

MFB--Property Development Plc. holds “all staff” meetings several times a year with the participation of all employees, during which, in addition to current processes and general issues related to the company’s business operations, other problems, suggestions and needs are also discussed. Employees may additionally contact their direct supervisors at any time with individual problems, needs and suggestions, for which mutually satisfactory responses are provided. The Chief Executive Officer of the company, as the holder of employer rights, is always available on short notice for HR related- or other employee matters and supports the identification of mutually acceptable solutions.

At MKK Plc., an employee initiative called the “ideas box” was introduced, enabling colleagues to express observations and suggestions anonymously. In addition to the ideas box, employees may anonymously submit questions directly to the CEO. The CEO provides weekly email updates with public responses to all questions received. In 2025, MKK Plc. also introduced an “all staff” meeting with the participation of all employees, where current processes and general topics related to the company’s business activities are discussed. In addition, employees may communicate their observations to their direct supervisors or colleagues working in the HR department, ensuring direct two-way communication.

8.3.3 Employee Reporting Channels

The MFB Group, as a responsible Bank Group, pays special attention to providing safe and transparent reporting lines and complaint channels for its employees. These channels do not operate at Group level but separately at each company, enabling employees to report any problem, concern or misconduct with confidence, thereby ensuring open communication and effective problem solving within each company. The reporting lines were established and operated by the individual companies in accordance with the requirements set out in various pieces of legislation. Their operating procedures are defined in internal corporate regulations, which are detailed below.

MFB Plc. provides various complaint mechanisms for its own workforce to directly raise their concerns or needs. The Ethics Committee is the body authorised to investigate ethical matters, notifications under Section 116 of Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (Hpt.), complaints, public interest disclosures, notifications under Act XXV of 2023 on Rules Related to Whistleblowing (hereinafter: Whistleblowing Act), as well as notifications falling under Decree 30/2024 (VI. 24.) of the Hungarian National Bank (MNB) on the detailed rules for the implementation of certain obligations set forth in the law on the prevention and combating of money laundering and terrorist financing by service providers supervised by the MNB, and the minimum requirements for designing and operating the screening system of such service providers for the implementation of financial and property restrictive measures ordered by the European Union and the UN Security Council (hereinafter: MNB Decree). The Committee is also authorised to issue opinions on ethical matters. The Bank does not have a separate policy for the protection of whistleblowers; however, its internal Conduct and Ethics Regulation contains detailed rules relating to whistleblowing. MFB Plc. operates a whistleblowing system ensuring anonymity under Section 34 of the MNB Decree, which enables employees to anonymously report information indicating money laundering, terrorist financing or other criminal

offences. In addition, in accordance with the Whistleblowing Act, it also operates an effective and reliable internal whistleblowing system that encourages the reporting of unlawful acts. The Bank considers unlawful and avoids taking adverse actions against a whistleblower under Section 33 of Act LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing (Pmt.); this includes, in particular, any employer action that is disadvantageous or discriminatory from the employee's perspective. The whistleblower may submit a complaint or request remedy against the adverse action to the Ethics Committee. The Bank is committed to protecting whistleblowers from adverse legal consequences; therefore, it provides several channels for submitting anonymous reports. Reports of the infringements described above and other ethical notifications can be submitted via the following channels: by email to etikaieljaras@mfb.hu, by postal or internal mail to the registered office of MFB Plc., or via the Bank's website at https://www.mfb.hu/bejelentes. The operational rules and conditions of the reporting lines and the Ethics Committee are included in the Conduct and Ethics Regulation. If an employee of MFB Plc. suffers a human rights violation, the ethical procedure set out in the Conduct and Ethics Regulation governs the correction of the impacts suffered. The task of the Ethics Committee is to provide clear guidance on following ethical conduct through its opinions and decisions in general and individual cases. Its responsibilities and powers include issuing opinions on general matters related to the application of the Conduct and Ethics Regulation, making proposals based on practical experience, contributing to the development of the Conduct and Ethics Regulation and corporate culture, investigating infringements referred to in the regulation, and conducting ethical procedures in individual cases in the event of suspected ethical misconduct. The investigation of reports submitted by Bank employees takes place within an ethical procedure, for which a period of 10 working days is available. Documents generated during the ethical procedure are handled by the Compliance Directorate, which is responsible for the lawful management of the Ethics Committee's documentation. If a violation of one or more provisions of the Regulation is established, but the individual under procedure did not violate legislation or other internal regulatory documents, the Committee issues a warning and calls for compliance with ethical standards. In the case of a violation of legislation, the Committee shall determine a lack of competence and shall notify the competent manager of the Bank. The 2023 employee satisfaction survey of MFB Plc. also examined how well employees know and trust the processes and channels available for raising and managing concerns. The results showed that 74.5% of participating employees considered internal communication systems and channels to be appropriate, and 76.3% believed that the available information is always current and up to date.

Employee reporting channels at MFB Plc.			
Scope of persons entitled to report	**Location of the reporting channel**	**Legal background**	**Company Policy**
Name of reporting channel: Suspicion of fraud			
Anyone – including employees – who has noticed irregularities either in connection with EU tenders or in the case of lending from own funds and wishes to make a report.	On the website of MFB Plc., the https://www.mfb.hu/bejelentes page and the csalasmegelozes@mfb.hu e-mail address	-	Strategy and policy procedure for the prevention and management of fraud Fraud prevention policy in relation to the use of EU funds
Name of reporting channel: Internal whistleblowing (suspected or corrupt conduct)			
a) the employee,	On the website of MFB Plc., the https://www.mfb.hu/bejelentes page	Section 18 of the Whistleblowing Act	Code of Conduct and Ethics and Anti-Corruption Policy
b) the Employee whose Employment Relationship with the Bank has been terminated, and			
c) a person wishing to enter into an employment relationship with the Bank in respect of whom the procedure for establishing such a legal relationship has been initiated.			
d) a person holding an ownership stake in the Bank, as well as a manager or a person in a managerial position of the Bank,			
e) trainees performing activities for the Bank,			
Name of reporting channel: Reporting infringements (general)			
Employees and executive officers of MFB Plc.	From the provisions of the Code of Conduct and Ethics (internal instruction)	Section 116 of the Hot.	Pursuant to the provisions of the Code of Conduct and Ethics within the framework of an ethical procedure, before an Ethics Committee
Name of reporting channel: Whistleblowing system			
Employees and executive officers of MFB Plc. (those who are aware that the service provider is violating or has violated the provisions of the Pmt. may act through the reporting system)	Employees and executive officers of MFB Plc. (those who are aware that the service provider is violating or has violated the provisions of the Pmt. may act through the reporting system)	Employees and executive officers of MFB Plc. (those who are aware that the service provider is violating or has violated the provisions of the Pmt. may act through the reporting system)	Employees and executive officers of MFB Plc. (those who are aware that the service provider is violating or has violated the provisions of the Pmt. may act through the reporting system)

Employee reporting channels at MFB Plc.			
Scope of persons entitled to report	**Location of the reporting channel**	**Legal background**	**Company Policy**
Name of the reporting channel: Rules of complaint and legal remedy against adverse measures related to the submission of a report under the Pmt.			
An employee who makes a report and who, in his opinion, has been subjected to a disadvantageous measure by the employer	An employee who makes a report and who, in his opinion, has been subjected to a disadvantageous measure by the employer	An employee who makes a report and who, in his opinion, has been subjected to a disadvantageous measure by the employer	An employee who makes a report and who, in his opinion, has been subjected to a disadvantageous measure by the employer

The Hiventures Plc. also provides several complaint mechanisms for its own workforce: electronically via the email address panasz@hiventures.hu, by post, or through the "Anonymous Box" located on the company's premises. Incoming complaints are handled and recorded by the Compliance function, and, if necessary, the Ethics Committee is also convened. The operational rules of the Ethics Committee are laid down in the Code of Conduct and Ethics, while the methods and rules for submitting reports are specified in the company's internal guideline on objection, complaint handling and whistleblowing (according to the "CEO Instruction on Internal Guidelines for Objection, Complaint Handling and Whistleblowing"). The Ethics Committee may initiate an ethical procedure, a hearing and the issuance of an opinion, and may determine in its decision whether no ethical violation has occurred or whether one or more provisions of the relevant regulations have been breached. The Committee investigates reports received from employees within 10 working days. The notifier is informed in writing about the results of the investigation and the measures taken. The Compliance Directorate maintains records of the reports and measures taken and ensures the effectiveness of the system by monitoring reports and analysing feedback. The Code of Conduct and Ethics, as well as the Complaint Handling Regulations (according to the "CEO Instruction on Internal Guidelines for Objection, Complaint Handling and Whistleblowing") are published in the customary manner, ensuring that employees know how to raise and have their concerns/needs addressed; however, the company does not have an appropriate methodology for assessing how much employees trust the proper investigation of reports and the effectiveness of these reporting channels.

Among the channels provided to the employees of MFB-Property Development Plc. is the internal whistleblowing system, which enables employees to anonymously report events that violate organisational integrity. Its operation is regulated by the company's Ethics Code and the Regulation on Events Violating Organisational Integrity. This channel was created by the company itself, and reports are collected in a locked mailbox, which is regularly checked by the company's Legal Counsel. Employees may also submit their concerns electronically through the integrity violation reporting link available on the company's website at integritassertoesemenyek@mfbingatlan.hu. MFB-Property Development Plc. provides regular training for employees on reporting options and procedures, thus ensuring that all employees are aware of available channels and trust the investigation of reports in accordance with the prescribed rules. The Internal Audit function is responsible for monitoring and resolving raised issues, registering and evaluating reports to ensure effectiveness. The deadline for investigating reports is generally 30 days, and 15 days in urgent cases, which allows for a prompt response. To prevent or mitigate significant negative impacts on its own workforce, the Company holds all staff meetings several times a year with the participation of all employees, where, in addition to current processes and general topics related to the company's business activities, other problems, suggestions and needs are also discussed. Employees may furthermore contact their direct supervisors

at any time to communicate individual problems, needs- and suggestions, to which mutually satisfactory responses are provided.

MFB Invest Plc. has a Regulation on Behaviour Appropriate to the Workplace as well as a Regulation on the Management of Events Violating Organisational Integrity, which set out general ethical principles, behavioural norms and the handling of breaches thereof. For reporting perceived events violating organisational integrity or breaches of the behavioural requirements, or for submitting complaints, the following personal channels are available: the direct supervisor; if the direct supervisor is personally concerned, then the supervisor of the direct supervisor; or directly the Internal Auditor. Such identified cases must initially be treated only as suspected events violating organisational integrity; this suspicion may later be confirmed or disproved through investigation. Reported risks and events must be registered under a separate registration number upon receipt, in accordance with the provisions of the Document Management Regulation, so that they also serve as records. In the preliminary assessment of reported risks and events, the Internal Auditor must, in cooperation with the Legal Director and the Compliance Officer, investigate whether, based on the available information, the report meets the definition of an event violating organisational integrity and whether its extent and risk justify an internal audit investigation. The deadline for investigating reports is 30 days from registration. MFB Invest Plc. takes all necessary measures to ensure that its employees become familiar with the rules applicable to them (for example, through consultations with managers, all staff meetings, onboarding and annual training). Beyond this, each employee has an individual obligation to familiarise themselves with and comply with the legal obligations, relevant internal regulations, guidelines and instructions applicable to their tasks and responsibilities. The Company's internal regulations in force are available to all employees on the shared drive.

MKK Plc.'s general corrective approach and procedures for preventing and mitigating significant negative impacts on its own workforce are implemented through the operation of the internal whistleblowing system. The purpose of this system is to provide employees with the opportunity to report any unlawful or allegedly unlawful act or omission or other misconduct, including suspected fraud, money laundering or ethical concerns, even anonymously. If the report concerns suspected fraud, the MKK Plc. Strategy and Policy for the Prevention and Management of Fraud must be applied. If the report contains data, facts or circumstances indicating money laundering, terrorist financing or a criminal offence, the Anti-Money Laundering Prevention Regulation ("Policy and Strategy on the Prevention and Combating of Money Laundering and Terrorist Financing") must be applied. Employees may submit reports through various channels, including email, postal mail, telephone, personal reporting, or the TOPDesk system available on the intranet. These channels were created and they are operated by the company itself. To monitor reports and resolve issues, the Compliance Group maintains records of the reports and the measures taken to address them. When handling reports, the Compliance Group ensures the protection of the whistleblower's identity and compliance with data protection requirements. The effectiveness of the system is ensured through regular evaluation of reports and consideration of employee feedback. MKK Plc. ensures that new employees, following the establishment of their employment relationship, as well as all employees, through annual training, become familiar with the processes available for raising concerns or needs.

Respect for human rights is an important aspect both in relation to employees and business partners, and the MFB Group places great emphasis on this in its regulations, organisational practices, communication and complaint handling procedures. For employee retention, it is essential to establish appropriate ethical regulations and to keep incidents, complaints and serious human rights impacts at the lowest possible level, ensuring continuous monitoring. One important element of the Group's human resources policy is combating discrimination. Based on the MFB Group's records, there were no cases of

discrimination or harassment in 2025. No complaints were submitted through the employee complaint handling channels or to the national contact points under the OECD Guidelines during the reporting period. Consequently, there were also no monetary fines, sanctions, or damages resulting from such incidents or complaints. In 2025, there were no serious human rights related incidents concerning the workforce, including cases where relevant international standards were not complied with. In addition, in the case of MFB Plc., no incidents, complaints or serious human rights impacts have yet been detected, and no circumstances have arisen requiring an ethical procedure or the establishment of the Ethics Committee since the introduction of the ethical procedure mechanism.

Detection of incidents, complaints and severe human rights impacts						
	MFB Plc.	**Hiventures Plc.**	**MFB-Property Development Plc.**	**MFB Invest Plc.**	**MKK Plc.**	**Total**
	Total number of cases of discrimination, including harassment (number)					
2024	0	0	0	0	0	0
2025	0	0	0	0	0	0
	Number of complaints lodged (number)					
2024	0	0	0	0	0	0
2025	0	0	0	0	0	0
	Total amount of fines, sanctions and damages imposed as a result of the incidents and complaints described above (HUF thousand)					
2024	0.0	0.0	0.0	0.0	0.0	0.0
2025	0.0	0.0	0.0	0.0	0.0	0.0
	Number of serious human rights violations related to the company's workforce (number)					
2024	0	0	0	0	0	0
2025	0	0	0	0	0	0
	Total amount of fines, sanctions and damages imposed as a result of the incidents and complaints described above (HUF thousand)					
2024	0.0	0.0	0.0	0.0	0.0	0.0
2025	0.0	0.0	0.0	0.0	0.0	0.0

9. Social impacts of sustainable finance and fundraising

Material topic	**Indirect economic impact**	
Used standards	**GRI 201-1**	
Introduction	The chapter presents the role of the MFB Group in stimulating the economy through the publication of the economic value directly generated and distributed by the Group.	
Supported Sustainable Development Goals (UN SDGs)		
Connection of material topic to the MFB Group	Basis of materiality	Impact materiality Financial materiality
	Impacts	The MFB Group (except MKK Plc.) supports the development of the Hungarian economy through its financing and Risk-taking activities—including support programmes, lending, corporate support, equity investments and guarantees. MKK Plc., as a debt-management competence centre, helps increase the Group's profitability and, as a significant player in the receivables purchasing/servicing market, has an impact on the stability of the financial sector and thereby on GDP contribution. (Across the value chain)
	Financial risks	-
	Financial opportunities	Market turbulence can create situations in which the MFB Group's counter-cyclical economic role can assert itself, thereby supporting the resilience of the Hungarian economy. (Across the value chain)
Management of material topic	Connection to ESG strategy	Sustainable Fundraising and Financing Focus Area
	Corporate Policies	Related policies and rules of Hiventures Plc.: • Statutes • Annual Business Plan • Operational Rules Related policies and rules of MFB Plc.: • Statutes • Annual Business Plan • Organisational and Operational Rules • Business Strategy for the Period 2022-2030

Management of material topic	Corporate Policies	Related policies and rules of MFB- Property Development Plc.: • Statutes • Annual Business Plan • Business Strategy for the Period 2022-2030 • Organisational and Operational Rules Related policies and rules of MFB Invest Plc.: • Statutes • Annual Business Plan • Organisational and Operational Rules Related policies and rules of MKK Plc.: • Statutes • Annual Business Plan • Organisational and Operational Rules
	Priority actions	The economic stimulus activities of the MFB Group are presented in the 2nd section of the report. They are presented in detail in the chapter on the presentation of the MFB Group and in the Consolidated Financial Report of the MFB Group.
	Metrics	Directly generated and distributed economic value by MFB Group
	Targets	The basic objective is to carry out the activities specified in the Articles of Association of the companies in accordance with the annual Business Plans, and to compile a true and fair view of the assets, financial and income situation of the MFB Group and its changes in accordance with the actual circumstances in the annual consolidated financial statements.

9.1 The role of the MFB Group in economic stimulation

The basic task of the MFB Group is to support domestic economic development, to address market deficiencies, and to provide financing on favourable terms for market participants that enables investments and developments. The core activities of the Group's companies are set out in the Statutes of each company, and they carry out their activities based on their Annual Business Plans. MFB Plc.'s Business Strategy for the Period 2022–2030 defines the medium-term strategic directions, and the implementation of the related Annual Business Plans is coordinated by the Chair Chief Executive Officer through the responsible banking organisational units. The business plans of the subsidiaries are decided by their Founder, MFB Plc., and their implementation is guaranteed by the CEOs of each subsidiary. The results achieved are reported in the annual consolidated and individual financial statements.

Under the MFB Act (Act XX of 2001), one of the key tasks of MFB Plc. is to support the State's economic policy, particularly by assuming a financing role in the event of an economic downturn or a decrease in commercial bank financing, in which loan programmes sold through refinancing and financial intermediary channels play a key role. To achieve the objectives set out in this Act, the Bank launches programmes whose primary objective is to provide support to micro-, small- and medium-sized enterprises (and, in the case of certain programmes, large enterprises) by offering preferential interest rate funds to help maintain their competitiveness and the continuity of their development. By the nature of its financing and refinancing role, the social impacts of the Banking Group materialise predominantly in the form of indirect economic effects in the communities concerned. Preferential funds enable enterprises to carry out investments and maintain their operations, resulting in the creation and

preservation of jobs, the strengthening of supplier networks, improved access to services and infrastructure, and the mitigation of regional disparities. As these impacts ultimately become visible to communities, the indirect economic effects are presented in Chapter S3 – Affected Communities. The GRI 2011 indicator indicates the scale of available resources and financial frameworks that form the backdrop to these community impacts.

In accordance with the provisions of the Organisational and Operational Rules (SZMSZ), the Business Division is responsible — in line with the short and long-term business policy and strategy of MFB Plc., including the sales strategy — for the preparation and implementation of decisions related to the refinancing, intermediary and direct channel placement activities of MFB Plc. It performs tasks related to the organisation, support and operation of sales channels, product design and marketing support for sales, and manages loans granted directly and through intermediaries. It ensures that regulatory documents and work processes related to the management of European Union funds comply with EU and domestic regulations as well as carries out professional coordination arising in connection with venture capital investments within the Bank.

The processes related to the business activities of MFB Plc. are set out in the following main corporate rules concerning tasks related to EU fund management:

- Regulation on controls related to EU funds for the 2021–2027 programming period,
- Risk-taking Strategy and Policy related to EU funds,
- Procedure on transaction classification and evaluation related to EU fund management activities (for the 2021–2027 programming period and the programmes related to the implementation of Hungary's Recovery and Resilience Plan),
- Regulation on programme monitoring related to the financial instruments of Hungary's Recovery and Resilience Plan,
- Fraud prevention rules for the use of European Union funds.

Tasks related to the Bank's own funded loan programmes are regulated by the Product Management Policy for the Bank's Own Funded Products. In the case of subsidiaries, the main areas of activity are set out in the respective companies' Statutes and Organisational and Operational Rules.

The activities of the MFB Group, as a development banking group, continued in 2025 to complement the operation of the domestic financial system in such a way that it participated in financing transactions that could not be effectively financed by commercial banks but were desirable from a national economic perspective. A stable economic environment facilitates the operation of the MFB Group.

The performance of the Hungarian economy has been fluctuating since the end of 2022. Following a temporary decline of –0.3% in the first quarter of 2025, the volume of GDP increased again: in the second quarter of 2025 — adjusted for calendar effects — it exceeded the level of a year earlier by 0.3%, in the third quarter by 0.6%, and in the fourth quarter by 0.5%. In 2025, the volume of GDP grew by 0.4%, which represents a more subdued performance compared to the EU average (1.6%). Growth was essentially one pillar, meaning that economic expansion was driven by stronger household consumption, supported also by fiscal impulses. At the same time, the increase in GDP volume was strongly restrained by the collapse in investment demand and the weaker performance of foreign trade. The latter was shaped by the slow revival of export markets and the protracted crisis of the European automotive industry. The decline in external demand was also reflected in the fall in industrial production.

The investment performance of the national economy — based on seasonally and calendar adjusted data — reached a record high in mid-2022 but has been continuously decreasing year on year since then. In

2025, the volume of investments fell short of the previous year by 4.3%, caused by a decline in construction investments, while investments in machinery and equipment changed only marginally. In terms of economic sectors, the decline in investments was primarily the result of lower volume developments in the manufacturing industry. The reasons underlying the slowdown in developments are diverse (e.g. weak external economic conditions, corporate pessimism regarding economic prospects, low utilisation of production capacities, unfavourable budgetary conditions, and depletion of EU funds). Developments were not supported by the fact that the Monetary Council of the MNB did not change monetary conditions in 2025, and the base rate has remained at 6.50% since October 2023.

The average increase in consumer prices was above 5% in January–February 2025, and thereafter between 4% and 5% from March to October. In the first half of the year, the rate of price increases exceeding the inflation target band (3±1%) was driven by the rise in service and food prices. The margin stops introduced in March and later extended to further product categories gradually curbed food inflation. In November, a sharp slowdown began, and in December, the rate of price increase was only 3.3%. This was supported by the passthrough effect of the strengthening HUF, statistical base effects (particularly for food), the restrained pricing intentions of enterprises, the decline in fuel prices, and the extension of the margin stops. In 2025, consumer prices rose on average by 4.4% compared to 2024.

MFB Plc.'s performance in 2025 was influenced by external factors stemming from the high export orientation of the national economy (the transformation of production chains as protectionism strengthened, structural problems in export markets), subdued economic growth, declining investments, the strengthening of the forint against the euro due to the general weakening of the dollar, and the halt in the domestic monetary easing cycle. In Hungary, in 2025, the strict monetary policy slightly reduced the interest rates on newly granted long-term corporate HUF loans, which — together with a minimal increase in corporate investment intentions — contributed to a moderate strengthening of loan demand. This is in line with the results of MFB's corporate questionnaire surveys (MFB-INDIKATOR): by autumn 2025, the proportion of companies intending to involve some kind of external financing within the next 12 months increased from 24% in the previous year to 25%.

The GRI 201 Economic Performance 2016 topic-specific standard contains disclosures that allow organisations to report on the impacts related to their economic performance and how they manage those impacts. Within this, the Banking Group uses the GRI 2011 indicator (Direct economic value generated and distributed — EVG&D) in relation to the material topic of indirect economic impact to present the Group's role in economic stimulation. According to the GRI 2011 indicator, the reporting organisation must disclose the directly generated and distributed economic value on an accrual basis, including the key components of the organisation's global operations listed below. If the data are presented on a cash flow basis, the justification for the decision must also be presented, in addition to the following:

- Direct economic value generated: revenues;
- Economic value distributed: operating costs, employee wages and benefits, payments to capital providers, payments to government by country, and community investments;
- Economic value retained: the direct economic value generated minus the economic value distributed.

Where significant, the directly generated and distributed economic value must be reported separately at the national, regional, or market level, presenting the criteria used to determine significance. When compiling the information specified under GRI 2011, the reporting organisation shall, where possible, compile the information from the data included in its audited financial statement or profit and loss statement, or from its internally audited management report.

The economic value directly generated and distributed by the MFB Group is not presented in a national, regional, or market breakdown. The Group prepared the data based on its audited consolidated income statement prepared in accordance with International Financial Reporting Standards ("IFRS"). From the perspective of the economic value retained indicator, the Group was able to clearly determine the economic value generated. The generated economic value includes all results relevant to the Group's core activities, such as net interest income, net fee income, dividend income, income from investment properties, income related to EU activities, the results of loan agreement amendments, and the profit generated by associated companies. The distributed economic value includes the Banking Group's costs and tax burdens, as well as amounts spent on charitable purposes. The economic value generated and distributed by the Banking Group in the case of MFB Plc. and its subsidiaries developed as follows. A detailed presentation of the Group's economic performance in 2025 is included in the Consolidated Annual Report.

Economic value directly generated and distributed by the MFB Group

2024.01.01-202412.31. and 2025.01.01.-2025.12.31.			
Category	**Type**	**Value (thousands of millions HUF)**	
		2024	**2025**
Economic value generated	Revenue	259 904	231 499
	Revenue deduction	(198 885)	(189 697)
Distributed economic value	Operating costs	(12 473)	(13 270)
	Employee wage costs, benefits	(20 050)	(22 819)
	Payments to equity investors (interest, dividends, etc.)	0	0
	Payments to the government (taxes, penalties)	12 822	(11 241)
	Community investments (charity, CSR, etc.)	424	91
Economic value retained	-	15 250	(5 619)

9.2 Own-funded financing supporting social objectives

Own-funded financing in support of social goals is of outstanding importance in the modern economic environment, particularly in promoting the development of micro, small, and medium-sized enterprises. The loan programmes offered by MFB Plc. not only provide financial resources but also contribute to job creation, the reduction of unemployment and the maintenance of economic growth. The purpose of this chapter is to provide a detailed description of how these programmes support the achievement of social objectives, and how the social benefits can be measured within the framework of the GRI G4 Financial Services Sector Disclosures.

The following sub-chapters focus on a detailed analysis of own-funded loan programmes, student loan opportunities, and the activities of subsidiaries supporting social objectives, highlighting the role of

financial institutions in building social capital and protecting the economic, social and cultural rights of communities.

9.2.1 Own-funded loan programmes

Among the financing solutions offered by MFB Plc. from its own funds, loan programmes carry the greatest weight. The loan programmes of MFB Plc. also support socially driven developments, primarily through the financing of micro, small and medium-sized enterprises. These programmes help create new jobs, preserve existing jobs- and reduce unemployment. Micro-, small- and medium-sized- enterprises play a vital role in the Hungarian economy, as in 2025, 99.94% of enterprises fell into this category.[28] The development of such enterprises, the strengthening of their resilience and the increase of their competitiveness also have favourable effects at a social level, in line with the objectives set by MFB Plc. as a development bank.

The GRI G4 Financial Services Sector Disclosures include disclosures that enable financial organisations to report on key aspects of their sustainability performance that are relevant to the financial services sector. Within this, regarding the material topic of the economic, social and cultural rights of communities, the Banking Group uses the indicator GRI G4 FS7 Monetary value of products and services designed to deliver a specific social benefit by business line and purpose to present the role of MFB Plc. in economic stimulation. This indicator provides insight into the extent to which a financial institution has sought to build social capital to meet a wide range of needs. Building social capital has several dimensions: at a general level, it may relate to meeting the needs of all members of society — such as education, affordable housing, etc. — while at a more specific level it may focus on the role of financial institutions in supporting the development opportunities of disadvantaged groups and increasing their economic capacities.

While all products and services can be said to provide some form of social benefit, this indicator focuses on those specifically designed to achieve a particular social outcome. This provides insight into the institution's priorities and how its contribution to society differs from that of other institutions. The indicator excludes asset management and emphasises products and services that offer social benefits, such as lending at preferential rates or reduced fees, while excluding those required by legislation. To prepare the report, organisations must compile a list of products and services by business line (e.g. retail banking, commercial and corporate banking, insurance), detailing the purpose, product description, target social group, monetary value and the ratio of this value to the total monetary value for each business line. Such products and services may include microfinance, microinsurance, products for students, and products supporting affordable housing.

The GRI G4 FS7 Monetary value of products and services designed to deliver a specific social benefit by business line and purpose indicator is presented by MFB Plc. through its own funded loan programmes and the social impacts of European Union financial instruments. In relation to its own funded loan programmes, the Bank provides separate details on loan programmes offered to SMEs that meet the conditions of the Bank's Sustainable Finance Framework, as well as on student lending.

The Sustainable Finance Framework, established in 2023 and reviewed in 2025, is a set of conditions based on internationally accepted standards, which manages in a uniform system the sustainability-related placement targets of MFB Plc. (primarily loan and bond placements, but equity investment

[28] According to the Hungarian Central Statistical Office (KSH), in 2025, out of 1 808 491 enterprises, 1 052 employed 250 or more persons. Source of data: A regisztrált vállalkozások száma létszám-kategória szerint (KSH)

products may also be considered) linked to sustainability-focused fundraising (green and social), including the green and social eligibility categories and the exclusions.

MFB Plc. has defined the concept of social benefit as follows: the direct, indirect and cascading positive social impact achieved by micro, small and medium sized enterprises in the implementation of developments promoting social inclusion — such as affordable housing and access to healthcare and education, job creation and job retention — which enables the reduction of social and territorial inequalities and improves general well-being. Transactions financed within the social eligibility category of the Sustainable Finance Framework contribute to job creation and the prevention and/or alleviation of unemployment resulting from socioeconomic crises (reducing social and economic inequalities, promoting economic growth), access to education (developing equality and social mobility in disadvantaged regions), and access to healthcare (facilitating access to quality, timely and affordable healthcare services and equipment for all age groups). Developments that produce social benefits may be realised by enterprises that, due to the nature and size of their operations, have more difficulty accessing financing, either through structures with preferential interest rates or through financing aimed at mitigating the negative impacts of natural disasters or economic crises.

SMEs are defined, by the Bank as follows: economic entities qualifying as domestic currency entities, having their registered office in the territory of Hungary or having their registered office in the European Economic Area and a branch office in Hungary, which are classified as micro, small or medium sized enterprises pursuant to Annex I of Commission Regulation (EU) No. 651/2014, as independent enterprises. In the case of SME shares in the tables below, if the Bank provided refinancing to a financial intermediary, the SME classification of the final beneficiary was considered.

Total annual disbursements (million HUF), effective capital and gross exposure (million HUF) and share of funds of SMEs within the framework of MFB Plc's own funded loan programs (%)			
		2024	**2025**
Annual disbursement (million HUF)	All	42 828.99	58 185.75
	of which SME	42 250.86	57 940.27
	SME ratio	98.65%	99.58%
Stock (million HUF) - by effective capital	All	310 482.02	317 117.36
	of which SME	287 524.60	242 531.89
Stock (million HUF) - gross book value	All	306 517.22	314 659.33
	of which SME	283 122.18	241 851.60
	SME ratio	92.37%	76.86%

Total annual lending (million HUF), effective capital and gross exposure (million HUF) provided by MFB Plc. to SMEs meeting the conditions of the Sustainable Finance Framework		
	2024	**2025**
Annual disbursement (million HUF)	38 961.29	55 558.16
Portfolio (million HUF) - effective capital	147 562.87	170 704.15
Stock (million HUF) - gross book value	150 355.60	173 669.11

In the data reporting related to MFB Plc.'s own funded loan programmes, the published tables include business entities that meet the SME definition used by the European Union — by end user. The own-funded loan programmes presented in the tables correspond to the social purpose eligibility category of MFB Plc.'s Framework entitled "Job creation and programmes aimed at preventing and/or mitigating unemployment resulting from socio-economic crises, including cases realised through the potential impact of SME financing and microfinance".

Within the framework of MFB Plc.'s own funded loan programmes, the total annual disbursement provided to micro, small and medium-sized enterprises amounted to HUF 57 940.27 million in 2025. In 2025, 99.58% of the funds provided under the loan programmes were allocated to micro, small and medium-sized enterprises, as a result of which 76.86% of MFB Plc.'s loan portfolio from its own funds was directed towards financing these enterprises.

Of this, the 2025 disbursement to SMEs that meet the criteria of the Framework amounted to HUF 55 558.16 million, representing 95.88% of the total annual disbursements to SMEs in 2025. The year-end stock of loan programmes for SMEs meeting the conditions of the Sustainable Finance Framework was HUF 173 669.11 million, which equalled 55.19% of MFB Plc.'s loan portfolio financed from its own funds. The social eligibility sub-category of the Framework entitled "Job creation and programmes to prevent and/or alleviate unemployment resulting from socioeconomic crises, including cases realised through the potential impact of SME financing and microfinance" corresponds to SME financing through the Bank's own funded loan programmes.

At present, a total of 10 loan programmes can be considered loan programmes aimed at customers affected by "gap" financing, offering preferential interest rates or mitigating the negative effects of economic crises, which contribute, among other things, to supporting the development objectives of SMEs operating in disadvantaged regions of the country.

In 2025, the following own-funded loan programmes of MFB Plc. were available for application:

- MFB Széchenyi Microcredit Refinancing Programme 2.0: The purpose of the Loan Programme is to enable the Financial Enterprises participating in the Programme to finance micro enterprises which intend to apply for a loan under the Széchenyi Microcredit Max+ scheme forming part of the Széchenyi Card Programme coordinated by KAVOSZ Plc., by using the refinancing loan provided by MFB Plc.
- MFB PVRK Working Capital Loan Programme: The purpose of the Loan Programme is to enable the Financial Enterprises participating in the Programme, by using the refinancing loan provided by MFB Plc., to finance micro, small and medium sized enterprises whose financing needs cannot be met by credit institutions for any reason (e.g. higher risk profile, lower requested loan amount), and as a result they may not be able to obtain the working capital loans necessary for maintaining their competitiveness and ensuring their continuous development at all, or only under significantly less favourable conditions.
- MFB Green Momentum Loan Programme: The purpose of the Loan Programme is to support the transition of domestic enterprises and organisations towards sustainable operations, technological renewal and the strengthening of their competitiveness. The Programme places particular emphasis on financing investments that promote circular economy solutions and green-focused developments.
- MFB Condominium Plus Loan Programme: Through this Loan Programme, in order to alleviate housing difficulties in Hungary, the construction of condominiums with up to 50 residential units is financed via financial enterprises under a refinancing scheme.

- MFB Livestock Working Capital Loan Programme 2025: The purpose of the Loan Programme is to refinance existing working capital loans of enterprises operating in the livestock sector in order to improve the competitiveness and liquidity of the livestock industry.
- MFB Agricultural Working Capital Loan Programme 2025: The purpose of the Loan Programme is to provide funding to enterprises engaged in the primary production of agricultural products and fish farming, as well as to producers operating in the poultry, rabbit, pig and cattle farming sectors, in order to improve the competitiveness of agricultural production — primarily livestock production — and to support the production of high quality products.
- MFB Food Industry Working Capital Loan Programme 2025: The purpose of the Loan Programme is to provide funding to food industry enterprises to support their working capital financing needs and thereby improve the competitiveness of the food industry sector.
- MFB PO Producer Organisations Working Capital Loan Programme 2025: The purpose of the Loan Programme is to support the activities of producer groups with approved qualification, pre-approved fruit and vegetable producer groups, and definitively recognised producer organisations through working capital loans.

As of 31 December 2025, considering the outstanding portfolio of own funded loan programmes, the leading product of MFB Plc. was the MFB Microcredit Refinancing Programme 2.0, which accounted for 34% of the portfolio. In 2025, the total amount of loan applications contracted under the MFB Microcredit Refinancing Programme 2.0 reached nearly HUF 60 600 million, while the volume of loans disbursed under the Programme during the year approached HUF 57 100 million.

The establishment and implementation of the Bank's own funded loan programmes are regulated by several corporate rules. The development of the own-funded loan programmes is carried out — among others — on the basis of the process regulation entitled Product Management Policy for the Bank's Own Funded Products. The regulation entitled Refinancing Procedure Instructions defines the implementation of the refinancing programmes announced by the Bank and the tasks and responsibilities of the Bank's organisational units related to the above activities. Under the MFB Széchenyi Microcredit Refinancing Programme and the MFB Széchenyi Microcredit Refinancing Programme 2.0, refinancing loans may only be used to finance credit transactions that comply with the conditions set out in the document entitled "Széchenyi Microcredit Scheme Regulations of the Business Rules of the Széchenyi Card Programme of KAVOSZ Private Financial Services Intermediary Company" in force at any given time. The Refinancing, Standard Lending and Business Development Directorate holds primary responsibility for the execution of the rules. The details of each refinancing programme are contained within the respective product documentation. The Bank pursues its objectives related to its own funded loan programmes in accordance with the objectives set out in its Business Strategy, along with the targets set out in the Annual Business Plan.

9.2.2 Supporting student loans

The Student Loan Centre provides discounted financing opportunities for students in higher education, vocational training and adult education, ensuring that financial challenges do not prevent them from continuing their studies. Due to its wide accessibility, the programme not only supports the individual development of students but also contributes to equal opportunities and social mobility, thereby strengthening the national economy and the equality of access to education.

The products of the Student Loan Centre — Student Loan 1, Student Loan 2 and the Training Loan — are countercyclical in nature and capable of meeting demand regardless of market conditions. Student loan products are unique in the Hungarian market, with no known competitors. Product development is

not influenced by competitors, but by macroeconomic events and trends and policies in higher education, vocational training and adult education. Student loans are provided on a nonprofit basis; therefore, classical profitability is not applicable. In the case of student lending, legislation determines the conditions under which loans can be provided, and there is no scope for stakeholder feedback. At present, the Student Loan Centre does not have mechanisms in place to conduct measurements or assess effectiveness, nor to determine whether any activity increases or decreases willingness to borrow. However, effectiveness can be assessed through the realisation of access to education under the most favourable conditions; thus, the lending provided to Hungarian students, vocational learners and adult education participants serves Hungarian society with a solution considered outstanding and exemplary even in a European comparison. The significance of student loan products is also extremely high from an educational perspective, as one of their key communication tasks is to increase product awareness — enabling families to make well-considered decisions regarding the financing of their children's or even their own further studies based on objective facts and data.

Student lending is regulated by Government Decree 1/2012 (I.20.) on the student loan system, the internal rules of the Student Loan Centre and the Bank, as well as the related product descriptions and business rules.

According to the amendment of Government Decree 1/2012 (I.20.) on 12 December 2023, the Student Loan Centre Plc. entrusted MFB Plc. with the performance of certain tasks related to the operation of the student and training loan system, which would otherwise be performed by the Centre itself, including the conclusion of student and training loan contracts in the name, for the benefit and at the risk of the student and training loan (Section 25 (8)). During the operation of the student and training loan system, the Student Loan Centre and MFB Plc. perform a public task, and the purpose of the contract(s) between them is the fulfilment of public duties (Section 25 (9)). Based on the Service Level Agreement (SLA) concluded between the Student Loan Centre and MFB Plc., from 12 June 2024, MFB Plc. performs the above-mentioned tasks.

Among several relevant banking units — such as legal, regulatory and product development — the Department of Refinancing and Institutional Relations for Student Loans, operating under the Refinancing, Standard Lending and Business Development Directorate, is responsible for business-related tasks.

In 2025, MFB Plc. provided funding amounting to HUF 24 814.10 million to the Student Loan Centre, representing 83.85% of the total student loan volume disbursed by the Student Loan Centre in 2025. As a result of the financing provided by MFB Plc., more than 14 000 students (including more than 1 670 new borrowers) were able to receive student loans in 2025 on a proportional basis.

The total funding provided by MFB Plc. to the Student Loan Centre accounted for 17.51% of the total outstanding funding of the Student Loan Centre as of 31 December 2025. This volume contributed to the successful financing of more than 28 945 students, corresponding to the client portfolio of the Student Loan Centre on 31 December 2025.

MFB Plc. presents its student lending activity, including the extent and impact of its financing provided to the Student Loan Centre, in full detail in the table below, in accordance with the GRI G4 FS7 indicator.

Student loans - Financing provided by MFB Plc. to the Student Loan Centre		
Student loan disbursement and clients	**2024.**	**2025.**
MFB Plc. annual disbursements at principal value – loans disbursed by MFB Plc. to the Student Loan Centre during the year (HUF million)	12 998.10	24 814.10
Total loan disbursements by the Student Loan Centre (HUF million)	30 656.38	29 594.79
Number of clients with disbursements during the year (persons)	36 892,00	80 284,00
Number of new clients with disbursements during the year (persons)	10 185,00	9 545,00
MFB year-end loan portfolio – effective principal (HUF million)	41 930.96	37 812.20
MFB year-end loan portfolio – gross exposure (HUF million)	42 313.43	37 812.20
Student Loan Centre year-end loan portfolio – total value of financing provided (HUF million)	238 713.60	235 520.15
Number of clients linked to the Student Loan Centre's total year-end loan portfolio (persons)	184 436	165 263
Average student loan disbursed per client (HUF million per person)	0.83	0.37
Share of new clients among clients with disbursements during the year (%)	27.61%	11.89%
Share of funding provided by MFB Plc. relative to the Student Loan Centre's total annual student loan disbursements (%)	42.40%	83.85%
Share of MFB Plc.'s year-end outstanding funding relative to the Student Loan Centre's year-end outstanding student loan financing portfolio (%)	24.38%	17.51%
Number of clients receiving financing during the year attributable to MFB Plc.'s financing (persons)[29]	21 407	14 059
Number of new clients receiving financing during the year attributable to MFB Plc.'s financing (persons)[30]	2 556	1 671
Number of clients attributable to MFB Plc.'s financing, based on year-end portfolio (persons)[31]	44 715	28 940

9.2.3 Presentation of the activities of subsidiaries supporting social objectives

Within the value chain of Hiventures Plc., the number of ESG-focused startups is continuously increasing: its portfolio contains approximately 30 such enterprises, which have received a total investment of nearly HUF 5 billion over recent years. Hiventures aims to continue making investments in the future that serve social usefulness while supporting innovation, including in the fields of:

- technological development,
- AI-driven, deep tech, medtech and green tech innovations,
- sustainable cities and communities,
- infrastructure developments
- agriculture and conscious nutrition,
- as well as health,

[29] It was estimated based on the Student Loan Centre's average student loan disbursement per person.
[30] It was estimated based on the Student Loan Centre's average student loan disbursement per person.
[31] It was estimated based on the Student Loan Centre's average student loan disbursement per person.

and therefore, although it operates with a generalist approach, it carries out its activities while keeping these areas in focus.

MFB Invest Plc. is a co-financier of several private equity and real estate funds that comply with the European Union's SFDR Regulation, which places new requirements on investments promoting environmental and social characteristics. It is also a co-investor in Impact Ventures III. Capital Fund, the sectoral focus of which includes technology-based areas such as HealthTech and MedTech, EdTech and AgriTech. In relation to social sustainability, it is also important to highlight the Housing Capital Programme implemented by MFB Invest, which supports access to housing and home creation for private individuals by stimulating real estate and construction industry activity, and thereby expanding and incentivising housing supply. Through the capital programme with a framework amount of HUF 300 000 million, nearly 30 000 dwellings may be constructed over five years.

MFB-Property Development Plc. and MKK Plc. do not carry out financing activities, therefore, they do not have financing that supports social objectives.

9.3 EU financial instruments supporting social objectives

9.3.1 Presentation of the results of the European Union's 2014–2020 and 2021–2027 programming periods supporting social objectives

During the 2014–2020 European Union programming period, MFB Plc. acted as the Fund of Funds Implementing Body, and the closing of the programming period took place in 2024. Therefore, from 2024 onwards, no further fund placements were made under the financial instruments available within the framework of the 2014–2020 programming period. For the 2021–2027 EU programming period, the Government designated MFB Plc. as the organisation implementing the holding fund, meaning the Bank is responsible for the implementation of EU financial instrument-type support.

The Bank also intermediates loan-type financial instruments sourced from European Union funds that support social objectives. A common feature of the programmes promoting social purposes is that they focus on micro, small and medium-sized enterprises.

MFB Plc. presents its social purpose EU financing activity for 2025 in the table below using the GRI G4 FS7 indicator. In this context, the Bank defines social benefit as follows: the total direct, indirect and cascading positive social impacts of developments related to EU-funded disbursements or realised with the help of EU (co)financing on the entire population or part of the population living in economically disadvantaged regions or areas. In addition, the objective of the European Union's Cohesion Policy is to strengthen economic, social and territorial cohesion, through which further social benefits are also realised.

Aggregate value of disbursements from EU funds promoting social goals and their stock (million HUF) Linked to a social ESG goal		
	2021-2027 programming period	**2014-2020 programming period**
Outstanding loan portfolio (until 31. December 2024) (million HUF)	1 937.02	723 350.11
Outstanding loan portfolio (until 31. December 2025) (million HUF)*	20 917.50	723 288.17
Number of projects (until 31. December 2024) (number)	54	23 549
Number of projects (until 31. December 2025) (number)	744	23 549

**Reasons for the decrease compared to the previous year's portfolio: cancellations of commitments and a reduction in eligible/declared amounts due to irregularities and other factors.*

During the 2014–2020 programming period, the Bank participated in the implementation of a further total of HUF 723 288.17 million in EU funded placements through its loan programmes supporting social objectives, including: GINOP8.3.518, GINOP8.3.518/A, GINOP8.3.518/B and GINOP8.3.518/B_4 – Technological modernisation of micro, small and medium-sized enterprises; GINOP9.1.121 – Interest free Restart Quick Loan; GINOP8.1.116 – Support for R&D&I activities of enterprises; GINOP2.1.28.1.416 – Support for R&D&I activities of enterprises through combined loan products. A total of 23 549 projects received support under the loan programmes as of 31 December 2025. The deadline for fund placements under the 2014–2020 programming period was 31 December 2023, meaning no new placements could take place in either 2024 or 2025. From 2024 to 2025, and in general for closed periods, the amount of placed funds decreases because, in accordance with EU rules, eligible costs may decrease. The reasons for this may include the identification of irregular transactions or costs during ex post audits, or framework adjustments due to contracted but undrawn support amounts before the deadline.

By the end of the year, 744 projects received support amounting to HUF 20 917.50 million under the EU-funded loan programmes of the 2021–2027 programming period, promoting social objectives. Disbursements may be made under the available funds of the programming period until 31 December 2029, meaning the number and volume of projects are expected to increase year by year until 2029. In 2025, the following loan programmes supporting social objectives were available:

Through the corporate MFB Pont Plus network, the GINOP Plus-1.4.3-24, GINOP Plus-1.4.3-24/B, and GINOP Plus-1.4.4-24 SME Technology Plus Loan Programmes were implemented, aiming to increase the productivity and added value of domestic SMEs by supporting technological and organisational renewal, creating and expanding the capacity for modern product and service development of SMEs, enabling energy efficiency investments involving renewable energy technologies, and supporting alignment with the directions set out in the Smart Specialisation Strategy (S3). Also implemented through the corporate MFB Pont Plus network, the DIMOP Plus1.2.3/A24 Support for the Digitalisation of Micro, Small and Medium-sized Enterprises single operation combined loan product aims to improve the competitiveness of SMEs with very low and low digital intensity by supporting digital transformation, including the introduction and operation of basic and advanced digital solutions available on the market. Furthermore, the DIMOP Plus1.2.3/B24 SME Digitalisation Loan Programme aims to improve the competitiveness of SMEs with at least low digital intensity by supporting digital transformation, including the introduction and operation of basic and advanced digital solutions available on the market.

The purpose of MFB Plc.'s regulation titled Product Management Policy for EU-funded Loan Products is to comprehensively regulate the Bank's product development tasks related to EU-funded products. The product description (for standalone loan programmes in the 2014–2020 programming period) and the call for proposals (for combined loan programmes in 2014–2020, and for all loan programmes in the 2021–2027 programming period) are documents prepared for applicants, containing the necessary information for submitting grant applications. The EU Business Directorate is primarily responsible for its implementation. The Bank pursues its objectives related to its EU-funded loan programmes in accordance with its Business Strategy and the targets set out in the Annual Business Plan.

9.4 Informing affected communities

Material subtopic	**Communities' civil and political rights**	
Used standards	**ESRS S3** **GRI G4 FS7**	
Introduction	The chapter presents the MFB Group's communication and cooperation with its stakeholder communities and also provides an overview of its corporate social responsibility activities.	
Supported Sustainable Development Goals (UN SDGs)		
Connection of material topic of the MFB Group	Basis of materiality	Impact materiality
	Impacts	The MFB Group operates whistleblowing channels and processes to ensure freedom of expression and to report objections concerning the operation and services of Group members. (Across the value chain)
	Financial risks	-
	Financial opportunities	-
Management of material topic	Connection to ESG strategy	Developing the financial awareness of customers and employees Sustainable resource mobilisation and financing in line with development banking objectives
	Corporate Policies	Related policies and rules of Hiventures Plc.: • Instructions from the CEO on the Internal Information on Objection, Complaint Handling and Whistleblowing Related policies and rules of MFB Plc.: • Strategy and policy and procedures for preventing and tackling fraud • Fraud prevention rules for the use of EU funds • Code of Conduct and Ethics (internal instruction) • Code of Conduct and Ethics (Group level policy) • Anti-corruption policy • Customer service rules • Complaints and Objections Policy • Internal instruction on the application of the Charter of Fundamental Rights to loan-type financial instruments in the 2021-2027 programming period • Privacy and Data Security Policy • Support and Sponsorship Policy • Refinancing Procedure Instructions

Management of material topic	Corporate Policies	• Product Management Rules for the Bank's Own-Funded Products • Széchenyi Microcredit Scheme Regulations of the Széchenyi Card Program's Business Regulations of KAVOSZ Private Financial Services Intermediary • Product Management Policy for EU-funded credit products • Regulation on controls related to the management of European Union funds for the 2021–2027 programming period • Risk-taking Strategy and Policy related to the management of European Union funds • Procedure on transaction classification and evaluation related to EU fund management activities for the 2021–2027 programming period and for the programmes under Hungary's Recovery and Resilience Plan • Regulation on programme monitoring related to the management of European Union funds concerning the financial instruments of Hungary's Recovery and Resilience Plan Related policies and rules of MFB- Property Development Plc.: • Policy for handling incidents that violate organisational integrity Related policies and rules of MFB Invest Plc.: • Complaint Handling Policy • Policy for handling incidents that violate organisational integrity Related policies and rules of MKK Plc.: • Complaint Handling Policy and Procedure • Corporate Social Responsibility (CSR) Plan
	Priority actions	MFB Széchenyi Microcredit Refinancing Program 2.0 MFB Green Momentum Loan Program MFB PVRK Working Capital Loan Program Student Loan1, Student Loan2, Study Loan GINOP-8.3.5-18, GINOP-8.3.5-18/A, GINOP-8.3.5-18/B and GINOP-8.3.5-18/B_4 - Technological modernisation of micro, small and medium-sized enterprises GINOP-9.1.1-21 - Interest-free restart quick loan GINOP-8.1.1-16 - Support for R+D+I activities of enterprises GINOP-2.1.2-8.1.4-16 - Support for R+D+I activities of enterprises GINOP Plus-1.4.3-24, GINOP Plus-1.4.4-24 SME Technology Loan Program DIMOP Plusz-1.2.3/B-24 Support for the Digitalisation of Small and Medium-sized Enterprises Loan Program DIMOP Plus-1.2.3/A-24 Support for the digitalisation of micro, small and medium-sized enterprises Operation of reporting lines and customer services Összetartók.hu site operation MFB Podcast Series Cooperation of MFB Plc. with Hungarian Interchurch Aid MFB Plc.'s cooperation with the Szent Márton Children's Ambulance Service Cooperation of MKK Plc. with Hungarian Interchurch Aid Hiventures Plc.'s "TégyJótTavasz!" series of events

Management of material topic	Metrics	The total annual disbursements (million HUF), the effective capital and gross exposure (million HUF) of MFB Plc., and the share of SMEs in these funds (%) Total annual disbursements (million HUF), effective capital and gross exposure (million HUF) under MFB Plc.'s Sustainable Finance Framework Financing provided by MFB Plc. to the Student Loan Centre MFB Plc.'s disbursement from EU funds promoting social goals and the value of its portfolio (million HUF) related to social ESG objectives
	Targets	MFB Plc. shall achieve its objectives related to its own funded loan programs and its European Union-funded loan programs in accordance with the objectives set out in its Business Strategy, in accordance with the objectives set out in the Annual Business Plan.

Affected communities are understood as those groups on which the MFB Group exerts a significant and material impact through its own operations and financing activities. Such key stakeholder groups include, for example, higher education participants supported through the Student Loan Programme, or the beneficiaries of the Banking Group’s financing activities, such as incubated enterprises, seed stage companies, startups and micro, small and medium-sized enterprises (SMEs). The affected community also includes the general population in relation to EU-fund management, where investments aim to improve energy efficiency. Detailed information regarding these social purpose programmes is provided in Chapters 9.2 Own funded financing supporting social objectives and 9.3 EU financial instruments supporting social objectives, while detailed information on programmes supporting environmental objectives is included in Chapters 5.4 Own funded financing supporting environmental goals and 5.5 EU financial instruments supporting environmental goals. The upstream and downstream value chain of the Banking Group is presented in Chapter 2.5 Value Chain of the report. Through its Corporate Social Responsibility (CSR) activities, the Group also contributes to the operation of various disadvantaged groups and the nonprofit organisations that support them; this is detailed in Chapter 10 Social responsibility.

In its communication with affected communities, the MFB Group primarily acts in accordance with the legal requirements. Transparent and factual communication contributes to building trust and transparency. The primary channels for this are the current financing product descriptions and contracts that set out the general terms and principles of financing activities. Detailed information about the sales channels and customer relations operated by the Group can be found in Chapter 2.5 Value Chain. In addition, the companies forming the Group operate their own customer contact channels and reporting channels to ensure two-way communication, which are detailed in Chapter 9.4.1 Channels provided to affected communities.

During the double materiality assessment, the Banking Group involves affected communities annually, who share their views through a questionnaire survey. Stakeholders express their perspectives regarding the importance of the ESRS topics, supporting the Banking Group in identifying impacts, risks and opportunities, which the organisation can then integrate into its risk management approach and strategy development. When direct participation is not feasible, community perspectives are channelled through credible proxies, such as sectoral associations, local municipalities, professional chambers, or civil society organisations. The coordination of stakeholder involvement during the double materiality

assessment is the responsibility of the Strategy and Sustainability Directorate. Furthermore, engagement with affected communities and the collection of their views also take place at professional events, presentations and conferences, and the Bank informs affected communities through published analyses and situation assessments. Affected communities are not involved in a way that their views would be integrated directly into the determination of strategy and the business model. In the Group's current business and lending processes, there is no mechanism to consider the perspectives of particularly vulnerable and/or marginalised affected communities, as the Group does not apply such distinctions in its business activities. However, it is important to emphasise that the Group prioritises the realisation of equal opportunities in all areas and strives to reach and address wider segments of society (e.g. in the case of the student loan system: ensuring access to education for everyone so that financial or social circumstances do not become a hindering factor).

MFB Plc. places particular emphasis on providing information related to financial products, services and market developments. One of the focus areas of its ESG Strategy is the development of financial awareness among customers and employees, and the strengthening of the MFB Knowledge Centre. Information on the activities carried out by MFB Plc. in this field in 2025 is provided in Chapter ESRS S4 11.5 Developing clients' competencies.

In 2025, two group-level policies also entered into force, setting expectations for the MFB Group: the Anti-Corruption Policy and the Code of Conduct and Ethics. The expectations set out in the group-level regulation indirectly impact affected communities as well. The Code of Conduct and Ethics incorporates the UN Guidelines on the legal responsibilities of the Bank's suppliers and partners, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The Group's products and services do not pose direct risks or harmful effects on affected communities, as the Group strives to identify and filter out potential negative risks and impacts already during the preliminary analysis of each financing transaction.

9.4.1 Channels provided to affected communities

As a responsible financial institution, the MFB Group gives high priority to ensuring safe and transparent reporting lines and complaint channels. The group-level Code of Conduct and Ethics that entered into force in 2025 reinforces this commitment by formulating clear expectations regarding the operation of the Group. The Bank requires the companies belonging to the MFB Group to operate a reporting channel, enabling Clients, Contracted Partners and employees to report if they perceive circumstances giving rise to potential misconduct or if objections arise concerning the organisation's operations. Reporting channels must be operated in such a way as to ensure the receipt and processing of anonymous reports, and at the request of the reporting person — or if justified based on the subject of the report — to ensure the anonymous handling of the reporting person's identity. It is also expected that the organisation ensures compliance with all whistleblowing or breach reporting requirements that apply to the respective Group member based on legal or supervisory regulatory expectations.

These channels do not operate at a group level but separately within each company, allowing affected individuals to confidently report any problems, concerns or abuses, thereby ensuring transparent communication and effective problem solving. The reporting lines are established and operated by each company in accordance with the relevant legal requirements. The companies of the Group do not measure the extent to which members of affected communities are aware of or trust the channels or processes available to raise and address their concerns or needs.

At MFB Plc., numerous channels are available to facilitate cooperation with affected communities. These channels, their accessibility, the laws and internal corporate rules governing their operation, the groups entitled to report, and the subject matter of reporting are summarised in the table below.

<table>
<tr><th colspan="4">Reporting channels for affected communities at MFB Plc.</th></tr>
<tr><th>Scope of eligible entities to report</th><th>Scope of eligible entities to report</th><th>Scope of eligible entities to report</th><th>Scope of eligible entities to report</th></tr>
<tr><td colspan="4">Name of reporting channel: Suspicion of fraud</td></tr>
<tr><td>Anyone who detects irregularities either in connection with European Union tenders or in the case of lending from own funds and wishes to make a notification.</td><td>On the website of MFB Plc., the https://www.mfb.hu/bejelentes page and the csalasmegelozes@mfb.hu e-mail address</td><td>Governing legal framework of the relevant loan programme</td><td>Strategy and policy for the prevention and management of fraud, and related procedures

Anti-fraud policy relating to the use of European Union funds</td></tr>
<tr><td colspan="4">Name of reporting channel: Internal whistleblowing (suspected or corrupt conduct)</td></tr>
<tr><td>Self-employed, sole proprietorship, if it has a contractual relationship with the Bank,</td><td rowspan="3">On MFB Plc.’s website: https://www.mfb.hu/bejelentes (reporting page)</td><td rowspan="3">Whistleblowing Act, Section 18</td><td rowspan="3">Code of Conduct and Ethics; and Anti-Corruption Policy</td></tr>
<tr><td>A person under the supervision and direction of an entrepreneur, subcontractor, supplier or agent who has commenced the procedure for establishing a contractual relationship with the Bank and who has a contractual relationship or has had a contractual relationship</td></tr>
<tr><td>Self-employed, sole proprietorship, if its contractual relationship with the Bank has been terminated</td></tr>
<tr><td colspan="4">Name of reporting channel: Customer service</td></tr>
<tr><td>Anyone</td><td>The Bank operates a customer service with general authority by phone, in person and by e-mail, which provides information about its operation both at the headquarters and on the website of MFB Plc.</td><td>Section 271 (1) Informing clients</td><td>Customer service rules</td></tr>
<tr><td colspan="4">Name of the reporting channel: Opportunity to file a complaint</td></tr>
<tr><td>MFB Plc.'s customers (according to MFB Plc.'s Business Rules for Entrepreneurs and Consumers)</td><td>MFB Plc. Customer service (personal appearance, external information)</td><td>Hpt.288 (1)</td><td>Complaints and Objections Policy</td></tr>
<tr><td>MFB Plc.'s customers (according to MFB Plc.'s</td><td>MFB Plc. Website - "Tájékoztató a</td><td>Hpt.288 (1)</td><td>Complaints and Objections Policy</td></tr>
</table>

Reporting channels for affected communities at MFB Plc.			
Scope of eligible entities to report	**Scope of eligible entities to report**	**Scope of eligible entities to report**	**Scope of eligible entities to report**
Business Rules for Entrepreneurs and Consumers)	panaszkezelésről" (https://www.mfb.hu/panaszkezelesi-szabalyzat-s364)		
Name of the reporting channel: Opportunity to raise an objection			
An applicant or a contracted final beneficiary applying for a loan under the European Union-funded Loan Programs	The representative of the person/company submitting the loan application is informed of the legal remedy, the method and the deadline for submitting it from the rejection letter	Government Decree No. 272/2014 (XI.05) Government Decree256/2021 (V.18.) Government Decree No. 373/2022 (IX.30)	Complaints and Objections Policy
Name of the reporting channel: Fundamental rights complaint			
Any person, including the loan applicant, the final beneficiary and the intermediary, may make a report if they become aware of a breach of the Charter of Fundamental Rights during the loan application or during the existence of the loan agreement	from the Financing Contracts with the Managing Authorities for the 2021-2027 programming period; general whistleblowing channel is in operation, complaints can be sent to the alapjogibejelentes@mfb.hu e-mail address	In the event of a violation of fundamental rights enshrined in the Charter of Fundamental Rights of the European Union,	Internal instruction on the application of the Charter of Fundamental Rights to loan-type financial instruments in the 2021-2027 programming period
Name of the reporting channel: Enforcement of data subject rights			
In accordance with the provisions of the GDPR, the data subject may enforce his or her specific rights against the data controller (in this case, the data controller is MFB Plc.)	In accordance with the provisions of the GDPR, the data subject may enforce his or her specific rights against the data controller (in this case, the data controller is MFB Plc.)	In accordance with the provisions of the GDPR, the data subject may enforce his or her specific rights against the data controller (in this case, the data controller is MFB Plc.)	In accordance with the provisions of the GDPR, the data subject may enforce his or her specific rights against the data controller (in this case, the data controller is MFB Plc.)
Name of reporting channel: Privacy complaint and incident reporting			
In accordance with the provisions of the GDPR, the data subject may enforce his or her specific rights against the data controller (in this case, the data controller is MFB Plc.)	In accordance with the provisions of the GDPR, the data subject may enforce his or her specific rights against the data controller (in this case, the data controller is MFB Plc.)	In accordance with the provisions of the GDPR, the data subject may enforce his or her specific rights against the data controller (in this case, the data controller is MFB Plc.)	In accordance with the provisions of the GDPR, the data subject may enforce his or her specific rights against the data controller (in this case, the data controller is MFB Plc.)

The reporting system available to affected communities is primarily based on the Customer Service, which provides information and assistance regarding inquiries received by customer service, mainly in connection with the operation of the Bank and its financing programmes. Upon receipt of a complaint or question, MFB Plc. performs the tasks related to the receipt of verbal or telephone complaints in accordance with the Complaints and Objections Policy of MFB Plc. Customer Service is accessible through several different channels, allowing everyone to find the most suitable way to share their feedback or inquire about a service. On the Bank’s homepage, there is an option to submit written inquiries or request a call-back via a dedicated interface, and the customer service telephone number

and email address are also available on the homepage. Complaints are forwarded to the Compliance Directorate, where they are handled in accordance with the Complaints and Objections Handling Policy of MFB Plc.

To monitor the processes, Customer Service keeps daily weekly, monthly and annual records on inquiries, grouped by loan programme and inquiry channel (telephone number, email address, personal details). Most inquiries arrive via email, followed by telephone, and then personal inquiries. According to the operational rules of Customer Service, for effective customer service, responses (for non-complaint enquiries) must be provided within 8 working days. In addition, in the case of suspected fraud, suspected corruption or behaviour constituting corruption, individuals may submit a report via the complaint reporting channel, the details of which are presented in Chapter 12.2 Ethical rules of conduct and anticorruption. The Bank has a dedicated channel for the enforcement of data subjects' rights, the notification of data protection complaints, and the submission of fundamental rights-related complaints.

The MFB-Property Development Plc. provides two communication channels for the affected community: a reporting channel related to organisational integrity and a general contact channel. The company's Regulation on the Management of Incidents Violating Organisational Integrity defines the processes through which the company identifies and handles complaints and reports related to organisational integrity received from both external and internal parties — the latter being presented in Chapter 8.3.3 Employee Reporting Channels. The Regulation stipulates that the management of reports is the joint responsibility of the Internal Auditor, the Legal Counsel and the Compliance Officer. In the case of more serious risks, the Supervisory Board is also involved in the process. The deadline for investigating reports is the 30th day following the registration of the report, or in cases requiring urgent action, the 15th day. Reports submitted by external parties may only be made via the dedicated link on the company's website (integritastsertoesemenyek@mfbingatlan.hu) or by postal mail addressed to the company's registered office. Furthermore, MFB-Property Development Plc. ensures communication opportunities for external individuals through contact channels published on its website. Under the "Contact" menu, the company's registered office, telephone contact details and an e-mail address are available for communication. Due to the nature of its operations, the company does not have dedicated customer service.

MFB Invest Plc., similar to MFB-Property Development Plc., does not operate customer service. For communities, the company's contact details can be found under the "Contact" tab on the website. MFB Invest Plc. ensures that clients can submit complaints related to the company's conduct, activities or omissions verbally (in person) or in writing (in person, via another party submitting documentation, by postal mail or by email). Verbal complaints may be made during working hours at a preagreed time, while written complaints may be submitted at the company's registered office or sent by post. Feedback may also be reported electronically to the company via email address info@mfbinvest.hu. Complaints are managed by the Compliance Officer, who performs this task in cooperation with the relevant professional area. Additional information for stakeholders can be found on the MFB Invest Plc. website under the "Contact", "Data Protection" and "Ethical Declaration" tabs. The Compliance Officer maintains a registry of complaints and the actions taken to address and resolve them. This includes the description of the complaint, identification of the event or fact forming the basis of the complaint, the date of submission, the action taken to address or resolve the complaint, the justification for any rejection, the deadline for implementing the action and the name of the person or organisational unit responsible, as well as the date of the response. In addition, the company operates an internal control system designed to ensure the enforcement of ethical values and integrity across all areas of operation, and to effectively prevent corruption and abuse. As part of this, it maintains a whistleblowing system for reporting and investigating incidents violating the requirements set out in corporate regulations,

which is described in detail in Chapter 12.2 Ethical Rules of Conduct and Anti-Corruption. The detailed rules for reporting and investigating abuses are set out in the Regulation on the Management of Incidents Violating Organisational Integrity.

Hiventures Plc. ensures that any affected party may make a report verbally or in writing concerning the conduct, activities or omissions of the company, in accordance with the provisions of the Complaints Act. Additionally, the company operates a complaint handling channel. Verbal complaints are received at the company's headquarters during business hours by the competent professional area. Verbal complaints are examined immediately and remedied where necessary. The company also continuously receives complaints through its online platform via the email address panasz@hiventures.hu. Complaints may also be submitted by postal mail addressed to the registered office of Hiventures Plc. In addition to complaint submission, objections may also be filed against decisions relating to the so called GINOP Capital Funds originating exclusively from European Union funds, in accordance with Government Decree 272/2014 (XI.5.). If an investment application is rejected, the letter titled "Rejection of the investment application" includes information on the right to file an objection (legal remedy). For written complaints, Hiventures Plc. sends its reasoned position to the complainant by postal mail within 30 days of receipt of the complaint. The Compliance Directorate is responsible for responding to complaints and preparing the response in cooperation with the competent professional area. The Compliance Directorate keeps a registry of complaints and the actions taken to address or resolve them. Its content is similar to that of MFB Invest Plc., and includes: description of the complaint, identification of the event or fact forming the basis of the complaint, the date of submission, the action taken to address or resolve the complaint, the justification for any rejection, the deadline for implementing the action, the name of the person responsible for execution and the date of the response.

In the case of MKK Plc., the debtors constitute the affected community, therefore the reporting system is particularly relevant for them. Customer Service ensures complaint submission options, which are handled by the Complaints Handling Team. The Complaint Handling Policy provides a detailed overview of the related activities and processes, which in the case of MKK Plc. follow a well-structured and transparent procedure aimed at efficient and lawful complaint handling. The first step in the complaint handling process is the submission of the complaint, which may be made verbally or in writing. For verbal complaints, the complainant may submit their report in person at Customer Service or via telephone, while written complaints may be submitted in person, by postal mail, by email or using the complaint form available on the MKK Plc. website. When submitting reports via the complaint form, the reporting party may select the type of complaint and the service to which the complaint relates. Upon receipt of the report, the Complaints Handling Team registers the complaint and begins its investigation, during which the colleague responsible considers all relevant circumstances and, if necessary, requests further information from the complainant. The standard deadline for investigating complaints is 30 calendar days, although in certain cases — such as complaints relating to the Central Credit Information System (KHR) — the response deadline is shorter, up to 5 working days. In its response, MKK Plc. provides a detailed explanation of the outcome of the investigation, the actions taken to address or resolve the complaint and, in the case of rejection, the reasoning behind the decision and the further legal remedies available. The information available on the MKK Plc. website provides affected communities with guidance on who may submit reports, how they may do so and the rules governing investigations. In the case of good-faith reports, whistleblowers may not be disadvantaged according to the Code of Conduct and Ethics.

In relation to affected communities, no serious human rights issues or incidents were reported at MFB Group companies in 2025. There are no known human rights problems or incidents, nor any related reports.

10. Social responsibility

Material subtopic	**Economic, social and cultural rights of communities**	
Used standards	**ESRS S3** **GRI G4 FS7**	
Introduction	The chapter describes the MFB Group's communication and cooperation with stakeholder communities and covers the social responsibility activities.	
Supported Sustainable Development Goals (UN SDGs)		
Connection of material topic of the MFB Group	Basis of materiality	Impact materiality Financial materiality
	Impacts	1. Through its financing, the MFB Group indirectly contributes to housing for affected communities; examples include the Housing Capital Programme and EU programmes such as the Home Renovation Programme. (Downstream and Own Operation) 2. Through its financing, MFB Plc. indirectly contributes to access to adequate food, for example, via loan and guarantee programmes for the agricultural sector. In the case of MFB Invest, capital funds may be invested in such companies. (Downstream) 3. MFB Plc.'s Sustainable Finance Framework includes wastewater conveyance and treatment projects, covering sewer networks and pumping stations. (Downstream) 4. MFB Plc.'s Sustainable Finance Framework includes the financing and/or refinancing of agricultural and forestry projects; in agriculture, organically certified farming in line with EU or national regulations has a positive effect on land-related impacts. (Downstream) 5. By respecting human rights and contributing positively to local economic development, the MFB Group ensures social, economic and cultural security. Minimum Social Safeguards (MSS) requirements are applied in financing, and the same holds true for refinancing. (Downstream)
	Financial risks	-
	Financial opportunities	1. By supporting housing, it supports the affected communities, builds reputation, and this can also translate into positive financial results. (Downstream) 2. Adequate food: Through Sustainable Finance, the Bank's perception can become more positive, as the company is integrating and expanding ESG considerations into its operations, which is increasingly important for stakeholders and affected communities. (Downstream) 3. Water and water utility services: Through Sustainable Finance, the Bank's perception can become more positive, as the company is integrating and expanding ESG considerations into its operations, which is increasingly important for stakeholders and affected communities. (Downstream)

Connection of material topic of the MFB Group	Financial opportunities	4. Land-related impacts: Through Sustainable Finance, the Bank's perception can become more positive, as the company is integrating and expanding ESG considerations into its operations, which is increasingly important for stakeholders and affected communities. (Downstream) 5. Social loans aimed at job creation, job retention and alleviating unemployment (MFB Microcredit Refinancing Programme, MFB Crisis Loan, MFB Crisis Loan Plus, MFB Economic Reconstruction Loan) account for a significant share of MFB's own-funded loan portfolio for the SME sector and expanding this portfolio could generate additional interest income for the Bank. (Downstream)
Management of material topic	Connection to ESG strategy	Developing the financial awareness of customers and employees Sustainable resource mobilisation and financing in line with development banking objectives
	Corporate Policies	Related policies and rules of Hiventures Plc.: • Instructions from the CEO on the Internal Information on Objection, Complaint Handling and Whistleblowing Related policies and rules of MFB Plc.: • Strategy and policy and procedures for preventing and tackling fraud • Fraud prevention rules for the use of EU funds • Code of Conduct and Ethics (internal instruction) • Code of Conduct and Ethics (Group level policy) • Anti-corruption policy • Customer service rules • Complaints and Objections Policy • Internal instruction on the application of the Charter of Fundamental Rights to loan-type financial instruments in the 2021-2027 programming period • Privacy and Data Security Policy • Support and Sponsorship Policy • Refinancing Procedure Instructions • Széchenyi Microcredit Scheme Regulations of the Széchenyi Card Program's Business Regulations of KAVOSZ Private Financial Services Intermediary • Product Management Policy for EU-funded credit products • Regulation on controls related to the management of European Union funds for the 2021–2027 programming period

Management of material topic	Corporate Policies	• Risk-taking Strategy and Policy related to the management of European Union funds • Procedure on transaction classification and evaluation related to EU fund management activities for the 2021–2027 programming period and for the programmes under Hungary's Recovery and Resilience Plan • Regulation on programme monitoring related to the management of European Union funds concerning the financial instruments of Hungary's Recovery and Resilience Plan Related policies and rules of MFB- Property Development Plc.: • Policy for handling incidents that violate organisational integrity Related policies and rules of MFB Invest Plc.: • Complaint Handling Policy • Policy for handling incidents that violate organisational integrity Related policies and rules of MKK Plc.: • Complaint Handling Policy and Procedure • Corporate Social Responsibility (CSR) Plan
	Priority actions	MFB Széchenyi Microcredit Refinancing Program 2.0 MFB Green Momentum Loan Program MFB PVRK Working Capital Loan Program Student Loan1, Student Loan2, Study Loan GINOP-8.3.5-18, GINOP-8.3.5-18/A, GINOP-8.3.5-18/B and GINOP-8.3.5-18/B_4 - Technological modernisation of micro, small and medium-sized enterprises GINOP-9.1.1-21 - Interest-free restart quick loan GINOP-8.1.1-16 - Support for R+D+I activities of enterprises GINOP-2.1.2-8.1.4-16 - Support for R+D+I activities of enterprises GINOP Plus-1.4.3-24, GINOP Plus-1.4.4-24 SME Technology Loan Program DIMOP Plusz-1.2.3/B-24 Support for the Digitalisation of Small and Medium-sized Enterprises Loan Program DIMOP Plus-1.2.3/A-24 Support for the digitalisation of micro, small and medium-sized enterprises Operation of reporting lines and customer services Összetartók.hu site operation MFB Podcast Series Cooperation of MFB Plc. with Hungarian Interchurch Aid MFB Plc.'s cooperation with the Szent Márton Children's Ambulance Service Cooperation of MKK Plc. with Hungarian Interchurch Aid Hiventures Plc.'s "TégyJótTavasz!" series of events

Management of material topic	Metrics	The total annual disbursements (million HUF), the effective capital and gross exposure (million HUF) of MFB Plc., and the share of SMEs in these funds (%) Total annual disbursements (million HUF), effective capital and gross exposure (million HUF) under MFB Plc.'s Sustainable Finance Framework Financing provided by MFB Plc. to the Student Loan Centre MFB Plc.'s disbursement from EU funds promoting social goals and the value of its portfolio (million HUF) related to social ESG objectives
	Targets	MFB Plc. shall achieve its objectives related to its own funded loan programs and its European Union-funded loan programs in accordance with the objectives set out in its Business Strategy, in accordance with the objectives set out in the Annual Business Plan.

Social responsibility is of outstanding importance to the MFB Group, as its aim is to contribute to sustainable economic development and social welfare. Through these initiatives, the subsidiaries of the MFB Group also participate in community development and in addressing environmental challenges. The Banking Group does not have social responsibility KPIs or Group level measures in this area; however, MFB Plc. places strong emphasis on active social engagement and implements several such initiatives. The following presents various measures and initiatives related to the social responsibility activities of MFB Plc. and its subsidiaries.

During the double materiality assessment, no negative impact or risk has been identified in relation to the affected communities that come into contact with the Bank. Should the Bank identify any errors or issues concerning affected communities, the general corrective approach ensures that each case — whether identified through reporting or observation — is investigated and corrective actions are taken where necessary. To ensure and enable the implementation and effectiveness of corrective procedures and their outcomes, MFB Plc. operates a customer service unit — described in more detail in Chapter 9.4.1 — and employs staff competent in handling complaints and objections.

MFB Plc. also strives to ensure that equal opportunities and the principle of social responsibility remain important elements of its support strategy. In 2025, the Bank’s social responsibility programmes were once again highly diverse. With the cooperation of the Human Resources Directorate and the Marketing and Communications Directorate, various donation and volunteer programmes, as well as collaborations with civil society organisations, were implemented.

MFB Plc. has been a committed supporter, for many years, of the “Hungarian Science” category of the Junior Prima Award, established jointly with the Prima Primissima Foundation, providing continuous financial support since 2007. The award may be granted to scientists under the age of 33 who contribute to the development of Hungarian science through their outstanding scientific work and community activities. In 2025, MFB Plc. supported each laureate selected by the professional committee with HUF 3 million.

Social responsibility and the strengthening of sustainability are particularly important to MFB Plc., therefore, its employees regularly participate in initiatives that provide direct assistance to those in need and contribute to supporting communities. The Bank cooperates with several civil organisations,

including the Hungarian Interchurch Aid. In 2025, employees once again actively participated in charity programmes. At the blood donation events organised jointly with the Hungarian Red Cross, 61 colleagues donated blood in the spring and 72 in the autumn, contributing to securing the national blood supply for healthcare. Employees of the Bank also joined the Hungarian Interchurch Aid's "Start the School Year Together!" school supply donation programme. During the collection campaign, in addition to receiving donations, many colleagues volunteered to help assemble schoolbags and packages filled with school supplies. Thanks to this initiative, support was provided to approximately 250 disadvantaged children for the start of the school year. Sport is also an important part of MFB's community life: in 2025, the Bank's running team participated in several charity running events as members of the supporter running community of the Hungarian Interchurch Aid. Through their participation, colleagues contributed not only to their own health but also to promoting the activities of the Aid. At the end of the year, during the Christmas season, employees once again organised a donation campaign. As a result of this initiative, the Aid delivered nearly 300 kilograms of non-perishable food to families in need, and employees of the Bank compiled personalised gift packages for 116 children. These initiatives clearly demonstrate that responsible operation at MFB is not merely a strategic objective but a community value present in everyday practice.

In addition to the above, in 2025, MFB contributed HUF 43 million to the procurement of equipment for the Education Centre of the Szent Márton Children's Ambulance Service, the conversion of a vehicle into a child ambulance, and the purchase of a ventilator. Furthermore, it financed the launch of the Szent Márton Children's Ambulance Foundation's mobile application "Mentő Márton", which prepares parents to handle emergencies involving children. The application, available free of charge, provides knowledge through interactive tools and in a playful format for managing various dangerous situations, such as accidents or illnesses. After completing successful knowledge tests, users can collect points that can be exchanged for real gifts. In addition to the application, several educational materials were prepared jointly by the Szent Márton Children's Ambulance Foundation and MFB Plc. in 2022 and 2023, including the Children's Emergency Handbook and the Lifesaving Parents video series. In 2024, the new application was widely introduced and promoted, and new educational content became available on the platform. In 2025, the application was further expanded with additional modules and educational content with the support of MFB Plc.

An important tool of the Bank's social responsibility is the provision of grants and sponsorship. The annual funding available for support and sponsorship is determined in the Annual Business Plan, subject to the approval of the Founder of MFB Plc. Sponsorship and CSR activities and the process for awarding support are regulated by the Bank's Support and Sponsorship Policy. This Policy defines the types of public interest and socially responsible projects that the Bank prefers to finance and support (e.g. education, including the development of financial, economic and administrative awareness; ensuring access to knowledge; recognising development; expanding professional dialogue on economic development; and the development, expansion and implementation of science, research, innovation, culture and cultural knowledge). When awarding sponsorship grants, the Bank pays particular attention to health, humanitarian, cultural, educational and sports purposes, while science, professional life and European integration efforts also play a role. In its support strategy, MFB Plc. strives to ensure that the benefits of support reach as broad the target groups as possible. Numerous ad hoc, smaller projects were implemented with the Bank's support, but many longstanding causes, foundations and institutions also feature among the beneficiaries to whom the Bank commits itself annually. Generally, priority is given to applications serving objectives of greater significance and benefiting broader social groups. Applications must be submitted to the Bank in writing. All administration is conducted in writing, and the Bank does not provide verbal information regarding grants. Applications are assessed by a committee

in all cases. In accordance with legal requirements, MFB Plc. publishes on its website the list of beneficiaries receiving grants exceeding HUF 5 million, available at: https://www.mfb.hu/kifizetesek-s2263. Information on social responsibility and major socially significant cases is also available on the Bank's website (www.mfb.hu). The resources available for support are open-ended, and the Bank endeavours to satisfy support and sponsorship requests either fully or partially. Currently, MFB Plc. does not monitor the impact of its social responsibility activities on the communities supported.

Among the subsidiaries, MKK Plc. has a Corporate Social Responsibility (CSR) Plan, which sets out the company's principles of social responsibility and its main focus areas. Its implementation is the responsibility of the Human Resources Management Group and the PR and Communications Officer. The Plan includes a number of initiatives and activities aimed at strengthening social and environmental responsibility. In addition to supporting socially disadvantaged people and those in need and improving their quality of life, the company's commitment to CSR also emphasises deepening environmental awareness. The established principles of social responsibility are as follows:

- Principle of need: cooperation with charitable organisations to support those most in need.
- Community involvement: support for initiatives requiring the active participation of communities.
- Positive social impact: grants aimed at achieving the greatest possible positive social impact.
- Strengthening environmental awareness: support for environmentally friendly and sustainable activities.
- Religious and political neutrality, ethics: avoiding support for religious organisations, political aims and discriminatory views.

In line with these principles, in 2025, MKK Plc. supported the operation of Fruit of Care by purchasing handicraft products made by people with disabilities, while the "Vigyél Haza" (Take Me Home) Foundation — which focuses on caring for orphaned and injured dogs — was supported through the purchase of calendars. Colleagues participated in the annual blood donation event, and within the framework of the "Start the School Year Together!" programme, they organised a donation drive to provide school supplies for disadvantaged children. In addition, through the Hungarian Interchurch Aid's "Mikulásgyár" (Santa's Factory) initiative, donations were collected during the Christmas season to support children and families in need. In the spirit of commitment to environmental protection, MKK Plc. also joined the nationwide "TeSzedd!" waste collection campaign in 2025. In cooperation with the Hungarian Maltese Charity Service, the "MKK non-luxury bag" campaign was also organised, during which hygiene products — items often lacking for women in need — were collected.

Hiventures Plc. and MFB Invest Plc. have implemented several CSR activities over recent years, targeting colleagues or involving them in the initiatives. As part of the "TégyJótTavasz!" ("Do Good Spring!") charity initiative, in 2025, colleagues visited the Üröm Animal Shelter, where they provided both physical assistance and donations. In previous years, this campaign addressed topics such as environmentally conscious food consumption, animal welfare and supporting people in need, and supported value-creating foundations — for example, by donating 500 items of food and products to the Hungarian Maltese Charity Service and the Üröm Animal Shelter.

In October 2025, a wellbeing programme series titled "Holding Recharge" was launched, aimed at supporting colleagues' physical and mental rejuvenation for an entire month. During this period, participants could enjoy fresh fruit juices, engage in group sports activities, receive health packages, attend two in-person lectures on conscious sleep and nutrition supporting female cycle tracking, and

access selected episodes of the “Pszicho4you” podcast digitally. The CSR campaign, supported by verifiable data, was accompanied by strong internal communication and social media presence.

Sport is a fundamental part of employees’ lives, and the organisation supports this by enabling colleagues to participate as a corporate team at major sporting events — for example, the team’s regular participation in the Ultrabalaton event or supporting participation in marathon races.

At MFB-Property Development Plc., no social responsibility programmes or actions were implemented in the reporting year.

11. Information to Customers and Social Inclusion

Material subtopics	**Information-related impacts for consumers and/or end-users, Social inclusion of consumers and/or end-users**	
Used standards	**ESRS S4**	
Introduction	The chapter presents the MFB Group's policies related to its customers, as well as the measures through which the Group effectively ensures transparent communication and the social inclusion of its clients.	
Supported Sustainable Development Goals (UN SDGs)		
Connection of material topic of the MFB Group	Basis of materiality	Impact materiality Financial materiality
	Impacts	1. Providing quality information ensures objective facts and the understanding of financial products for every client. Delivering this affects clients' well-being and financial situation as a financial product can significantly influence the client itself, and the operation of their companies. This topic is primarily important for SME clients and private individuals. (Downstream) 2. Ensuring access to financial products for disadvantaged clients requires careful and objective consideration and strict rules on the Bank's part, and this is ensured; in every case, the Bank reviews such matters and applies no discrimination. (Downstream) 3. Access to financial products and services supports the operation and development of enterprises. The activities of Hiventures Plc., for example, focus on supporting the Hungarian start-up ecosystem and financing innovative companies in the pre-seed, seed and growth stages, or those with potential. (Downstream) 4. MFB handles the interests of clients and their representatives with a high degree of professionalism, and frameworks define bank operations. The goal of the Bank's subsidiary, MKK Plc., is the efficient and effective debt collection and the highest level of consumer protection. (Downstream and Own Operation)
	Financial risks	-
	Financial opportunities	1. By providing financial products, the pool of bankable clients expands, and a diversified product range leaves no room for discrimination. (Downstream) 2. If the Group supports start-ups, enterprises, SMEs, large companies, and private individuals to receive financing or support, the company can gain greater trust and a reputational advantage. The set of financed clients expands. (Downstream)
Management of material topic	Connection to ESG strategy	Developing the financial awareness of customers and employees, strengthening the MFB Knowledge Centre

Management of material topic	Corporate Policies	Related policies and rules of Hiventures Plc.: • Instructions from the CEO on the Internal Information on Objection, Complaint Handling and Whistleblowing • Statutes • Operational Rules Related policies and rules of MFB Plc.: • Consumer Business Regulations • Data Protection and Data Security Rules • Rules of Procedure of the Group Management Department • Regulations on the classification of countries and partners and on the establishment of limits • Complaint and Objection Handling Policy • Pre-workout Policy • Partner Ethics Declaration (Annex to the Code of Conduct and Ethics) • Code of Conduct and Ethics • Customer Service Operating Procedures • Procedure for the Prevention and Management of Fraud • Fraud Prevention Policy related to the use of European Union funds • Statutes • Organizational and Operational Rules • Refinancing Procedure • Product Management Policy for the Bank's Own Funded Products • Client Rating (Customer Classification) Policy • Lending Process Rules for Direct Loans • Direct Lending Product Group Policy • Corporate and Municipal Limit Regulation Related policies and rules of MFB- Property Development Plc.: • Policy for handling incidents that violate organizational integrity • Statutes • Organizational and Operational Rules Related policies and rules of MFB Invest Plc.: • Complaint Handling Policy • Policy for handling incidents that violate organizational integrity • Statutes • Organizational and Operational Rules Related policies and rules of MKK Plc.: • Complaint Handling Policy and Procedure • Statutes • Organizational and Operational Rules

Management of material topic	Priority actions	Regular presentation of consumer protection risks related to products and sales channels through risk reports Maintaining a multi-channel customer relationship system Regular feedback on customer satisfaction Responsible lending practice Application of data protection and cybersecurity controls Accessibility improvements for digital platforms Improving access to financial services Strengthening the security of transactions Customer education and enhancement of financial awareness Development of faster and more convenient digital services Reduction of service-related risks Application of partner controls through partner selection, continuous monitoring, verification of information provided to intermediaries, and tracking partner complaints Integration of consumer support programmes, product reviews, partner channel oversight and impact assessments into the governance system
	Metrics	Number of complaints
	Targets	The objective of the Banking Group is to ensure that its products and services meet the needs and risk profiles of their target groups. MFB Plc. has set the goal of organising ESG-themed business clubs or conferences, with the target value of holding at least one ESG-related event per year.

11.1. Clients of the MFB Group

The MFB Plc., as a specialised credit institution in exclusive state ownership, contributes to achieving the prevailing national economic development objectives. As a national development bank, the primary objective of MFB Plc. is to provide financing opportunities mainly in areas where commercial banks are unable to lend efficiently, to enterprises that cannot obtain financing on adequate terms due to market shortcomings. The core focus of the Bank's activities is therefore to address market deficiencies by providing opportunities, that is, financing available under favourable terms to domestic enterprises. Among the Bank's key tasks is also the intermediation of repayable European Union funds. The primary mission of MFB Plc. is to fulfil the classic development banking function, i.e. to address existing financing gaps in the lending market and to support long-term economic development without the State's ongoing financial intervention, in a long-term sustainable business model. In this capacity, the Bank plays a particularly important role during periods of economic downturn, when its countercyclical instruments can mitigate the economic and social impacts of the recession.

The Bank's lending activities are primarily conducted through individual large loans and MFB Plc.'s own-funded loan programmes. The loan programmes are available across all corporate segments, while individual loans outside the programmes are principally accessible to large enterprises and project companies. In addition to loan products, the Bank also supports enterprises through the provision of large individual guarantees and guarantee programmes.

To intermediate repayable EU funds, the Bank has established the network of MFB Points (in the European Union's 2021–2027 programming period referred to as the MFB Point Plus network), which serves enterprises and retail customers nationwide.

In the area of equity financing, the Bank participates in the financing of venture capital programmes funded by itself or the EU, private equity funds launched directly or indirectly - through MFB Invest or Hiventures - as well as individual large equity investments financed indirectly through MFB Invest.

The Bank closely cooperates with commercial credit institutions and its partner institutions, as well as with financial enterprises, in carrying out its tasks. Within the framework of loan programmes, financing sources are delivered to enterprises mainly through refinancing partners or intermediaries, while in certain cases, clients may submit their loan applications at the Bank's central customer service. The Bank maintains active relationships with 25 financial enterprises acting as its refinancing partners.

As an institution operating in the financial sector, the Bank is aware that it has a significant social and environmental impact on the regions where it conducts its business activities. The Group's approach to clients is built on the prohibition of discrimination, the provision of transparent and comprehensible information, and the promotion of equal access to financial products and services. The Group aims to ensure that its operations do not cause significant negative impacts on consumers and end users, and that it does not directly contribute to the emergence of negative impacts. The MFB Group upholds fair treatment and non-discrimination and continuously enhances transparent and comprehensible communication. MFB Plc. and its subsidiaries do not have consumer clients, as - being a development bank - it provides financing activities to corporate clients and performs its activities through refinancing. Consequently, the Banking Group does not have a vulnerable customer group.

MFB Plc. and MFB Invest Plc. ensure that the products meet the needs and risk profiles of the target groups. Hiventures Plc. focuses its activities on supporting the Hungarian startup ecosystem, financing innovative enterprises in the initial-, seed and growth stages, particularly those with significant potential. For MFB-Property Development Plc., an objective is to ensure that its properties remain sustainable, competitive and value-preserving assets not only in the present, but also in the future for new tenants or, in the event of a sale, for future new owners. The objective of MKK Plc. is the efficient and effective recovery of claims, as well as the highest level of protection of consumer interests.

The Group records its expectations and fundamental principles regarding client treatment in the Group level Code of Conduct and Ethics and in the related Declaration of Ethics and Human Rights, which are aligned with international human rights norms and guidelines. These frameworks guide the Group's business decisions, product development processes, client communication and complaint handling practices to prevent the emergence of potential risks. In the 2025 financial year, no human rights incidents occurred within the Banking Group.

In addition, the objective of the Banking Group is to handle complaints and remedies effectively. MFB Plc. intends to set quantitative, time-bound targets in the future; these were not established during the 2025 strategic review. If necessary, such targets may be defined during subsequent reviews. The Bank monitors progress through internal monitoring, management reports, compliance and risk management controls, as well as through feedback and complaint data received via whistleblowing and reporting channels.

In section ESRS 2 2.5.3 *Downstream activities*, the Banking Group provides a detailed overview of its products and services, as well as its sales channels and customer relations. The Group's clients include all natural and legal persons who directly use the financial products and services provided by the Group, as well as those exposed to the indirect impacts of the financing activities of the Bank, MFB Invest Plc. and Hiventures Plc., for example, clients affected by the investments of the funds. The Group's clients also include those persons and groups who are affected through the Group's value chain - such as intermediaries, partners, commercial banks, financial enterprises or financed projects. In the case of

MKK Plc., clients primarily include debtors involved in debt management and the institutions transferring their claims, while the clients of MFB-Property Development Plc. are its tenants.

Based on the Banking Group's double materiality assessment, several client groups can be identified that may be more significantly affected by the actual or potential positive impacts arising from the Group's activities. For clients with limited access to financing ("gap" financing), the appropriateness of products, the quality of client information and the handling of complaints are of particular importance. Micro-, small- and medium-sized enterprises constitute a strategically important client group, for whom changes in financing conditions and developments in the economic environment are of outstanding relevance. Users of banking services may face data protection and cybersecurity risks, with further information available in the chapter on Data Protection and Cybersecurity. In addition to these client groups, the Bank has identified indirect end users - clients of refinancing partners, as well as end users of projects, products or services financed by the Bank - such as residents of residential buildings affected by real estate developments or users of leased assets, who may also be impacted by the Bank's decisions. The Banking Group did not identify any negative impacts or risks relating to clients, as - being a development bank - it does not provide consumer loans, which means that certain impacts, risks and opportunities would only apply to specific consumer groups (e.g. particular age groups).

11.2. Policies in the Interest of Clients

MFB Plc. has a Consumer Business Rules document, which ensures fair, transparent and non-discriminatory client treatment, clear contractual terms, and transparency of fees and charges. It also includes appropriate product recommendations, as well as functioning in complaint-handling and remedy processes. The provisions of the Consumer Business Rules apply to all clients. The Client Rating (Customer Classification) Policy stipulates that the source of repayment of claims must be the client's income, rather than the collateral provided. MFB Plc.'s client and partner rating system supports the assessment of a client's solvency and creditworthiness prior to offering terms and prior to risk taking. These policies ensure that MFB Plc. prevents potential risks that may arise in relation to clients. During its business risk-taking activities, the Bank sets partner limits for the financial institutions with which it maintains relationships.

The Bank seeks to enhance access for clients through multi-channel support, complemented by targeted financial education programmes. The Data Protection and Data Security Rules provide the framework for the handling of personal data, incident management, and expectations towards technological partners.

Further information on data security is available in the chapter Data Protection and Cybersecurity. Credit institutions and financial enterprises joining the refinancing programmes announced by MFB are screened by the Bank in advance based on available positive and negative information. The product management policies define the identification of the target market, the assessment of appropriateness, and the lifecycle-based consumer impact assessment of products. The Complaints and Objections Policy states rapid, transparent and objective investigations, accessible remedy options, and the analysis of data generated during complaint handling, as well as the preparation of an annual complaint report. The MFB Group's ethical and human rights commitments are set out in the Declaration of Ethics and Human Rights, known as the annex to the Code of Conduct and Ethics (Group level policy) that entered into force in 2025, as well as in the Partner Declaration of Ethics, which reflect the principles of the OECD Guidelines, the UN Charter, the Universal Declaration of Human Rights and the ILO Core Conventions. These commitments cover, among others, the prohibition of child labour, the prohibition of modern slavery and unethical recruitment, fair employment practices, the prohibition of discrimination and harassment, the respect for working time and rest time, and the provision of fair wages and benefits. The

Refinancing Procedure Instructions define the steps to be carried out throughout the entire cooperation process between MFB and the financial institution.

11.3. Operation of the MFB Group in Relation to Clients

The objective of the Banking Group is to ensure that its products and services meet the needs and risk profiles of the target groups, with particular attention to clients who are more exposed to economic and environmental impacts (e.g. micro-enterprises, primary producers, participants in the agricultural sector). No vulnerable consumer groups can be identified during the Banking Group's operations, as MFB Plc., being a national development bank, does not engage in consumer lending; the organisation carries out corporate financing. The identification and categorisation of consumer risks are integrated into the Bank's risk management framework, given that the risk reports regularly present the consumer protection risks associated with products and sales channels. Product development and product review processes include a documented assessment of the target market and appropriateness, with particular attention to the impact on clients and client feedback. The analysis of complaint data is embedded into management reports and supports strategic decision-making.

A clear responsibility structure is in place for enforcing clients' interests. Operational implementation is the responsibility of the business and support areas, while the highest level of governance responsibility lies with the Bank's senior management. The Compliance Directorate participates in complaint handling and objection handling processes as the operator of the remedy function, in cooperation with the relevant business areas.

MFB Plc. maintains a multichannel client relationship system, including physical and telephone customer service, digital channels – including the website – as well as dedicated client manager support. The Banking Group's communication is transparent and easy to understand, providing transparent communication, personal administration and dedicated client support for clients served directly. Clients' direct participation is supported through surveys and digital feedback, while indirect participation is ensured through authorised representatives – such as legal representatives, authorised family members or legal counsel – subject to appropriate authenticity checks. Among the subsidiaries, MKK Plc. operates customer service, for which further information is provided in the ESRS S3 disclosure. MFB Plc.'s annual risk assessment and product review, quarterly complaint data analyses, and the continuous receipt and handling of complaints and digital feedback together ensure regular feedback.

Whistleblowing channels are also available at MFB Invest, MFB-Property Development Plc., Hiventures and MKK Plc., and are regulated by policies, for which further information is provided in the ESRS S3 Affected Communities section.

In the case of EU-funded loan programmes, the remedy mechanisms provided by MFB Plc. are as follows: objection handling in accordance with the relevant legislation (government decrees applicable to the loan programmes), and complaint handling applicable to all products offered by the Bank, in relation to which the Bank provides detailed information on its website (how and through which contact points a complaint can be submitted), along with guidance and standard forms. In the case of personal complaints, a record is drawn up, which is processed by the Compliance Directorate. In cases related to violations of the rights defined in the Charter of Fundamental Rights observed during the use of EU funds, MFB Plc. ensures legal remedy through a complaint submitted via a dedicated mechanism established specifically for this purpose. All reporting channels of the Bank are accessible for submissions from non-clients, and all incoming enquiries receive a response. The effectiveness of complaint and objection handling is not currently measured externally; however, its compliance is

ensured through built in operational controls and regular management reviews. The guidelines for the protection of whistleblowers are presented in detail in section ESRS G1 11.1.3.

11.4. Support for Clients of the MFB Group

Measures aimed at preventing and mitigating negative impacts include responsible lending practices, which are based on careful creditworthiness assessments and prudent repayment limits. During product management, the Bank ensures the continuous suitability of its products through the designation of target markets, appropriateness and accessibility assessments, and lifecycle-based reviews. In the area of digital security and access, the MFB Group applies data protection and cyber security controls and offers accessible and user-friendly solutions on its digital platforms. Cooperation and risk management with partners extend to partner selection and continuous monitoring, the oversight of information provided by intermediaries, as well as the tracking of partner complaints and compliance matters. To support the case management of affected clients, the Bank provides simplified communication, personal administration and dedicated client support.

In addition, considering client feedback enables the subsidiaries of the Banking Group to better tailor their services to users' needs, thereby improving the client experience and strengthening client relationships. The MFB Analysis Centre prepares regular analyses and conducts research among the Bank's clients, including questionnaire-based surveys. Based on the results of these questionnaires, the analyses, studies, forecasts and proposals provide insights into issues relevant to the strategy, operations and products of MFB Plc. and the members of the MFB Group, as well as into domestic and international financial and economic trends influencing economic and development policy, while also identifying the investment propensity and financing needs of different client segments. Based on these documents, the MFB Group can assess the impact of the products and services it provides, as well as the need for improvements among its clients.

In addition, since September 2024, MFB Plc. has assessed the environmental, social and governance (ESG) characteristics of its financed clients as part of the ESG risk assessment linked to its financing activities, through ESG questionnaires sent to financed clients. These questionnaires support the assessment, measurement, management and control of credit risk, and provide insight into and help outline clients' sustainability objectives and the sustainability-related dynamics of their activities. During the assessment, the client relationship manager evaluates the questionnaire submitted by the client in the course of risk-taking. The result forms part of the client rating. As part of the monitoring process, the client questionnaire is requested again, updated and followed by a new client rating, thus meeting the requirements of Recommendation 7/2025 of the National Bank of Hungary. The questionnaire always forms part of the client's file, and the responses are transferred to the Bank's Data Repository. Within its client rating methodology, the Bank also quantitatively evaluates the responses provided in the questionnaire. The Bank has documented its methodology in detail in its ESG Credit Risk and Client Rating Policies and continuously develops and updates staff knowledge.

These measures are complemented by actions aimed at promoting positive impacts, through which MFB Plc. improves clients' access to financial services, strengthens transaction security and financial awareness, and seeks to enhance its services. During business activity and in building and maintaining client relationships, the Bank aims to make further progress and move towards digital solutions in the future. To this end, in 2025, the following developments were launched within the framework of project-based operations:

- In 2025, the Bank launched a project to design the so-called Digital Client Account (DÜFT), including the preparation of a requirements list based on the Bank's lending activities. From the

perspective of lending, the focus is on the banking processes following the loan disbursement phase. The product scope extends to loans provided to retail clients (including employees) and corporate clients, both in the case of own-funded transactions and EU-funded transactions. The current objectives of the project include the preparation of a schedule for defining the requirements related to the disbursement phase. Furthermore, on both the retail and corporate sides, MFB Plc. plans to provide the digital citizenship services specified in the DÁP Act (Act CIII of 2023), and to develop its processes to ensure faster and more transparent administration and to strengthen client trust, while reducing service risks. Dedicated expert capacity is available within the Bank's processes in the areas of complaint handling and client relations for the implementation.

- The Bank also plans to introduce online administration without personal appearance for clients in the case of EU-funded loans distributed through the intermediary network.

11.5. Developing Clients' Competencies

Educating affected communities, including clients, is essential for increasing financial awareness and building trust between the Group and its clients. In addition, education can significantly contribute to reducing risks and supporting community development. For all these reasons, the MFB Group also prioritises client education and is committed to strengthening financial literacy among its clients. The Bank endeavours to publish information materials aimed at developing conscious consumer attitudes, making these available on the Bank's website and in its customer service premises, and regularly monitoring they are up-to-date. MFB Plc.'s Business Strategy includes the objective of assuming the role of a financial knowledge centre, enabling it to support the work of domestic corporate decision-makers, align the business activities of the MFB Group and exploit synergies, as well as develop the financial competencies and awareness of enterprises facing financial difficulties or presenting higher banking risk. This commitment is also reflected in the fact that one of the focus areas of MFB Plc.'s ESG Strategy is the development of financial awareness among clients and employees.

Shaping the mindset of SMEs and entrepreneurs, providing education, and expanding their financial and sustainability knowledge constitute one of the priority focus areas of the operations of the Bank's Marketing and Communications Directorate. As part of this, the platform osszetartok.hu (www.osszetartok.hu) had previously been created.

The primary purpose of establishing the osszetartok.hu website was to support entrepreneurs and facilitate the development of valuable business relationships through the sharing of business opportunities or experiences. The Marketing and Communications Directorate is responsible for the content published on the site. The topics of the published articles were determined by entrepreneurial needs, legislative changes and current developments in the market environment. On average, two new pieces of content were published each week in 2025. The platform, which had been developed during the COVID-19 pandemic, was phased out at the end of 2025, and from June 2025 onwards, its uploaded content was published in parallel on the official website of MFB. The educational materials are available under the "MFB Magazine" section (https://mfb.hu/magazin-s2742).

Another important element of education was the MFB Podcast series. In addition to topics supporting and informing businesses, the scope of the podcasts was broadened to cover issues affecting the wider public, such as sustainability, environmental protection and social topics. Beyond market needs and legislative changes, the selection of themes was also influenced by areas supported by MFB that are of particular importance from a social responsibility perspective. In 2025, the series featured three young researchers who had previously received the Junior Prima Award in the category of Hungarian Science. These episodes are also available on YouTube, on the MFB YouTube channel

(https://www.youtube.com/@MFBMagyarFejlesztesiBank). The Marketing and Communications Directorate is responsible for the related programmes.

MFB is committed to developing financial awareness; therefore, it participates each year in the event series “PÉNZ7” organised by the Hungarian Banking Association. The purpose of this financial education week is to provide secondary school students with clear and accessible information to support the expansion of their financial and entrepreneurial knowledge. MFB employees also hold educational sessions in secondary schools, helping to raise interest in finance among younger generations, improve their financial awareness, and answer questions relating to lending or the challenges of entrepreneurship. In addition, MFB proactively organises and participates in professional conferences, events and exhibitions, where it transparently and collaboratively shares relevant information, thereby helping to broaden the perspectives of participants.

These measures imply that in 2025, MFB Plc. set a target to improve the financial awareness of its clients and employees. The target is measured by the number of ESG related business events organised by the Bank. The baseline is the number of events held in 2025, which was one occasion. The Bank’s objective is to organise at least one ESG related business event per year during the strategic period. The target group of the events consists of the Bank’s clients, partner institutions, and professional stakeholders. The Bank monitors the number of events on an annual basis and publishes the results in the Sustainability Report.

IV. GOVERNANCE INFORMATION

12. Responsible Corporate Governance

In identifying the material impacts, risks and opportunities related to business conduct, the Company considered the results of compliance and ethical risk analyses, the findings of internal control and audit processes, as well as the experience gained from the whistleblowing system. The analysis also covered corruption and bribery risks, fair business practices, and ethical risks related to supplier and business partner relationships. The factors identified in this manner were assessed during the double materiality analysis as part of the double materiality assessment under ESRS 2.

Material topic	**Corporate Culture**	
Used standards	**ESRS G1-1**	
Introduction	The chapter discusses the MFB Group's principles related to legal compliance, in addition to the description of compliance activities, it also covers the presentation of ethical business conduct.	
Supported Sustainable Development Goals (UN SDGs)		
Connection of material topic to MFB Group	Materiality Basis	Impact materiality
	Impacts	The MFB Group places special emphasis on transparency and ethical operations in terms of its corporate culture. As part of this, all employees of the Group receive compliance and ethics training, and the principles of ethical procedures include, among other things, the publication of cases and the prohibition of discrimination, thereby ensuring a transparent presentation of its own operations. The company also operates an ethics committee. (Own operation)
	Financial risks	-
	Financial opportunities	-
Management of material topic	Connection to ESG strategy	Responsible banking and corporate governance, regulatory compliance

<table>
<tr><td rowspan="5">Management of material topic</td><td>Corporate Policies</td><td>Related policies and rules of Hiventures Plc.:
Code of Conduct and Ethics
Conflict of Interest Policy
Operating Rules
Asset Declaration and Management Rules
Related policies and rules of MFB Plc.:
Statutes
Organisational and Operational Rules
Directive on an internal regulatory framework containing internal rules order
Decision-making Order
Rules of Procedure of the Supervisory Board and Board of Directors
Internal Audit Directive
Internal Audit Manual
Asset Declaration and Management Rules
Code of Conduct and Ethics (internal instruction)
Code of Conduct and Ethics (Group-level policy)
Declaration of Ethics (Annex to the Code of Conduct and Ethics)
Conflict of Interest Rules
Related policies and rules of MFB-Property Development Plc.:
Organisational and Operational Rules
Code of Ethics
Compliance Policy
Rules on the Management of Incidents Violating Organisational Integrity
Related policies and rules of MFB Invest Plc.:
Code of Business Conduct Appropriate to the Workplace
Policy on the Management of Incidents Violating Organisational Integrity
Compliance Policy
Conflict of Interest Rules
Organisational and Operational Rules
Asset Declaration Rules
Related policies and rules of MKK Plc.:
Code of Conduct and Ethics
Compliance Policy
Fraud Prevention and Management Strategy and Policy
Rules on the avoidance, detection and management of conflicts of interest
Conflict of Interest Rules
Organisational and Operational Rules
Asset Declaration and Management Rules</td></tr>
<tr><td>Priority actions</td><td>Operation of an internal control system
Review of internal policies
Provision of employee training</td></tr>
<tr><td>Metrics</td><td>Rate of participation in behavioural and ethical training</td></tr>
<tr><td>Targets</td><td>At the members of the MFB Group, key performance indicators (KPIs) specifically related to ethical corporate operation and corporate culture were not defined because neither external nor internal investigations nor announcements related to ethical corporate operations identified or indicated any deficiencies that would have called for separate performance indicators.</td></tr>
</table>

12.1 Legal Compliance

One of the most important pillars of the responsible operation of the MFB Group is legal compliance.

In the case of MFB Plc., the regulatory environment of the banking sector and the Bank's specific role also require full compliance with the law. Due to the supervisory bodies and regulations governing its operation, particular emphasis is placed on continuously monitoring legislative changes and keeping compliance processes up to date.

The Bank ensures the alignment of external expectations with the corresponding internal organisational rules and measures by issuing internal regulatory documents and periodically reviewing them in an structured manner. The development and operation of the internal regulatory framework is the responsibility of the Operational Development and Regulation Directorate. The responsibilities of the Directorate also include coordinating changes and operational development tasks related to the Bank's operation and internal organisational structure, as well as the system-level development and operation of its decision-making mechanisms. In addition, it is responsible for managing and organising internal regulatory processes and contributes to the creation and modification of internal corporate regulatory documents. The most important internal rules of the Company include the Statutes, the Organisational and Operational Rules, the Directive on the Internal Regulatory Framework containing internal rules, the Decision-making Order of Business, and the Rules of Procedure of the Supervisory Board and the Board of Directors. Tasks and responsibilities related to legal compliance are clearly separated within the Bank. The process of monitoring legislative changes is regulated by internal instructions, which specify the responsible areas involved in this task – including the Compliance Directorate, the Legal Directorate, and the Operational Development and Regulation Directorate – and the tasks performed by them.

The Bank operates a comprehensive internal control system, aligned with the specificities, scope, complexity and risks of its activities. The system ensures that the Bank's operations are conducted under an appropriate management framework and with adequate internal controls. A three-level risk protection system has been established within the organisation: keeping in mind the principle of proportionality, a risk control function, a compliance function and an internal audit function operate to ensure effective and comprehensive internal control covering the entire organisation.

According to the relevant provisions of the Organisational and Operational Rules (hereinafter: OOR), the compliance function – as a second line of defence – covers the entire Bank, all its organisational units, business areas and activities, particularly regarding conflicts of interest, management of interest-related conflicts, monitoring legislative changes, complaint handling, market abuse and anti-money laundering prevention. The Compliance Directorate prepares a comprehensive annual report for the Board of Directors and the Supervisory Board on the Bank's compliance activities, which includes the identification of compliance risks, the assessment and analysis of their impact, the development of necessary action plans, and the monitoring of their results. In addition to its general compliance responsibilities, the Compliance Directorate also performed further operational tasks related to the Bank's EU funding management activities for the 2014–2020 and 2021–2027 programming periods, primarily in relation to compliance with EU conflict of interest rules.

The Internal Audit Directorate is autonomous within the Bank and is organisationally and functionally independent from other areas. In carrying out its functions, it examines and ensures that risk management, governance, control systems and procedures established and operated by the management comply with the requirements. In addition, it makes recommendations for improving the Bank's

governance and control system, informs the management accordingly, and monitors the fulfilment of these recommendations. The detailed rules for internal audit are set out in the Internal Audit Directive and the Internal Audit Manual.

The Bank's internal control system also includes the Banking and Information Security Directorate, which is responsible for operating fraud prevention processes. The further tasks of the Banking and Information Security Directorate particularly include supporting the Bank's risk-taking, risk management and human resources activities, developing, controlling and maintaining information security within the Bank, protecting the Bank's employees, buildings, own assets, valuables and important interests, and protecting the personal safety and personal property of employees.

The Bank's rules supporting legal compliance are available on the intranet interface.

Legal compliance is ensured at the subsidiaries in a similarly transparent and regulated manner.

The Organisational and Operational Rules of MFB Invest Plc., which are publicly available on the company's website, set out the rules for the internal control system operated by the company. One element of this system is the Compliance area, which reports directly to the Chairman CEO and performs its compliance assurance functions independently of other internal control functions, as well as from supervised and audited activities and business units. Another element is the internal audit function, which operates as an independent internal audit area in accordance with legal requirements, under the professional supervision of the Supervisory Board, performing its activities in line with the company's interests.

According to the Operational Rules of Hiventures Plc., which are publicly available on the company's website, the company's Independent Compliance Department performs the oversight of external compliance (legislation applicable to the fund manager) and internal compliance (the internal rules of the fund manager), under the supervision of the Compliance and Control Director, who acts under the direct authority of the CEO. The Department may only be instructed by the CEO or the Board of Directors and is accountable to the CEO and the Board of Directors. In addition, the company engages an internal auditor under a contract of engagement to perform internal audit activities. In accordance with Act CXXII of 2009 on the more economical operation of publicly owned companies, the internal auditor is subordinate to the CEO as the primary executive, acts separately from the audited areas, operates independently, and sends its reports directly to the CEO and the Supervisory Board.

In the case of MFB-Property Development Plc., the internal audit function – as part of the internal lines of defence – is also an important element of the company's control system. The internal auditor performs its tasks under an external contract of engagement, based on the decision of the CEO and the prior approval of the Supervisory Board. The Compliance Officer operates under the authority of the CEO, and their tasks and audit activities are regulated by the Organisational and Operational Rules, which are also available on the company's website.

At MKK Plc., the task of the Compliance Group is to identify and manage the risks arising from non-compliance with laws and other non-legislative provisions (including recommendations, guidelines and methodological guides issued by the MNB, market conventions, codes of conduct and ethical rules), and internal regulations (hereinafter collectively referred to as compliance rules) related to the company's financial and ancillary financial service activities, as well as the risks relating to supervisory or other regulatory sanctions, significant financial loss or reputational damage. In addition, according to the Organisational and Operational Rules available on the company's intranet, the company has established an internal audit body to monitor its operations. The Supervisory Board exercises direct professional management and the right to instruct the chief internal auditor.

Key performance indicators (KPIs) specifically related to ethical corporate operation and corporate culture have not been defined at the companies of the MFB Group, as neither external nor internal investigations nor notifications related to ethical corporate conduct identified or indicated any deficiencies that would have required the development of specific performance indicators. However, the internal audit and compliance areas implement these functions to prepare the annual work plans of the companies every year, which are approved and monitored by the companies' managers. To manage the material impacts related to corporate culture, the Compliance and Internal Audit Directorates and the responsible areas implementing these functions did not allocate separate resources beyond the budget, ensuring their normal operation in 2025.

12.1.1 Rules on Conflicts of Interest, Declaration of Assets

At MFB Plc., the separation of conflicting activities plays a key role in the development of the organisational structure and competences, in accordance with the relevant legislation, in particular Act XX of 2001 on the Hungarian Development Bank Private Limited Company (hereinafter: the MFB Act) and Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (hereinafter: the Credit Institutions Act). The detailed rules are set out in the Conflicts of Interest Policy, which is accessible to all employees on the intranet and which – among other provisions – stipulates that no manager or employee may participate in business decisions or risk management decisions related to a customer if they have a personal business interest in the given decision. The policy also restricts the possibility for employees to enter into other legal relationships for the purpose of work, and it specifies the cases and types of additional legal relationships they may establish under the MFB Act. Furthermore, the policy states that the Bank's managers and employees may not undertake public roles associated with political parties. If a conflict of interest arises in the case of an executive officer or employee, it must be reported in writing to MFB Plc. Depending on the position, the person exercising ownership or employer rights shall issue a written instruction requiring the elimination of the conflict of interest within 30 days; otherwise, the employment relationship shall be terminated pursuant to the MFB Act. As MFB Plc. also manages European Union financial instruments, the conflict-of-interest rules set out in the government decrees governing the use of EU funds also apply to the Bank's managers and employees, in accordance with the procedural rules and conflict of interest regulations applicable to the programming period concerned.

The provisions on conflicts of interest and the related procedures are regulated separately for each company: at MKK Plc. by the Policy on the Avoidance of Conflicts of Interest and the Conflicts of Interest Policy; at Hiventures Plc. and MFB Invest Plc. by the Conflicts of Interest Policy; and at MFB-Property Development Plc. by the Code of Ethics. As part of their compliance functions, the companies ensure the management of risks arising from conflicts of interest associated with their operations, and they also aim to strengthen employees' awareness in this regard. These provisions are available and accessible to all employees via the companies' intranet platforms.

The obligation to submit an asset declaration also strengthens corporate transparency. Pursuant to the relevant sections of Act CLII of 2007 on Certain Asset Declaration Obligations (hereinafter: the Vnytv.) and the internal Rules on Asset Declaration and Asset Declaration Management, at MFB Plc. the Chairman CEO, the members and leaders of the Board of Directors and the Supervisory Board, as well as the heads and designated staff of areas related to public procurement, EU law, internal audit, compliance, IT, operations, strategic management and financial management, are required to submit an asset declaration. At Hiventures Plc. and MFB Invest Plc., the obligation applies to the Chairman and members of the Board of Directors, the Chairman and members of the Supervisory Board, the employee members of the Public Procurement Preparatory and Evaluation Committee, the CEO, and the internal

auditor reviewing the public procurement procedure. These employees must comply with this obligation in the form and frequency stipulated by the applicable legislation. At MKK Plc., the CEO, the Chairman and members of the Board of Directors and the Supervisory Board, as well as employees who are authorised to make proposals, decisions or exercise control – either individually or as members of a body – in public procurement procedures conducted by the company, are required to submit an asset declaration.

12.2 Ethical Rules of Conduct and Anti-Corruption

Material subtopic	**Protection of Whistleblowers**	
Used standards	**ESRS G1**	
Introduction	The chapter discusses the MFB Group's principles related to legal compliance and, in addition to presenting compliance activities, it also provides an overview of the whistleblowing system.	
Supported Sustainable Development Goals (UN SDGs)		
Connection of material topic to MFB Group	Materiality Basis	Impact materiality
	Impacts	The MFB Group operates whistleblowing channels and processes to ensure freedom of expression and to report objections concerning the operation and services of Group members. At least one channel allows anyone to report abuses, including anonymously (except at MFB Invest—however, a complaint channel with confidential data handling also operates there). Whistleblowing is available for issues related to own operations and the upstream; downstream stakeholders can submit other types of complaints. Even where a report is made with a name, the reporter's data are treated confidentially. (Upstream and Own operation)
	Financial risks	-
	Financial opportunities	-
Management of material topic	Connection to ESG strategy	Responsible banking and corporate governance, regulatory compliance
	Corporate Policies	Related policies and rules of Hiventures Plc.: • Code of Conduct and Ethics • Operating Rules • Chief Executive Officer's Instruction on Internal Procedures for Objection Handling, Complaint Management and Whistleblowing Related policies and rules of MFB Plc.: • Statutes • Organizational and Operating Rules • Directive on the Internal Regulatory Framework Containing the Order of Internal Rules • Decision-making Order • Rules of Procedure of the Supervisory Board and the Board of Directors • Internal Audit Directive • Internal Audit Manual • Code of Conduct and Ethics (internal instruction) • Code of Conduct and Ethics (Group-level policy) • Partner Ethics Declaration (Annex to the Code of Conduct and Ethics) • Labour Regulations Related policies and rules of MFB-Property Development Plc.: • Organisational and Operating Rules

Management of material topic	Corporate Policies	• Ethics Policy • Compliance Policy • Policy on the Management of Incidents Violating Organisational Integrity Related policies and rules of MFB Invest Plc.: • Policy on Business Conduct Appropriate to the Workplace • Policy on the Management of Incidents Violating Organisational Integrity • Compliance Policy • Complaint Handling Policy • Organisational and Operating Rules Related policies and rules of MKK Plc.: • Code of Conduct and Ethics • Compliance Policy • Strategy and Policy for the Prevention and Management of Fraud • Policy on the Avoidance, Detection and Management of Conflicts of Interest • Organisational and Operating Rules
	Priority actions	Operation of the internal control system Operation of reporting channels Review of internal policies Provision of employee training
	Metrics	The rate of participation in behavioural and ethical training
	Targets	At the members of the MFB Group, key performance indicators (KPIs) specifically related to the protection of whistleblowers were not defined, because neither external nor internal investigations nor announcements related to ethical corporate operations identified or indicated any deficiencies that would have required the establishment of separate performance indicators.

Material subtopic	**Corruption and bribery**	
Used standards	**ESRS G1**	
Introduction	The chapter discusses the MFB Group's principles related to legal compliance and, in addition to presenting ethical business conduct, also outlines the measures implemented to ensure anti-corruption operations.	
Supported Sustainable Development Goals (UN SDGs)		
Connection of material topic to MFB Group	Materiality Basis	Impact materiality
	Impacts	To ensure legal compliance and ethical operations, the Group has an anti-corruption policy that records the Bank's commitment to zero tolerance. In addition to the policy, all Bank employees receive conduct and ethics training that includes an anti-corruption module. Furthermore, the prohibition of corruption and restrictions on business gifts are important elements of the conduct rules. At MFB Plc., obtaining ISO 37 001 certification is in progress. (Own operation)

Connection of material topic to MFB Group	Financial risks	-
	Financial opportunities	-
Management of material topic	Connection to ESG strategy	Responsible banking and corporate governance, regulatory compliance
	Corporate Policies	Related policies and rules of Hiventures Plc.: • Code of Conduct and Ethics • Conflict of Interest Policy • Operating Rules • Anti-Money Laundering Policy • Asset Declaration and Management Rules Related policies and rules of MFB Plc.: • Organisational and Operating Rules • Directive on the Internal Regulatory Framework Containing the Order of Internal Rules • Internal Audit Directive • Internal Audit Manual • Asset Declaration and Management Rules • Code of Conduct and Ethics (internal instruction) • Code of Conduct and Ethics (Group-level policy) • Anti-corruption Policy • Conflict of Interest Rules • Anti-Money Laundering and Sanctions Policy and Procedure Related policies and rules of MFB-Property Development Plc.: • Organisational and Operating Rules • Ethics Policy • Compliance Policy • Policy on the Management of Incidents Violating Organisational Integrity Related policies and rules of MFB Invest Plc.: • Policy on Business Conduct Appropriate to the Workplace • Policy on the Management of Incidents Violating Organisational Integrity • Compliance Policy • Conflict of Interest Rules • Organisational and Operating Rules • Asset Declaration Rules Related policies and rules of MKK Plc.: • Code of Conduct and Ethics • Compliance Policy • Strategy and Policy for the Prevention and Management of Fraud • Policy on the Avoidance, Detection and Management of Conflicts of Interest • Conflict of Interest Rules • Organisational and Operating Rules • Asset Declaration and Management Rules • Anti-Money Laundering Policy
	Priority actions	Operation of the internal control system Operation of whistleblowing channels Review of internal policies Provision of employee training
	Metrics	The rate of participation in behavioural and ethical training

Management of material topic	Targets	At the members of the MFB Group, key performance indicators (KPIs) specifically related to ethical corporate operation and to the prevention of corruption and bribery were not defined, because neither external nor internal investigations nor announcements related to ethical corporate operations identified or indicated any deficiencies that would have required the establishment of separate performance indicators.

The responsible corporate governance practice of the MFB Group includes the application and observance of company-specific ethical regulations at the subsidiary level, which apply to all managers, employees and agents of the Group, in line with the highest ethical standards. The identification of ethical risks – alongside other risk disclosure tools – contributes to prudent operation, the reduction of reputational risks, and the strengthening of corporate culture. In this context, the objective of the Group is to promote an anti-fraud culture, to establish a comprehensive internal control system, and to raise awareness of ethical principles and expectations through comprehensive training.

One of the basic conditions for the transparent and ethical operation of the MFB Group is the establishment of appropriate regulatory structures through its internal operational policies. Each company of the Group has its own Code of Conduct and Ethics or an internal document that sets out its general expectations relating to corporate conduct and the consequences to be applied in the event of a breach.

Another fundamental condition for the ethical operation of the Group is the exemplary conduct of management and the enforcement of the internal codes and policies mentioned above. In its Code of Conduct and Ethics and in its Anti-Corruption Policy, MFB Plc. emphasises that the priority responsibilities of senior executives are as follows:

- Setting a good example through the consistent and full observance of policies,
- Supporting ethical corporate culture,
- Knowing and communicating ethical and anti-corruption rules,
- Reporting conduct that violates policies,
- Protecting whistleblowers of unethical or suspected corruption cases, ensuring that their rights under the law and the Bank's relevant rules are respected.

At MFB Invest Plc., the Code of Conduct Appropriate to the Workplace applies, while at the other subsidiaries of the MFB Group, their own Code of Conduct and Ethics applies. In all cases, the expectations for managers are uniformly emphasised, namely:

- Fair, impartial, principled and equitable treatment of employees, particularly in the areas of performance appraisal and benefits.
- Setting an example for all employees, identifying with the objectives and values of the Company, and prohibiting the abuse of position or the application of pressure.
- Fast and responsible decision-making, taking responsibility for decisions, and delegating tasks efficiently and in a balanced manner.
- Polite, firm, open and honest communication, formulating fair and constructive criticism, refraining from behaviour or pressure that violates the dignity of employees.
- Ensuring a stress-free working environment, considering the personal needs of employees, and supporting their professional development.

In addition, special rules apply to the management of all Group companies regarding conflicts of interest and the granting and acceptance of undue favours, and in the case of the management of MFB Plc., also regarding market manipulation and the misuse of inside information. The conflict-of-interest rules applicable within the MFB Group are presented in detail in Section 12.1.1 Rules on Conflicts of Interest and Declaration of Assets.

Managers, together with employees, are expected to complete annual ethics training. Furthermore, at MFB Plc. and MKK Plc., persons in executive positions as defined in the Credit Institutions Act are also expected to maintain a good business reputation, which is also assessed by the MNB. Maintaining a

good business reputation is defined in Section 6 (1) Point 51 of the Credit Institutions Act and means that, in the course of their activities, a person or organisation complies with legislation, engages in line with business ethics, demonstrates fair market conduct, and shows reliability and financial stability. Apart from the leadership expectations set out in the Group's policies and their monitoring, no additional requirements are prescribed in relation to business conduct expertise.

The third fundamental condition for the transparent operation of the MFB Group is zero tolerance for corruption. This has been declared by each company of the Group in its anti-corruption or ethics policies. The Declaration of Ethics and Human Rights of MFB Plc.[32], which contains its principles for the prevention of corruption, as well as the Anti-Corruption Policy adopted by the Board of Directors of MFB Plc., are publicly available on the Bank's website. On 16 October 2025, the Banking Group introduced the Group-level Anti-Corruption Policy, which must be applied by all entities subject to its scope (Hiventures Plc., MFB-Property Development Plc., MFB Invest Plc., MKK Plc.) in accordance with its provisions. The personal and material scope of the Group-level Anti-Corruption Policy extends to the organisation, the members of its Board of Directors, all employees, all organisational units, and persons engaged by the organisation in other legal relationships for the purpose of work.

The Group-level policy was already implemented by MKK Plc. and Hiventures Plc. in the fourth quarter of 2025. Prior to this, at MKK Plc., the company's Code of Conduct and Ethics provided guidance regarding the prohibition of corruption. With the entry into force of the Group-level Anti-Corruption Policy, MKK Plc. sets out its zero tolerance towards corruption, as well as its commitment to this zero-tolerance approach, in a manner accessible to its clients, partners and other external parties. Hiventures Plc. implemented the expectations set out in the Group-level Anti-Corruption Policy into its Code of Conduct and Ethics. Before the introduction of the Group-level regulation, from 2023 onwards, the Anti-Corruption Policy was issued as an internal instruction. The purpose of the Anti-Corruption Policy is to record the Bank's stance against corruption in a manner accessible to its clients, partners and other external persons. The Bank's commitment to zero tolerance is reflected in the development of principles, procedures and sanctions that promote the prevention, timely detection and management of corruption situations. For the Bank, all forms of corruption are unacceptable, as they undermine fair market conditions and fair and transparent social relations. In accordance with the relevant legislation and the principle of proportionality appropriate to the size and structure of the organisation, the Bank operates effective and comprehensive internal control functions, in particular the compliance function and the internal audit function. Detailed rules of the Internal Control System are set out in Section II.7 of the Organisational and Operational Rules (OOR). If the Compliance Directorate identifies, or becomes aware of, a compliance risk relating to the observance of the principles and specific rules set out in the Anti-Corruption Policy, it shall notify the senior management of the Bank, and inform the Board of Directors at the latest in the form of a quarterly report; in such cases, an ethics procedure is also conducted. At MFB Plc., the areas most exposed to corruption and bribery risks are primarily the business areas (Project Finance Directorate and Structured Finance Directorate), as well as those organisational units maintaining direct contact with the Bank's clients (e.g. Customer Service Department, Financial Instruments Control Directorate). MFB Plc. also strives to enforce its anti-corruption policy towards its business partners. In accordance with its related rules, prior to establishing business relationships, it pays attention to whether the partner has its own code of ethics or rules, taking into account the nature of the service to be used. In December 2023, the Bank's Compliance Directorate launched a separate project to prepare the Bank for the initiation of the anticorruption standardisation procedure. This preparatory phase was successfully completed in the second quarter of 2024, and in

[32] https://mfb.hu/compliance-s4

order to launch the standardisation procedure for the ISO 37 001 anticorruption management system and introduce the certification, the Bank planned to define and carry out the specific tasks during the 2025 business year. Due to the reprioritisation of tasks arising in the 2025 business year, the scheduling of these steps changed. The Bank's aim is to implement the standard in 2026.

According to the Codes of Conduct and Ethics of Hiventures Plc. and MKK Plc., employees of the companies may not give or promise an unlawful advantage to clients, other business partners, authorities, their representatives, agents or employees, nor to any other persons in connection with such individuals. Furthermore, employees of Hiventures Plc. and MKK Plc. may not request or accept an unlawful advantage, or a promise of such, from these persons. The prohibition applies whether such conduct would occur in breach of job-related obligations (corruption), or for the purpose of obtaining business, investment or winning a contract. In the Code of Ethics of MFB-Property Development Plc., it is stated that the company rejects all forms of corruption and bribery, whether in the form of a promise or acceptance of a benefit. It is committed to conducting its activities lawfully, ethically and free from any fraudulent activity at all times. Its anticorruption principles are set out in its Code of Conduct Appropriate to the Workplace. Employees may not solicit favours, either implicitly or openly, for initiating or carrying out the company's business transactions, whether for their own benefit or for the benefit of others.

To ensure compliance with the Group's policies, all new and existing employees are required to complete compliance conduct and ethics training upon entry and on an annual recurring basis, which is implemented in the form of e-learning at MFB Plc. and MKK Plc. The training also includes anticorruption topics and restrictions on business gifts. At MFB Plc., passing the exam, under uniform examination requirements, is mandatory for all employees, and they must also formally accept the ethical behavioural expectations in the form of a declaration as part of the training.

In accordance with the Labour Rules of MFB Plc., the following training courses are held for new entrants and for all employees on an annual basis in connection with ethical corporate operation:

- basic training in anti-money laundering prevention and advanced administrator training,
- on the prohibition of insider dealing and market manipulation,
- compliance training,
- conduct and ethics education, which also includes anti-corruption training. The participation rate in conduct and ethics training at the Bank was 100% in 2025.

There was no litigation, lawsuit or administrative procedure related to corruption in the MFB Group in 2025.

The fourth basic condition of the Group's transparent operation is the protection of whistleblowers of unethical or suspected corruption cases. Each company of the Group has put in place appropriate mechanisms to identify, report and investigate concerns.

MFB Plc. also operates an internal whistleblowing system in accordance with Act XXV of 2023 on complaints, disclosures in public interest, and rules related to the reporting of abuses, which implements the provisions of Directive 2019/1937. Through this channel, suspected or actual conduct constituting corruption may be reported. The workings of the system are detailed in the Code of Conduct and Ethics, on which the Bank also publishes separate information on its website. In addition to the above, the Bank also operates a separate anonymous reporting interface on its website, which enables not only the submission of internal abuse reports but also the reporting of suspected fraud. Alongside a request to initiate an ethics procedure, the whistleblower may also request an ethical declaration. A more detailed

presentation of the various employee reporting channels of MFB Plc. can be found in Chapter 8.3.3 Employee Reporting Channels.

The Code of Conduct and Ethics of MFB Plc. contains the rules on the mechanisms for reporting various violations and the identification of ethical risks. The policy is available in the policy library on the Bank's Intranet interface. The provisions on reporting infringements include, among other things, the methods of reporting, the possibility of anonymous reporting, the rules protecting the identity of the whistleblower, and the procedure for investigating reports. Detailed information on the mechanisms for reporting violations is also provided in the curriculum "Behavioural and Ethical Education", which is the subject of the annual mandatory e-learning training and exam specified in the Labour Rules.

For the investigation of reports received from the Bank's employees, 10 working days are available, while for the investigation of reports received from external third parties, 30 calendar days are available. The Ethics Committee is responsible for investigating violations of the law and for providing guidance through its decisions and resolutions. The members of the Committee are the Heads of the Compliance Directorate, the Internal Audit Directorate and the Human Resources Directorate. In matters arising in connection with the provisions of the policy, the Compliance Directorate provides guidance for employees.

In the decision-making of the Ethics Committee, it is explicitly disclosed whether an ethical violation, a violation of a law relating to the operation of the Bank, or any other criminal offence has occurred.

- If the fact of the ethical violation is proven, but the person subject to the ethics procedure has not violated any law or other internal regulatory document, in this case the Committee calls on the perpetrator of the ethical violation to cease the conduct that is contrary to the instruction, and to comply with the ethical norms set out in the instruction, and applies a warning, provided that, based on the consideration of all the circumstances, the call for ethical conduct is sufficient to achieve the purpose of the ethics procedure.
- In the event of a breach of legal provisions, the Committee declares that it lacks competence. If, during the ethics procedure, it is proven that the person subject to the proceedings has also violated a law or other internal regulatory document, the Committee informs the competent manager of the Bank.

The Chair of the Ethics Committee prepares, once a year and in an anonymous manner, while complying with the legal provisions on the protection of personal rights, a summary for the Bank's Board of Directors, Supervisory Board and Works Council on the cases received and on the ethical declarations and resolutions.

The other subsidiaries of the Group also operate an effective mechanism to identify, report and investigate unlawful conduct or conduct contrary to the Code of Conduct and Ethics, considering both internal and external reports. Employees are obliged to immediately report such incidents to their immediate supervisor and/or to the Ethics Committee. The companies ensure the anonymity and confidentiality of whistleblowers and protect whistleblowers acting in good faith from retaliation. The reporting channels are available:

- in the Code of Conduct and Ethics of Hiventures Plc. and in the Internal Information on Objection Handling, Complaint Management and Whistleblowing,
- in the Code of Conduct and Ethics of MKK Plc. and in its Strategy and Policy for the Prevention and Management of Fraud,
- in the Policies on the Management of Incidents Violating Organisational Integrity of MFB-Property Development Plc. and MFB Invest Plc.

With the exception of the relevant policy of MFB Invest Plc., all policies set out the methods of reporting channels: the direct workplace supervisor, the Ethics Committee and the Compliance area, to which reports may be submitted in writing, by e-mail, by post or in person in the ways indicated in the policy. The policy of MFB Invest Plc. states that the report must be made in writing to the direct supervisor, the supervisor of the direct supervisor, or the internal auditor. The various employee reporting channels of the subsidiaries are summarised in more detail in Chapter 8.3.3 Employee Reporting Channels.

It is important to highlight that a Group-level Code of Conduct and Ethics entered into force on 2 December 2025 for the MFB Group. As the parent company, as an entity obliged to prepare consolidated financial statements and as the exercising owner, the Bank expects the Group members to comply with the provisions of the Code and to enforce the expectations set out therein – in a manner proportionate and appropriate to the activities, organisational structure, size and customer base of the Group members – in their operation and in their internal documents regulating their activities.

12.2.1 Anti-money laundering and combating the financing of terrorism

Anti-money laundering (AML) and combating the financing of terrorism (CFT) are inseparable from the lawful operation of MFB Plc., in line with the relevant European Union and international legal expectations and the domestic legal acts implementing them. A separate policy contains the relevant AML guidelines of MFB Plc. and the MFB Group. As the regulations under Act LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing (hereinafter: the AML Act) must reflect different depths and content within the MFB Group, each member company of the Group carrying out activities subject to the AML Act has developed its internal rules in accordance with its own characteristics. Regarding the scope of activities of the Compliance Directorate, the change in AML rules is the most dynamic among the tasks assigned to the compliance area. In addition to the AML Act, the changes affected the content of other regulatory instruments published by the Hungarian National Bank (MNB), which are also available on the website Pénzmosás ellen | MNB.hu.

The Bank's rules established in accordance with the AML Act provide guidance on banking functions and related processes aimed at the prevention and combating of money laundering and terrorist financing, activities focused on the screening, monitoring and identification of customers and business partners, as well as procedures for reporting and recordkeeping of suspicious transactions. Customer due diligence is carried out in connection with both own and mediated financial funds, which is supported by an electronic recordkeeping system, a compliance application developed for this purpose that supports customer due diligence processes. The system also enables the direct screening of potential customers on various international sanctions lists and the monitoring of unusual transactions. The Bank pays special attention to strengthening employee awareness and, in accordance with the Anti-Money Laundering and Sanctions Policy and Procedure, all employees receive AML training at the level required for their position – basic training, general administrator training or one of the special training courses – within 30 days of hiring, and further training is organised at least once a year. The knowledge acquired during the trainings must be demonstrated in a written exam through the Bank's e-learning system. In areas where the acquisition of knowledge is essential for daily operations, employees participate in advanced-level administrator e-learning training.

The scope of the Anti-Money Laundering Policy of MKK Plc. covers the activities serving the prevention and combating of money laundering and terrorist financing in connection with financial services activities, the risk classification, due diligence and monitoring of customers, the execution of tasks related to the reporting and registration of suspicious financial transactions, the suspension of transactions, as well as the implementation of financial and asset restrictive measures.

12.3 Transparent and accountable procurement practices

Material subtopic	**Management of relationships with suppliers, including payment practices**	
Used standards	**ESRS G1**	
Introduction	The MFB Group's purchasing and invoice payment policies are presented, as well as the measures by which the Group effectively ensures transparent and accountable procurement and responsible payment practices.	
Supported Sustainable Development Goals (UN SDGs)		
Connection of material topic to MFB Group	Materiality Basis	Financial materiality Impact materiality
	Impacts	In managing supplier relationships, particularly with respect to payment practices, the MFB Group applies a strict protocol that covers the entire procurement and supplier payment processes. Even before contracting, during the request for proposal period, the Group screens for exclusionary factors among suppliers, such as overdue tax, customs and contribution obligations, disqualification from operation, or being under liquidation. Supplier contracts set out payment terms precisely, which the Bank meets in a timely manner with the support of its internal supplier and payment systems. (Upstream and Own operation)
	Financial risks	-
	Financial opportunities	Supplier assessments and performance reviews that take sustainability aspects into account are part of supplier relationships, which safeguard the MFB Group’s financial position and mitigate potential financial Risks. (Upstream and Own operation)
Management of material topic	Connection to ESG strategy	Responsible banking and corporate governance, regulatory compliance
	Corporate Policies	Related policies and rules of Hiventures Plc.: • NTH National Capital Holding Plc. and the Procurement Policy of the NTH Group Members • Procurement Policy of Hiventures Plc. • Public Procurement Policy Related policies and rules of MFB Plc.: • Procurement and Public Procurement Rules • Instructions on the procedures and related tasks prior to the payment of investment and operating expense accounts and accounting postings Related policies and rules of MFB-Property Development Plc.: • Procurement Policy Related policies and rules of MFB Invest Plc.: • Procurement Policy of the NTH National Capital Holding Plc. and NTH Group Members • Public Procurement Policy Related policies and rules of MKK Plc.: • Instructions on the rules on the management and flow of certain accounting documents and on financial transactions based on the documents • Instruction on the procurement order of MKK Plc. • Public Procurement Rules

Management of material topic	Priority actions	Implementation of the Procurement and Public Procurement Plan, conducting procurement and public procurement procedures, and related contracting Review procurement policies Recording and Executing Invoices
	Metrics	The average duration that the company requires to make a payment for an invoice, starting from the contractual or legally stipulated payment deadline.
	Targets	In connection with the management of relations with suppliers, the Banking Group does not have any key performance indicators due to the nature of the operation of the sector, and so far there has been no requirement for this in the MFB Group.

The MFB Group is committed to responsible and transparent operation, which is reflected not only in its day-to-day business activities but also in its procurement procedures. Transparency and responsible procurement practices are key not only to achieving sustainability objectives but also to strengthening stakeholder trust. The MFB Group does not have a Group-level procurement policy; its procurement and public procurement processes are defined in the procurement policies of each company and in the relevant legal provisions. Due to the nature of the operation of the sector, the Banking Group does not have quantified performance indicators for the management of relations with suppliers, and so far, there has been no requirement for this in the MFB Group.

As a wholly state-owned company, MFB Plc. shall comply in all respects with the provisions of Act CXLIII of 2015 on Public Procurement (Kbt.) in the case of procurements exceeding the public procurement threshold, which regulates its public procurements, including the order of procedures, processes, records and documentation, as well as the responsibilities and scope of procedural steps. The purpose of the Procurement and Public Procurement Rules published on the Bank’s intranet is to define the internal order of the processes along these legal acts, supplemented by rules applicable to procurements below the public procurement threshold. In the case of public procurements reaching the EU threshold, additional requirements must also be met, including regarding conflicts of interest, in addition to ensuring that conflict of interest requirements are met between MFB Plc. and the tenderer. According to the Rules, the Procurement and Public Procurement Directorate manages the processes related to (other) procurements, in close cooperation with the specialist areas involved in the given procurement. The Rules define, by value and service type, the process steps applicable to procurement. In the case of information and technology products and services, procurement and public procurement procedures are possible through the Digital Government Agency, while procurement and public procurement procedures related to marketing and HR areas are carried out through the National Communications Office. For procurements involving EU fund accounting, it is a requirement that at least three bids must be received to ensure competitive conditions.

The summary of the procurement and public procurement needs planned for the given year related to the Bank's operation is included in the Procurement and Public Procurement Plan. In 2025, the Bank closed 36 public procurement procedures with a total net value of HUF 3.4 billion and 161 procurement procedures with a total net value of HUF 2.5 billion with contract conclusion, while an additional 18 public procurement procedures with an estimated total net value of HUF 3.2 billion and 12 procurement procedures with an estimated total net value of HUF 1.4 billion were carried over into 2026.

The following fundamental principles must apply in (public) procurement procedures, among others:

1. the fairness, transparency and publicity of competition,
2. ensuring equal opportunities and equal treatment for economic operators, and proceeding in a proportionate manner in public procurement procedures,
3. a procedure in accordance with the requirements of good faith and fairness on the part of the Contracting Authority and economic operators,
4. the prohibition of abuse of rights,
5. the use of public funds in accordance with the principle of efficient and responsible management,
6. national treatment for economic operators established in the European Union and goods of Community origin, i.e. ensuring the same treatment of imported and locally produced products in the (public) procurement procedure, as well as ensuring the use of the Hungarian language in the (public) procurement procedure.

The Bank may enforce social, environmental and labour law requirements during public procurement procedures exclusively in accordance with the provisions set out in Kbt.. Pursuant to Section 73 (1) g) of the Kbt., a tender is particularly invalid if it does not comply with the environmental, social and labour law requirements laid down in legislation or in the mandatory collective agreement, or in the international environmental, social and labour law provisions listed in Annex 4 of the Kbt[33]. During performance, the tenderer must comply with these labour, social and environmental requirements; therefore, the Bank provides, in the public procurement documents, for information purposes, the names of the organisations from which the tenderer may obtain information on these requirements. Pursuant to Section 73 (3) of the Kbt., MFB Plc. is not obliged to prescribe the indication of special information in the tender in the public procurement procedure; it only checks whether the information indicated therein does not contradict the above requirements. Furthermore, MFB Plc. may only enforce the grounds for exclusion specified in Sections 62–63 of the Kbt. during public procurement procedures, there is no possibility to apply any other grounds for exclusion, and it may request data on the subcontractors of the supplier during performance only in the manner and scope prescribed in the Kbt.

[33] Annex 4 to the Hungarian Public Procurement Act (Kbt.) includes the following instruments:

- ILO Convention No. 87 concerning Freedom of Association and Protection of the Right to Organise
- ILO Convention No. 98 concerning the Application of the Principles of the Right to Organise and to Bargain Collectively
- ILO Convention No. 29 concerning Forced or Compulsory Labour
- ILO Convention No. 105 concerning the Abolition of Forced Labour
- ILO Convention No. 138 concerning the Minimum Age for Admission to Employment
- ILO Convention No. 111 concerning Discrimination in Respect of Employment and Occupation
- ILO Convention No. 100 concerning Equal Remuneration for Men and Women Workers for Work of Equal Value
- ILO Convention No. 182 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour
- Vienna Convention for the Protection of the Ozone Layer and its Montreal Protocol on Substances that Deplete the Ozone Layer
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal
- Stockholm Convention on Persistent Organic Pollutants
- Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (10 September 1998) and its three regional protocols

Regarding procurement procedures, MFB Plc. currently does not apply social and environmental criteria when selecting its suppliers. These are planned to be incorporated into future supplier contracts, and the Bank began carrying out the related tasks in 2025, which will be developed in 2026.

Similar to MFB Plc., MKK Plc. also acts in accordance with the Kbt. in its public procurement procedures, however, it does not take other ESG aspects into account in its procurement procedures. MFB Invest Plc. and Hiventures Plc. fall within the scope of the Kbt. they carry out their procurements in accordance with their procurement policies and their separate Public Procurement Policies. MFB-Property Development Plc. does not fall within the scope of entities obliged to conduct public procurement; the companies proceed based on the requirements set out in their procurement policies in relation to the selection of their suppliers and the conclusion of contracts, in which sustainability aspects currently do not appear as a general principle.

The Group also keeps responsible and ethical operation at the forefront in its payment practices, as it aims to maintain trust and a good reputation among its partners and suppliers. To this end, it applies strict financial policies and procedures that ensure accurate, timely and transparent payments to all parties involved. This also supports smaller suppliers and partners, providing them with a stable and predictable financial background. Responsible payment practices include settling invoices on time, ensuring transparency in financial transactions, and continuously monitoring and optimising financial processes. The Group pays particular attention to ensuring compliance with all legal requirements when making payments and to ensuring that no ethical or legal concerns arise during financial transactions.

Regarding its payments, the MFB Group proceeds in accordance with the deadlines specified in the contracts, which typically means the days from the receipt of the invoice being defined as 8 and 30 days. If no such deadline is specified in the supplier contract, the payment rules of Act V of 2013 on the Civil Code (Ptk.) shall apply, which is 30 days from the receipt of the invoice. In the case of MFB Plc., compliance with payment deadlines is regulated by the company rule entitled “Instructions on procedures prior to the payment of investment and operating expense accounts and accounting postings and related tasks”, the implementation of which is the responsibility of the Financial Support Centre Directorate (PTKI). In the case of the subsidiaries, the payment deadlines are mentioned in the companies’ procurement rules or in the instructions on document flow orders. All invoices are uploaded to the financial systems used by the Banking Group, with the payment deadline indicated. The systems allow the clear identification and traceability of invoices and ensure that payment is made within the deadline. There were no ongoing legal proceedings in the MFB Group regarding late payments in 2025.

Payment Practices	**Number of days**	
The average time the entity needs to pay an invoice from the date of the start of the contractual or statutory payment term		
	2024	**2025**
Hiventures Plc.	25	12
MFB Plc.	29	29
MFB-Property Development Plc.	5-6	5
MFB Invest Plc.	25	6
MKK Plc.	10	9

In the case of MFB Plc., for the calculation of the average payment day presented in the above table for 2025, the payment criteria of live contracts and the weighted average based on the contractual net asset value were considered. In the case of MKK Plc., the average was determined based on the invoice date and the payment deadline; in the case of MFB-Property Development Plc., it was determined based on the average number of days between the receipt of the invoice and the payment; while in the case of MFB Invest Plc. and Hiventures Plc., the average payment day was determined based on data extracted from the accounting system.

Description of payment terms		**Number of days**	
		2024	**2025**
Hiventures Plc.	Payment deadline (10% of invoices)	30	30
	Based on individual supplier request (no supplier categories)	15	8
MFB Plc.	Number of days from receipt of invoice	30	30
MFB-Property Development Plc.	From the date of issue of the invoice,	8	8
	From the date of issue of the invoice,	10	10
	From the date of issue of the invoice,	15	15
	From the date of issue of the invoice,	30/31	20
	From the date of issue of the invoice,	–	30/31 (1 month)
MFB Invest Plc.	Payment deadline (10% of invoices)	30	30
	Based on individual supplier requests (no supplier categories)	15	8
MKK Plc.	Empirical data	0-30	0-30

13. Data security and cybersecurity

Material topic	**Data protection and cybersecurity**	
Used standards	**GRI 418-1**	
Introduction	This chapter presents MFB Group's data protection and information security policies, as well as the measures by which the Group effectively ensures cybersecurity and protects the data of its employees and customers against modern threats.	
Supported Sustainable Development Goals (UN SDGs)		
Connection of material topic to MFB Group	Materiality Basis	Impact materiality
	Impacts	Company policies such as the Incident Management Policy, the Data Protection and Data Security Policy, the Central Log Collection and Analysis Policy, the Data Leakage Prevention Policy and the Information Security Policy support data security and cyber defence in the company's operations. MFB has comprehensive policies that enable the Bank to comply with legal requirements and supervisory expectations that extend beyond them. Group subsidiaries also have policies relating to data and information security. (Own operation)
	Financial risk	-
	Financial opportunities	-
Management of material topic	Connection to ESG strategy	Responsible banking and corporate governance, regulatory compliance
	Corporate Policies	Related policies and rules of Hiventures Plc.: • Data Protection and Security Rules • Order of fulfilment of requests for access to data of public interest • IT Security Rules • Chief Executive Officer's Instruction on the Business Continuity Policy • Chief Executive Officer's Instruction on the Disaster Recovery Plan Related policies and rules of MFB Plc.: • Authentication and Identification Policy • Information Security Strategy • Information Security Policy • IT Strategy 2023–2025 • Data Protection and Data Security Rules • Bank Security Rules • Information Security Rules

Management of material topic	Corporate Policies	• Business Continuity Planning and Management Rules • Business Requirements Management and Development Process Policy • Central Log Collection and Analysis Policy • Entitlement Management Instruction • Incident Management Rules • Data Backup Rules • Data Leak Prevention Instructions Related policies and rules of MFB-Property Development Plc.: • Data Protection and Security Rules • IT Development Rules • Information Security Rules • Procedure for Fulfilling Requests for Access to Public Information Related policies and rules of MFB Invest Plc.: • Data Protection and Security Policy • Order of fulfilment of requests for access to data of public interest • IT Security and Operations Rules • Business Continuity Policy • Disaster Recovery Plan Policy Associated policies and rules of MKK Plc.: • Information Security Rules • Access management Rules
	Priority actions	Preparation of an annual data protection work plan Preparation of an annual privacy report Review and amendment of the Privacy Policy Data protection education, counselling To investigate and document data protection incidents and to prescribe and carry out the necessary measures in connection with these cases, as well as in general processes and operations Commenting on internal regulatory documents, as well as contracts related to data processing and development processes related to data processing from a data protection point of view Planning and conducting the review of the internal effectiveness of information security control processes Reviewing and supplementing the policies for Artificial Intelligence (AI) in 2025 To perform vulnerability and penetration tests based on an annual schedule Review of Authorised Software in 2025 Checking and enabling permissions, elevated privileges, technical administrator access, access control, and authorisation Explore the storage of sensitive data continuously Information Security Incident Management
	Metrics	Number of well-founded complaints related to customer data breaches and loss of customer data, categorised within the MFB Group according to the GRI 418-1 indicator.

Management of material topic	Targets	At the companies of the Banking Group, key performance indicators (KPIs) specifically related to data protection are not defined due to the nature of data protection as an area, given that it is not an independent process, but serves to comply with the additional data protection provisions applicable to existing activities, thus protecting data. MFB Plc. has set the expansion of data protection-related knowledge as a specific objective, for which the KPI is the proportion (%) of employees successfully passing the data protection training, with a target value of more than 95%.

Nowadays, data security and cybersecurity are receiving increasing emphasis, which is particularly true for companies operating in the financial sector. The MFB Group treats the security of its internal information and of its customers' data, as well as the protection of digital data and information, as a priority, which it achieves through several relevant rules and processes.

The information security provisions and principles of the MFB Group are contained in the information security and related policies (for example: Incident Management Rules) of each company, which are issued under the authority of the CEO and are available on the intranet interfaces of each company. In the case of MFB Plc., the tasks of the Information Security functions are defined in accordance with Act LXIX of 2024 on the Cybersecurity of Hungary, Decree 7/2024 (VI.24.) MK on the Requirements for Security Classification and the Specific Protection Measures Applied in the Specific Security Classes, Government Decree 418/2024 (XII.23.) on the Implementation of the Act on the Cybersecurity of Hungary, and Recommendation No. 1/2025 (I.13.) of the Hungarian National Bank on the protection of the IT system, while in the case of the other members of the MFB Group, it is regulated by the laws and internal rules governing the operation and activities of the given member company. Based on general international standards and recommendations, such as ISO/IEC 27001:2022 and NIST (National Institute of Standards and Technology) recommendations, the following additional tasks should also be highlighted:

- Developing, reviewing and continuously updating information security risk management processes.
- Ensuring a rapid response to security events and incidents, as well as documenting and analysing them.
- Liaising with international and domestic information security communities and forums to share best practices and up-to-date information.

In this context, according to the company policies, the three primary protection objectives of information security are "confidentiality", "integrity" and "availability", which mean the following:

- Confidentiality: who is authorised to access sensitive data and in what manner. This relates to appropriate access rights and, for example, the application of cryptographic techniques.
- Integrity: protection against the unauthorised alteration or deletion of information, as well as the reliability and completeness of information.
- Availability: information, systems and buildings must always be available to authorised persons.

The data protection-related provisions of the MFB Group are fundamentally contained in the Data Protection and Data Security Rules of each company, in which the method of processing personal data is established with the help of the formulated principles. These principles are legality, due process and transparency, purpose limitation and accuracy, data minimisation and limited storage, integrity and confidentiality, as well as accountability and prior information. In accordance with the policies, the companies ensure that data can only be accessed by those employees or data processors whose access

in relation to the processing (data processing) of the data concerned can be justified. The Data Protection and Data Security Rules of each company are issued under the authority of the CEO and are publicly available on the companies' websites.

The MFB Group carries out its data protection activities based on the recommendations of the National Authority for Data Protection and Freedom of Information (NAIH) and the European Data Protection Board. The Group's companies comply with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (hereinafter: GDPR), pursuant to which they employ an independent data protection officer and ensure that the data protection policies of each company are reviewed on a regular basis, at least every two years. At the companies of the Banking Group, key performance indicators (KPIs) specifically related to data protection are not defined due to the nature of data protection as an area, given that it is not an independent process but serves compliance with additional data protection provisions applicable to existing activities, thereby protecting the data. However, each Data Protection Officer prepares the annual data protection work plan of the companies every year, which is approved by the companies' boards. They are also informed of the tasks carried out in the form of an annual data protection report. The data protection report presents all tasks and achievements relating to the given year. To strengthen awareness related to data protection and information security, MFB Plc. organises regular data protection training for its employees. In 2025, the Bank set a target related to maintaining a high rate of employees successfully passing the exam associated with the training. The baseline value is the ratio as of 31 December 2025, which was 96.94%. The Bank's objective is for the proportion of employees successfully passing the exam to exceed 95% during the strategic period. The indicator is defined as the ratio of the number of employees who successfully pass the exam to the total workforce. The achievement of the target is assessed by the Bank on an annual basis, and the results are published in the Sustainability Report.

MFB Plc. appoints a Data Protection Officer in accordance with the requirements set out in the GDPR, who performs his or her duties as an independent expert within the organisational structure of the Compliance Directorate, but independently of it, is directly under the supervision of the CEO and is accountable to him/her. By 31 March of each year, the Data Protection Officer prepares the annual data protection work plan of MFB Plc., as well as the report on the Bank's data protection activities for the previous year. The annual data protection work plan defines the necessary tasks to ensure data protection compliance. Based on the tasks established there, the Bank was able to implement the following processes in 2025:

- reviewing the identity of data protection contact persons and modifying them, were necessary, in view of organisational changes,
- reviewing and amending the Data Management Information,
- reviewing the Data Management Register,
- training and consulting in data protection knowledge,
- reviewing specific banking activities in connection with data processing.

Further activities also contributed to the strengthening of the data protection and data security system, including responding to data subject requests, investigating and documenting data protection incidents, and taking the necessary measures. In addition, internal regulatory documents, contracts involving data processing, and development processes affecting data processing were also reviewed from a data protection perspective. MFB Plc.'s key results related to data protection in 2025 can be linked to the "IT Risk Analysis and Data Asset Survey – Mapping Data Management and Data Recording Processes

Project". Within the framework of the project, system assessments continued, due to the modification of the registration of data processing activities, in relation to a further seven systems, with technical information on which database table and in which field each personal data item appears. This information is essential for the Bank to complete the data deletion process.

To ensure that MFB Plc.'s employees have up-to-date information on current data protection and data security expectations and obligations, the company also prescribed mandatory training and related exams for employees, which continued to be implemented in the form of e-learning in 2025. A total of 574 people passed the 2025 exam.

At MFB Invest Plc., the data protection officer function is currently performed by a contracted external company, with the support of the Compliance Department. In connection with the control and monitoring of processes, a Data Protection and Data Management Report is prepared, which forms part of the annual Compliance Report, which is approved by the company's Board of Directors. The approved annual report is forwarded to the company's Supervisory Board, as well as to MFB Plc., which exercises ownership rights. In addition, in cases requiring immediate action (e.g. a possible data protection incident), the CEO is also informed immediately. MFB Invest Plc. has an appropriate internal regulatory framework (Data Protection and Data Security Rules, Order of fulfilment of requests for access to data of public interest). They regularly review and keep their internal policies and disclosures up to date. They operate their data management processes in compliance with external rules and internal regulations and strengthen their data protection mechanisms with the help of these. In addition, the 2025 results of MFB Invest Plc. include the fact that there was no data protection incident in the reporting year. To ensure that external stakeholders are aware of the data protection regulations, a "Privacy Policy" is available under the Data Protection section of the website. For internal stakeholders, data protection and data management training is part of the Compliance training. The training takes place online for new employees and in the form of an annual recurring online course for existing colleagues. In 2025, 7 new employees received data protection and data management training, and 27 people participated in the recurring annual training.

Hiventures Plc., in addition to its Data Protection and Data Security Rules, further strengthens its internal regulatory framework by fulfilling the requirements for the Order of fulfilment of requests for access to data of public interest. The company also has a Data Protection Officer, a function currently performed by a colleague working within the Compliance Directorate, who is independent in his/her data protection duties and is accountable to the company's top management. The data protection and data management report prepared for the management forms part of the annual Compliance Report, which is approved by the company's Board of Directors. The approved annual report is sent, for information purposes, to the company's Supervisory Board, as well as to MFB Plc., which exercises ownership rights. Furthermore, the executive statement on the operation of the company's internal control system, which is required to be prepared annually based on legal provisions, also contains findings related to data protection issues affecting the operation of the company. In cases requiring immediate action, the CEO is also informed without delay. The rules for handling data protection incidents are laid down in the Data Protection and Data Security Rules and the IT Security Rules. Hiventures Plc. regularly reviews and keeps up to date its internal policies and disclosures related to data protection and data security, and operates its data management processes in compliance with external and internal rules and regulations.

Data protection and data management training is also part of the Compliance training at Hiventures Plc. New colleagues have 60 days from the date of entry to acquire the knowledge. Completing the corresponding test is mandatory for employees. In addition, introductory, in-person Compliance training is held for new employees to ensure effective knowledge transfer. This form of training continues to be

provided, adjusted to the number of new entrants. In 2025, the Compliance area held training for 12 new employees.

In accordance with the requirements of the GDPR, MKK Plc. also has a Data Protection Officer, whose work is supported by their Data Protection Group, which reports directly to the CEO. The management receives the annual report by 31 January, which describes the progress of the previous year's tasks. In addition, after the completion of data protection audits and whenever necessary, the management is also informed and involved. The company's main activity related to data protection is the transformation of internal processes from a data protection perspective and the incorporation of data protection aspects into existing processes, as this is how the company can ensure that the personal and/or sensitive data of data subjects are not exposed to data leakage, theft or loss. Entry training for new colleagues took place every month in 2025, with a total of approximately 50 participants. The high number is since MKK Plc. took over part of the tasks previously performed by NHKV (NHKV National Waste Management Coordination and Asset Management Plc.) through legal succession. In addition, the annual training was also mandatory for all employees, i.e. approximately 300 people. The company also held additional, unplanned training on the topic for several areas, including responding to customer letters and complaint handling, which was attended by 20 people. During 2025, the greatest achievement of MKK Plc. in the field of data security was that no procedure or fine was administered by the NAIH. Furthermore, no high-risk data protection incident requiring notification to the Authority occurred.

MFB-Property Development Plc. performs its data protection activities in accordance with its internal data protection rules, with coordination carried out by a contracted external Data Protection Officer. Due to the processing of small amounts of data related to natural persons, the main objective of MFB-Property Development Plc. in 2025 was "incident-free data protection", which was successfully achieved, as no data protection incident or request occurred during the reporting year. As no new types of personal data were processed in 2025, it was not necessary to amend the data processing register, no new legitimate interest balancing test was carried out, and no Data Protection Officer's opinion was issued. In addition, in the framework of information security tasks, a professional data protection assessment related to the infrastructure development of IT systems was also carried out in 2024. Reporting data protection information to the management takes place in the form of the annual Information Security and Data Protection Report. The company's employees received data protection training in 2025, in an online format.

The Banking Group presents substantiated complaints about breaches of customer data and customer data loss in accordance with the GRI 418-1 indicator. According to the requirements of this indicator, the total number of substantiated complaints received in relation to breaches of customer data must be disclosed, broken down by complaints received from external parties and found substantiated by the organisation, as well as complaints received from regulatory authorities. In addition, the total number of identified data leakages, theft, or loss of customer data must also be disclosed. Furthermore, according to the GRI 418-1 disclosure, when compiling the information, the reporting organisation must also indicate if a significant part of these substantiated complaints relates to events of previous years. However, if the reporting organisation has not identified any substantiated complaints, it is sufficient to provide a brief statement of this fact, which is presented in the table below.

Thanks to the regulations outlined above that were planned and implemented, the complaints received in the case of MFB Plc., and its subsidiaries, evolved as follows.

Number of substantiated complaints related to breaches of customer data and loss of customer data by type within the MFB Group.

Required information	Year	MFB Plc.	Hiventures Plc.	MFB Invest Plc.	MFB-Property Development Plc.	MKK Plc.
Did the organisation identify a substantiated complaint during the reporting period?	2024	No	No	No	No	No
	2025	No	No	No	No	No
Types of complaints						
Complaints from third parties that the organisation considers to be substantiated	2024	0	0	0	0	0
	2025	0	0	0	0	0
Substantiated complaints from regulatory bodies	2024	0	0	0	0	0
	2025	0	0	0	0	0
Total identified number of customer data leaks, theft, or loss	2024	5	0	0	0	0
	2025	20	0	0	0	0

According to MFB Plc.'s interpretation, complaints from external parties refer to data protection incidents reported by external persons, while complaints from regulatory bodies refer to data protection incidents reported by the NAIH – either through an inquiry or through the initiation of an official or investigative procedure. In relation to the leakage, theft or loss of customer data, under the GDPR definition of a data breach, this must be regarded as a security incident that results in the loss, unauthorised disclosure or unauthorised access to the data.

At MFB Plc., there were 20 data protection incidents in 2025:

- 17 cases were attributable to the same type of error, which, in relation to the operation of the intermediary system supporting the handling of EU-funded loan applications (EUKIR2), resulted in an incorrectly attached document being sent to another customer. Each incident concerned one individual customer and involved a limited amount of minimal data. A system development request aiming to address and prevent the error on a systemic level has been submitted, the implementation of which is still in progress.
- In 2 cases, the incident did not affect customer data; instead, a contracted intermediary in a contractual relationship became aware of data without authorisation.
- In 1 case, due to an individual error, live data were transferred during the testing of a banking development to the test system of a developer commissioned by the managing authority. The incident is presumed to have had no impact on the data subject, considering, on the one hand, that the developer is a service provider acting under a mandate from the managing authority and is bound by its legal relationship with the managing authority, and, on the other hand, that under

Section 10/A (4) of the MFB Act, the names of the data subjects and the transaction amount are not protected with the same level of confidentiality as bank secrecy.

The data protection incidents were investigated and documented in accordance with internal policies. In all cases, it was established that the incident did not pose a risk to the data subjects, and therefore, in accordance with the GDPR, neither notification to the data protection authority nor notification of the data subjects was required.

In the case of MFB Invest Plc., Hiventures Plc., MKK Plc., and MFB-Property Development Plc., no data protection incidents occurred in the reporting year.

ANNEXES

Annex 1

ESRS Disclosure list

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ESRS E1 Climate change				
E1-7	Greenhouse gas removals and Greenhouse gas mitigation projects financed through carbon credits	N/A	N/A	Not reported disclosure
E1-8	Internal carbon pricing	N/A	N/A	Not reported disclosure
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	N/A	N/A	Phase-in disclosure

Disclosure		Chapter	Page	Additional information
ESRS E5 Resource use and circular economy				
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	7.1. The MFB Group's approach to the circular economy	107	
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E5-3	Targets related to resource use and circular economy	7.1.3 Target related to operational activities	111	
E5-4	Resource inflows	N/A	N/A	Not reported disclosure
E5-5	Resource outflows	N/A	N/A	Not reported disclosure
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	N/A	N/A	Not reported disclosure

Disclosure		Chapter	Page	Additional information
ESRS S1 Own workforce				
ESRS 2 SBM-2	Interests and views of stakeholders	4.1 Stakeholder engagement 4.2 Double materiality assessment	30 33	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	4.2 Double materiality assessment 8. Responsible employment	33 112	
S1-1	Policies related to own workforce	8.1 Supporting employee well-being 8.2 Diversity and equality	117 134	
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	8.3 Retaining our employees	148	
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	8.3.3 Employee Reporting Channels	151	
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	8. Responsible employment	112	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	8. Responsible employment	112	
S1-6	Characteristics of the undertaking's employees	8.1.1 Introduction of our employees	117	
S1-7	Characteristics of non-employees in the undertaking's own workforce	8.1.1 Introduction of our employees	117	
S1-8	Collective bargaining coverage and social dialogue	8.1.2 Remuneration and benefits 8.3.1 Employee communication and consultation	124 149	
S1-9	Diversity metrics	8.2.2 Equal treatment and opportunities	140	
S1-10	Adequate wages	8.1.2 Remuneration and benefits	124	
S1-11	Social protection	8.1.2 Remuneration and benefits	124	
S1-12	Persons with disabilities	8.2.2 Equal treatment and opportunities	138	
S1-13	Training and skills development metrics	8.2.1 Training and development	133	
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S1-15	Work-life balance metrics	8.1.3 Supporting work-life balance	125	
S1-16	Remuneration metrics (pay gap and total remuneration)	8.2.2 Equal treatment and opportunities	140	
S1-17	Incidents, complaints and severe human rights impacts	8.3.3 Employee Reporting Channels	151	

Disclosure		Chapter	Page	Additional information
ESRS S3 Affected communities				
ESRS 2 SBM-2	Interests and views of stakeholders	4.1 Stakeholder engagement 4.2 Double materiality assessment	30 33	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	9. Social impacts of sustainable finance and funding 10. Social responsibility	158 178	
S3-1	Policies related to affected communities	9.2 Own funded financing supporting social objectives 9.3 EU funded financial instruments supporting social objectives 9.4 Informing affected communities 10. Social responsibility	161 168 170 178	
S3-2	Processes for engaging with affected communities about impacts	9.4 Informing affected communities	170	
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	9.4.1 Channels provided to affected communities	173	
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	9. Social impacts of sustainable finance and fundraising 10. Social responsibility	157 178	
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	9.2 Own funded financing supporting social objectives 9.3 EU financial instruments supporting social objectives 9.4 Informing affected communities	161 168 170	

Disclosure		Chapter	Page	Additional information
ESRS S4 Consumers and end-users				
ESRS 2 SBM-2	Interests and views of stakeholders	4.1 Stakeholder engagement 4.2 Double materiality assessment	30 33	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	11. Information to Customers and Social Inclusion 11.1. Clients of the MFB Group 11.3. Operation of the MFB Group in Relation to Clients	185 187 190	
S4-1	Policies related to consumers and end-users	11.2 Policies in the Interest of Clients	189	
S4-2	Processes for engaging with consumers and end users about impacts	11.3 Operation of the MFB Group in Relation to Clients 11.4 Support for Clients of the MFB Group	190 191	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	11.3. Operation of the MFB Group in Relation to Clients	190	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	11.1. Clients of the MFB Group 11.3 Operation of the MFB Group in Relation to Clients 11.4 Support for Clients of the MFB Group	187 190 181	
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	N/A	N/A	Phase-in disclosure

Disclosure		Chapter	Page	Additional information
ESRS G1 Business conduct				
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	12. Responsible corporate governance	194	
ESRS 2 IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	4.2 Double materiality assessment	33	
G1-1	Business conduct policies and corporate culture	12. Responsible corporate governance	194	
G1-2	Management of relationships with suppliers	12.3. Transparent and accountable procurement practices	209	
G1-3	Prevention and detection of corruption and bribery	12.2. Ethical Rules of Conduct and Anti-Corruption	200	
G1-4	Incidents of corruption or bribery	12.2. Ethical Rules of Conduct and Anti-Corruption	200	
G1-5	Political influence and lobbying activities	N/A	N/A	Not material topic
G1-6	Payment practices	12.3 Transparent and accountable procurement practices	209	

Annex 2

List of disclosures according to additional sustainability reporting standards

Disclosures according to additional sustainability reporting standards		Chapter	Page	Additional information
GRI G4 FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	5.4 Own-funded financing supporting environmental goals 5.5 European Union-funded financial instruments supporting environmental goals	85 88	
GRI G4 FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	9.2 Own-funded financing supporting social objectives 9.3 EU financial instruments supporting social objectives	161 168	
GRI 201-1	Direct economic value generated and distributed	9.1 The role of the MFB Group in economic stimulation	158	
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	13. Data Protection and Cybersecurity	214	

Annex 3

Statement on Due Diligence

In order to understand the due diligence process applied by the MFB Group regarding sustainability issues we present the Group's due diligence procedure in tabular form with cross-references.

Core Elements of Due Diligence	Chapters in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	3.2 ESG governance structure 3.3.2 Integration of sustainability-related performance in incentive schemes 4.2 Double materiality assessment
b) Engaging with affected stakeholders in all key steps of the due diligence	3.2 ESG governance structure 4.1 Stakeholder engagement 4.2 Double materiality assessment 4.3 Mandatory topic-specific disclosures independent of double materiality 8.3 Retaining our employees 9.4 Informing affected communities
c) Identifying and assessing adverse impacts	4.2 Double materiality assessment
d) Taking actions to address those adverse impacts	E: 5. Environmental impacts of sustainable financing and fundraising, 6. Reducing our environmental footprint S: 8. Responsible employment, 9.4 Informing affected communities, 10. Social responsibility G: 12. Responsible and transparent banking operations
e) Tracking the effectiveness of these efforts and communicating	E: 5. Environmental impacts of sustainable financing and fundraising, 6. Reducing our environmental footprint S: 8. Responsible employment, 9.4 Informing affected communities, 10. Social responsibility G: 12. Responsible and transparent banking operations

Annex 4

List of data points in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
ESRS 2 GOV-1 Board's gender diversity Chapter 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 ([27]), Annex II		3.1 Governance structure	22
ESRS 2 GOV-1 Percentage of board members who are independent Chapter 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		3.1 Governance structure	22
ESRS 2 GOV-4 Statement on due diligence Chapter 30	Indicator number 10 Table #3 of Annex 1				Annexes	222
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities Chapter 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 ([28]) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		N/A	N/A
ESRS 2 SBM-1 Involvement in activities related to chemical production Chapter 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		N/A	N/A

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
ESRS 2 SBM-1 Involvement in activities related to controversial weapons Chapter 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 ([29]), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A	N/A
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco Chapter 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A	N/A
ESRS E1-1 Transition plan to reach climate neutrality by 2050 Chapter 14				Regulation (EU) 2021/1119, Article 2(1)	5.2 Development of a business model that facilitates climate change mitigation and adaptation	76
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks Chapter 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Not relevant	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
ESRS E1-4 Greenhouse gas emission reduction targets Chapter 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Not relevant	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) Chapter 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Not relevant	
ESRS E1-5 Energy consumption and mix Chapter 37	Indicator number 5 Table #1 of Annex 1				6.1 Energy consumptions	91
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors Chapters 40 to 43	Indicator number 6 Table #1 of Annex 1				Not relevant	
ESRS E1-6 Gross Scope 1, 2, 3 and Total Greenhouse gas emissions Chapter 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		6.2. Greenhouse gas emissions	93

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
		by sector, emissions and residual maturity				
ESRS E1-6 Gross Greenhouse gas emissions intensity Chapters 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		6.2. Greenhouse gas emissions	93
ESRS E1-7 Greenhouse gas removals and carbon credits Chapter 56				Regulation (EU) 2021/1119, Article 2(1)	N/A	N/A
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks Chapter 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		N/A	N/A
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk Chapter 66 (a) ESRS E1-9 Location of significant assets at material physical risk Chapter 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Chapters 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			N/A	N/A
ESRS E1-9 Breakdown of the carrying value of its real estate		Article 449a Regulation (EU) No 575/2013;			N/A	N/A

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
assets by energy-efficiency classes Chapter 67 (c).		Commission Implementing Regulation (EU) 2022/2453 Chapter 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral				
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities Chapter 69			Delegated Regulation (EU) 2020/1818, Annex II		N/A	N/A
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, Chapter 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	
ESRS E3-1 Water and marine resources Chapter 9	Indicator number 7 Table #2 of Annex 1				Not material	
ESRS E3-1 Dedicated policy Chapter 13	Indicator number 8 Table 2 of Annex 1				Not material	
ESRS E3-1	Indicator number 12 Table #2 of Annex 1				Not material	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
Sustainable oceans and seas Chapter 14						
ESRS E3-4 Total water recycled and reused Chapter 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material	
ESRS E3-4 Total water consumption in m ^{3} per net revenue on own operations Chapter 29	Indicator number 6.1 Table #2 of Annex 1				Not material	
ESRS 2- SBM 3 - E4 Chapter 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material	
ESRS 2- SBM 3 - E4 Chapter 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material	
ESRS 2- SBM 3 - E4 Chapter 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable land / agriculture practices or policies Chapter 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable oceans / seas practices or policies Chapter 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E4-2 Policies to address deforestation Chapter 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material	
ESRS E5-5	Indicator number 13 Table #2 of Annex 1				Not material	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
Non-recycled waste Chapter 37 (d)						
ESRS E5-5 Hazardous waste and radioactive waste Chapter 39	Indicator number 9 Table #1 of Annex 1				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of forced labour Chapter 14 (f)	Indicator number 13 Table #3 of Annex I				8.1 Supporting employee well-being	117
ESRS 2- SBM3 - S1 Risk of incidents of child labour Chapter 14 (g)	Indicator number 12 Table #3 of Annex I				8.1 Supporting employee well-being	117
ESRS S1-1 Human rights policy commitments Chapter 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				8.2 Diversity and equality 8.3 Retaining our employees	134 148
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, Chapter 21			Delegated Regulation (EU) 2020/1816, Annex II		8.2 Diversity and equality	134
ESRS S1-1 processes and measures for preventing trafficking in human beings Chapter 22	Indicator number 11 Table #3 of Annex I				8.2 Diversity and equality	134
ESRS S1-1	Indicator number 1 Table #3 of Annex I				8.1 Supporting employee well-being	117

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
workplace accident prevention policy or management system Chapter 23						
ESRS S1-3 grievance/complaints handling mechanisms Chapter 32 (c)	Indicator number 5 Table #3 of Annex I				8.3 Retaining our employees	148
ESRS S1-14 Number of fatalities and number and rate of work-related accidents Chapter 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		8.1 Supporting employee well-being	117
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness Chapter 88 (e)	Indicator number 3 Table #3 of Annex I				8.1 Supporting employee well-being	117
ESRS S1-16 Unadjusted gender pay gap Chapter 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		8.2 Diversity and equality	134
ESRS S1-16 Excessive CEO pay ratio Chapter 97 (b)	Indicator number 8 Table #3 of Annex I				8.2 Diversity and equality	134
ESRS S1-17 Incidents of discrimination Chapter 103 (a)	Indicator number 7 Table #3 of Annex I				8.3 Retaining our employees	148
ESRS S1-17	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		8.3 Retaining our employees	148

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
Non-respect of UNGPs on Business and Human Rights and OECD Guidelines Chapter 104 (a)			Delegated Regulation (EU) 2020/1818 Art 12 (1)			
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain Chapter 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material	
ESRS S2-1 Human rights policy commitments Chapter 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material	
ESRS S2-1 Policies related to value chain workers Chapter 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines Chapter 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, Chapter 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and	Indicator number 14 Table #3 of Annex 1				Not material	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
downstream value chain Chapter 36						
ESRS S3-1 Human rights policy commitments Chapter 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				9.4 Informing affected communities	170
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines Chapter 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		9.4 Informing affected communities	170
ESRS S3-4 Human rights issues and incidents Chapter 36	Indicator number 14 Table #3 of Annex 1				9.4 Informing affected communities	170
ESRS S4-1 Policies related to consumers and end-users Chapter 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				11.1 Clients of the MFB Group	187
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines Chapter 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		11.2 Policies in the Interest of Clients	189
ESRS S4-4 Human rights issues and incidents Chapter 35	Indicator number 14 Table #3 of Annex 1				Not material	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
ESRS G1-1 United Nations Convention against Corruption Chapter 10 (b)	Indicator number 15 Table #3 of Annex 1				12. Responsible corporate governance	194
ESRS G1-1 Protection of whistle- blowers Chapter 10 (d)	Indicator number 6 Table #3 of Annex 1				N/A	N/A
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws Chapter 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		N/A	N/A
ESRS G1-4 Standards of anti- corruption and anti- bribery Chapter 24 (b)	Indicator number 16 Table #3 of Annex 1				N/A	N/A

Annex 5

Abbreviation	Full Term
ABC	Association Bilan Carbone – French carbon accounting organization
ADEME	French Agency for Ecological Transition – national environmental agency of France
AML	Anti-Money Laundering
AR	Application Requirement
BCSDH	Business Council for Sustainable Development in Hungary
BIO	Protection and Restoration of Biodiversity and Ecosystems (EU Taxonomy objective)
BREEAM	Building Research Establishment Environmental Assessment Method (building sustainability rating system)
CAPEX	Capital Expenditures
CCA	Climate Change Adaptation (EU Taxonomy objective)
CCM	Climate Change Mitigation (EU Taxonomy objective)
CDP	Carbon Disclosure Project (climate disclosure system)
CE	Transition to a Circular Economy (EU Taxonomy objective)
CEB	Council of Europe Development Bank
CO_2-eq	Carbon dioxide equivalent
CRR	Capital Requirements Regulation (Regulation (EU) No 575/2013)
CSP	Concentrated Solar Power
CSRD	Corporate Sustainability Reporting Directive
CFT	Countering the Financing of Terrorism
DÁP	Digital Citizenship Program (Hungary)
DGNB	German Sustainable Building Council (building certification)
DHW	Domestic hot water
DIMOP	Digital Renewal Operational Programme (Hungary)
DMA	Double Materiality Assessment
DNSH	Do No Significant Harm principle
DÜFT	Digital Customer Account Design (Hungary)
EBA	European Banking Authority
EIF	European Investment Fund
EIB	European Investment Bank
EPC	Energy Performance Certificate
ESEF	European Single Electronic Format
ESG	Environmental, Social, Governance
ESRS	European Sustainability Reporting Standards
EU	European Union

Abbreviation	Full Term
EUKIR2	EU Credit Application Management System (Hungary)
EVG	Economic Value Generated
EWC	European Works Council
GAR	Green Asset Ratio
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GINOP	Economic Development and Innovation Operational Programme (Hungary)
GOV	Governance (ESRS label)
GRI	Global Reporting Initiative
HQE	High Environmental Quality (French building certification)
IEA	International Energy Agency
ICMA	International Capital Market Association
IFRS	International Financial Reporting Standards
ILO	International Labour Organization
IRO	Impact, Risk, Opportunity
ISO	International Organization for Standardization
JRC	Joint Research Centre
KAVOSZ	KAVOSZ Plc. – Operator of business financing programs (Hungary)
KEHOP	Environment and Energy Efficiency Operational Programme (Hungary)
KHR	Central Credit Information System (Hungary)
KPI	Key Performance Indicator
KRI	Key Risk Indicator
KSH	Hungarian Central Statistical Office
LB	Location-Based (GHG emissions)
LEED	Leadership in Energy and Environmental Design
LMA	Loan Market Association
MB	Market-Based (GHG emissions)
MEKH	Hungarian Energy and Public Utility Regulatory Authority
MET / HungaroMet	Hungarian Meteorological Service
MKK	Hungarian Claim Management Plc. – State-owned debt management company
MNB	Central Bank of Hungary
MSCI	Morgan Stanley Capital International – ESG ratings provider
MSS	Minimum Social Safeguards
NACE	EU statistical classification of economic activities

Abbreviation	Full Term
NAIH	Hungarian National Authority for Data Protection and Freedom of Information
NFRD	Non-Financial Reporting Directive
NGO	Non-Governmental Organization
NIST	National Institute of Standards and Technology
NR	Non-repayable grant
NTH	National Telecommunications Holding Plc. (Hungary)
NZEB	Nearly Zero Energy Building
OPEX	Operating Expenditures
OECD	Organisation for Economic Co-operation and Development
OMSZ	Hungarian Meteorological Service
OPTEN	OPTEN Ltd. – Company information service provider (Hungary)
PACTA	Paris Agreement Capital Transition Assessment
PCAF	Partnership for Carbon Accounting Financials
PED	Primary Energy Demand
PPC	Pollution Prevention and Control (EU Taxonomy objective)
PPP	Purchasing Power Parity
PVRK	Refinancing Facility for Financial Enterprises (Hungary)
R	Repayable support
RRF	Recovery and Resilience Facility
SASB	Sustainability Accounting Standards Board
SBM	Strategy and Business Model (ESRS label)
SDG	Sustainable Development Goals
SCE	European Cooperative Society
SE	European Company
SFDR	Sustainable Finance Disclosure Regulation
SFF	Sustainable Finance Framework
SFI	Strategy and Sustainability Directorate (Hungary)
SKI	Strategic Risk Management Directorate (Hungary)
SMEs	Small and Medium-sized Enterprises
SPO	Second Party Opinion
SZMSZ	Organizational and Operational Rules (Hungary)
TCFD	Task Force on Climate-Related Financial Disclosures
TEÁOR	Standard Classification of Economic Activities (the Hungarian equivalent of the EU NACE system)
TÉSZ	Producer Organization (Hungary)

Abbreviation	Full Term
UN	United Nations
UNEP	United Nations Environment Programme
VEKOP	Competitive Central Hungary Operational Programme
WTR	Sustainable Use and Protection of Water and Marine Resources (EU Taxonomy objective)

Annex 6

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2025) - continued

	Million HUF	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-		-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-		-	-	-		-	-	-		-	-

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
24	**Households**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	754 282	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	713 058																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	713 058																	
35	Loans and advances	334 809																	
36	of which loans collateralised by commercial immovable property	13 963																	
37	of which building renovation loans	-																	
38	Debt securities	113 985																	
39	Equity instruments	264 263																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-																	
41	Loans and advances	-																	
42	Debt securities	-																	
43	Equity instruments	-																	
44	**Derivatives**	-																	
45	**On demand interbank loans**	31 934																	
46	**Cash and cash-related assets**	-																	
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	9 290																	

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2025) - continued

	Million HUF	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
24	**Households**	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-		-	-	-		-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations													
35	Loans and advances													
36	of which loans collateralised by commercial immovable property													
37	of which building renovation loans													
38	Debt securities													
39	Equity instruments													
40	Non-EU country counterparties not subject to NFRD disclosure obligations													
41	Loans and advances													
42	Debt securities													
43	Equity instruments													
44	**Derivatives**													
45	**On demand interbank loans**													
46	**Cash and cash-related assets**													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**													

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
			Disclosure reference date T																
	Million HUF	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
48	**Total GAR assets**	754 282	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	**Assets not covered for GAR calculation**	230 135																	
50	**Central governments and Supranational issuers**	371																	
51	**Central banks exposure**	229 763																	
52	**Trading book**	-																	
53	**Total assets**	984 417	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																		
54	Financial guarantees	158 647	3	-	-	-	-	188	-	-	-	-	-	-	-	19	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
3. Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
4. For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2025) – continued

	Million HUF	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
48	Total GAR assets	-	-	-	-	-	-	-	-	-	-	-	-	-
49	Assets not covered for GAR calculation													
50	Central governments and Supranational issuers													
51	Central banks exposure													
52	Trading book													
53	Total assets	-	-	-	-	-	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	-	-	-	-	-	-	-	-	211	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	27 440	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	401	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	401	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	401	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2024) - continued

	Million HUF	a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	27 440	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	401	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	401	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	401	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-		-	-	-		-	-

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
24	**Households**	27 000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	803 396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	735 849																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	735 849																	
35	Loans and advances	557 174																	
36	of which loans collateralised by commercial immovable property	26 121																	
37	of which building renovation loans	-																	
38	Debt securities	44 819																	
39	Equity instruments	133 856																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-																	
41	Loans and advances	-																	
42	Debt securities	-																	
43	Equity instruments	-																	

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2024) - continued

		a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
24	**Households**	27 000	-	-	-	-	7	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	39	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	803 396	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	735 849													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	735 849													
35	Loans and advances	557 174													
36	of which loans collateralised by commercial immovable property	26 121													
37	of which building renovation loans	-													
38	Debt securities	44 819													
39	Equity instruments	133 856													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-													
41	Loans and advances	-													
42	Debt securities	-													
43	Equity instruments	-													

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
Million HUF		Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
44	Derivatives	-																	
45	On demand interbank loans	813																	
46	Cash and cash-related assets	66 734																	
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-																	
48	Total GAR assets	830 836	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	Assets not covered for GAR calculation	26 290																	
50	Central governments and Supranational issuers	26 290																	
51	Central banks exposure	-																	
52	Trading book	-																	
53	Total assets	857 126	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																			
54	Financial guarantees	2 400	1 613	698	-	16	538	-	-	-	-	-	-	-	-	321	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
3. Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
4. For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure

Table 3 of GAR: 1. Assets for the calculation of GAR (CAPEX, flow, 2024) – continued

		a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
44	Derivatives	-													
45	On demand interbank loans	813													
46	Cash and cash-related assets	66 734													
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-													
48	Total GAR assets	830 836	-	-	-	-	-	-	-	-	-	-	-	-	-
49	Assets not covered for GAR calculation	26 290													
50	Central governments and Supranational issuers	26 290													
51	Central banks exposure	-													
52	Trading book	-													
53	Total assets	857 126	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations															
54	Financial guarantees	2 400	-	-	-	-	-	-	-	-	1 934	698	-	16	538
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	1 613	-	-	-	-

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF		Disclosure reference date T																
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2025) - continued

	Million HUF	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-		-	-	-		-	-	-		-	-

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
			Disclosure reference date T																
	Million HUF	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
24	**Households**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	754 282	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	713 058																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	713 058																	
35	Loans and advances	334 809																	
36	of which loans collateralised by commercial immovable property	13 963																	
37	of which building renovation loans	-																	
38	Debt securities	113 985																	
39	Equity instruments	264 263																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-																	
41	Loans and advances	-																	
42	Debt securities	-																	
43	Equity instruments	-																	
44	**Derivatives**	-																	
45	**On demand interbank loans**	31 934																	
46	**Cash and cash-related assets**	-																	
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	9 290																	
48	**Total GAR assets**	754 282	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2025) - continued

		s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
24	**Households**	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-		-	-	-		-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations													
35	Loans and advances													
36	of which loans collateralised by commercial immovable property													
37	of which building renovation loans													
38	Debt securities													
39	Equity instruments													
40	Non-EU country counterparties not subject to NFRD disclosure obligations													
41	Loans and advances													
42	Debt securities													
43	Equity instruments													
44	**Derivatives**													
45	**On demand interbank loans**													
46	**Cash and cash-related assets**													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**													
48	**Total GAR assets**	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
																Disclosure reference date T			
	Million HUF	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
49	**Assets not covered for GAR calculation**	230 135																	
50	**Central governments and Supranational issuers**	371																	
51	**Central banks exposure**	229 763																	
52	**Trading book**	-																	
53	**Total assets**	984 417	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																			
54	Financial guarantees	158 647	6	-	-	-	-	187	-	-	-	-	-	-	-	0	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
3. Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
4. For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2025) – continued

	Million HUF	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
49	**Assets not covered for GAR calculation**													
50	**Central governments and Supranational issuers**													
51	**Central banks exposure**													
52	**Trading book**													
53	**Total assets**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	-	-	-	-	-	-	-	-	194	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF		Disclosure reference date T																
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	27 440	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	401	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	401	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	401	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2024) - continued

	Million HUF	a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
			Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Total [gross] carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	27 440	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	401	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	401	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	401	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-		-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-		-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-		-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-		-	-	-	-	-	-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-		-	-	-	-	-	-

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Disclosure reference date T																
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
24	**Households**	27 000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	803 396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	735 849																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	735 849																	
35	Loans and advances	557 174																	
36	of which loans collateralised by commercial immovable property	26 121																	
37	of which building renovation loans	-																	
38	Debt securities	44 819																	
39	Equity instruments	133 856																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-																	
41	Loans and advances	-																	
42	Debt securities	-																	
43	Equity instruments	-																	

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2024) - continued

		a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
24	**Households**	27 000	-	-	-	-	7	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-		-	-	-		-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	39	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	803 396	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	735 849													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	735 849													
35	Loans and advances	557 174													
36	of which loans collateralised by commercial immovable property	26 121													
37	of which building renovation loans	-													
38	Debt securities	44 819													
39	Equity instruments	133 856													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-													
41	Loans and advances	-													
42	Debt securities	-													
43	Equity instruments	-													

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Million HUF	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
																Disclosure reference date T			
44	**Derivatives**	-																	
45	**On demand interbank loans**	813																	
46	**Cash and cash-related assets**	66 734																	
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	-																	
48	**Total GAR assets**	830 836	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	**Assets not covered for GAR calculation**	26 290																	
50	**Central governments and Supranational issuers**	26 290																	
51	**Central banks exposure**	-																	
52	**Trading book**	-																	
53	**Total assets**	857 126	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																			
54	Financial guarantees	2 400	642	8	-	-	-	-	-	-	-	-	-	-	-	120	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
3. Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
4. For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure

Table 4 of GAR: 1. Assets for the calculation of GAR (Turnover, flow, 2024) - continued

		a	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million HUF	Total [gross] carrying amount	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
44	**Derivatives**	-													
45	**On demand interbank loans**	813													
46	**Cash and cash-related assets**	66 734													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	-													
48	**Total GAR assets**	830 836	-	-	-	-	-	-	-	-	-	-	-	-	-
49	**Assets not covered for GAR calculation**	26 290													
50	**Central governments and Supranational issuers**	26 290													
51	**Central banks exposure**	-													
52	**Trading book**	-													
53	**Total assets**	857 126	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations															
54	Financial guarantees	2 400	-	-	-	-	-	-	-	-	763	8	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 5 of GAR: 2. GAR sector information (CAPEX based data, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
	Breakdown by sector - NACE 4 digits level (code and label)	Mn HUF	Of which environmentally sustainable (CCM)	Mn HUF	Of which environmentally sustainable (CCM)	Mn HUF	Of which environmentally sustainable (CCA)	Mn HUF	Of which environmentally sustainable (CCA)	Mn HUF	Of which environmentally sustainable (WTR)	Mn HUF	Of which environmentally sustainable (WTR)	Mn HUF	Of which environmentally sustainable (CE)	Mn HUF	Of which environmentally sustainable (CE)
1	1920 - Manufacture of refined petroleum products	-	-			-	-			-	-			-	-		
2	4941 - Freight transport by road	43 884	-			-	-			-	-			-	-		
3	6201 - Computer programming activities	-	-			-	-			-	-			-	-		

1. Credit institutions shall disclose in this template information on exposures in the banking book towards those sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty
2. The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty. The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of disaggregation required in the template.

		q	r	s	t	u	v	w	x	y	z	aa	ab
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
	Breakdown by sector - NACE 4 digits level (code and label)	Mn HUF	Of which environmentally sustainable (PPC)	Mn HUF	Of which environmentally sustainable (PPC)	Mn HUF	Of which environmentally sustainable (BIO)	Mn HUF	Of which environmentally sustainable (BIO)	Mn HUF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn HUF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	1920 - Manufacture of refined petroleum products	-	-			-	-			-	-		
2	4941 - Freight transport by road	-	-			-	-			43 884	-		
3	6201 - Computer programming activities	-	-			-	-			-	-		

Table 5 of GAR: 2. GAR sector information (CAPEX based data, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	Breakdown by sector - NACE 4 digits level (code and label)	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn HUF	Of which environmentally sustainable (CCM)	Mn HUF	Of which environmentally sustainable (CCM)	Mn HUF	Of which environmentally sustainable (CCA)	Mn HUF	Of which environmentally sustainable (CCA)	Mn HUF	Of which environmentally sustainable (WTR)	Mn HUF	Of which environmentally sustainable (WTR)	Mn HUF	Of which environmentally sustainable (CE)	Mn HUF	Of which environmentally sustainable (CE)
1	1920 - Manufacture of refined petroleum products	1 614	698			-	-			-	-			321	-		
2	4941 - Freight transport by road	46 696	-			-	-			-	-			-	-		
3	6201 - Computer programming activities	219 270	-			-	-			-	-			-	-		

		q	r	s	t	u	v	w	x	y	z	aa	ab
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	Breakdown by sector - NACE 4 digits level (code and label)	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn HUF	Of which environmentally sustainable (PPC)	Mn HUF	Of which environmentally sustainable (PPC)	Mn HUF	Of which environmentally sustainable (BIO)	Mn HUF	Of which environmentally sustainable (BIO)	Mn HUF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn HUF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	1920 - Manufacture of refined petroleum products	-	-			-	-			1 935	698		
2	4941 - Freight transport by road	-	-			-	-			46 696	-		
3	6201 - Computer programming activities	-	-			-	-			219 270	-		

Table 6 of GAR: 2. GAR sector information (Turnover based data, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
	Breakdown by sector - NACE 4 digits level (code and label)	Mn HUF	Of which environmentally sustainable (CCM)	Mn HUF	Of which environmentally sustainable (CCM)	Mn HUF	Of which environmentally sustainable (CCA)	Mn HUF	Of which environmentally sustainable (CCA)	Mn HUF	Of which environmentally sustainable (WTR)	Mn HUF	Of which environmentally sustainable (WTR)	Mn HUF	Of which environmentally sustainable (CE)	Mn HUF	Of which environmentally sustainable (CE)
1	1920 - Manufacture of refined petroleum products	-	-			-	-			-	-			-	-		
2	4941 - Freight transport by road	43 884	-			-	-			-	-			-	-		
3	6201 - Computer programming activities	-	-			-	-			-	-			-	-		

1. Credit institutions shall disclose in this template information on exposures in the banking book towards those sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty
2. The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty. The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of disaggregation required in the template.

		q	r	s	t	u	v	w	x	y	z	aa	ab
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
	Breakdown by sector - NACE 4 digits level (code and label)	Mn HUF	Of which environmentally sustainable (PPC)	Mn HUF	Of which environmentally sustainable (PPC)	Mn HUF	Of which environmentally sustainable (BIO)	Mn HUF	Of which environmentally sustainable (BIO)	Mn HUF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn HUF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	1920 - Manufacture of refined petroleum products	-	-			-	-			-	-		
2	4941 - Freight transport by road	-	-			-	-			43 884	-		
3	6201 - Computer programming activities	-	-			-	-			-	-		

Table 6 of GAR: 2. GAR sector information (Turnover based data, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn HUF	Of which environmentally sustainable (CCM)	Mn HUF	Of which environmentally sustainable (CCM)	Mn HUF	Of which environmentally sustainable (CCA)	Mn HUF	Of which environmentally sustainable (CCA)	Mn HUF	Of which environmentally sustainable (WTR)	Mn HUF	Of which environmentally sustainable (WTR)	Mn HUF	Of which environmentally sustainable (CE)	Mn HUF	Of which environmentally sustainable (CE)
1	1920 - Manufacture of refined petroleum products	642	8			-	-			-	-			120	-		
2	4941 - Freight transport by road	46 696	-			-	-			-	-			-	-		
3	6201 - Computer programming activities	219 270	-			-	-			-	-			-	-		

1. Credit institutions shall disclose in this template information on exposures in the banking book towards those sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty
2. The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty. The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of disaggregation required in the template.

		q	r	s	t	u	v	w	x	y	z	aa	ab
	Breakdown by sector - NACE 4 digits level (code and label)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn HUF	Of which environmentally sustainable (PPC)	Mn HUF	Of which environmentally sustainable (PPC)	Mn HUF	Of which environmentally sustainable (BIO)	Mn HUF	Of which environmentally sustainable (BIO)	Mn HUF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn HUF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	1920 - Manufacture of refined petroleum products	-	-			-	-			763	8		
2	4941 - Freight transport by road	-	-			-	-			46 696	-		
3	6201 - Computer programming activities	-	-			-	-			219 270	-		

Table 7 of GAR: 3. GAR KPI Stock (CAPEX based data, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	2,90%	0,01%	0,00%	0,01%	0,00%	1,48%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,14%	0,01%	0,00%	0,00%
2	**Financial undertakings**	0,08%	0,01%	0,00%	0,00%	0,00%	0,39%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,03%	0,00%	0,00%	0,00%
3	Credit institutions	0,08%	0,01%	0,00%	0,00%	0,00%	0,39%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,03%	0,00%	0,00%	0,00%
4	Loans and advances	0,08%	0,01%	0,00%	0,00%	0,00%	0,39%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,03%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%

Table 7 of GAR: 3. GAR KPI Stock (CAPEX based data, 2025) - continued

	% (compared to total covered assets in the denominator)	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	4,53%	0,02%	0,00%	0,01%	0,00%	13,49%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,49%	0,01%	0,00%	0,00%	0,00%	3,04%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,49%	0,01%	0,00%	0,00%	0,00%	2,01%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,49%	0,01%	0,00%	0,00%	0,00%	1,47%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,54%
6	Equity instruments	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	1,03%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%

Table 7 of GAR: 3. GAR KPI Stock (CAPEX based data, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
20	**Non-financial undertakings**	2,82%	0,01%		0,01%	0,00%	1,10%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,12%	0,01%	0,00%	0,00%
21	Loans and advances	0,03%	0,01%	0,00%	0,01%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,01%	0,00%	0,00%
22	Debt securities, including UoP	2,79%	0,00%	0,00%	0,00%	0,00%	1,10%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,11%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
24	**Households**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans	0,00%	0,00%	0,00%	0,00%	0,00%												
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	2,90%	0,01%	0,00%	0,01%	0,00%	1,48%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,14%	0,01%	0,00%	0,00%

1. Institution shall dislcose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
2. Information on the GAR (green asset ratio of 'eligible' activities) shall be accompanied with information on the proportion of total assets covered by the GAR
3. Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmetnally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentatlly sustainable assets compared to total covered assets
4. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures

Table 7 of GAR: 3. GAR KPI Stock (CAPEX based data, 2025) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to total covered assets in the denominator)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	4,04%	0,01%	0,00%	0,01%	0,00%	8,19%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,04%	0,01%	0,00%	0,01%	0,00%	0,19%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	4,00%	0,00%	0,00%	0,00%	0,00%	7,99%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
24	**Households**									0,00%	0,00%	0,00%	0,00%	0,00%	2,24%
25	of which loans collateralised by residential immovable property									0,00%	0,00%	0,00%	0,00%	0,00%	0,02%
26	of which building renovation loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans														
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	4,53%	0,02%	0,00%	0,01%	0,00%	100,00%

Table 7 of GAR: 3. GAR KPI Stock (CAPEX based data, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																	Disclosure reference date T	
	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	7,55%	0,02%	0,00%	0,02%	0,00%	0,54%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,07%	0,00%	0,00%	0,00%
2	**Financial undertakings**	0,01%	0,00%	0,00%	0,00%	0,00%	0,46%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,00%	0,00%	0,00%
3	Credit institutions	0,01%	0,00%	0,00%	0,00%	0,00%	0,46%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,00%	0,00%	0,00%
4	Loans and advances	0,01%	0,00%	0,00%	0,00%	0,00%	0,46%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%
20	**Non-financial undertakings**	7,52%	0,02%		0,02%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%
21	Loans and advances	0,05%	0,02%	0,00%	0,02%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	7,48%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
24	**Households**	0,02%	0,00%	0,00%	0,00%	0,00%	0,06%	0,00%	0,00%	0,00%					0,01%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans	0,00%	0,00%	0,00%	0,00%	0,00%												

Table 7 of GAR: 3. GAR KPI Stock (CAPEX based data, 2024) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to total covered assets in the denominator)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	8,16%	0,02%	0,00%	0,02%	0,00%	12,35%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,53%	0,00%	0,00%	0,00%	0,00%	1,98%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,53%	0,00%	0,00%	0,00%	0,00%	1,98%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,53%	0,00%	0,00%	0,00%	0,00%	1,71%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,27%
6	Equity instruments	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	7,53%	0,02%	0,00%	0,02%	0,00%	7,70%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,02%	0,00%	0,02%	0,00%	0,23%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	7,48%	0,00%	0,00%	0,00%	0,00%	7,48%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
24	**Households**									0,09%	0,00%	0,00%	0,00%	0,00%	2,65%
25	of which loans collateralised by residential immovable property									0,00%	0,00%	0,00%	0,00%	0,00%	0,02%
26	of which building renovation loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans														

Table 7 of GAR: 3. GAR KPI Stock (CAPEX based data, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
27	of which motor vehicle loans	0,00%	0,00%	0,00%	0,00%	0,00%												
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	7,55%	0,02%	0,00%	0,02%	0,00%	0,54%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,07%	0,00%	0,00%	0,00%

1. Institution shall dislcose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
2. Information on the GAR (green asset ratio of 'eligible' activities) shall be accompanied with information on the proportion of total assets covered by the GAR
3. Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmetnally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentatlly sustainable assets compared to total covered assets
4. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to total covered assets in the denominator)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
27	of which motor vehicle loans														
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%	0,00%	0,01%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%	0,00%	0,01%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	8,16%	0,02%	0,00%	0,02%	0,00%	100,00%

Table 8 of GAR: 3. GAR KPI Stock (Turnover based data, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																	Disclosure reference date T	
	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	2,63%	0,00%	0,00%	0,00%	0,00%	1,50%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,00%	0,00%	0,00%
2	**Financial undertakings**	0,08%	0,00%	0,00%	0,00%	0,00%	0,39%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,03%	0,00%	0,00%	0,00%
3	Credit institutions	0,08%	0,00%	0,00%	0,00%	0,00%	0,39%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,03%	0,00%	0,00%	0,00%
4	Loans and advances	0,08%	0,00%	0,00%	0,00%	0,00%	0,39%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,03%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%

Table 8 of GAR: 3. GAR KPI Stock (Turnover based data, 2025) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to total covered assets in the denominator)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	4,19%	0,00%	0,00%	0,00%	0,00%	13,49%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,49%	0,00%	0,00%	0,00%	0,00%	3,04%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,49%	0,00%	0,00%	0,00%	0,00%	2,01%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,49%	0,00%	0,00%	0,00%	0,00%	1,47%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,54%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	1,03%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%

Table 8 of GAR: 3. GAR KPI Stock (Turnover based data, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
20	**Non-financial undertakings**	2,55%	0,00%		0,00%	0,00%	1,12%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,03%	0,00%	0,00%	0,00%
21	Loans and advances	0,01%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	2,54%	0,00%	0,00%	0,00%	0,00%	1,12%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,02%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
24	**Households**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans	0,00%	0,00%	0,00%	0,00%	0,00%												
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	2,63%	0,00%	0,00%	0,00%	0,00%	1,50%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,00%	0,00%	0,00%

1. Institution shall dislcose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
2. Information on the GAR (green asset ratio of 'eligible' activities) shall be accompanied with information on the proportion of total assets covered by the GAR
3. Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmetnally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentatlly sustainable assets compared to total covered assets
4. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures

Table 8 of GAR: 3. GAR KPI Stock (Turnover based data, 2025) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to total covered assets in the denominator)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	3,70%	0,00%	0,00%	0,00%	0,00%	8,19%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,02%	0,00%	0,00%	0,00%	0,00%	0,19%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	3,68%	0,00%	0,00%	0,00%	0,00%	7,99%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
24	**Households**									0,00%	0,00%	0,00%	0,00%	0,00%	2,24%
25	of which loans collateralised by residential immovable property									0,00%	0,00%	0,00%	0,00%	0,00%	0,02%
26	of which building renovation loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans														
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	4,19%	0,00%	0,00%	0,00%	0,00%	100,00%

Table 8 of GAR: 3. GAR KPI Stock (Turnover based data, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																	Disclosure reference date T	
	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	7,52%	0,00%	0,00%	0,00%	0,00%	0,54%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,06%	0,00%	0,00%	0,00%
2	**Financial undertakings**	0,01%	0,00%	0,00%	0,00%	0,00%	0,46%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,00%	0,00%	0,00%
3	Credit institutions	0,01%	0,00%	0,00%	0,00%	0,00%	0,46%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,00%	0,00%	0,00%
4	Loans and advances	0,01%	0,00%	0,00%	0,00%	0,00%	0,46%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%

Table 8 of GAR: 3. GAR KPI Stock (Turnover based data, 2024) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to total covered assets in the denominator)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	8,13%	0,00%	0,00%	0,00%	0,00%	12,35%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,53%	0,00%	0,00%	0,00%	0,00%	1,98%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,53%	0,00%	0,00%	0,00%	0,00%	1,98%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,53%	0,00%	0,00%	0,00%	0,00%	1,71%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,27%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%

Table 8 of GAR: 3. GAR KPI Stock (Turnover based data, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																	Disclosure reference date T	
	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
20	**Non-financial undertakings**	7,49%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
21	Loans and advances	0,02%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	7,48%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
24	**Households**	0,02%	0,00%	0,00%	0,00%	0,00%	0,06%	0,00%	0,00%	0,00%					0,01%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans	0,00%	0,00%	0,00%	0,00%	0,00%												
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	7,52%	0,00%	0,00%	0,00%	0,00%	0,89%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,06%	0,00%	0,00%	0,00%

1. Institution shall dislcose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
2. Information on the GAR (green asset ratio of 'eligible' activities) shall be accompanied with information on the proportion of total assets covered by the GAR
3. Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmetnally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentatlly sustainable assets compared to total covered assets
4. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures

Table 8 of GAR: 3. GAR KPI Stock (Turnover based data, 2024) – continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to total covered assets in the denominator)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	7,50%	0,00%	0,00%	0,00%	0,00%	7,70%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,02%	0,00%	0,00%	0,00%	0,00%	0,23%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	7,48%	0,00%	0,00%	0,00%	0,00%	7,48%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
24	**Households**									0,09%	0,00%	0,00%	0,00%	0,00%	2,65%
25	of which loans collateralised by residential immovable property									0,00%	0,00%	0,00%	0,00%	0,00%	0,02%
26	of which building renovation loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans														
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%	0,00%	0,01%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%	0,00%	0,01%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	0,35%	0,00%	0,00%	0,00%	8,13%	0,00%	0,00%	0,00%	0,00%	100,00%

Table 9 of GAR: 4. GAR KPI (flow, CAPEX, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
	% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%

Table 9 of GAR: 4. GAR KPI (flow, CAPEX, 2025) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%

Table 9 of GAR: 4. GAR KPI (flow, CAPEX, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																	Disclosure reference date T	
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	% (compared to flow of total eligible assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
24	**Households**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans	0,00%	0,00%	0,00%	0,00%	0,00%												
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	4,86%	0,07%	0,00%	0,03%	0,00%	5,72%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,61%	0,03%	0,00%	0,00%

1. Institution shall dislcose in this template the GAR KPIs on flow of loans calculated (new loans on a net basis) based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
2. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures

Table 9 of GAR: 4. GAR KPI (flow, CAPEX, 2025) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
24	**Households**									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	11,20%	0,10%	0,00%	0,03%	0,00%	100,00%

Table 9 of GAR: 4. GAR KPI (flow, CAPEX, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	% (compared to flow of total eligible assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%

Table 9 of GAR: 4. GAR KPI (flow, CAPEX, 2024) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	3,33%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%

Table 9 of GAR: 4. GAR KPI (flow, CAPEX, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
	% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
20	**Non-financial undertakings**	0,00%	0,00%	0	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
24	**Households**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans	0,00%	0,00%	0,00%	0,00%	0,00%												
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

1. Institution shall dislcose in this template the GAR KPIs on flow of loans calculated (new loans on a net basis) based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
2. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures

Table 9 of GAR: 4. GAR KPI (flow, CAPEX, 2024) – continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
24	**Households**									0,00%	0,00%	0,00%	0,00%	0,00%	3,28%
25	of which loans collateralised by residential immovable property									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans									0	0	0	0	0	0,00%
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	1,51%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	100,00%

Table 10 of GAR: 4. GAR KPI (flow, Turnover, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																	Disclosure reference date T	
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	% (compared to flow of total eligible assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%

Table 10 of GAR: 4. GAR KPI (flow, Turnover, 2025) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%

Table 10 of GAR: 4. GAR KPI (flow, Turnover, 2025) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																	Disclosure reference date T	
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	% (compared to flow of total eligible assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
24	**Households**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans	0,00%	0,00%	0,00%	0,00%	0,00%												
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	13,81%	0,02%	0,00%	0,00%	0,00%	8,18%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,30%	0,00%	0,00%	0,00%

1. Institution shall dislcose in this template the GAR KPIs on flow of loans calculated (new loans on a net basis) based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
2. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures

Table 10 of GAR: 4. GAR KPI (flow, Turnover, 2025) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
24	**Households**									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%	22,29%	0,02%	0,00%	0,00%	0,00%	100,00%

Table 10 of GAR: 4. GAR KPI (flow, Turnover, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
	% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%

Table 10 of GAR: 4. GAR KPI (flow, Turnover, 2024) - continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total new assets covered
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	3,33%
2	**Financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%
3	Credit institutions	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%
4	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%
5	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
6	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
7	Other financial corporations	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
8	*of which investment firms*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
9	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
10	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
11	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
12	*of which management companies*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
13	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
14	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
15	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
16	*of which insurance undertakings*	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
17	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
18	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
19	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%

Table 10 of GAR: 4. GAR KPI (flow, Turnover, 2024) - continued

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
	% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%
24	**Households**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
25	of which loans collateralised by residential immovable property	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%					0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans	0,00%	0,00%	0,00%	0,00%	0,00%												
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

1. Institution shall dislcose in this template the GAR KPIs on flow of loans calculated (new loans on a net basis) based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
2. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures

Table 10 of GAR: 4. GAR KPI (flow, Turnover, 2024) – continued

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
20	**Non-financial undertakings**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
21	Loans and advances	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
22	Debt securities, including UoP	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
23	Equity instruments	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%		0,00%	0,00%	0,00%
24	**Households**									0,00%	0,00%	0,00%	0,00%	0,00%	3,28%
25	of which loans collateralised by residential immovable property									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
26	of which building renovation loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
27	of which motor vehicle loans									0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
28	**Local governments financing**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
29	Housing financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
30	Other local government financing	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
32	**Total GAR assets**	0,00%	0,00%	0,00%	0,00%	1,51%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	100,00%

Table 11 of GAR: 5. KPI off-balance sheet exposures (flow, CAPEX, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	% (compared to total eligible off-balance sheet assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,12%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,01%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	% (compared to total eligible off-balance sheet assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,13%	0,00%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

Table 11 of GAR: 5. KPI off-balance sheet exposures (flow, CAPEX, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	% (compared to total eligible off-balance sheet assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	67,22%	29,10%	0,00%	0,67%	22,41%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	13,38%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	% (compared to total eligible off-balance sheet assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	80,60%	29,10%	0,00%	0,67%	22,41%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

Table 12 of GAR: 5. KPI off-balance sheet exposures (flow, Turnover, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,12%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,12%	0,00%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

Table 12 of GAR: 5. KPI off-balance sheet exposures (flow, Turnover, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Disclosure reference date T																
% (compared to total eligible off-balance sheet assets)		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	26,76%	0,33%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	5,02%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
% (compared to total eligible off-balance sheet assets)		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	31,77%	0,33%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

Table 13 of GAR: 5. KPI off-balance sheet exposures (stock, CAPEX, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,34%	0,00%	0,00%	0,00%	0,00%	19,63%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	1,97%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	21,94%	0,00%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

Table 13 of GAR: 5. KPI off-balance sheet exposures (stock, CAPEX, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	42,93%	6,21%	0,00%	4,79%	0,14%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	2,86%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	45,79%	6,21%	0,00%	4,79%	0,14%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

Table 14 of GAR: 5. KPI off-balance sheet exposures (stock, Turnover, 2025)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	% (compared to total eligible off-balance sheet assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,66%	0,00%	0,00%	0,00%	0,00%	19,51%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,03%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	% (compared to total eligible off-balance sheet assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	20,20%	0,00%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

Table 14 of GAR: 5. KPI off-balance sheet exposures (stock, Turnover, 2024)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
																		Disclosure reference date T
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	34,29%	0,07%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	1,07%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	35,36%	0,07%	0,00%	0,00%	0,00%
2	Assets under management (AuM KPI)	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%

Table 15 of GAR: Nuclear and fossil gas related activities (2025)

Row	Nuclear energy related activities		NACE	TEAOR
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES	M72. és az M72.1.	72,721,722,7220, 7210,7211,7219
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES	D35.11. és az F42.22.	4222
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO	D35.11. és az F42.22. kód	
	Fossil gas related activities			
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO	D35.11. és az F42.22. kód	
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES	D35.11. és a D35.30.	3511
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES	D35.30.	3530

Table 15 of GAR: Taxonomy-eligible but not taxonomy-aligned economic activities (CAPEX, 2025)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%

Table 15 of GAR: Taxonomy-eligible but not taxonomy-aligned economic activities (CAPEX, 2025) -continued

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	172 584 051 835	4,39%	114 246 344 698	2,90%	58 337 707 137	1,48%
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	172 584 051 835	4,3861%	114 246 344 698	2,90%	58 337 707 137	1,48%

Table 15 of GAR: Taxonomy-eligible but not taxonomy-aligned economic activities (Turnover, 2025)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%

Table 15 of GAR: Taxonomy-eligible but not taxonomy-aligned economic activities (Turnover, 2025) - continued

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	162 680 502 306	4,13%	103 509 627 142	2,63%	59 170 875 163	1,50%
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	162 680 502 306	4,13%	103 509 627 142	2,63%	59 170 875 163	1,50%

Table 15 of GAR: Taxonomy non-eligible economic activities (CAPEX, 2025)

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	460 760 249	0,01%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	54 615 653	0,00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%

Table 15 of GAR: Taxonomy non-eligible economic activities (CAPEX, 2025) – continued

Row	Economic activities	Amount	Percentage
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	512 092 760	0,01%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	78 699 226	0,00%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	177 145 320 748	4,50%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	178 251 488 636	4,53%

Table 15 of GAR: Taxonomy non-eligible economic activities (Turnover, 2025)

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	460 760 249	0,01%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	54 615 653	0,00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	512 092 760	0,01%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	78 699 226	0,00%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	163 732 665 330	4,16%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	164 838 833 218	4,19%

Table 15 of GAR: Nuclear and fossil gas related activities (2024)

Row	Nuclear energy related activities		NACE	TEAOR
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES	M72. és az M72.1.	72,721,722,7220, 7210,7211,7219
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES	D35.11. és az F42.22.	4222
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO	D35.11. és az F42.22. kód	
	Fossil gas related activities			
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO	D35.11. és az F42.22. kód	
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES	D35.11. és a D35.30.	3511
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES	D35.30.	3530

Table 15 of GAR: Taxonomy-eligible but not taxonomy-aligned economic activities (CAPEX, 2024)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	164 987 534	0,00%	164 987 534	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1 143 000	0,00%	1 143 000	0,00%	-	0,00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%

Table 15 of GAR: Taxonomy-eligible but not taxonomy-aligned economic activities (CAPEX, 2024) -continued

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1 021 285 458	0,03%	1 021 285 458	0,03%	-	0,00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7 323 099 304	0,21%	7 323 099 304	0,21%	-	0,00%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	279 396 079 148	7,85%	260 145 285 500	7,31%	19 250 793 648	0,54%
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	287 906 594 444	8,0932%	268 655 800 796	7,55%	19 250 793 648	0,54%

Table 15 of GAR: Taxonomy-eligible but not taxonomy-aligned economic activities (Turnover, 2024)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	164 987 534	0,00%	164 987 534	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1 143 000	0,00%	1 143 000	0,00%	-	0,00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%

Table 15 of GAR: Taxonomy-eligible but not taxonomy-aligned economic activities (Turnover, 2024) - continued

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1 021 285 458	0,03%	1 021 285 458	0,03%	-	0,00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7 323 099 304	0,21%	7 323 099 304	0,21%	-	0,00%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	278 424 661 709	7,83%	259 173 868 061	7,29%	19 250 793 648	0,54%
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	286 935 177 005	8,07%	267 684 383 357	7,52%	19 250 793 648	0,54%

Table 15 of GAR: Taxonomy non-eligible economic activities (CAPEX, 2024)

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	544 865 131	0,02%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	50 098 730	0,00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%

Table 15 of GAR: Taxonomy non-eligible economic activities (CAPEX, 2024) – continued

Row	Economic activities	Amount	Percentage
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	49 725 714 896	1,40%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	103 359 397	0,00%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	239 988 389 915	6,75%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	290 412 428 069	8,16%

Table 15 of GAR: Taxonomy non-eligible economic activities (Turnover, 2024)

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	544 865 131	0,02%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	50 098 730	0,00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	49 725 714 896	1,40%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	103 359 397	0,00%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	238 816 266 394	6,71%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	289 240 304 548	8,13%

Corporate Governance Report
(MFB Group)

2025

Budapest, 1. April 2026

Introduction

Pursuant to Section 95/B(1) on the business report under Act C of 2000 on Accounting, any business whose negotiable securities have been admitted for trading on a regulated market of a Member State of the European Economic Area is required to publish a Corporate Governance Statement in its business report.

MFB Hungarian Development Bank Private Limited Company (hereinafter: MFB Zrt., Bank or the Company) is thus required to publish a statement with respect to the bonds it issues.

MFB Zrt. has published the following report on its corporate governance practices during the 2025 financial year.

The Company's internal system of governance and control is based on the Recommendations and Proposals for Corporate Governance, approved by the Budapest Stock Exchange on 8 December 2020. The corporate governance principles defined in the Recommendations have been adopted by the Company without any material differences.

It must be, however, taken into consideration that MFB Zrt. is a single-member private joint-stock company, where, on the basis of Section 1(2) of Act XX of 2001 on Magyar Fejlesztési Bank Részvénytársaság (hereinafter: MFB Act) and Annex 2 of Act CXCVI of 2011 on National Assets, 100% of the shares representing the Company are exclusively owned by the Hungarian State. Any alienation of the shares or offering of the same as security shall be deemed null and void. As part of its responsibilities under Sections 3(1) to (4a) of the MFB Act, the Company is required to proceed, both independently and in cooperation with other Hungarian and international organisations, in accordance with the requirements of transparency, expediency, economy, efficiency and prudence, with a view to securing the development funds required to achieve the economic development objectives defined by the medium and long-term economic strategy of the Government. The Company shall act on behalf of its sole shareholder, the Hungarian State. The objectives of the State and the acting Government are set out by the law or conveyed to the Company by a Government Resolution.

MFB Zrt. – as part of its responsibilities under in Section 3 (3) of the MFB Act – was a fund management organization in the 2007-2013 programming period, and in the 2014-2020 programing period is the implementing organization of the fund of funds, and in the 2021-2027 programing period will be the holding-fund implementing entity of the cohesion fund, while with regard the resources of the Recovery and Resilience (Resilience Building) Instrument is the implementing body of the financial instrument, during which MFB Zrt. disposes of the resources made available to in its own name, but the benefit of the Governing Authorities (National Authority). Accordingly MFB Zrt. keeps separate register of the sources of programming periods, but these registers do not form part of the Bank's balance sheet.

Based on the authorization of Government Decree No 1/2012 of (I.20.) MFB Zrt. participate in the performance of the tasks of Diákhitel Központ Zrt. from 12 June 2024 in closer cooperation with extensive experience in banking fields. MFB Zrt. performs the against an assignment fee, according to a service contract, acting on behalf of Diákhitel Központ Zrt.

The shareholder's (owner's) rights of the State over MFB Zrt. shall be exercised by the Minister responsible for supervising state assets. On the basis of Section 103 (1) 8 of Government Decree No 182/2022 of (V.24.) setting out the duties and competences of the members of the Government, the Minister for National Economy assets is a member of the Government, responsible for supervising state assets (hereinafter: the person exercising shareholder's rights).

The person exercising shareholder's rights shall issue the founder's resolution for the Company, thus determining the Company's strategic decisions. In a founder's resolution, the person exercising shareholder's rights shall require the Company to carry out the tasks set out in the Government's resolutions. The person exercising shareholder's rights shall decide on the selection, appointment, recall and discharge of members of the Board of Directors, members and the Chair of the Supervisory Board and the Chief Executive Officer heading the Company's work organisation under an employment contract.

Pursuant to Act CXXII of 2009 on publicly owned companies (hereinafter: Kgtv. Act), MFB Zrt. is a publicly owned company.

For the purposes of the provisions of the Kgtv. Act, the Company is treated as a company of priority importance for the national economy.

Based on the Act LXXXIV of 2024 on the resilience of critical organizations, MFB Zrt. has been designated as a critical organization and therefore, its activities are subject to this law, the related implementing regulations, and other legal provisions.

In other words, MFB Zrt.'s corporate governance practices are determined by the economic development objectives set in the Government's medium and long-term economic strategy, its classification as a company of priority importance for the national economy, the characteristics of being a single-member private joint-stock company and the provisions of the MFB Act and the Statutes of MFB Zrt.

Based on its size and the number of its employees, the Company is a large enterprise. It has a formalised operation. In addition to Act CCXXXVII of 2013 on credit institutions and financial companies (hereinafter: Hpt. Act), the Company's Statutes and the provisions of the rules of procedure of the Board of Directors and the Supervisory Board, the governance and functioning of the Company are determined by the remuneration policy, which is under the competence of the person exercising shareholder's rights, and internal regulations required by EU and national legislation and provisions applicable to credit institutions.

Within the Bank, there is no separate diversity policy applicable to the management and supervisory bodies, but Company's Ethics Statement set out a general prohibition of all forms of discrimination at a fundamental level. In line with this, the Bank's human resources policy is committed to condemning all forms of discrimination, including sex, age, religion, race, political and trade union affiliation, language and other distinctions, and to respecting the rights of persons with disabilities. In the course of its activities, MFB Zrt. supports the development of communities, the spread of financial culture and the creation of opportunities. Respect for human rights is an important aspect, both in relation to business partners and employees, and the Bank places great emphasis on this in its policies, in the organization of its operation, in communication and in its complaint handling processes.

1.1 A brief presentation of the operation of the Board of Directors / Governing Board, and the distribution of responsibilities and tasks between the Board of Directors / Governing Board and the management.

The Board of Directors is the Company's managing body. Members of the Board of Directors are the Company's executive officers.

The Board of Directors may consist of 5 to 9 members. Members of the Board of Directors are appointed – for a 5-year term – and recalled by the person exercising shareholder's rights. The Board

of Directors is headed by its Chair. The Chair of the Board is elected by the Board members from among themselves. During the term of his or her mandate, the CEO shall be a member of the Board of Directors, without a specific decision by the person exercising shareholder's rights. Notwithstanding the term specified in Article 14(4) of the MFB Act, the CEO shall remain a member of the Board for the entire duration of his or her mandate. In the event that the Chair of the Board of Directors and the CEO is the same person, pursuant to the third sentence of Section 15(2) of the MFB Act, the CEO shall be entitled to use the title of Chairman & CEO.

Members of the Board of Directors may be recalled from their office at any time by the person exercising shareholder's rights without further explanation. At least two members of the Board shall be employees of the Company (internal members). According to Section 149 (2) of the Hpt. Act, the directors of the company pursuant to the Hpt. Act may be elected as internal members of the Board of Directors. The Board membership of internal members shall cease immediately on the termination of their employment. Members of the Board of Directors and their family members may not be Members of the European Parliament, Members of Parliament, members of any municipal/local governments or spokespersons for a national or ethnic minority. The Chair of the Board of Directors and Board members shall make a declaration of property in accordance with the applicable statutory provisions.

The Board shall exercise its rights and responsibilities as a corporate body.

The Board shall draw up the Company's reports under the International Financial Reporting Standards (IFRS) in accordance with the Accounting Act and a proposal for the appropriation of net profit and submit them to the person exercising shareholder's rights for approval. The Board of Directors shall ensure that the Company's books are appropriately maintained. Moreover, the responsibilities of the Board shall include the approval of the Company's regulations on organisation and operation as well as any regulations assigned by the Rules of Procedure of the Board or by the law to the competence of the Board. Similarly, the Board of Directors shall make a decision on any major issues specified in the Board's Rules of Procedure.

The Company shall not have an appointing committee or a remuneration committee.

The person exercising shareholder's rights may not deprive the Board of Directors of its powers.

Meetings of the Board shall be convened as appropriate but at least once every three months. Board meetings shall be convened by the Chair of the Board through the forwarding of an invitation to Board members at least 8 days prior to the proposed date of the meeting. The invitation shall specify the venue, date and hour of the meeting and the proposed agenda of the meeting. Whenever possible, the proposals related to the agenda should be made available to the board members no later than three days before the meeting date. Any issue that has not been included in the agenda of the meeting – excluding the case where a Board member makes a proposal to add to the agenda within 4 days of receiving the invitation – shall only be discussed by the Board of Directors if at least two-thirds of the Board members are present and all attending members unanimously agree that the agenda item in question should be discussed at the meeting. The representative of the party exercising ownership rights and the Chair of the Supervisory Board shall be invited to any meeting of the Board of Directors.

Any member of the Board of Directors may request that a Board meeting be convened, specifying the agenda to be discussed by such meeting. The meeting shall be convened by the Chair of the Board of Directors for a day within 15 days of such request.

Meetings of the Board of Directors shall have a quorum if it is attended by the majority of Board members participate in person or by electronic means of communication that also allow the use of cameras. Decisions shall be made by a simple majority of the votes of attending members. The unanimous vote of the Board of Directors shall be required for decisions provided for in Section 106 of the Hpt. Act (exposure to affiliated persons) and decisions under Section 144(3) of the Hpt. Act.

The Board may also adopt a decision without convening a meeting, in writing (by mail or direct delivery) (written procedure). Moreover, the Chair of the Board of Directors may convene an emergency Board meeting.

1.2 An introduction of the Board of Directors / Governing Board, Supervisory Board and management members (for board members, also indicating each member's status of independence), a presentation of the boards structures.

As at 31 December 2025, the members of the Board of Directors are as follows:

1. Zsolt Kovács, internal member of the Board of Directors, Chairman & CEO
2. Zoltán Zsámboki, Deputy CEO, internal member of the Board of Directors
3. Dr. Richárd Adorján, external member of the Board of Directors
4. Dr. László Balás-Piri, external member of the Board of Directors
5. Tamás Balás, external member of the Board of Directors
6. Kinga Huray, external member of the Board of Directors
7. Richárd Sándor Kreutzer, external member of the Board of Directors.

The start and end dates of the mandates are set out in detail under item 13 of the Company's Certificate of Incorporation.

As at 31 December 2025, the Chair and the members of the Supervisory Board are as follows:

1. Dr. Péter Pataki, Chair of the Supervisory Board
2. Dr. Henriett Emese Jeneiné Gerő, member of the Supervisory Board
3. Gáspár Gergely Suppan, member of the Supervisory Board
4. Zita Katalin Kékesiné Győrffy, member of the Supervisory Board
5. Ervin Gönczy, member of the Supervisory Board, employee representative
6. Dr. Réka Sebestyén, member of the Supervisory Board, employee representative

The start dates of the mandates are set out in detail under item 15 of the Company's Certificate of Incorporation.

The Bank's most senior officer responsible for operations is the Chief Executive Officer. The Company's Chief Executive Officer was Gergely Bence Katona until 30 September 2025, and the Company's Chief Executive Officer from 1 October 2025 is Zsolt Kovács.

The employee is entitled to substitute the Chief Executive Officer is Zoltán Zsámboki Deputy Chief Executive Officer.

1.3 Specifying the number of meetings which the Board of Directors / Governing Board, Supervisory Board and committees held in the given period, completed with attendance rates.

In 2025, the Board of Directors had met 15 times and adopted decisions 19 times without holding a meeting by written procedure, with the following participation rates:

	Date of Board meeting/ adopted a decision by written procedure	Participation rate
1.	10 January 2025-meeting	Of 5 members, 4 participated
2.	29 January 2025-meeting	Of 5 members, 4 participated
3.	27 February 2025-meeting	Of 6 members, 4 participated
4.	28 March 2025 - meeting	Of 6 members, 6 participated
5.	8 April 2025- meeting	Of 6 members, 5 participated
6.	3 June 2025- meeting	Of 6 members, 5 participated
7.	19 June 2025- meeting	Of 7 members, 5 participated
8.	30 July 2025- meeting	Of 7 members, 5 participated
9.	27 August 2025- meeting	Of 7 members, 5 participated
10.	2 September 2025 - meeting	Of 7 members, 6 participated
11.	25 September 2025 - meeting	Of 7 members, 5 participated
12.	6 October 2025 - meeting	Of 7 members, 7 participated
13.	30 October 2025 - meeting	Of 7 members, 5 participated
14.	27 November 2025 - meeting	Of 7 members, 5 participated
15.	18 December 2025 - meeting	Of 7 members, 6 participated
	Written procedure	
1.	23 January 2025	Of 5 members, 4 participated
2.	4 March 2025	Of 6 members, 6 participated
3.	19 March 2025	Of 6 members, 4 participated
4.	24 April 2025	Of 6 members, 4 participated
5.	29 April 2025	Of 6 members, 4 participated
6.	30 April 2025	Of 6 members, 5 participated
7.	12 May 2025	Of 6 members, 5 participated
8.	21 May 2025	Of 7 members, 5 participated
9.	27 May 2025	Of 6 members, 6 participated
10.	4 June 2025	Of 6 members, 5 participated
11.	24 June 2025	Of 7 members, 7 participated
12.	25 June 2025	Of 7 members, 7 participated
13.	16 July 2025	Of 7 members, 6 participated
14.	21 August 2025	Of 7 members, 6 participated
15.	13 October 2025	Of 7 members, 7 participated
16.	21 October 2025	Of 7 members, 6 participated
17.	12 November 2025	Of 7 members, 6 participated
18.	15 December 2025	Of 7 members, 7 participated
19.	19 December 2025	Of 7 members, 7 participated

In 2025 the Supervisory Board had held 8 meetings and made decisions in 18 cases without holding a meeting, by written voting with the following participation rates.

	Date of Supervisory Board meeting/ adopted a decision by written procedure	Participation rate
1.	29 January 2025 - meeting	Of 6 members, 6 participated
2.	8 April 2025 - meeting	Of 6 members, 6 participated
3.	3 June 2025 - meeting	Of 6 members, 6 participated
4.	19 June 2025 - meeting	Of 6 members, 5 participated
5.	30 July 2025 - meeting	Of 6 members, 5 participated
6.	27 August 2025 - meeting	Of 6 members, 5 participated
7.	30 October 2025 - meeting	Of 6 members, 5 participated
8.	18 December 2025 - meeting	Of 6 members, 5 participated
	Written procedure	
1.	31 January 2025	Of 6 members, 5 participated
2.	11 February 2025	Of 6 members, 6 participated
3.	27 February 2025	Of 6 members, 6 participated
4.	28 February 2025	Of 6 members, 6 participated
5.	7 March 2025	Of 6 members, 6 participated
6.	16 April 2025	Of 6 members, 6 participated
7.	24 April 2025	Of 6 members, 4 participated
8.	8 May 2025	Of 6 members, 6 participated
9.	27 May 2025	Of 6 members, 6 participated
10.	11 June 2025	Of 6 members, 5 participated
11.	18 July 2025	Of 6 members, 4 participated
12.	4 September 2025	Of 6 members, 6 participated
13.	26 September 2025	Of 6 members, 6 participated
14.	16 October 2025	Of 6 members, 6 participated
15.	17 October 2025	Of 6 members, 5 participated
16.	12 November 2025	Of 6 members, 6 participated
17.	18 November 2025	Of 6 members, 5 participated
18.	2 December 2025	Of 6 members, 5 participated

1.4 A presentation of the work done by the Board of Directors / Governing Board, the Supervisory Board and the management as well as the considerations for assessing their individual members. Specifying if the assessment carried out in the given period resulted in any changes.

The Company has implemented a set of regulations drawn up by the person exercising shareholder's rights in consideration of the provisions of Act CXXII of 2009 on the more economical operation of publicly owned companies (hereinafter: Kgtv. Act) and Government Resolution No 1660/2015 (IX. 15.) regarding the renewal of the system of remuneration of management employees of companies in majority public ownership (hereinafter: Govt. Resolution), in respect of the method and amount of the remuneration of executive officers, members of the Supervisory Board and management employees and the system of their remuneration (hereinafter: Remuneration Policy).

The Remuneration Policy approved by the person exercising shareholder's rights includes the main rules for defining and assessing the system of performance requirements (annual bonuses) for executive employees are as follows:

- A bonus-based remuneration system shall be implemented for managers in order to encourage the successful achievement of business policy, strategy and economic targets for the year concerned and efficient operation;
- As a performance requirement, any target condition should be based on performance that can be objectively defined and be based on performing one's job with reasonable expertise and diligence. In case of a performance objective comprising the achievement of the key figure(s) of the business plan, the target conditions have to be set within ranges. A performance objective comprising the achievement of the key figure(s) of the business plan cannot be set solely if its fulfilment resulted in the 100% payment of the related bonus;
- The amount of the annual bonus of a manager shall not exceed the extent regulated in the relevant Government Decision. If the Company has made a loss, no bonus shall be paid to the manager;
- The performance requirements and conditions should preferably be defined simultaneously with or within 30 days of the adoption of the business plan for the year, unless under exceptional circumstances where they may be set at a later date;
- The performance requirements shall be assessed and settled simultaneously with or within 30 days of the adoption of the financial statement (balance sheet) for the financial year, unless under exceptional circumstances, where it may take place at a later date;
- If any of in the set performance requirements or not, or partially fulfilled, the employer's rights shall decide, on the amount and the payment of the bonus in proportion to the otherwise fulfilled performance requirements;
- Where the employment of a manager is terminated during the year, the bonus shall be payable on a pro rata basis simultaneously with the adoption of financial statement closing the financial year according to the Act on Accounting or within 30 days of the adoption of the financial statement;
- The circumstances listed in the Remuneration Policy must be considered as factors reducing or excluding the payment of a bonus. The person entitled to set the performance requirements may determine additional factors reducing or excluding the payment of a bonus.

1.5 A report on the operation of each committee, elaborating on the professional background of committee members, the number of and the attendance rate at the meetings held as well as the major topics discussed at the meetings and a presentation of the general operation of each committee. When presenting the operation of the Audit Committee, any decision by the Board of Directors / Governing Board against the proposal of the committee should be mentioned (also including the explanations offered by the Board of Directors / Governing Board). The Company website, where all tasks delegated to the committees and the dates of the members' appointment must be published, should also be mentioned. (If this information is not available on the Company website, it must be included in the Corporate Governance Report.)

Supervisory Board

The Supervisory Board consists of 6 members. The Chair and members of the Supervisory Board are appointed for a definite period of up to 5 years and are recalled by the person exercising shareholder's rights. At least one-third of the members of the Supervisory Board shall be employee representatives for as long as the Company has more than 200 (two hundred) full-time employees on an average annual basis. Only natural persons may be Supervisory Board members; other than employee representatives, they may not be employees of the Company.

The Supervisory Board shall supervise the Company's management. Within the frames of this authority, the Supervisory Board may request information from senior executives and employees of the company, may inspect the company's accounting records, registers, books and documents, may examine the company's payment account, cash register, securities and commodities, as well as its

contracts, or may place them under examination by an expert. Such information may also be requested or inspected or the Company's records may also be examined or ordered to be examined by individual members of the Supervisory Board.

The Supervisory Board shall have all rights and obligations set out for the supervisory boards of credit institutions by the applicable legislation in effect from time to time.

The Supervisory Board shall:

a) ensure that the Bank has a comprehensive and fully functional control system;
b) put forth a proposal for the Company's auditor and his or her fee;
c) verify the Bank's annual and interim financial statements, including the annual publication information;
d) technically manage and review the internal audit unit; as part of that function, the Supervisory Board shall
    1. adopt the annual review plan of the internal audit unit,
    2. discuss, at least once every six months, the reports drawn up by internal audit and review the implementation of the required measures,
    3. assist, where appropriate, the efforts of internal audit by inviting external experts,
    4. put forth proposals for adjusting the number of staff of the internal audit unit,
e) draw up recommendations and proposals on the basis of the findings of inspections by internal audit;
f) the prior consent of the Supervisory Board shall be required if the Chief Executive Officer intends to appoint a new employee to manage the internal audit unit or terminate the employment of the head of the internal audit unit.

Without the application of Section 3:123 of the Civil Code, the Supervisory Board is obliged to examine all relevant business policy reports requiring the decision of the holder of ownership rights, as well as all submissions relating to matters within the competence of the holder of ownership rights. The holder of ownership rights may decide on the reports pursuant to the Accounting Act only in the possession of the written report of the Supervisory Board. Decisions regulated in Section 106 (1) of the Hpt. Act (exposure to affiliated persons) require, in addition to the unanimous decision of the Board of Directors of the company, the consent of the Supervisory Board.

Meetings of the Supervisory Board shall be convened by the Chair of the Supervisory Board in writing (by mail, email sent to members or direct delivery), the invitation being conveyed to the members of the Supervisory Board at least 8 (eight) days before the date of the meeting. The invitation shall include the agenda of the meeting, if possible along with the proposals for the issues concerning the agenda items. If not, the proposal must be sent to the members of the supervisory board no later then 3 (three) days before the date of the meeting. Any two Supervisory Board members may request in writing the Chair to convene a Supervisory Board meeting, specifying the reason and the goal of the proposed meeting. Where the Chair fails to convene a meeting within 5 (five) days of receipt there quest, such meeting may be convened by any member having requested that the meeting be convened.

The Supervisory Board shall have a quorum if more than two-thirds of its members or at least 3 (three) members are present at the meeting in person or by electronic means of communication that also allow the use of cameras. Decisions of the Supervisory Board shall be adopted by a majority of votes by members of the Supervisory Board. The Supervisory Board may also adopt a decision without convening a meeting, in writing (by mail) exceptionally, in particularly and immensely justified cases. A decision shall have been adopted if, within 3 (three) workdays of dispatch (or, in exceptional cases, within a shorter period specified by the Chair), at least 2/3 (two-thirds) of the members of the Supervisory Board (but a minimum of 3 members) have sent their votes to the Bank's registered office

in the form of a private deed of full probative value or in the form of scanned or digitally signed documents, by email to the Secretary of the Supervisory Board. There shall be no need to wait for the vote of a member of the Supervisory Board if such member previously notified the Chair of the Supervisory Board of the fact that, during the period concerned, he/she would not be able to participate in the work of the Supervisory Board, in person or through a written voting procedure, due to another engagement.

The rules of procedure of the Supervisory Board shall be determined by the Supervisory Board and approved by the person exercising shareholder's rights. The Chair of the Supervisory Board and Supervisory Board members shall make a declaration of property in accordance with the applicable legislation.

Audit Committee

The Audit Committee shall:

a) assist the Supervisory Board in its activities, including
   - the review of the system of financial reporting,
   - the selection of an auditor, and
   - cooperation with the auditor;
b) review and monitor the independence of the auditor of the individual annual and the consolidated annual financial statements, as well as the sustainability report prepared as part thereof, including in particular compliance with Article 5 of Regulation (EU) No 537/2014;
c) monitor the statutory audit of the annual and consolidated annual financial statements and the sustainability report prepared as part thereof, taking into account the findings and conclusions made during the quality review of statutory public oversight auditing, conducted by an authority carrying out public oversight auditing duties (Act LXXV of 2007 on the Chamber of Hungarian Auditors, the Activities of Auditors, and on the Public Oversight of Auditors (hereafter: Kkt. Act));
d) monitor the efficiency of the Bank's internal control and risk management systems, putting forward recommendations where appropriate;
e) monitor the process of financial reporting, putting forward recommendations where appropriate
f) monitor the Bank's ESG activities and assurance on sustainability reporting and, if necessary make recommendations.

The functions and competences of the Audit Committee are set out in detail in the rules of procedure of the Audit Committee.

As at 31 December 2025, the Chair and the members of Audit Committee are as follows:

1. Dr. Péter Pataki, Chair of the Audit Committee
2. Gáspár Gergely Suppan, member of the Audit Committee
3. Zita Katalin Kékesiné Győrffy, member of the Audit Committee.

In 2025, the Audit Committee held 2 meeting and made decisions in 13 times without holding a meeting by written voting. The participation rate was as follows.

	Date of Audit Committee meeting/ adopted a decision by written procedure	Participation rate
1.	8 April 2025	Of 3 members, 3 participated
2.	19 June 2025	Of 3 members, 3 participated
	Written procedure	
1.	16 January 2024	Of 3 members, 3 participated
2.	29 January 2025	Of 3 members, 2 participated
3.	11 February 2025	Of 3 members, 3 participated
4.	17 February 2025	Of 3 members, 3 participated
5.	11 March 2025	Of 3 members, 3 participated
6.	19 March 2025	Of 3 members, 3 participated
7.	23 May 2025	Of 3 members, 3 participated
8.	24 June 2025	Of 3 members, 3 participated
9.	8 September 2025	Of 3 members, 3 participated
10.	21 October 2025	Of 3 members, 3 participated
11.	30 October 2025	Of 3 members, 3 participated
12.	10 December 2025	Of 3 members, 3 participated
13.	12 December 2025	Of 3 members, 3 participated

Detailed information on the 2025 meetings of the Board of Directors and the Supervisory Board is set out in section 1.3.

The Company's internal decision-making bodies include:

a) the person exercising shareholder's rights,
b) Board of Directors,
c) Management Body,
d) Asset-Liability Management Committee,
e) Individual Credit Committee,
f) Problem Loans Committee,
g) EU Management Committee,
h) Sustainable Financing Committee
i) Infringement Management Committee,
j) Developmental Management Committee.
k) Monitoring Committee

Other internal decision-making bodies of the Company by individual power (e.g. Crisis Committee) are regulated by the regulation documents of the Bank.

The Company's internal decision preparation bodies include the:
a) Support Committee,
b) Housing Committee,
c) Aid Committee,
d) Public Procurement Preparation and Assessment Committee,
e) Workplace Health and Safety Committee,
f) Health and Safety Parity Body,
g) Ethics Committee,
h) Scrapping Committee.

The Company shall publish on its website information on the names and positions of the managers and

members of its government bodies.

1.6 A description of the system of internal controls, an evaluation of the activities performed in the given period. A report on the efficiency and effectiveness of the risk management procedures. (Information about where shareholders can access the Board of Directors / Governing Board report on the operation of internal controls.)

The Bank shall develop and operate its internal audit system in accordance with the characteristics, scope, complexity and risks of its activities with a view to ensuring that it conducts its activities under an appropriate management system and appropriate controls in order to achieve the objectives of the organisation.

Organisational structure and the defining of functions and responsibilities
In terms of its organisational structure and within the specific organisational units, the Bank shall define competences in order to delimit the functions and responsibilities related to specific processes as well as the specific functions and responsibilities pertaining to cross-organisational processes, isolating those functions that are incompatible from the point of view of the process. The processes, responsibilities and controls are set out in the regulatory documents, whereas the functions and responsibilities pertaining to each job are set out in the job descriptions.

Decision-making system
In addition to defining the functions and competences, it is of priority importance to exactly define the competences related to the making of personal and committee decisions in order to ensure that a clear, transparent and consistent framework system, commensurate with the complexity and the financial consequences of each topic is in place to assist the decision-making process during day-to-day operation.

Regulatory framework system
By setting up the area focusing on the adoption of a consistent Group-level regulatory concept and process control, the Bank intends to ensure that the regulatory structure concerning the processes and activities is suitably consistent and uniform and that sufficiently detailed regulatory documents that cover the entire process are drawn up for each process. When drawing up the regulatory documents, the Legal Directorate and in addition the Regulatory and Secretariat Directorate the Compliance Directorate ensure that they fully comply with the statutory provisions.

Internal defence lines
Within its organisation, the Bank has implemented a three-tier risk protection system. Keeping the proportionality principle in mind, in order to execute the internal control, the Bank has implemented efficient, comprehensive internal control functions (risk control function, compliance function, internal audit function, information security and prevention of fraud functions).

Board of Directors/Supervisory Board

I. Chief Executive Officer
   A) Management
      1. Internal procedure, controls built in the procedure and management controls
   B) Risk management, Compliance, Bank- and Information Security/ BCP/ DRP, Prevention of fraud

II. Audit Commitee
   A) Internal Audit,
   B) Audit

In order to ensure the independence of control functions,

1) the control function's staff shall not engage in any activities under their control;
2) it shall be organisationally separate from the functional and organisational areas it controls;
3) its remuneration shall not be dependent on the performance of the areas controlled;
4) the control function shall have access to the resources required for its operation.

Risk management

The Bank's risk control function is carried out by within the Risk Management Division, a dedicated organisational unit independent from the business areas. The framework of risk management and control is provided by an appropriately structured regulatory hierarchy, ensuring prudent banking operation through abstract guidelines at a high level and through increasingly detailed instructions and rules of procedure at the lower levels. In order to reasonably limit the assumption of risks, limits are applied in order to observe risk levels so as to ensure that targets are achieved in accordance with the relevant risk appetite.

The function is given sufficient priority during the decision-making process in order to ensure that risk criteria are assessed and sufficiently considered when making any decision.

Compliance

The compliance function covers the institution as a whole as well as each organisational unit, business area and activity, in particular with regard to ethic, conflict of interest issues, market abuses and the prevention of money laundering. The Compliance Directorate, an organisational unit independent of business and other banking area, performs the compliance function of the Bank. The activities of the Compliance Directorate are determined by compliance statute issued as a group-level directive also contains the expectations of MFB Zrt. regarding the compliance activities of the companies belonging to the MFB Group.

Internal audit

The Bank maintains an autonomous internal audit department, which is structurally and functionally independent of its other areas; the resources required for internal audit activities are made available on a continuous basis. Internal audit is an independent and objective activity aiming to provide reasonable assurance (verification) and advice with a view to improving the Bank's operation and increase its success. As part of its activities, it examines and provides reasonable assurance, supported by sufficient evidence, on whether the risk management, governance and control systems, and processes developed and operated by management, comply with the relevant requirements. It promotes the achievement of the Bank's objectives through an appropriate and efficient methodology and through risk-based control activities.

Information system

In addition to the regulation of processes and the conscious separation of functions and responsibilities, the level of control of processes is also improved within the information systems. In the majority of its basic processes, the Bank applies information systems that purposefully support the strengthening of the control environment of processes, thus ensuring the appropriate implementation of processes through various built-in automated mechanisms. Access to the information system is granted through multi-level filters (business manager, data owner), which are regularly reviewed. Authorisations are assigned in a way that ensures that each employee is granted active authorisation only to applications that are relevant to his or her duties, and in addition, staff responsible for data-entry and approval functions are separated from each other.

Built-in and follow-up controls
The Bank designs its administrative processes and regulatory documents are a way that enables controls to be built into the various processes. Controls are thus incorporated into the various processes in order to ensure that any task should only be carried out once the previous task has been verified and corrected where appropriate, in order to ensure the conformity of the inputs of complementary tasks. No single operation may be carried out, processed and verified by the same person, as that would not ensure the identification and correction of errors detected during implementation.
The Bank's regulatory documents set out the task and process-specific control points, i.e. the control activities. The Bank's procedures are developed in a way that ensures that any transaction is only implemented after a documented review.

At the Bank, the heads of the competent organisational units are responsible for the implementation of built-in control and management control.

Management control
The various management levels and the organisational structure aim to facilitate the efficient achievement of the Bank's objectives and strategy. Management control functions must be carried out at each level of management. Management control tools include requiring employees to report, requesting reports, exercising the right to sign documents, the verification of the fulfilment of tasks from a formal and substantive point of view, on-site reviews carried out in person and the operation of the management information system. The heads of individual organisational units shall oversee their team members and require them to report on a regular basis, as provided for in internal regulations and rules of procedure. The detailed rules for management control, including reports and business trips, are set out in the regulatory documents.

Management information system
The development and operation of a management information system encompassing all of its activities are an important element of the Bank's control system. The purpose of the management information system is to ensure that consistent and comprehensive information are available for the various levels of management during governance and control.

The Bank's management information system includes the entirety of Bank and Group-level information generated for the management on a timely basis at sufficient depth as well as the system that forwards such collected and properly processed information to the user in due time, while being capable of responding to changes.

The internal reports constituting the management information system, the frequency of submission of such reports and the indication of the relevant management level shall be set out in a regulatory document and be regularly reviewed.

Exercising shareholder control
The Bank shall exercise control over the organisations belonging to the MFB Group. As part of such shareholder supervision, the Bank extends the elements of its internal control system listed above to an extent that ensures that the operation of the various companies is appropriately monitored and governed, and that the common goals of the MFB Group are achieved, as well as ensuring the requisite and sufficient exchange of information between the Bank and other Group companies.

1.7. Information on whether the auditor performed any activities not related to auditing.

The Bank’s auditor for the 2025 financial year was the Forvis Mazars Korlátolt Felelősségű Társaság.

The MFB Group did not avail itself of certain non-audit services from the Forvis Mazars Korlátolt Felelősségű Társaság Network.

1.8. An overview of the Company's publication policy and its insider trading policy.

A separate policy provides for the prohibition of insider trading and market manipulation, stipulating that persons performing managerial duties and persons closely associated with them and employees having access to inside information are prohibited from entering into transactions or charging other persons with entering into transactions involving securities issued by the Bank or derivatives or other financial instruments related to said securities. The Company has not implemented a share-based incentive scheme.
With regard to the publishing of information, the Company acts in accordance with the applicable laws and stock exchange regulations.

1.9. An overview of the method of exercising shareholder rights.

The Company’s capital stock amounts to HUF 519 900 000 000 (Five Hundred and Nineteen Billion Nine Hundred Million Forints), which consists of 519 900 printed registered ordinary shares of a nominal value of HUF 1 000 000 each. The Company’s shares are non-transferable. Each share embodies the same rights.

Where the Company’s capital stock is increased from assets additional to the capital stock, the new shares are acquired by the State without consideration. Depending on the decision of the person exercising shareholder's rights, the capital stock may be reduced by reducing the number or the nominal value of the shares, or both. The person exercising shareholder's rights shall not pay any amount out of the capital stock before the reduction in the capital stock has been registered in the Companies Register.

The Board of Directors shall be entitled to issue shares of combined denomination and to break up shares of combined denomination. The Board of Directors shall keep the register of shareholders on the registered shares in accordance with the provisions of the Hpt. Act and Act V of 2013 on the Civil Code (hereinafter: Civil Code). The register of shareholders shall be accessible to any person.

1.10. A brief presentation of the rules for the conduct of the General Meeting.

Since the Company is a single-member joint-stock company, it has no shareholders’ meeting; matters under the competence of the founder are decided upon by the person exercising shareholder's rights in writing, by a founder’s resolution, subject to the provisions applicable to the Company. Proposals for the person exercising shareholder's rights shall be approved by the Company's Board of Directors and discussed by the Supervisory Board. Any decision shall take effect on its communication to the executive officers.

1.11 Presentation of the issuer's compliance with Section IV. of Act 67 of 2019 on the incentivisation of long-term shareholder participation and harmonization of particular other acts.

The company is not subject to Act LXVII of 2019 on the Promotion of Long-Term Shareholder Participation and the Amendment of Certain Acts for the Purpose of Legal Harmonization, so the regulations in question do not apply to the company.

Corporate Governance Report on compliance with the Corporate Governance Recommendations

As part of the Corporate Governance Report, the Company makes a statement regarding the extent to which it has implemented in its own corporate governance practice the recommendations and proposals specified in the relevant sections of the Corporate Governance Recommendations issued by the Budapest Stock Exchange Ltd., by completing the following tables. These tables provide an overview for the investors of the extent of the compliance - by the relevant company - with certain requirements set out in the Corporate Governance Recommendations at glance, and enable easy comparison of the practices of the specific companies.

Level of compliance with the Recommendations

The Company indicates whether it follows the relevant recommendation or not, and if not, briefly explains the reasons why it did not follow that specific recommendation.

R 1.1.1 Does the Company have an organisational unit dealing with investor relationship management, or a designated person to perform these tasks?

Yes.

R 1.1.2 Are the Company's Articles of Association available on the Company's website?

Yes.

R 1.1.4 If the Company's Articles of Association allow shareholders to exercise their rights in their absence, did the Company publish the methods and conditions of doing so, including all necessary documents?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting. In lieu of the shareholder's meeting, matters under the competence of the supreme decision-making body are decided on by a founder's resolution issued by the person exercising shareholder's rights, which decision is equivalent to the decision of the shareholder's meeting.

R 1.2.1 Did the Company publish on its website a summary document containing the rules applicable to the conduct of its General Meetings and to the exercise of voting rights by shareholders?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.2.2 Did the Company publish the exact date when the range of those eligible to participate in a given company event is set (record date), and also the last day when the shares granting eligibility for participating in a given company event are traded?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.2.3 Did the Company hold its General Meetings in a manner providing for maximum shareholder participation?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.2.6 The Company did not restrict the shareholders' right to designate a different representative for each of their securities accounts to represent them at any General Meeting. (Answer Yes, if not)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.2.7 For proposals for the agenda items, were the Board of Directors' draft resolution and also the Supervisory Board's opinion disclosed to the shareholders?

Yes.

R 1.3.3 The Company did not restrict the right of its shareholders attending a General Meeting to request information, add comments and submit proposals, or set any preconditions for these with the exception of some measures taken to conduct the General Meeting in a correct manner and as intended. (Answer Yes, if not)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.4 By answering the questions raised at the General Meeting, did the Company ensure compliance with the information provision and disclosure principles set out in legal regulations and BSE requirements? (If no such question arose the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.5 Did the Company publish on its website the answers to the questions that the representatives of the Company's boards or its auditor present at the General Meeting could not satisfactorily answer at the meeting within 3 working days following the General Meeting, or an official statement explaining why it refrained from giving answers? (If there was no such event the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.7 Did the Chairman of the General Meeting order a recess or suggest that the General Meeting be postponed when a proposal or proposal relating to a particular issue on the agenda was submitted which the shareholders hadn't had a chance to become familiar with before the General Meeting? (If there was no such submission the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.8.1 The Chairman of the General Meeting did not use a combined voting procedure for a decision related to electing and recalling executive officers and Supervisory Board members. (If there was no election or recall the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting, but the above principle was observed in respect of the decision of the person exercising shareholder's rights.

R 1.3.8.2 For executive officers or Supervisory Board members, whose nominations were supported by shareholders, did the Company disclose the identity of the supporting shareholder(s)? (If there was no supporting shareholder the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.9 Prior to discussing agenda items concerning the amendment of the Articles of Association, did the General Meeting pass a separate resolution to determine whether to decide on each amendment of the Articles of Association by individual votes, joint votes, or votes combined in a specific way? (If the Articles of Association has not been modified the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.10 Did the Company publish the minutes of the General Meeting containing the resolutions, the description of the draft resolutions and any important questions and answers related to the draft resolutions within 30 days following the General Meeting?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.6.1.1 Do the Company's publication guidelines cover the procedures for electronic, online disclosure?

Yes.

R 1.6.1.2 Does the Company design its by considering the aspects of disclosure and the information of investors?

Yes.

R 1.6.2.1 Does the Company have an internal publication policy in place which covers the processing the information listed in Section 1.6.2 of the Recommendations document?

Yes.

R 1.6.2.2 Do the internal regulations of the Company cover the methods for the assessment of events judged to be important for publication?
Yes.

R 1.6.2.3 Did the Board of Directors/Governing Board assess the efficiency of the publication processes?

No. Explanation: the Company's internal regulations on communication ensure that any information intended for publication is published as soon as possible on the Company's website as well as in the places of mandatory publication prescribed by law. The shareholder is notified by the Board of Directors in the annual financial report.

R 1.6.2.4 Did the Company publish the findings of the efficiency assessment of the publication process?

No. Explanation: the Company's internal regulations on communication ensure that any information intended for publication is published as soon as possible on the Company's website as well as in the places of mandatory publication prescribed by law. The shareholder is notified by the Board of Directors in the annual report.

R 1.6.3 Did the Company publish its annual company event calendar?

No. Explanation: since the Company is a single-member joint-stock company, no corporate events calendar has been drawn up. On the company website, market operators are notified of any major announcements (loan schemes and financing opportunities), financial statements, press releases, events and publications. Since the strategic objectives and main activities of MFB Zrt. are set out for the public in the MFB Act, any information for the public is only required in the case of a change in such objectives and activities. The Company's strategic objectives and their implementation are described in the annual report, which is published on the company website in Hungarian and English.

R 1.6.4 Did the Company publish its strategy, business ethics and policies regarding other stakeholders?

No. Explanation: Since the strategic objectives and main activities of MFB Zrt. are set out for the public by law (MFB Act), no specific information for the public needs to be published. The Company's strategic objectives and the implementation of these are described in the annual report, which is published on the company website. The major detailed conditions of the Company's main activities, the rules for credit products, their rules of procedure and the names of refinancing partners involved in the implementation of specific loan programmes are published on the company website on a continuous basis. The Company's Ethics Statement and the Group-level Anti-Corruption Policy adopted by the Board of Directors of MFB Zrt are available on the company website.

R 1.6.5 Did the Company publish career information about Executive Board/ Board of Directors / Supervisory Board and management members in its annual report or on the company website? (If it wasn't published in the current year, but in the year of the election and only in the GM proposals (not on the website), then the answer is: YES)

No. Explanation: The Company is not subject to such disclosure obligation.

R 1.6.6 Did the Company publish all relevant information about the internal organisation and the operation of the Board of Directors / Governing Board and the Supervisory Board, about the work of the management, the assessments of these and the changes in the current year?

No. Explanation: Due to the fact that the Company is privately held, it is not subject to such disclosure obligation.

R 1.6.8 Did the Company publish its risk management guidelines and information about its system of internal controls, the main risks and the principles for their management?

Yes.

R 1.6.9.1 Did the Company publish its guidelines relating to the trading of its shares by insiders?

No. Explanation: The shares of the Company are non-negotiable and, therefore, no policies have been drawn up regarding the trading of shares. Members of the Board of Directors, the Supervisory Board and the management may not acquire an interest in the Company's securities. There is no share-based incentive scheme.

R 1.6.9.2 Did the Company disclose the share of the Board of Directors / Governing Board, Supervisory Board and management members in the securities issued by the Company in the annual report or in some other way? (If the above mentioned senior officers do not have any share the answer is: YES)

Yes.

R 1.6.10 Did the Company publish the relationship of Board of Directors / Governing Board, Supervisory Board and management members may have with third parties which could affect the operation of the Company?

No. Explanation: the conflict of interest rules concerning employees and members of the Board of Directors and the Supervisory Board are provided for in the MFB Act, the Hpt. Act and the Civil Code, whereas internal policies ensure compliance with such rules.

R 2.1.1 Does the Company's Articles of Association contain clear provisions regarding the responsibilities and competences of the General Meeting and the Board of Directors / Governing Board?

No. Explanation: the Company is a single-member joint-stock company; matters under the competence of the supreme decision-making body are decided on by a founder's resolution issued by the person exercising shareholder's rights, which is equivalent to a resolution of the shareholder's meeting. The article of association contains clear provisions regarding the responsibilities of the founder and the Board of directors.

R 2.2.1 Does the Board of Directors / Governing Board have a rules of procedure in place defining the organisational structure, the actions for arranging for and conducting the meetings and the tasks regarding the adopted resolutions, as well as other issues related to the operation of the Board of Directors / Governing Board?

Yes.

R 2.2.2 Does the Company publish the procedure used for nominating Executive Board/ Board of Directors members and the principles for determining their remuneration?

No. Explanation: the Company is a single-member joint-stock company; matters under the competence of the shareholders' meeting are decided upon by the person exercising shareholder's rights in writing, subject to the provisions applicable to the Company. The appointment, recall and discharge of members of the Board of Directors fall under the competence of the person exercising shareholder's rights.

R 2.3.1 Does the Supervisory Board provide a detailed description of its operation and duties, as well as the administrative procedures and processes followed by it, in its rules of procedure and work plan?

Yes.

R 2.4.1.1 Did the Board of Directors / Governing Board and the Supervisory Board hold meetings periodically at a predefined interval?

Yes.

R 2.4.1.2 Did the rules of procedure of the Board of Directors / Governing Board and the Supervisory Board provide rules for the conduct of meetings that cannot be planned in advance, and for decision-making using electronic telecommunications means?

Yes.

R 2.4.2.1 Did board members have access to the proposals to be presented at the meeting of the respective board at least five days prior to the meeting?

No. Explanation: The Articles of Association of MFB Zrt., as well as the rules of procedure for the Board of Directors and the Board of Supervisory Board, determine the latest deadline for dispatching proposals to be less than five working days, meaning that proposals related to the agenda must be delivered to the members at least three days before the meeting.

R 2.4.2.2 Did the Company arrange the proper conduct of the meetings, the drawing up of the meeting minutes and management of the resolutions made by the Board of Directors / Governing Board and the Supervisory Board?

Yes.

R 2.4.3 Do the rules of procedure provide for the regular or ad hoc participation of non-board members at respective board's meetings?

Yes.

R 2.5.1 Were the members of the Board of Directors / Governing Board and the Supervisory Board nominated and elected in a transparent process, and was the information about the candidates made public in due time before the General Meeting? (If there was no nomination and election the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company; matters under the competence of the shareholders' meeting are decided upon by the person exercising shareholder's rights in writing, subject to the provisions applicable to the Company. The appointment, recall and discharge of members of the Board of Directors and the Supervisory Board and determining the remuneration of the members and Chair of the Board fall under the competence of the person exercising shareholder's rights.

A 2.5.2 Does the composition and size of the boards comply with the principles set out in Section 2.5.2 of the Recommendations?

Yes.

A 2.5.3 Did the Company ensure that the newly elected Board of Directors / Governing Board and Supervisory Board members became familiar with the structure and operation of the Company and their tasks were carried out as members of the respective boards? (If there was no newly elected member in the current year: YES)
Yes.

R 2.6.1 Did the Governing Board / Supervisory Board request (in the context of preparing the annual corporate governance report) its members considered to be independent to confirm their independence at regular intervals? (If there is no independent member the answer is: YES)

No. Explanation: The Board of Directors does not request its members, considered to be independent, to confirm their independence at regular intervals.

R 2.6.2 Does the Company provide information about the tools which ensure that the Board of Directors / Governing Board assesses objectively the management's activities?

No. Explanation: The Company is a single-person joint-stock company, where the Board of Directors is responsible for monitoring the management's performance. Fees are determined by the person exercising employer's rights. The employer's rights over the CEO are exercised by the Minister exercising the government's exclusive shareholder's (owner's) rights. The Minister decides on the selection, appointment, recall and discharge of the members of the Board of Directors, members and the Chair of the Supervisory Board, members of the Audit Committee and the Chief Executive Officer.

R 2.6.3 Did the Company publish its guidelines concerning the independence of its Governing Board / Supervisory Board members and the applied independence criteria on its website?

No. Explanation: On its website, the Company does not specifically publish the guidelines concerning the independence of the Board of Directors and the Supervisory Board and the relevant independence criteria, as they are provided for in the Hpt. Act, the Civil Code, the MFB Act and the Kgtv. Act.

R 2.6.4 Does the Supervisory Board of the Company have any members who has held any position in the Board of Directors or in the management of the Company in the previous five years, not including cases when they were involved to ensure employee participation?

No. Explanation: One of the members of the Supervisory Board was a member of the Executive Board for a short period from 17.01.2024 to 18.03.2024 without exercising the right of representation. The extremely short duration of membership of the Executive Board do not substantially affect the performance of the functions of the Supervisory Board.

R 2.7.1 Did members of the Board of Directors / Governing Board inform the Board of Directors / Governing Board and (if applicable) the Supervisory Board (or the Audit Committee if a uniform governance system is in place) if they, or individuals they have business relations with, or their relatives have interest in any business transactions of the Company (or any subsidiaries thereof) which excludes their independence? (If there was no such transaction the answer is: YES)

Yes.

R 2.7.2 Were transactions and assignments between members of boards/ members of the management/individuals closely associated with them and the Company/subsidiaries of the Company carried out in accordance with the Company's general business practice but applying more stringent transparency rules compared to general business practice, and were they approved? (If there was no such transaction the answer is: YES)

Yes.

R 2.7.3 Did board members inform the Supervisory Board / Audit Committee (Nominating Committee) if they had received an appointment for board membership or management position of a company not belonging to the Company Group? (If there was no such appointment, the answer is YES)

No. Explanation: members of the Company's Board of Directors and Supervisory Board may only be executive officers or Supervisory Board members as specified by the MFB Act. When they are elected, members must issue a statement on their existing status as an executive officer and their Supervisory Board membership, and must notify the competent organisational unit of the Company of any change to such status in accordance with MFB Zrt.'s relevant policy.

R 2.7.4 Did the Board of Directors / Governing Board develop guidelines for the flow of information and the management of insider information within the Company, and monitor compliance with them?

Yes.

R 2.8.1 Did the Company create an independent internal audit function that reports directly to the Audit Committee / Supervisory Board?

Yes.

R 2.8.2 Does Internal Audit have unrestricted access to all information necessary for carrying out audits?

Yes.

R 2.8.3 Did shareholders receive information about the operation of the system of internal controls?

Yes.

R 2.8.4 Does the Company have a function ensuring compliance (compliance function)?

Yes.

R 2.8.5.1 Is the Board of Directors / Governing Board or a committee operated by it responsible for the supervision and management of the entire risk management of the Company?

Yes.

R 2.8.5.2 Did the relevant organisation of the Company and the General Meeting received information about the efficiency of the risk management procedures? (If such information has been received by the relevant organisation or the GM, but not in the current year, the answer is: YES)

Yes.

R 2.8.6 With the involvement of the relevant areas, did the Board of Directors / Governing Board develop the basic principles of risk management taking into account the special idiosyncrasies of the industry and the Company?

Yes.

R 2.8.7 Did the Board of Directors / Governing Board define the principles for the system of internal controls to ensure the management and control of the risks affecting the Company's activities as well as the achievement of its performance and profit objectives?

Yes.

R 2.8.8 Did internal control systems functions report about the operation of internal control mechanisms and corporate governance functions to the competent board at least once a year?

Yes.

R 2.9.2Did the Board of Directors / Governing Board invite the Company's auditor in an advisory capacity to the meetings on financial reports?

Yes.

Level of compliance with proposals

P 1.1.3 Does the Company's Articles of Association provide an opportunity for shareholders to exercise their voting rights also when they are not present in person?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.2.4 Did the Company determine the place and time of General Meetings initiated by shareholders by taking the initiating shareholders' proposal into account?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.2.5 Does the voting procedure used by the Company ensure a clear, unambiguous and fast determination of voting results, and in the case of electronic voting, also the validity and reliability of the results?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.3.1.1 Were the Board of Directors/Governing Board and the Supervisory Board represented at the General Meeting?

No. Explanation: While the Company has no shareholders' meeting, the Board of Directors and the Supervisory Board submit their opinion on the founder's resolutions issued by the person exercising shareholder's rights.

P 1.3.1.2 In the event the Board of Directors/Governing Board and the Supervisory Board was absent, was it disclosed by the Chairman of the General Meeting before discussion of the agenda began?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.3.2.1 The Articles of Association of the Company did not preclude any individuals from receiving an invitation to the General Meetings of the Company at the initiative of the Chairman of the Board of Directors/Governing Board and being granted the right to express their opinion and to add comments there if that person's presence and expert opinion is presumed to be necessary or help provide information to the shareholders and help the General Meeting make decisions. (Answer Yes, if not)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.3.2.2 The Articles of Association of the Company did not preclude any individual from receiving an invitation to the General Meetings of the Company at the initiative of shareholders requesting to supplement the agenda items of the General Meeting and from being granted the right to express their opinion and to add comments there. (Answer Yes, if not)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.3.6 Does the annual report of the Company prepared as specified in the Accounting Act contain a brief, easy-to-understand and illustrative summary for shareholders, including all material information related to the Company's annual operation?

Yes.

P 1.4.1 In line with Section 1.4.1, did the Company pay dividend within 10 working days to those of its shareholders who had submitted all the necessary information and documents? (If there was no dividend the answer is: YES)

Yes.

P 1.6.11 Did the Company publish its information in English as well, in line with the provisions of Section 1.6.11?

Yes.

P 1.6.12 Did the Company inform its investors about its operation, financial situation and assets on a regular basis, but at least quarterly?

No. Explanation: Based on the provisions of Act CXX of 2001 on capital market MFB Zrt. is not obliged to prepare a half-yearly report, therefore the Bank's investors can find out about the operation, financial and property status of MFB Zrt. from the annual audited individual and consolidated reports – regularly published on the Bank's websites and in the places of mandatory publication – and from the half-yearly unaudited, non-consolidated financial statements.

P 2.9.1 Does the Company have in place internal procedures regarding the use of external advisors and outsourced activities?

Yes.

DECLARATION

Here we provide you the annual report of MFB Hungarian Development Bank Private Limited Company (hereinafter: "Bank" or "MFB Zrt.") for the year 2025.

On behalf of MFB Zrt., we hereby declare that the annual financial statements for the year 2025, prepared in accordance with International Financial Reporting Standards as adopted by the EU contain true data and statements, and do not fail to disclose any fact that may be of relevance for assessing the financial position of the Bank. The financial statements for the year 2025, prepared in accordance with the applicable accounting standards and to our best knowledge, give a true and fair view of the assets, liabilities, financial position and profit of the Bank, and the consolidated management report gives a fair view of the position, development and performance of the Bank, together with a description of the principal risks and uncertainties that they face.

The Bank has prepared its annual financial statements in the format prescribed by the COMMISSION DELEGATED REGULATION (EU) 2019/815 of 17 December 2018 on supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: "ESEF"). The digitally signed version of the annual financial statements available for inspection at the Bank's registered office (H-1051 Budapest, Nádor utca 31., Hungary), and can be downloaded from the official website of MFB Zrt. at the following link:

https://www.mfb.hu/en/reports-s2012

Budapest, 1 April 2026

Zsolt Kovács
Chairman and Chief Executive Officer

Dénes Miklós Szluha
Managing Director

Company registration number: 01-10-041712
Budapest Metropolitan Court as Court of Registration
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MFB HUNGARIAN DEVELOPMENT BANK
PRIVATE LIMITED
COMPANY

Annual Stand-alone Financial Statements

in accordance with International Financial Reporting Standards
as adopted by the EU

31 December 2025

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MFB Hungarian Development Bank Private Limited Company
Statement of Stand-alone Financial Position – 31 December 2025
(*amounts presented in million HUF*)

ASSETS	Notes	31.12.2025	31.12.2024
Cash, cash balances at central banks and other demand deposits	4	**328 703**	**70 053**
Financial assets held for trading	9	**30 786**	**24 136**
Derivatives		30 786	24 136
Non-trading financial assets mandatorily at fair value through profit or loss	5	**765 192**	**777 444**
Debt securities		741 613	748 246
Loans		23 579	29 198
Loans to customers		958	1 404
Loans to banks		22 621	27 794
Financial assets at fair value through other comprehensive income	6	**23 163**	**27 976**
Of which assets encumbered		*978*	*932*
Equity instruments		1 308	611
Debt securities		21 855	27 365
Financial assets at amortized cost	7	**2 159 046**	**2 056 766**
Of which assets encumbered		*263 116*	*245 985*
Debt securities		530 319	435 366
Loans		1 572 810	1 600 324
Loans to customers		1 397 778	1 416 695
Loans to banks		175 032	183 629
Other financial assets		42 383	1 048
Deposits at central and other banks		13 534	20 028
Derivatives – Hedge accounting	9, 10	**8 230**	**7 810**
Fair value changes of the hedged items in portfolio hedge of interest rate risk	10	**7 609**	**12 580**
Investments in subsidiaries and associates	8	**846 615**	**580 160**
Property, plant and equipment	11	**4 219**	**4 551**
Intangible assets	12	**7 956**	**6 888**
Tax assets		**318**	**299**
Current tax assets		318	299
Deferred tax assets		0	0
Other assets	13	**32 240**	**33 595**
Receivables from the state due to currency-hedging agreement	14	**166 680**	**190 120**
TOTAL ASSETS		**4 380 757**	**3 792 378**

LIABILITIES	Notes	31.12.2025	31.12.2024
Financial liabilities held for trading	9	**57 319**	**685**
Derivatives		57 319	685
Financial liabilities measured at amortized cost	15	**3 559 531**	**2 999 397**
Customer deposits		249 410	87 365
Loan from banks		1 386 542	1 215 089
Debt securities issued	15.1	1 917 031	1 685 316
Other financial liabilities		6 548	11 627
Derivatives – Hedge accounting	9, 10	**10 451**	**22 552**
Provisions	16	**25 984**	**13 469**
Tax liabilities		**111**	**67**
Current tax liabilities		0	0
Deferred tax liabilities	31	111	67
Other liabilities	17	**91 185**	**120 653**
TOTAL LIABILITIES		**3 744 581**	**3 156 823**
Share capital	18	**519 900**	**519 900**
Share premium	18	**81 870**	**81 870**
Valuation reserve	18	**(1 951)**	**(559)**
Retained earnings	18	**34 195**	**32 413**
Other reserves	19	**2 162**	**1 931**
TOTAL EQUITY		**636 176**	**635 555**
TOTAL EQUITY AND LIABILITIES		**4 380 757**	**3 792 378**

Budapest, 1 April 2026

Zsolt Kovács
Chairman and Chief Executive Officer

Dénes Miklós Szluha
Managing Director

	Notes	2025	2024
Interest income calculated using the effective interest method		129 175	132 403
Other similar income		43 904	66 596
Interest expenses		(188 648)	(197 851)
Net interest income	21	**(15 569)**	**1 148**
Dividend income	22	18 016	8 392
Fee and commission income		7 742	6 430
Fee and commission expenses		(1 044)	(1 052)
Net Fee and commission income	23	**6 698**	**5 378**
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net		1	372
Gains or (-) losses on financial assets and liabilities held for trading, net	24	(46 681)	27 947
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	25	32 910	39 508
Gains or (-) losses from hedge accounting, net	10	(101)	(2 677)
Exchange differences [gain or (-) loss], net		48 503	(23 763)
Gains or (-) losses on derecognition of non-financial assets, net		3	(4)
Other operating revenue and income	26	11 819	13 696
Total operating income		**55 599**	**69 997**
Salaries and employee benefits		(14 060)	(11 813)
Other administrative expenses		(5 623)	(5 838)
Administrative expenses	27	**(19 683)**	**(17 651)**
Depreciation		(1 451)	(1 431)
Other operating expenses	26	(10 867)	(13 695)
Contract modification loss, net		(17)	(271)
Impairment (-) or reversal of impairment of financial instruments	29	(33 161)	(24 142)
Impairment (-) or reversal of impairment of investments in subsidiaries and associates	30	11 911	(6 027)
Impairment (-) or reversal of impairment of non-financial instruments		0	0
Profit before tax		**2 331**	**6 780**
Tax expense related to profit or loss	31	(22)	(392)
Profit for the year		**2 309**	**6 388**

MFB Hungarian Development Bank Private Limited Company
Statement of Stand-alone Other Comprehensive Income - 31 December 2025
(*amounts presented in million HUF*)

	Notes	2025	2024
Profit for the year		**2 309**	**6 388**
Other comprehensive income	18	**(1 392)**	**504**
Items that will not be reclassified to profit or loss		**613**	**37**
Change in far value of equity instruments at fair value through other comprehensive income		697	41
Tax impact of items that will not be reclassified to profit and loss		(84)	(4)
Items that may be reclassified to profit or loss		**(2 005)**	**467**
Cash flow hedges reserve		(47)	0
Valuation gains or (-) losses taken to equity		(47)	0
Transferred to profit or loss		0	0
Transferred to initial carrying amount of hedged items		0	0
Hedging instruments [not designated elements]		(2 730)	0
Valuation gains or (-) losses taken to equity		(2 730)	0
Transferred to profit or loss		0	0
Debt instruments at fair value through other comprehensive income		768	430
Valuation gains or (-) losses taken to equity		768	430
Profit recognized in the income statements		0	0
Tax impact of items that will be reclassified to profit and loss		4	37
Total comprehensive income for the year		**917**	**6 892**

MFB Hungarian Development Bank Private Limited Company
Statement of Stand-alone Changes in Shareholder's Equity - 31 December 2025
(*amounts presented in million HUF*)

	Notes	Share Capital	Share premium	Retained earnings	Other Reserves	Valuation reserve	Total
		18	18		19	18	
Balance on 1st January 2024		**519 900**	**81 870**	**26 816**	**1 292**	**(1 063)**	**628 815**
Profit for the year				6 388			6 388
Other comprehensive income						504	504
Total comprehensive income				**6 388**		**504**	**6 892**
General reserve allocation	**19**			(639)	639		0
Distribution to owner	**18**			(152)			(152)
Balance on 31st December 2024		**519 900**	**81 870**	**32 413**	**1 931**	**(559)**	**635 555**
Profit for the year				2 309			2 309
Other comprehensive income						(1 392)	(1 392)
Total comprehensive income				**2 309**		**(1 392)**	**917**
General reserve allocation	**19**			(231)	231		0
Distribution to owner	**18**			(296)			(296)
Balance on 31st December 2025		**519 900**	**81 870**	**34 195**	**2 162**	**(1 951)**	**636 176**

The accompanying notes to annual financial statements
form an integral part of these annual financial statements

	Notes	2025	2024
Operating cash flow			
Profit/(loss) before tax		2 331	6 780
Adjustments to profit before tax			
Depreciation and amortization		1 451	1 431
Fair valuation impact		13 872	(61 209)
Net profit/loss on sale of non-financial instruments		(3)	4
Net interest income	21	15 569	(1 148)
Dividend income	22	(18 016)	(8 392)
Change in provisions	28	13 469	6 478
Change in impairment		7 817	12 397
Operating cash flow		**36 490**	**(43 659)**
Decrease/(increase)) in operating assets			
Non-trading financial assets mandatorily at fair value through profit or loss		38 795	(100 251)
Financial assets at fair value through other comprehensive income		5 939	26 027
Financial assets at amortized cost, except debt securities		(32 207)	(267 898)
Other assets		(5 253)	(15 167)
Receivables from the State due to currency-hedging agreement	14	23 440	(24 035)
Increase/(decrease) in operating liabilities			
Financial liabilities measured at amortized cost, except issued bonds		326 942	258 763
Other liabilities		(76 589)	153 032
Actual cash flow movements			
Interest received		174 935	192 013
Dividend received	22	18 016	8 392
Interest paid		(176 532)	(185 032)
Income tax paid		(378)	(678)
Net cash provided by/ (used in) operating activities		**333 598**	**1 507**

	Notes	2025	2024
Cash flow from investing activities			
Payments for debt securities held at amortized cost	7.2	(114 985)	(62 974)
Proceeds from debt securities held at amortized cost	7.2	12 981	70 769
Investments in subsidiaries and associates		(281 144)	(149 858)
Proceeds from sale of investments in subsidiaries and associates		0	0
Payments for property, plant and equipment and intangible assets		(2 189)	(1 881)
Proceeds from sale of property, plant and equipment		5	1
Net cash (used in) / provided by investing activities		**(385 332)**	**(143 943)**
Cash flow from financing activities			
Proceeds from bond issuance	15.1	669 131	145 907
Repayments for issued bond at maturity	15.1	(358 565)	(333 295)
Finance lease liability payments		(166)	(158)
Net cash provided by financing activities		**310 400**	**(187 546)**
Gross change in cash and cash equivalents		**258 666**	**(329 982)**
Cash and cash equivalents on 1st January	4	*70 056*	400 038
Cash and cash equivalents on 31st December	4	*328 722*	70 056

1. PRINCIPAL ACTIVITIES

MFB Hungarian Development Bank Private Limited Company (herein after: "Bank" or "MFB Zrt.") is registered as a single, stock company under Hungarian law and is licensed to conduct specialized banking activities.

The legal status, the role, and the activities of the Bank are regulated by Act XX of 2001 on Hungarian Development Bank Ltd. (herein after: "MFB Act."), Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (herein after: "Hpt."), and the Articles of Association.

MFB Zrt. is responsible for providing the necessary development resources to achieve the economic development objectives set out in the Government's medium- and long-term economic strategy, partly independently and partly in cooperation with other domestic and international organizations in the following activities:

a) the sourcing and mediation of medium- and long term domestic and foreign funding and subsidies to achieve economic development;
b) loan and capital financing of investments in connection with – from a national economic aspect – preferential cases, and other state or local government developments and investments, and other developments and investments in connection with the enlargements of these;
c) financing loans and capital for companies resident in Hungary – primarily small and medium-sized enterprises sector –, holding funds established by law, agricultural businesses and farmers,
d) the financial execution of state and local government developments and investments related to EU membership, and the Bank participates in tasks related to the drawing of European Community funds (including mediation of subsidies and sourcing and mediation of resources from international economic or financial institutions);
e) attend in tasks related to state, communal and international development disbursements (especially management of mediation and use of development disbursements and subsidies, attend in relating contributory tasks, settlement and valuation of used disbursements);
f) the mediation of EU funds and in connection with this, loan and equity financing, providing guarantee and surety;
g) the exercising of owners' rights in the name of the Hungarian State, and in case of State-owned companies participate in the realization of significant developments, investments, expansion, increasing of effectiveness and improvement of competitiveness and other roles defined in the MFB Act. (see Note 37)

to ensure sufficient development funding to achieve the economic development aims determined by the Government's medium- and long-term economic strategy.

MFB Zrt. as the implementing body of the fund of funds, manages the implementation tasks delegated by the managing authority in connection with the financial instruments considering the principles of an efficient and effective financial management. The management of the implementation of the financial instruments are as follows:

- *Programming* – The MFB Zrt. in cooperation with the Ministry of Public Administration and Regional Development and the managing authority, compilesfinancial programs based on market research and if it's needed modifies the existing programs.
- *Tendering* – The MFB Zrt. invites potential financial intermediaries for an open call tender.
- *Selecting* – The MFB Zrt. manages the process of the selection of the financial intermediaries.
- *Contracting* – The MFB Zrt. is contracting with the selected financial intermediaries.
- *Operating* - The MFB Zrt ensures the continuous and uninterrupted operation of the financial programs, controls the contractual fulfillment of the financial intermediaries. Continuously measures the operation of the programs and if it's needed takes suggestions for the modification of the conditions of the program.

- *Closing* – The MFB Zrt. accounts with the financial intermediaries during the closing process.

The Bank's registered office is located at Nádor street 31, 1051 Budapest, Hungary. The Bank operates in Hungary. The Bank's website address is www.mfb.hu.

The Hungarian State has a 100% ownership share in the Bank. As of the State, as a shareholder, is represented by the minister responsible for national economy.

The Bank is obliged to have its annual financial statements audited. The details of the auditor are as follows:
Gabriella Gábor registered auditor
Registration number: 007036
Forvis Mazars Limited Liability Company
Fiastyúk street 4-8. 2.floor, Budapest 1139.
Firm registration number: 000220

The person in charge to direct and manage the related accounting services
Krisztina Sulyok director
Chartered accountant registration number: 006660

Those entitled to sign the annual financial statements
Zsolt Kovács Chairman and Chief Executive Officer
(16. Bocskai Street Budapest 1039)
and
Dénes Miklós Szluha Managing Director
(29. Határőr avenue, Budapest, 1122)

2. BASIS OF PREPARATION

Statement of compliance

These annual financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the EU ("EU-IFRS") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC) as adopted by the EU and in accordance with the provisions of act C of 2000 on accounting in force in Hungary for companies preparing their annual accounts under IFRS.

These Annual Financial Statements were approved by the Board of Directors on 1st April 2026.

The Bank is required to prepare its consolidated financial statements in accordance with EU-IFRSs. The Consolidated Financial Statements of the Bank prepared in accordance with EU-IFRSs for 2025 - which are also the statutory consolidated financial statements of the Bank - were both approved by the Board of Directors on 1st April 2026.

The Bank's consolidated and separate financial statements will be published on the same day.

Basis of measurement

As of the preparation of these annual financial statements, the Bank presents assets and liabilities at amortised cost or historical cost, with the exception of those that were measured at fair value. The Bank measures the following assets and liabilities at their fair value:

- derivative financial instruments,
- financial assets or liabilities measured at fair value through profit or loss, and
- financial assets at fair value through other comprehensive income.

The carrying values of recognised assets and liabilities that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to recognise changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The Bank has prepared its financial statements on the basis that it will continue to operate as a going concern.

Functional currency

Items included in the annual financial statements are measured using Hungarian Forint, the currency of the primary economic environment in which the Bank operates ('the functional currency'). These annual financial statements are presented in Hungarian Forints rounded to the nearest million ("HUF million").

Foreign exchange rates used in these annual financial statements were the following:

	31 December 2025 (HUF)	**31 December 2024 (HUF)**
EUR	385.40	410.09
USD	328.42	393.60
JPY	2.0967	2.5126
GBP	441.33	494.16
PLN	91.18	95.97
CHF	413.89	435.45
CZK	15.92	16.30

Reporting period

These annual financial statements are prepared for the reporting period between 1st January 2025 and 31st December 2025.

Use of estimates and judgements

The preparation of the Bank's annual financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of income, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Bank's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Bank's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognized in the annual financial statements with substantial management judgement and/or estimates are summarized below with respect to judgements/estimates involved.

Impairment
The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of contractual future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, in which changes can result in different levels of allowances. The Bank's expected credit loss calculations (ECL) are the outputs of complex models with several underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Bank's internal credit rating model, which assigns default probability to each rating category.
- The Bank's criteria for assessing if there has been a significant increase in credit risk and thus allowances for financial assets should be measured on a lifetime expected credit loss basis and the qualitative assessment.
- Development of ECL models, including different ones: formulas, relationships between macroeconomic scenarios and economic inputs, collateral values; Impact on the probability of defaults, expected exposures at defaults and loss given defaults.

As per the actual loss figures, the Bank regularly reviews its models and adjust when necessary. For further details please see Note 3. b) vi) and Note 34.

Fair value
The fair value of financial instruments is the price at which an asset can be sold or at which a liability can be transferred in the principal (or most advantageous) market at the valuation date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include considerations on liquidity and other input parameters used within the models including credit risk (both own and counterparty), funding value adjustments and aspects of correlation and volatility. For further details about determination of fair value please see Note 34.

Legal risk
The Bank operates in a regulatory and legal environment that, by nature, has an element of litigation risk inherent to its transactions. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings arising in the ordinary course of the Bank's business. When the Bank can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Bank records a provision for the case. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Bank considers several factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude these estimates. For further details on provisions please see Note 16.

3. MATERIAL ACCOUNTING POLICIES

a) Foreign currency transactions

Foreign currency transactions are converted by the Bank into the functional currency using the exchange rates of the National Bank of Hungary (NBH) as at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except cash flow hedges and net investment hedges, which are recognized in other comprehensive income and accumulated in reserves in equity. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted to HUF at the foreign exchange rates quoted by the National Bank of Hungary at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined.

b) Financial assets and liabilities

Financial assets and liabilities, except for derivative financial instruments are initially recognized by the Bank on the settlement date, i.e., the date that the Bank transfers the instrument. This includes regular purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace. Derivative instruments are recognized on trade date when the Bank becomes a party of the contractual provisions of the instruments.

i. Recognition

The Bank only measures its "financial assets at amortized cost" if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows
- the contractual terms of the financial asset on specified dates result in cash flows that are solely payments of principal and interest (hereinafter referred to "SPPI") on the principal amount outstanding. The details of these conditions are outlined below.

The Bank classifies the following instruments in the FVOCI financial instruments category:

- equity instruments that have been marked in this way at initial recognition;
- debt instruments for which, as a result of the business model test, it has been established that the business model is intended to collect contractual cash flows related to the debt instrument and at the same time to sell financial instruments, and as a result of the SPPI test, the contractual terms of the financial instrument at specified times result in cash flows that are only payments of principal and interest on outstanding principal amounts.

Business model assessment
The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- the expected frequency, value and timing of sales are also important aspects of the Bank's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Bank included its full loan portfolio in the "held to collect" business model, since its primary objective is to collect capital and interest cash flows. Those securities which are held to maintain the long-term liquidity, or which has been deposited (pledged) behind credit programs, were classified in the "held to collect" business model, while the securities which used for shorter liquidity purposes were classified into "held to collect and sale" business model. The Bank does not have any securities in the "held for sale" category, given its operational specialities, thus this business model category is irrelevant.

SPPI test
As a second step of its classification process, the Bank assesses the contractual terms of its financial assets to identify whether they meet the criteria of the SPPI test. The Bank must consider the contractual terms of the financial instruments to be able to determine whether the contractual cash flows consist solely of capital and interest payments. This implies an assessment of whether the financial instrument is linked to such a contractual condition based on which the amount of the contractual cash flows or the timing of those may ultimately not pass the SPPI test. The SPPI test is carried out at instrument level (one by one) and, where applicable, at the level of the homogenous products (combined). The most important elements of the interest included in the loan agreement are the time value of money, the costs incurred by the Bank and the credit risk. To perform the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending agreement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at Fair Value through Profit and Loss (hereafter referred to as "FVTPL").

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value. Except for financial assets and financial liabilities measured at fair value through profit and loss (FVTPL), transaction costs are added to (in case of financial assets) or subtracted from (in case of financial liabilities), this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Bank accounts for the day one profit or loss, as described below.

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

ii. Derecognition

Financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when the rights to receive cash flows from the financial asset have expired. The Bank also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition. The Bank has transferred the financial asset if, and only if, either:

- the Bank transferred its contractual rights to receive cash flows from the financial asset or
- it retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions, whereby the Bank retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all the following three conditions are met:

- the Bank has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset,
- the Bank cannot sell or pledge the original asset other than as security to the eventual recipients,
- the Bank has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Bank is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either (i) the Bank has transferred substantially all the risks and rewards of the asset or (ii) the Bank has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset. The Bank considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and can exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Bank has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognized only to the extent of the Bank's continuing involvement, in which case, the Bank also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Bank has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Bank could be required to pay.

Financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires. The difference between the carrying value of the original financial liability and the consideration paid (including the newly recognized financial liability) is recognized in profit or loss.

Modifications subject to derecognition of financial assets and liabilities
Debt instruments exchanged to another one under substantially modified terms and conditions is treated as a derecognition of the existing financial asset or liability and a re-recognition of a new financial instrument. Similarly, a substantial modification of the terms of an existing financial asset or financial liability or part thereof (whether, or not it has been caused by the counterparty's financial difficulties) is treated as derecognition of the original financial asset or liability and a new financial instrument is recognized. The new financial liability based on the modified terms is recognised at fair value. The new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset,
- other fees are included in profit or loss as part of the gain or loss on derecognition.

The basic terms of a financial instrument change significantly when the main risk factors behind the original instrument are modified. In particular, the Bank considers, but not limited to, the following factors when assessing whether the modification is subject to a derecognition and a re-recognition:

- the extent of the difference between the modified and the original cash flows, where a change is more than 10%
- change of borrower with a new risk profile (only in case of financial assets)
- change in SPPI result due to the effect of modified contractual terms
- change in currency.

When comparing the modified and original cash flows, the Bank examines the extent of the difference between the discounted present value of the changed cash flows – including paid fees in case of liabilities and in casse of assets deducting the fees paid and including the fees received – under the new conditions and the discounted present value of the remaining original contractual cash flows by using the original effective interest rate in both cases.

Fees received include, in case of assets, amounts paid by the borrower to the Bank or on its behalf, and in case of liabilities, amounts paid by the lender to or on behalf of the Bank. The fees paid include, in the case of assets, amounts paid by the Bank to or on behalf of the borrower, and in case of liabilities, amounts paid by the borrower to the Bank or on its behalf, regardless whether they are described as a fee, as part of the exchange or modification. Fees do not include any payments made by the borrower or lender to its own advisers or agents, or other transaction costs incurred by the borrower or lender.

Modifications not subject to derecognition of financial assets and liabilities
When the Bank renegotiates or amends the contractual cash flows of a financial instrument and the renegotiation or modification does not result in the derecognition of the financial instruments, the Bank recalculates the financial instruments gross amortized cost and the difference is recognized in the profit or loss on the line "Contract modification loss, net". The new gross amortized cost is recalculated by the Bank as the present value of renegotiated or modified contractual cash flows, using the original effective interest rate of the financial instruments (in case of purchased or originated credit impaired assets the credit-adjusted effective interest rate is used).

Any modification fee applied is amortized over the remaining life of the financial instruments which is achieved by the recalculation of EIR at modification to reflect the modification fee received. The impact of any additional fees incurred at modification but not directly related to it (e.g. prepayment fees) are recognized directly on "Fee and commission income" when incurred.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss line „Contract modification loss, net". Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

iii. Measurement

The Bank classifies all its financial assets based on the business model for managing the assets and the asset's contractual terms (SPPI test) and measured as follows.

Profit or loss on **a financial instrument mandatorily measured at fair value through profit or loss** shall be recognized in income statements in such a way that the Bank recognizes interest income on those assets as „Other similar income", while changes in fair value is recognized as „gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net" line within income statements.

A gain or loss on **debt instruments at fair value through other comprehensive income** shall be recognized in other comprehensive income, through the statement of changes in equity, except for impairment losses, interest income amortized based on effective interest and foreign exchange gains and losses which are recognized in profit or loss, until the financial asset is derecognized, at which time the cumulative gain or loss previously recognized in other comprehensive income shall be reclassified to profit or loss. All valuation movements for **equity instruments at fair value through other comprehensive income** are recognized directly in equity (Other Comprehensive Income) and on derecognition, the cumulative amount is only transferred to retained earnings but is not transferred to profit or loss, except the dividend received which is always recorded in the profit and loss. The difference between the fair value at the date of derecognition and the selling price is recognized in profit or loss.

For financial assets and financial liabilities carried at **amortized cost**, a gain or loss is recognized in profit or loss when the financial asset or financial liability is derecognized or impaired, and through the amortization process.

iv. Classification

Financial assets or liabilities held for trading are derivatives, which are not part of a designated hedge relationship.

Cash, cash balances at central banks and other demand deposits are cash and bank accounts held with the National Bank of Hungary or with other credit institutions, as well as overnight deposits.

Financial assets measured at amortized cost include debt instruments that are included in a business model whose objective is to hold financial assets to collect contractual cash flows („held to collect business model") and have passed the SPPI test. In this category, the Bank classifies its refinancing and direct loans that have passed the SPPI test. This category also includes those purchased debt securities that the Bank has classified as held to collect.

Non-trading financial assets that are mandatorily measured at fair value through profit or loss includes debt instruments that are included in the held to collect business model but failed the SPPI test. In this category, the Bank presents its refinancing and direct loans that failed the SPPI test. It also includes those venture capital investments that do not meet the definition of equity instruments under IAS 32.

Financial assets measured at fair value through other comprehensive income include debt instruments that the Bank classified into a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset („held to collect and sale business model") and have passed the SPPI test. In this category, the Bank shows the portion of its securities that it classified as a held to collect and sale business model. Equity instruments for which the Bank has chosen the fair value through other comprehensive income option at initial recognition are presented in this category. These are other investments that do not qualify as associates.

Derivatives – hedge accounting includes derivative transactions designated by the Bank into hedge relationship.

Among the **financial liabilities measured at amortised cost**, the Bank presents customer deposits (collaterals behind loans), loans taken, short-term interbank deposits, issued debt securities and other financial liabilities.

v. Amortized cost measurement

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and in case of financial assets minus any reduction for impairment or uncollectibility.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank shall estimate cash flows considering all contractual terms of the financial instrument but shall not consider future credit losses.

The Bank recognizes POCI (Purchased or Originated Credit Impaired) financial assets in its books at their initial fair value, which, unless otherwise stated, is equal to the purchase price of the asset. In calculating the credit-adjusted effective interest rate on POCI assets at initial recognition, the Bank considers the initial estimated credit loss in the estimated cash flows (i.e., life expected credit losses are deducted from estimated contractual cash flows).

vi. Impairment of financial assets

The Bank is applying a forward-looking expected credit loss (hereinafter ECL) approach for its impairment calculation. From 1st January 2019, the Bank has been recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL (but including debt securities at fair value through other comprehensive income), together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under IFRS 9.

The ECL impairment/provision is the expected credit loss for 12 months (hereinafter 12mECL) if there has been no significant increase in credit risk since the initial recognition of the asset (liability) or it is considered to be low credit risk at the time of valuation. If there has been a significant increase in credit risk since initial recognition or since the previous valuation, the ECL impairment/provision is the loss calculated over the expected life of the asset.

The 12mECL is the portion of the lifetime expected credit loss that represent the ECLs that result from default events on a financial instrument possibly within 12 months after the reporting date.

ECL impairment is calculated for both 12mECL and lifetime expected credit losses on a collective basis or, in exceptional cases, on an individual basis, depending on the nature of the underlying portfolio of financial instruments.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. To carry out the evaluation, the Bank compares the non-performance risk of the financial instrument at the reporting date and as of the initial recognition, taking into consideration information that is reasonable and justifiable – without undue cost or effort – and indicates significant increase in credit risk since initial recognition. The Bank assumes that the credit risk of a financial instrument has not increased significantly since the initial recognition if the financial instrument is considered low credit risk at the reporting date.

If the credit risk of a financial instrument has not increased significantly at the reporting date since initial recognition, the Bank calculates the impairment of the financial instrument based on the 12-month expected credit loss (hereinafter: Stage 1). At each reporting date, the Bank calculates the impairment of the financial instrument based on the lifetime expected credit loss if the credit risk of the financial instrument, whether assessed on an individual or collective basis, has increased significantly since initial recognition, considering all reasonable and justifiable information, including forward-looking ones (hereinafter: Stage 2 or Stage 3).

Regardless of the above, the Bank always calculates the impairment based on the lifetime expected credit losses for receivables where the IFRS 15 Revenues from contracts with customer standard is applicable and the receivables do not include significant financing components. These include other financial assets where the Bank uses this simplified approach.

Based on the above process, the Bank classifies its loans into stages, as described below:

Stage 1 (performing credit risk category)
Performing asset category, if there is no significant increase in credit risk compared to the initial recognition, or the asset is considered by the Bank to have a low credit risk at the time of valuation. In this stage 1 category, the Bank calculates the expected credit loss based on the 12-month PD (Probability of Default) for all such deals where there was no significant increase in credit risk since initial recognition. This way, the 12-month expected credit loss indicates a lifetime cash flow deficit that occurs as a result of default within a maximum of 12 months after the reporting date, weighted by the probability of default.

Deals are reclassified from this stage only when the credit risk increases significantly since origination and the deal is not considered as low risk. The stage categorization is therefore determined by the Bank at deal level rather than by a borrower level.

Stage 2 (increased credit risk category)
Significant increase in credit risk (deals where the Bank has become aware of negative information about the exposure but does not yet have objective evidence of impairment). The Bank considers a significant increase in credit risk if it becomes aware of negative information about the exposure, but there is no objective and material evidence of impairment yet. Such negative information may include, but is not limited to, the Customer's delay not reaching a significant credit obligation[1] to the Bank or any of its Subsidiaries, a significant deterioration in the Customer's credit rating, or becoming insolvent. Information received by the Bank during Customer monitoring that relates to the probable future default of the customer is also considered negative information. Furthermore, restructuring where the transaction was performing at the time of the restructuring is considered negative information. The Bank continuously monitors and records the defined criteria for the increase in credit risk. Lifetime credit loss is determined by the Bank using specified risk vectors, lifetime PD, constant loss given default (hereinafter „LGD") and changing exposure at default (hereinafter „EAD"). When calculating EAD, account shall be taken of the expected change in the exposure of the transaction until maturity.

[1] A credit default delay is considered significant if:

a) in the case of non-retail exposure:
- the amount of the customer's liabilities to the Bank or any of its Subsidiaries overdue for more than 90 days (principal, interest or fee payment) exceeds HUF 200 000 (absolut limit),
- the amount of liabilities overdue for more than 90 days exceeds 1% (relative limit) of the amount of the Bank's or any of its Subsidiaries' gross balance sheet receivables from the customer (excluding equity exposures).

b) in the case of retail exposure:
- the amount of the customer's liabilities to the Bank or any of its Subsidiaries overdue for more than 90 days (principal, interest or fee payment) exceeds HUF 40 000 (absolut limit),
- the amount of liabilities overdue for more than 90 days exceeds 1% (relative limit) of the amount of the Bank's or any of its Subsidiaries' gross balance sheet receivables from the customer (excluding equity exposures).

Stage 3 (impaired credit risk category)
Default (non-performing), credit-impaired category. The third stage includes defaulted transactions for which there is either objective evidence of impairment or a probable future default of the debtor. To classify into this category, the Bank monitors the various default events (e.g., delay exceeding the threshold for significant credit default, termination, liquidation proceedings ordered by law, bankruptcy proceedings, forced liquidation proceedings, or other proceedings aimed at terminating the activity, reorganization or restructuring proceedings are in progress, as well as forced restructuring, if the transaction was in default at the time of the restructuring, etc.). The Bank also classifies significant receivables purchased at a discount of more than 20% (POCI) as well as products that it classifies as impaired (e.g., redeemed guarantees) in the category of impaired credit risk. All these marked events are stored in the banking system and ensure traceability of what events led to the classification.

POCI
Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at initial recognition and interest income is subsequently recognized based on a credit adjusted EIR. ECLs are only recognized or released to the extent that there is a subsequent change in the expected credit losses. The Bank only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the scenarios, discounted by the credit adjusted EIR. For financial assets for which the Bank has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition (write-off) of the financial asset.

Individual and collective impairment
The Bank applies an individual impairment calculation by default for exposures classified in Stage 3 exceeding HUF 100 million,for transactions exceeding HUF 1 billion that have been placed under Intensive Management, and for transactions with total exposure exceeding HUF 2 billion, where all transactions of the customer are classified in the increased credit risk category and the customer has been placed under Intensive Management or is in the impaired (Stage 3) credit risk category. Exposures in Stage 3 that do not reach HUF 100 million are normally subject to collective valuation.

In Stage 1 and Stage 2 categories, transactions are primarily measured on a collective valuation basis, but the Bank may choose individual valuation as well if transaction exceeds the material threshold value set by the Bank, which also relies on quantitative and qualitative factors.

The Bank also uses both collective and individual valuation for its debt securities and loans. In all cases, the impairment is recognized against the „Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss".

The carrying amount of the financial assets is reduced by using an impairment account, and the loss is recognized in the income statement. If, in subsequent years, due to certain events, the estimated amount of impairment increases or decreases, the accumulated impairment loss previously recognized is increased or decreased using the impairment allowance account. If a previously written off amount subsequently recovers, the amount is also recorded within „Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss".

The calculation of ECLs
The Bank calculates ECLs based on a minimum of three (if this is not possible, at least of two) probability-weighted scenarios in the case of individual valuation to measure the expected cash shortfalls, discounted with the original EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will recover and the value of collateral or the amount that might be received for selling the asset.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

EAD: The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest and principals from missed payments.

LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

Loan commitments and letters of credit
When estimating the lifetime credit loss for undrawn loan commitments, the Bank quantifies the part of the commitment that is expected to be drawn during the maturity period. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the scenarios. The expected cash shortfalls are discounted at the EIR that will be applied to the loan resulting from the loan commitments.

For credit lines, commitments and letters of credit, the ECL is recognized within “Impairment (-) or reversal of impairment of financial instruments” line in the income statements and “Provisions” line within statements of financial position.

Financial guarantee contracts
The Bank’s liability under each guarantee is measured at the higher of initially recognized amount less cumulative amortization recognized in the income statement, and the ECL provision. For this purpose, the Bank estimates ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The calculation is made using a probability-weighting of the scenarios. The ECL related to financial guarantee contracts are recognized within “Impairment (-) or reversal of impairment of financial instruments”.

vii. Collateral valuation

To mitigate its credit risks on financial assets, the Bank requires collaterals, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, chattels, receivables, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Bank’s statement of financial position. However, the fair value of collateral affects the calculation of ECLs. Collaterals are generally assessed at inception and are revalued on a regular basis. However, some collateral, for example, cash or securities relating to margining requirements, are valued daily. To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets

which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as independent appraisers or based on housing price indices.

Collateral repossessed
During the normal course of business, the Bank sometimes repossess real estate collaterals. The Bank's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Bank's policy.

viii. Write-offs

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Bank, based on reliable information, determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

ix. Forborne and modified loans

Except for the application of special rules for transactions subject to the payment moratorium, the Bank classifies a loan in a restructured category if it makes a concession or makes a contractual change because of the borrower's current or anticipated financial difficulties that it would not have made if the borrower were financially sound. Indicators of financial difficulties include defaults on covenants, or facts and expectations indicating a significant increase in credit risk, which may result in postponement of payment deadlines or taking out a new loan. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms, given that no derecognition and re-recognition took place and no transaction cost was related to it.

The Bank assessed the specific time spent in the moratorium, as well as participation in several moratoriums, as a significant increase in credit risk, and therefore assumed that the obligor has, or is expected to have, financial difficulties in meeting its financial obligations. Therefore, it classified the transactions concerned as restructured, except for documented exceptions supported by evidence. The classification into stages was based on an examination of the unique characteristics of the client and the transaction.

The Bank considers forced restructuring as a factor indicating the occurrence of a default event if it is likely to result in a significant reduction in the financial liability due to the waiver or deferral of the principal, the interests or the fees. A waiver or deferral is considered to be significant if the decrease in the present value of the financial liability exceeds 1%.

The Bank continuously monitors its restructured loans to ensure that the current status of the restructured loans is recorded in accordance with applicable regulations. In case the transaction status in the monitoring system changes to the 'Special' category, the loan is presented in Stage 2 or Stage 3, depending on whether the transaction was performing at the time of the restructuring and whether the customer complies with the amended payment obligations. All its impaired (Stage 3) exposures are considered as non-performing exposures by the Bank.

If an asset has been rated as non-performing due to restructuring, it may be considered performing again if all the following conditions are met:

- at least 365 days have passed since the date of the restructuring and since the end of the grace period provided for in the restructuring agreement and
- there is no delay (principal, interest, commission, fee) at the time of qualification and no concerns arise that would call into question the repayment of the full amount of the claim and
- repayment of the claim that was past due (if there was a delay) or that was written off during the restructuring (if there was no delay) through repayments under the restructuring conditions

The restructured status of a claim may be terminated if the following conditions are met:

- the claim is performing
- a probationary period of at least two years has passed since the restructured claim was recognized as performing;
- regular repayments of principal or interest have been made in excess of an insignificant amount for at least half of the probationary period;
- at the end of the probationary period there is no delay of more than 30 days in respect of any obligation of the obligor

c) Leasing

Accounting for leases by the Bank as a lessee

The Bank leases office premises and parking lots. Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Bank. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is recognized at cost and depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Liabilities arising from a lease are initially measured on a present value basis.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost.

As an exception to the above, the Bank accounts for short-term leases and leases of low-value assets by recognizing the lease payments as an operating expense on a straight-line basis. Short-term leases are leases where the lease term on the starting date is not more than 12 months. The threshold for low-value assets is set by the Bank at HUF 1 500 000.

d) Impairment of non-financial assets

At each reporting date, the Bank reviews the carrying amounts of its non-financial assets (other than investment properties and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

The recoverable amount of an asset or CGU (Cash Generating Unit) is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

The purpose of the model used is to estimate the recoverable values of the shares based on the business plans approved by the owners of the subsidiaries, using the discounted cash flow (DCF) method.

The main output of the model is an indication of the impairment of the investment held, that is, the cash-generating unit ("CGU") based on the inputs provided. Further analysis is needed to make the final management decision on impairment, considering the specific situation of CGU and other considerations.

The model calculates the amount of free cash flow underlying the DCF valuation until the end of the explicit business plan based on the accepted valid, typically 5-10-year business plan. Based on the business characteristics of each CGU, the model determines the recoverable amount from using the owner's free cash flow ("FCFE") method.

FCFE expresses the cash flow that is available to owners after investments, meeting working capital needs, paying instalments and interest on foreign capital, and taking on new debt.

The FCFE method assumes that the owner will continuously realize the cash flows available from the CGU.

In case of the FCFE – as owner's free cash flow – method, the Bank uses the cost of equity (CoE) as a discount factor. The definition of CoE is based on the capital asset pricing model (CAPM), which is widely used in international assessment practice. The CAPM model is based on the assumption that, in addition to the risk-free government bond yield, the investor also expects an extra yield typical of the industry.

In the case of capital funds not valued at fair value, the Bank applies different valuation methods depending on the maturity phase of the fund in question. The Bank values capital funds in maturity (exit) phase using the DCF method, while for funds in the investment or growth phase, the valuation consists of three phases:

i) examination of the life cycle and the need for valuation: based on qualitative and quantitative indicators;
ii) determination of the market value of the fund, which can be done by determining the market value of the assets in the fund's portfolio or by directly determining the value of the fund;
iii) determination of the amount of impairment as the difference between the invested value and the market value attributable to the Bank.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined without impairment loss recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Inventories within the scope of IAS 2 are measured at the lower of cost and net realizable value. The Bank makes estimates for the realizable amount on a quarterly basis. Impairments are recognized or reversed according to these estimates in profit or loss.

e) Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with central bank or other financial institutions and overnight deposits. This line includes placements with other banks payable on demand, including nostro and other accounts in HUF and foreign exchange with domestic banks, foreign central banks and institutions registered abroad as bank. These items are subject to insignificant risk of changes in their fair value and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortized cost in the statement of financial position.

f) Loans and advances to banks and to customers

The Bank's lending activities can be grouped by method (indirectly through commercial banks in the form of refinancing loans and direct lending and other credit-related receivables) and by type (program and non-program loans).

The balance of loans and advances to banks includes refinancing program loans granted through commercial banks.

Loans and advances to customers contain receivables from legal entities, licensed traditional small-scale producers and employees. Agricultural loans with mainly fixed interest rate are also recognized as loans and advances to customers.

The balance of Deposits at central and other banks contains the interbank placements used in the course of liquidity management.

Loans and advances to banks and to customers are carried either at amortized cost or fair valued through profit and loss in the statement of financial position dependent whether the SPPI test is passed or failed.

g) Securities

Securities contain government bonds and other debt securities, interest bearing or discount treasury bills, mortgage bonds, debt securities including fixed-income securities that are listed on stock exchange or traded on a regulated market (controlled by regulation or by stock exchange), and other debt securities regardless their name, including debt securities took over in return for receivables to minimize loss.

Venture capital investments that cannot be classified as equity instruments under IAS 32 in which the Bank has no significant influence are also presented here. Since these instruments do not meet the SPPI test, the Bank presents them within debt instrument, mandatorily fair valued through profit and loss. The related subscribed but not yet paid capital increase of these venture capital investments/notes that is payable as required by the investment plans is recognized among the capital commitments within off balance sheet items if the investment is closer to a loan commitment. Otherwise the not yet paid capital is recognized among the "*Other liabilities*" and be part of the investments initial cost.

Securities that were classified into "held to collect and sell" business category are measured at fair value through other comprehensive income. The basis of measurement is the average of best bid and ask prices published on the website of Government Debt Management Agency Ltd. on the reporting date.

Securities classified as held to collect are measured at amortized cost, calculated by using the effective interest rate method.

The Bank applies impairment calculation for all its debt securities (except financial assets measured at fair value through profit and loss) and the expected credit loss is recognized in profit and loss.

h) Encumbered assets

The encumbrance of the Bank's eligible assets is mainly for ensuring the collateral for Funding for growth ("FGS") program. The encumbered assets can be government securities, mortgage bonds and loans. The Bank does not present as encumbered assets those securities which are to ensure the continuity of liquidity management – including the insurance of continuous transfers (Giro) and the possibility of a secured loan (repo) transaction with the Hungarian National Bank – as the Bank may also release the blocking of these securities.

i) Investments in subsidiaries and associates

Equity investments classified as **controlling interest** (subsidiaries) comprise those investments where the Bank is exposed to or has rights to variable returns from the involvement with the investee and has the ability to affect those returns through its power over the investee.

Equity investments classified as **significant influence** (associates) comprise those investments where the Bank through its direct ownership interest has the power to participate in the financial and operating policies of the investee, but not to control those activities.

Other equity investments comprise other shareholdings, which do not meet the above criteria.

The investment portfolio includes investments that the Bank intends to hold on a long term. The MFB Act determines the companies in which the Bank can obtain controlling interest. The Bank does not hold equity investments for trading purposes.

In these annual financial statements, investments in subsidiaries and associates are accounted for at cost less impairment in accordance with IAS 27. Impairment is charged and released through profit or loss in accordance with IAS 36. Other equity investments are accounted for in accordance with IFRS 9 at fair value through other comprehensive income unless they do not meet the equity instrument conditions set in IAS 32, in which case they are classified as debt instruments mandatorily fair valued through profit and loss.

j) Derivative financial instruments

The Bank uses derivative financial instruments, interest rate swaps, foreign exchange swaps and forward exchange contracts to manage its exposure to foreign exchange and interest rate risks arising from business activities. The recognition of interest income/expenses relating to derivative transactions are recognized in profit and loss as interest income and expense. Fair value changes are immediately recognized in the statement of comprehensive income on the "Gains or (-) losses on financial assets and liabilities held for trading, net" line.

The Bank does not undertake exposures for trading (speculative) purposes, the Treasury department enters into transactions with the purpose of risk hedging, liquidity management and limit management. The purpose of market instruments is solely the hedging of risks deriving from the portfolio, the Bank does not enter into transactions with speculative purposes.

To reduce the interest rate risk, the Bank exchanges the financial instruments with fixed interest rate to floating interest rate in the course of an **interest rate swap.** The interest rate swap deals are accounted for as fair value hedges. The realized fair value changes on the hedging instruments are presented as "Derivatives – Hedge accounting" (see Note 10).

Foreign exchange swap deals are the exchanges of different foreign exchanges on a predetermined exchange rate. Foreign exchange swap deals are concluded with liquidity and risk management purposes and are presented as Derivative assets or liabilities (see Note 9).

Cross currency interest rate swap deals (CCIRS) are interest rate swaps and foreign exchange swap deals made in a single transaction. The **CCIRS deals** are classified as at fair value through profit or loss upon initial recognition as a Derivative asset or liability.

k) Hedge accounting

The Bank uses derivative instruments to manage exposures to interest rate risk and partially foreign currency risk. The Bank enters into economic hedging transactions only and, if this hedging relationship is properly documented, the hedge accounting is applied for them. The Bank applies IFRS 9 rules for its hedge accounting. Based on IFRS9 rules at inception of a hedge relationship the Bank formally documents the relationship between the hedged item and the hedging instrument, including the nature of the risk, the objective and strategy for undertaking the hedge and the method to be used to assess the effectiveness of the hedging relationship. When designating the hedging relationship, the Bank decides whether to apply the IFRS 9 "cost of hedging" approach which is recognized in the cost of hedging reserve in other comprehensive income.

Fair value hedge
Fair value hedges are concluded to reduce market risk. For qualifying and designated fair value hedges, the change in fair value of hedging instruments is recognized in the income statement on the line "Gains or (-) losses from hedge accounting, net ". The change in the fair value of the hedged item attributable to the hedged risk is also recognized in the same income statement line and the carrying amount of the hedged item is adjusted in the statement of the financial position. If the hedging instrument expires, is sold, terminated or exercised, the hedge relationship is terminated. In this case, the fair value adjustment of the hedged item shall be amortized to the income statement in the net interest income until maturity of the underlying financial instrument (hedged item).

Where the hedged item is a financial instrument (or component thereof) for which the effective interest method of accounting is used, the adjustment is amortised to the income statement based on a recalculated effective interest rate at the date amortisation begins. The purpose of the amortisation is to reflect the effect of the fair value hedge in the profit and loss, but also to ensure the adjustment is fully amortised by maturity. If the critical terms of the hedged item and the hedging instrument match and the hedge relationship remains in place to its maturity, there is no additional amortisation be required as the cumulative fair value adjustment to the hedged item will naturally revert to the hedged item's carrying amount through ongoing fair value hedge accounting adjustments. Otherwise, the amortisation begins as soon as the hedged item ceases to be adjusted for hedging gains and losses, being the date of termination of the hedge relationship.

If the hedged item is derecognised, the unamortised fair value is recognised immediately into the income statement.

Cash flow hedge
The purpose of a cash flow hedge is to ensure sufficient cash flow at the right time and to reduce the risk of cash flow unavailability. The portion of the gain or loss on the hedging instrument that is designated as an effective hedge (i.e. offset by the change in the cash flow hedge reserve) is recognized in other comprehensive income. The ineffective portion of the hedge is recognized directly in the consolidated income statement, in the line "Gains or (-) losses from hedge accounting, net".
The Bank discontinues the hedging relationship when the hedging instrument expires or is sold, terminated or called, or the hedge no longer qualifies for hedge accounting. When the Bank discontinues hedge accounting for a cash flow hedge, the amount in the cash flow hedge reserve is reclassified to profit or loss when the hedged future cash flows are no longer expected to occur. If the hedged future cash flows are expected to occur, the amount in the cash flow hedge reserve is only reclassified to profit or loss when the cash flows occur in the future.

l) Bonds issued

Bonds issued contain the obligations arising from HUF, EUR and USD issued bonds.

Issued bonds are measured at amortized cost. That part of the issued bonds of which interest rate risk is hedged using interest rate swaps are measured at amortized cost with fair value adjustment.

m) Provisions

A provision is recognized, when the Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed quarterly and adjusted to reflect the best estimate of the expenditure required to settle the present obligation. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. A provision should be used only for expenditures for which the provision was originally recognized.

n) Offsetting

Financial assets and financial liabilities are offsetted in the statement of financial position when and only when the Bank has a legally enforceable right to set off the amounts and intends to settle them either on a net basis or at the same time intend to realise the assets and settle liabilities at the same time. The Bank has various netting agreements in place with counterparties to manage the associated credit risks. Such arrangements primarily include repo and reverse repo transactions, securities borrowing and lending arrangements, and over-the-counter and exchange traded derivatives. The ISDA and similar master netting arrangements do not meet the criteria for offsetting in the statement

of financial position. This is because they create for the parties to the agreement a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Bank or the counterparties or following other predetermined events. In addition, the Bank and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

o) Commitments and contingencies

Commitments and contingencies are a probable obligation that derive from a past event, and its existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events that are not entirely controlled by the Bank, or a present obligation that derives from a past event, but is not recognized because it is not likely that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be reliably estimated.

p) Interest income and expense

In accordance with IFRS 9, interest income and expense are recorded using the effective interest rate (EIR) method for all financial instruments measured at amortized cost. Interest income on interest bearing financial assets measured at FVOCI under IFRS 9 are also recorded by using the EIR method.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortized through Interest and similar income in the income statement.

The Bank calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as ‘Stage 3’, the Bank calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial assets recover and is no longer credit-impaired, the Bank reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Bank calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortized cost of the POCI assets.

The Bank also holds investments in assets with negative interest rates. The Bank discloses interest paid on these assets as an interest expense.

The Bank has decided to include interest received and paid arising from financial instruments classified as FVTPL (including trading instruments) and from derivative instruments designated as hedge among “interest income” and “interest expense”, i.e., the so-called “clean price” (net price) presentation method is applied.

Interest income and expense include:

- interest income or expense for financial assets and liabilities at amortized cost accounted by using effective interest method (including interest received or paid to banks or customers, interest received on purchase securities, interest paid on issued securities and negative interest of financial assets and liabilities),
- interest income on financial assets at fair value through other comprehensive income accounted by using the effective interest method (including coupon interest received on securities and their discount/premium amortization),
- contractual interest income received on financial assets mandatorily fair valued through profit and loss that are presented among Other similar income,
- contractual interest income received on cash balances at central banks and other demand deposits are presented among Other similar income,
- interest income from derivative transactions, also presented among Other similar income, while interest expense from derivative transactions are presented among Interest expense.

q) Fee and commission income and expense

Fee and commission income and expense include amounts from financial activities of the Bank that are not included in interest income and expense, nor are they considered as incremental costs at the initial recognition, for example transaction fees, postal fees, guarantee fees, loan examination fees and other financial service fees. The lending related fee and commission income and expense of those loans which failed the SPPI test is also presented in these lines.

r) Current and other taxes

Current tax assets and liabilities for the current year and prior years are measured at the amounts expected to be recovered from or to be paid to the tax authorities. The tax rates and tax laws used to compute the amounts are those that are enacted as of the balance sheet date. Current tax comprises income tax, such as corporate income tax, local business tax and innovation contributions.

The amount of **corporate tax** payable is based on the tax obligations determined in accordance with Hungarian laws and it is adjusted by the deferred tax. Corporate tax and deferred tax are recognized in the income statements, except when tax relates to items recognized directly in equity, in which case it is recognized in the statement of other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date. The base of the income tax is the profit before tax adjusted by the tax base modifying items. The corporate tax was unified at a flat rate of 9%.

The **local tax and the innovation contribution** established based on the Hungarian tax legislation in force are calculated for the same basis, their applicable rates are different being 2% for the former and 0.3% for the latter. Since their basis is based on net revenue, these were also classified among income taxes.

Deferred tax is calculated using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The Bank recognizes deferred tax asset if it is probable that the temporary differences will reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. An exception is where the deferred tax asset is a result of the initial recognition of an asset or liability in such a transaction that is not a business combination and does not affect either accounting profit or taxable profit (negative tax base) at the time of the transaction. Whether future taxable profits available are primarily determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the Bank business plan. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date. Deferred tax assets and liabilities are netted against each other if the Bank has a legally enforceable right to set off the current tax receivable and liabilities and deferred tax receivable and liabilities relate to income taxes levied by the same taxation authority.

The **special bank tax of financial institutions is** presented among other expenses. The tax is in effect since 2010. The base of the special tax is the adjusted balance sheet total of the second preceding year (meaning 2023 for year 2025 and 2022 for year 2024), the rate was 0.15% under HUF 50 billion, and 0.20% above HUF 50 billion. The Bank recognizes the special bank tax of financial institutions when it becomes legally enforceable (i.e., when the obligating event arises) which is on 1st January each year.

To implement the Economic Protection Action Plan, a **special credit institution tax on the epidemiological situation** for replenishing the Epidemiological Fund was introduced for banks in 2020. The basis for this special tax equals to the base for the special bank tax of financial institution that exceed the HUF 50 billion and the applicable rate is 0.19%. Under the special tax act the next 5 years of bank special tax liability will be deducted with this amount in five equal annual instalments therefore was not recognized in the profit and loss of 2020 (see Note 13). According to the regulation published in 2024, the part falling in 2024 could not be utilized, thus the originally 5-year duration has been extended by one year.

An **extra profit tax** was introduced during 2022 that aimed to keep public finances in balance. The tax base of this extra profit was the adjusted net revenue calculated from the financial statements of the preceding year and the applicable tax rate was 10%. In 2023, due to a change in legislation, the tax base for the first half year was determined by the adjusted net revenue calculated from the financial statements of the preceding year but the pro rata 50% of this base must be taken into account. The calculation of the tax base for the second half of 2023 was the 50% of the adjusted pre-tax profit calculated from the financial statements of the preceding year. The tax rate is 8% for the tax base part falling into the first half of the year, and 13% for the tax base part for the second half of the year, for an amount not exceeding HUF 10 billion, and 30% above that. From 2024 onwards, the tax base will be the adjusted profit before tax included in the financial statements of the preceding year. Tax rate will be 13% for the part not exceeding HUF 20 billion, and 30% above that. The Bank recognizes this extra profit tax when it becomes legally enforceable (i.e., when the obligating event arises).

According to Act LXXXIV of 2023 on Top-Up Taxes Ensuring a Global Minimum Level of Taxation and on the Amendment of Certain Related Tax Laws, the taxable entities of **global minimum tax** (herein after: GloBE) are the group members of multinational enterprise groups or large-scale domestic groups having a total consolidated group revenue of EUR 750 million or above in at least two out of four fiscal years immediately preceding the tested fiscal year. According to the regulation, any company that is fully included in the combined (consolidated) financial report of the group is considered a group member.

The Group does not exceed the EUR 750 million revenue threshold, therefore it is not subject to GloBE at the reporting date.

Furthermore, large-scale domestic groups can be exempt from qualified domestic top-up tax, if the group is in the initial phase of its international activities. Considering that the Group is a large-scale domestic group with no foreign group members, it fulfils the conditions of the initial phase of international activities and therefore can obtain the exemption from domestic top-up tax for the first 5 years of its taxable period. Accordingly, if in the future, the Group becomes subject to the GloBE, it would still be entitled for the 5 years of exemption from domestic top-up tax, starting from the first day of the fiscal year in which it has become subject to the GloBE, if it continues to fulfill the above conditions (it remains a large-scale domestic group).

s) Events after the reporting period

Events after the reporting period are those events, favourable and unfavourable, that occur between the reporting date and the date when the annual financial statements are authorized for issue. These events are adjusting and non-adjusting events.

All adjusting events after reporting date have been considered in the preparation of the annual financial statements of the Bank. The material non-adjusting events after the reporting date are presented in Note 38.

t) New or modified standards and interpretations

New or modified standards and interpretations effective in the current period

At the time of approval of these financial statements, the following standards and amendments to existing standards and interpretations issued by the IASB and adopted by the EU were applied in the financial statements:

The following amended standard is not expected to have a significant impact on the Bank's financial statements.

i. *Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15th August 2023, effective from 1st January 2025). The amendment requires companies to provide more disclosure when a currency cannot be converted into another currency.*

New or modified standards and interpretations issued by IASB and adopted by the EU but not yet effective

i. *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30th May 2024, effective from 1st January 2026)*

The three main areas of amendment:

- *Derecognition of financial liabilities: The conditions and procedures for settling financial liabilities using an electronic payment system are clarified.*
- *Classification of financial instruments: The criteria for classifying financial instruments are clarified, in particular for transactions with ESG-linked features.*
- *Disclosure requirements: New disclosure requirements are introduced for financial assets and liabilities to increase transparency in financial statements.*

The above amendment will have no material effect on the Bank's financial statements.

ii. *Amendments to IFRS 9 and IFRS 7 - Contracts referencing Nature-dependent Electricity Amendments - (issued on 18th December 2024, effective from 1st January 2026)*

The amendments will help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs)

The above amendment will have no material effect on the Bank's financial statements.

iii. *As of 1st January 2026, several minor improvements and clarifications will come into effect (Annual improvements — Volume 11) that have no significant impact on the financial statements.*

New or modified standards and interpretations issued by IASB but not yet adopted by the EU and not yet effective

IFRSs adopted by the EU differ from the standards issued by the International Accounting Standards Board (IASB). The following new standards and amendments were not endorsed by the EU as of the date of publication of the financial statements.

i. *IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9th April 2024, effective from 1st January 2027)*

IFRS 18 replaces IAS 1 and introduces significant changes in the presentation of financial statements.

The main modifications are:

Structure of the statement of the profit and loss account: There are new required subtotals: Operating profit and Profit before financing and income taxes. As a result, there will be new defined categories to provide a consistent structure of the statement of profit or loss: (i) operating, (ii)investing and (iii) financing

Management-defined performance measures (MPMs): The new standard requires disclosure of management-defined performance measures i.e. subtotals of income and expenses not required or specifically exempted by IFRS Accounting Standards but are included in public communications outside financial statements communicating management's view of a company's financial performance. To facilitate transparency, companies should prepare a reconciliation back to IFRS-defined subtotals.

Cash flow statement amendments: IFRS 18 also affects IAS 7 Statement of Cash Flows, which clarifies the way interest and dividends should be presented and clearly states that operating profit is the starting point for preparation of an indirect cash flow statement.

Aggregation and disaggregation: IFRS 18 introduces an enhanced requirements for grouping of information, including requirements for presenting and disclosing operating expenses. Adds guidance on whether information should be in the primary financial statements or the notes.

The new standard is not expected to have a significant impact on the Bank's presentation of financial statements.

ii. *IFRS 19 Subsidiaries without Public Accountability (issued on 9th May 2024, effective 1st January 2027)*

IFRS 19 aims to simplify financial statement disclosure requirements for subsidiaries that do not have public accountability and that their parent prepares consolidated financial statements under IFRS.

The Bank cannot apply the new standard.

iii. *Amendments to IFRS 19 Subsidiaries without public accountability: Disclosures (issued on 21st August 2025, effective 1st January 2027)*

The above amendments will have no effect on the Bank's financial statements.

iv. *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13th November 2025, effective 1st January 2027)*

The above amendments will have no material effect on the Bank's financial statements.

4. CASH, CASH BALANCES AT THE CENTRAL BANKS AND OTHER DEMAND DEPOSIT

	31.12.2025	31.12.2024
Cash	0	0
Cash balances with National Bank of Hungary (NBH)	290 650	60 887
Overnight deposits	*1 564*	*0*
Statutory reserve	*289 086*	*60 887*
Other demand deposits	38 072	9 169
Gross balances	**328 722**	**70 056**
Impairment	(19)	(3)
Total	**328 703**	**70 053**

As per the regulation in effect as of 1st August 2025 the Bank is obliged to keep a minimum reserve at Hungarian National Bank (herein after: „Magyar Nemzeti Bank" or „MNB"), which equals to 8% (1st January 2024 10%) of the short term (within two years category) deposits being the average of the second precedeing month. The required minimum reserves shall be complied with both on a daily basis and on a monthly average. The Bank's reserve requirement as at the reporting date - the reserve base multiplied by the minimum reserve ratio - was HUF 384 million (31.12.2024: HUF 15 670 million).

5. NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

	31.12.2025	31.12.2024
Debt securities		
Crisis and tourism equity programs	446 161	500 116
Baross Gábor equity programs	165 426	170 103
Other venture capital notes	130 026	78 027
Total debt securities	**741 613**	**748 246**
Loans and advances to customers		
General governments	301	362
Other financial corporations	380	595
Non-financial corporations	226	376
Households	51	71
Total	***958***	***1 404***

	31.12.2025	31.12.2024
Loans and advances to banks		
Municipality loan program	17 554	19 286
Business development loan program	1 075	1 679
Agricultural development loan program	3 972	6 790
Retail loan program	20	39
Total	***22 621***	***27 794***
Total Loans	**23 579**	**29 198**
MAIN TOTAL	**765 192**	**777 444**

The *Crisis and tourism equity programs* cover investments made in funds managed by market fund managers within the framework of 4 capital programs (Crisis II, III, IV, Tourism) established in 2020-21, which aimed to mitigate the negative economic effects due to the COVID epidemic. The funds have a maturity of 15 years.

The aim of the first pillar of the *Baross Gábor equity programs*, established in 2023, was to invest in securities and real estate funds with the aim of encouraging green real estate investments and expanding capital market liquidity. In the second pillar, investments were made in green funds. The Bank maintains pari passu investments in open-ended, public and private funds for at least 5 years. In the third pillar, capital increases were made in existing Crisis and tourism equityfunds.

The *Other venture capital notes* category includes funds created for specific economic development purposes that were not implemented within the framework of a n equity program.

The Bank's total exposure to equity funds recognised in the financial statements as associates, equity investments or loans amounts to HUF 1 437 billion (31.12.2024: HUF 1 330 billion). In this portfolio of the Bank, the 3 largest non-group fund managers have a total exposure of HUF 917 billion (31.12.2024: HUF 877.4 billion) (as associates, equity investments and loans). Based on section 8 (1b) of the MFB Act there is no client group consideration if MFB Zrt. provided a loan to them for the purpose of subscribing or purchasing investment units and which would constitute a single risk factor with regard to the investment fund, the fund manager, interlinks of the fund managers or any right or obligation related to assets in the portfolio of the investment fund.

Non-trading financial assets mandatorily valued at fair value through profit or loss includes those financial instruments that were classified as held to collect business model but failed the SPPI test as the interest rate is based on EURIBOR while the loans are denominated in Hungarian forint.

Loans and advances to banks balances solely include refinancing loans to commercial banks that are the sources of the customer loans at those commercial banks.

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31.12.2025	31.12.2024
Equity instruments		
Listed on stock exchange	0	0
Not listed on stock exchange	1 308	611
	1 308	**611**
Debt securities		
Hungarian government bonds	12 892	17 769
Hungarian bank bonds	8 963	9 596
	21 855	**27 365**
of which encumbered assets	*978*	*932*
Total	**23 163**	**27 976**

	31.12.2025			
Debt securities	**Gross carrying amount**	**Impairment**	**Fair value adjustment**	**Fair value**
Hungarian government bonds	13 250	0	(358)	12 892
Hungarian bank bonds	8 621	(77)	419	8 963
	21 871	**(77)**	**61**	**21 855**
Equity instruments				
Other instruments not listed on stock exchange			915	1 308
			915	**1 308**
Fair value adjustment recognized in valuation reserve			976	
Valuation reserve after deferred tax adjustment (note 18)			**826**	

	31.12.2024			
Debt securities	**Gross carrying amount**	**Impairment**	**Fair value adjustment**	**Fair value**
Hungarian government bonds	18 932	0	(1 163)	17 769
Hungarian bank bonds	9 174	(34)	456	9 596
	28 106	**(34)**	**(707)**	**27 365**
Equity instruments				
Other instruments not listed on stock exchange			218	611
			218	**611**
Fair value adjustment recognized in valuation reserve			(489)	
Valuation reserve after deferred tax adjustment (note 18)			**559**	

All debt securities are classified as Stage 1.

The fair value through other comprehensive income option includes equity instruments that the Group chose to present as such during the introduction of IFRS 9. Other investments that do not qualify as associates are presented here, as the Bank does not have trading intent with them, therefore fair valuation through profit and loss was not applied.

7. FINANCIAL ASSETS AT AMORTIZED COST

		2025.12.31.	2024.12.31.
Debt securities			
Hungarian government bonds		19 248	30 411
Corporate bonds		497 567	397 472
Mortgage bonds		13 504	7 483
	7.2	**530 319**	**435 366**
of which encumbered assets		*109 830*	*114 794*
Customer loans			
General governments		46 837	55 053
Other financial corporations		401 388	360 756
Other non-financial corporations		862 015	906 995
Households		87 538	93 891
	7.1	**1 397 778**	**1 416 695**
of which encumbered assets		*112 336*	*131 020*
Loans to banks			
Refinancing loans		0	0
Other loans		175 032	183 629
	7.1	**175 032**	**183 629**
Deposits at central and other banks			
Central bank deposits		0	0
Other bank deposits		13 534	20 028
	7.3	**13 534**	**20 028**
Other financial assets			
Trade receivables		1 432	878
Margin accounts		40 951	170
	7.4	**42 383**	**1 048**
of which encumbered assets		*40 950*	*170*
Total		**2 159 046**	**2 056 766**
of which encumbered assets		*263 116*	*245 984*

The encumbered assets among “Debt securities” and “Loans and receivables” include assets offered as collateral for the National Bank of Hungary and these assets were collateralized under the Hungarian National Bank Funding for Growths (FGS) program and represent the current net book value of the customer loans disbursed under this scheme. The new FGS scheme, which was launched in 2020, was also collateralized by the loans disbursed, supplemented with individual corporate loans that was also possible to be collateralized for this purpose, which the Bank took advantage of. The current net book value of these disbursed loans is presented as encumbered assets within „Customers loans” line. For the other two previous FGS programs, government bonds were offered as collateral. The year end net book value of these government bonds is shown as encumbered asset under „Debt securities” line. From the line “Other financial assets” the margin accounts are shown as encumbered assets.

7.1 LOANS

GROSS OUTSTANDING	31.12.2025				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Customer loans					
General government	37 685	9 778	0	0	47 463
Other financial corporations	234 778	172 210	6 030	0	413 018
Other non-financial corporations	427 731	474 074	38 506	728	941 039
Households	78 507	9 654	104	0	88 265
	778 701	**665 716**	**44 640**	**728**	**1 489 785**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	175 040	0	0	0	175 040
	175 040	**0**	**0**	**0**	**175 040**
IMPAIRMENT					
Customer loans					
General government	(338)	(288)	0	0	(626)
Other financial corporations	(224)	(5 463)	(5 943)	0	(11 630)
Other non-financial corporations	(5 744)	(42 757)	(30 349)	(174)	(79 024)
Households	(645)	(68)	(14)	0	(727)
	(6 951)	**(48 576)**	**(36 306)**	**(174)**	**(92 007)**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	(8)	0	0	0	(8)
	(8)	**0**	**0**	**0**	**(8)**
NET CARRYING AMOUNT					
Customer loans					
General government	37 347	9 490	0	0	46 837
Other financial corporations	234 554	166 747	87	0	401 388
Other non-financial corporations	421 987	431 317	8 157	554	862 015
Households	77 862	9 586	90	0	87 538
	771 750	**617 140**	**8 334**	**554**	**1 397 778**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	175 032	0	0	0	175 032
	175 032	**0**	**0**	**0**	**175 032**
TOTAL NET LOANS	**946 782**	**617 140**	**8 334**	**554**	**1 572 810**

Due to the Bank's role as a development bank, the loan portfolio is concentrated, the 10 largest utilisation represents 43.2% (31.12.2024: 47.7%) of the direct loan portfolio, of which 11.1% (31.12.2024: 17.7%) of exposure is provided by a state guarantee.

GROSS OUTSTANDING	31.12.2024				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Customer loans					
General government	55 205	0	0	0	55 205
Other financial corporations	213 317	152 816	6 528	0	372 661
Other non-financial corporations	518 785	427 217	31 455	576	978 033
Households	79 535	14 400	225	0	94 160
	866 842	**594 433**	**38 208**	**576**	**1 500 059**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	183 637	0	0	0	183 637
	183 637	**0**	**0**	**0**	**183 637**
IMPAIRMENT					
Customer loans					
General government	(152)	0	0	0	(152)
Other financial corporations	(209)	(5 738)	(5 958)	0	(11 905)
Other non-financial corporations	(2 867)	(43 685)	(24 355)	(131)	(71 038)
Households	(206)	(57)	(6)	0	(269)
	(3 434)	**(49 480)**	**(30 319)**	**(131)**	**(83 364)**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	(8)	0	0	0	(8)
	(8)	**0**	**0**	**0**	**(8)**
NET CARRYING AMOUNT					
Customer loans					
General government	55 053	0	0	0	55 053
Other financial corporations	213 108	147 078	570	0	360 756
Other non-financial corporations	515 918	383 532	7 100	445	906 995
Households	79 329	14 343	219	0	93 891
	863 408	**544 953**	**7 889**	**445**	**1 416 695**
Loans to banks					
Refinancing loans	0	0	0	0	0
Other loans	183 629	0	0	0	183 629
	183 629	**0**	**0**	**0**	**183 629**
TOTAL NET LOANS	**1 047 037**	**544 953**	**7 889**	**445**	**1 600 324**

Information about modifications of loans that have not resulted in derecognition is as follows:

	31.12.2025	**31.12.2024**
Amortized cost of loans with lifetime ECL immediately before contractual modification that was not a derecognition event	33 624	59 370
from this resulted from the moratorium settlement	*0*	*0*
Gains less losses recognized in profit or loss on modifications of loans with lifetime ECL that did not lead to derecognition	(16)	(271)
from this resulted from the moratorium settlement	*0*	*0*
Gross carrying amount of loans that were contractually modified (without derecognition) in the past when measured at lifetime ECL and which were reclassified to Stage 1 (12 months ECL) during the current year	15 556	3 224

The Bank does not have any outstanding contractual amounts of loans and advances to customers written off that are still subject to enforcement.

7.1.1 INFORMATION ON PAYMENT RELIEF

Pursuant to Government Decree No. 68/2025. (IV. 4.), published officially **in April 2025**, the Hungarian Government provided a payment moratorium for ***farmers who are subject to official measures as a result of the protection against foot-and-mouth disease***. The purpose of the decree is to provide assistance to farmers who are adversely affected by the epidemic response measures and who have therefore found themselves in a difficult situation when fulfilling their loan obligations. The moratorium is available to debtors who are affected by the measure ordering the slaughter of animals based on an official decision and who notify their creditor in writing together with the sending of the official decision.

In December 2025, Government Decree 393/2025 (XII. 10.) has been published on transitional measures aiming to stabilize the financial situation of ***farmers affected by frost or drought damage, as well as pig breeders***, introducing a new payment moratorium. The moratorium is available to debtors who are affected by the spring frost of 2025 or the drought of 2025 based on an official decision, and for whom the occurrence of the damage has been verified by the agricultural damage assessment authority, with the creditor being notified in writing along with the official decision. Additionally, the moratorium extends to farmers engaged in pig breeding with respect to their own herds, provided they notify their creditor in writing, together with a breeding animal document not older than six months prior to the submission of the payment moratorium application.

Main rules of the payment moratoria:

- The payment moratorium lasts until 30 April 2026 (in case of the moratorium provided in April 2025) and until 30 November 2026 (in case of the moratorium provided in December 2025).
- During the moratorium, the fulfillment of contractual principal, interest and fee payment obligations is suspended. The term of the loans concerned is extended by this period.
- The creditor may not terminate the contract for non-payment until 30 April or 30 November 2026 respectively.
- The interest accrued during the payment moratorium, shall be paid in equal annual installments during the term of the loan falling after the expiration of the payment moratorium, together with the repayment installments falling due during the remaining term of the loan.
- After the expiration of the payment moratorium, the term of the loan is extended in a way that the sum of amount of repayment installment becoming due and the amount of the interest arising during the payment moratorium and payable in installments does not exceed the initial amount of the installments set out in the original contract.
- The debtor may decide at any time to perform its obligations according to the original contract, and the creditor must be notified of this in writing

As of 31st December 2025, two customers have registered for the moratorium and the gross outstanding amount of the affected loan agreements was HUF 147 million. In connection with the changed cash flows due to the moratorium, the Bank recognized a loss of HUF 3 million forints in the income statement line *Modification gains or (-) losses, net*.

7.2 DEBT SECURITIES

Debt securities	31.12.2025			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Hungarian government bonds	19 248	0	0	19 248
Corporate bonds	479 633	26 742	183	506 558
Mortgage bonds	13 626	0	0	13 626
	512 507	**26 742**	**183**	**539 432**
IMPAIRMENT				
Hungarian government bonds	0	0	0	0
Corporate bonds	(6 030)	(2 961)	0	(8 991)
Mortgage bonds	(122)	0	0	(122)
	(6 152)	**(2 961)**	**0**	**(9 113)**
NET CARRYING AMOUNT				
Hungarian government bonds	19 248	0	0	19 248
Corporate bonds	473 603	23 781	183	497 567
Mortgage bonds	13 504	0	0	13 504
	506 355	**23 781**	**183**	**530 319**

The 5 largest corporate bond exposures represent 82.07% (31.12.2024: 89.95%) of the total, of which 30.32% (31.12.2024: 15.37%) are guaranteed by State guarantees, all of which are classified as Stage 1.

Debt securities	31.12.2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Hungarian government bonds	30 411	0	0	30 411
Corporate bonds	397 239	2 917	0	400 156
Mortgage bonds	7 511	0	0	7 511
	435 161	**2 917**	**0**	**438 078**
IMPAIRMENT				
Hungarian government bonds	0	0	0	0
Corporate bonds	(2 425)	(259)	0	(2 684)
Mortgage bonds	(28)	0	0	(28)
	(2 453)	**(259)**	**0**	**(2 712)**
NET CARRYING AMOUNT				
Hungarian government bonds	30 411	0	0	30 411
Corporate bonds	394 814	2 658	0	397 472
Mortgage bonds	7 483	0	0	7 483
	432 708	**2 658**	**0**	**435 366**

Reconciliation of assets arising from investing activities

	01.01.2025	Proceeds from maturity/sale or repayments	Discount/ Premium and FX impact	Acquisition cost	31.12.2025
Hungarian government bonds	**30 411**	(11 370)	207	0	**19 248**
Corporate bonds	**400 156**	(1 611)	(1 021)	109 034	**506 558**
Mortgage bonds	**7 511**	0	164	5 951	**13 626**
Total	**438 078**	**(12 981)**	**(650)**	**114 985**	**539 432**

	01.01.2024	Proceeds from maturity or sale	Discount/ Premium and FX impact	Acquisition cost	31.12.2024
Hungarian government bonds	**26 389**	(14 237)	104	18 155	**30 411**
Corporate bonds	**406 655**	(52 511)	5 252	40 760	**400 156**
Mortgage bonds	**7 388**	(4 021)	85	4 059	**7 511**
Total	**440 432**	**(70 769)**	**5 441**	**62 974**	**438 078**

HUF 11 370 million from the total amounts presented in column "*Proceeds from maturity/ sale or repayments*" is related to maturity (2024: HUF 18 258 million).

7.3 DEPOSITS AT CENTRAL AND OTHER BANKS

Deposits at central and other banks	31.12.2025			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Central bank deposits	0	0	0	0
Other bank deposits	13 535	0	0	13 535
	13 535	**0**	**0**	**13 535**
IMPAIRMENT				
Central bank deposits	0	0	0	0
Other bank deposits	(1)	0	0	(1)
	(1)	**0**	**0**	**(1)**
NET CARRYING AMOUNT				
Central bank deposits	0	0	0	0
Other bank deposits	13 534	0	0	13 534
	13 534	**0**	**0**	**13 534**

Deposits at central and other banks	31.12.2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
GROSS VALUE				
Central bank deposits	0	0	0	0
Other bank deposits	20 029	0	0	20 029
	20 029	**0**	**0**	**20 029**
IMPAIRMENT				
Central bank deposits	0	0	0	0
Other bank deposits	(1)	0	0	(1)
	(1)	**0**	**0**	**(1)**
NET CARRYING AMOUNT				
Central bank deposits	0	0	0	0
Other bank deposits	20 028	0	0	20 028
	20 028	**0**	**0**	**20 028**

7.4 OTHER FINANCIAL ASSETS

Other financial assets	31.12.2025			
	Stage 1	Stage 2	Stage 3	Total
GROSS VALUE				
Trade receivables	0	1 432	0	1 432
Margin accounts	40 958	0	0	40 958
	40 958	**1 432**	**0**	**42 390**
IMPAIRMENT				
Trade receivables	0	0	0	0
Margin accounts	(7)	0	0	(7)
	(7)	**0**	**0**	**(7)**
NET CARRYING AMOUNT				
Trade receivables	0	1 432	0	1 432
Margin accounts	40 951	0	0	40 951
	40 951	**1 432**	**0**	**42 383**

Other financial assets	31.12.2024			
	Stage 1	Stage 2	Stage 3	Total
GROSS VALUE				
Trade receivables	0	878	0	878
Margin accounts	170	0	0	170
	170	**878**	**0**	**1 048**
IMPAIRMENT				
Trade receivables	0	0	0	0
Margin accounts	0	0	0	0
	0	**0**	**0**	**0**
NET CARRYING AMOUNT				
Trade receivables	0	878	0	878
Margin accounts	170	0	0	170
	170	**878**	**0**	**1 048**

8. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

	31.12.2025		
	Gross value	Impairment	Net value
Subsidiaries	521 287	(20 733)	500 554
Associates	346 061	0	346 061
Total	**867 348**	**(20 733)**	**846 615**

	31.12.2024		
	Gross value	Impairment	Net value
Subsidiaries	335 249	(32 644)	302 605
Associates	277 555	0	277 555
Total	**612 804**	**(32 644)**	**580 160**

The Banks' controlling and significant interests as at 31 December 2025 and 2024 were as follows.

Name of the company	Activities	Fund manager	Voting power 31.12.2025	Voting power 31.12.2024
Subsidiaries				
MFB-Ingatlanfejlesztő Zrt	Real estate portfolio management		100%	100%
MFB Invest Befektetési és Vagyonkezelő Zrt	Investment portfolio management		99.99%	99.99%
MKK Magyar Követeléskezelő Zrt	Claim management		100%	100%
MFB Növekedési Tőkealap	Venture capital fund	Hiventures Kockázati Tőkealap-kezelő Zrt.	100%	100%
Associates				
Garantiqa Hitelgarancia Zrt	Financial services		38.04%	38.04%
IHT Informatika Zrt.	IT services		25.00%	25.00%
Andezit Magántőkealap	Capital fund	Gránit Alapkezelő Zrt.	20-50%	
Biggeorge 30. Ingatlanfejlesztő Ingatlanbefektetési Alap	Capital fund	Biggeorge Alapkezelő Zrt.	20-50%	0-20%
CLM Future Magántőkealap	Capital fund	Indotek Investments Alapkezelő Zrt.	20-50%	20-50%
Demján Sándor Beruházási Magántőkealap	Capital fund	Focus Ventures Befektetési Alapkezelő Zrt.	20-50%	20-50%
MFB Vállalati Beruházási és Tranzakciós Magántőkealap	Capital fund	Focus Ventures Befektetési Alapkezelő Zrt.	20-50%	20-50%
MHB Magántőkealap	Capital fund	Solus Capital Kockázati Tőkelap-kezelő Zrt.	20-50%	20-50%
Solva VI. Magántőkealap	Capital fund	Gran Private Equity Alapkezelő Zrt.	20-50%	
Trustify ImpactI. Magántőkealap	Capital fund	Trustify Befektetési Alapkezelő Zrt.	20-50%	20-50%

All the above companies are incorporated in Hungary.

9. DERIVATIVES

The Bank, as part of its asset-liability management, enters into derivative transactions to cover risks inherent in the interest or maturity inconsistency of the asset and liability portfolio. Whenever possible, these derivative positions are effectively hedged with an existing asset or liability (see hedge accounting section). When it is not possible to implement effective hedge accounting in accordance with IFRS 9, the Bank classifies its derivative contracts into the financial assets and liabilities held for trading categories but does not open derivative positions for trading purposes only, all its positions are considered as economic hedging positions. Foreign exchange swaps are concluded for instruments in a different currency other than the source of financing, solely for short term maturity and for the purpose of daily liquidity management.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amount is a gross amount which is the quantity of the underlying derivative contracts that indicates the volume of transactions outstanding as at the year end and are not indicative of either the market or credit risk.

	31.12.2025			
	Assets		**Liabilities**	
	Fair value	**Notional**	**Fair value**	**Notional**
Derivatives in an economic hedge relationship				
Interest rate swaps	398	3 763	(318)	3 763
Cross currency interest rate swaps	0	0	(32 854)	403 072
Foreign currency swaps	1 008	188 795	(189)	112 717
Special derivatives	29 380	901 591	(23 958)	324 358
Total derivatives in an economic hedge relationship	**30 786**	**1 094 149**	**(57 319)**	**843 910**
Fair value hedge derivatives				
Interest rate swaps	8 230	399 693	(7 674)	358 278
Cash flow hedge derivatives				
Interest rate swaps			(47)	62 400
Cross currency interest rate swaps	0	0	(2 730)	154 160
Total hedge derivatives	**8 230**	**399 693**	**(10 451)**	**574 838**

	31.12.2024			
	Assets		**Liabilities**	
	Fair value	**Notional**	**Fair value**	**Notional**
Derivatives in an economic hedge relationship				
Interest rate swaps	600	3 763	(498)	3 763
Cross currency interest rate swaps	23 430	438 340	0	0
Foreign currency swaps	106	21 551	(187)	61 323
Total derivatives in an economic hedge relationship	**24 136**	**463 654**	**(685)**	**65 086**
Fair value hedge derivatives				
Interest rate swaps	7 810	33 346	(22 552)	824 031
Total hedge derivatives	**7 810**	**33 346**	**(22 552)**	**824 031**

According to the amendment of the MFB Act, effective from2 May 2025, pursuant to Section 5 (10) of the MFB Act, the State, - based on an agreement on capital equalization financed from the central budget – ensures the Bank the difference between the capital invested in investment funds by the Bank and by companies under its majority influence, and the monetary claims replacing the investment funds upon maturity or disposal. As a consequence of this statutory authorization, MFB and the State concluded a capital equalization agreement on 26 September 2025, under which the State guarantees to the Bank that if a loss is realized compared to a predetermined yield level per fund, it will compensate for it. In return for this loss compensation, the Bank undertakes to transfer

to the State any excess return realized above the predetermined yield level for each fund, thereby ensuring that the risks assumed by the parties are proportionate to the benefits they expect. The primary and main objective of the contract is to stabilize MFB's capital adequacy ratio in such a way that state loss compensation reduces the risk weight of the funds and thereby the risk-weighted value of the assets.

In terms of its financial content, the Bank enters into two options with the State per fund. The put option is the guarantee undertaken by the State (the Bank is the option holder, the State is the obligor), which means that if the fund's performance (realized return) is lower than the predetermined guaranteed level, the State has a payment obligation towards the Bank. The call option involves transferring returns above a threshold yield to the State (the State is the option holder, the Bank is the obligor), which means that if the fund's performance (realized return) exceeds the predetermined threshold level, the Bank has a payment obligation towards the State. The strike prices of the call options (i.e., the strike yields specified in the contract) were set so that the net value of the entire contract would be zero at the time of inception, meaning that the positive value of the put options from the Bank's perspective would exactly match the negative value of the call options from the Bank's perspective in absolute terms. The estimated market value of the options arising from the contract is recorded in the books separately from the underlying assets, as a **special derivative**, in a lump sum per underlying asset, i.e., treating the positive value of the put options and the negative value of the call options on a net basis.

For investment funds of companies under the majority influence of the Bank, a separate contract was also concluded between the Bank and the company(ies), which mirrors the contract concluded between the State and the Bank. Therefore, the valuation and accounting treatment of these transactions is the same, so in the Bank's individual books, each option relating to a fund subscribed by any majority-influenced company has an opposite-signed value. As a result, the total value of options entered into on funds related to these companies is zero in the Bank's individual books, but they are presented on a gross basis due to different contractual partners.

10. HEDGE ACCOUNTING

Fair value hedges

To protect itself against changes in the fair value of financial assets or liabilities due to movements in interest rates, the Bank enters into fair value hedges. The Bank primarily designates the benchmark rate as the hedged risk therefore enters into interest rate swaps whereby the fixed leg represents the economic risk of the hedged item.

In 2020 the Bank started hedge accounting with its interest rate swap deals to cover the interest rate risk on one large loan.
On 30th June 2022, the Bank terminated the former hedge relationship for the interest rate risk of this loan in accordance with paragraph B6.5.23 of IFRS 9, as it no longer met the risk management objective under which the Bank deemed it suitable for hedge accounting. Following the termination, the Bank established a new hedging relationship in which groups of 11 loan transactions were micro-hedged, all which are characterized by long maturities and fixed interest rates. These transactions carry a significant interest rate risk, as such long-term, fixed-rate funds not available to the Bank in this volume. Hedged items are designated as amounts equal to the current IRS notional value, including the amortization of IRS transactions (using a layer approach), where the amount of interest due on the principal amount that represents the amounts that first become due after the cash flow dates of the hedging IRS transactions ("bottom layer") is indicated. The volume of the remaining capital of the 11 loans involved is more than double the notional amount of the two market swaps previously concluded, so even with the contractual principal repayments, the expected prepayment volume and the amount of credit losses, they are expected to exceed the volume of hedging transactions over the entire term.

The Bank accounts these hedge relationships as fair value hedges. Hedge effectiveness is measured by the Bank using the hypothetical derivatives approach under IFRS9, which is a derivative with the same basic characteristics as the covered item. With this, the hypothetical derivative mirrors the hedged items, where the fixed rate on credit transactions is expected to reach or exceed the fixed rate component of IRS transactions (i.e., fixed leg minus fixed spread of the variable leg). The initial fair value of a hypothetical IRS is zero, as opposed to the fair value of IRS transactions for hedging purposes at the time of the designation of the hedging relationship.

The ineffectiveness of the hedging relationship is recognized in the income statement on "Gains or (-) losses from hedge accounting, net" line and amounted to HUF 101 million loss (2024: HUF 2 677 million loss). The main source of ineffectiveness is the effect of the counterparty and the Bank's own credit risk on the fair value of the interest rate swap, which is not reflected in the fair value of the hedged item, additional ineffectiveness arose from the timing difference of the swap deal date and the designation date.

At the termination of the hedge relationship the fair value adjustment was recognized as part of the amortized amount of the single loan and effective interest rate was recalculated. Due to termination of a previous hedge relationship HUF 1 410 million (2024: HUF 1 525 million) was recognized as effective interest rate amortization in the profit and loss.

In May 2023 the Bank issued fixed interest rate bonds, nominated in USD and amounted to USD 1 125 million. As the Bank lending is denominated mainly in HUF or in EUR the Bank swapped the USD fix interest and the USD notional as well into EUR risk by contracting a fix-to-floating USD IRS, float-to-float CCIRS and float-to-fix EUR IRS. For accounting purposes two hedge relationship was set by hedging the fair value of the fixed interest rate USD bond and the fair value of the fixed interest rate EUR loans where the hedging instruments are the USD and the EUR IRS respectively. The fair value hedge on the USD bond is a micro hedge relationship under IFRS 9 rules, while the fair value hedge on the fixed EUR loans is a macro hedge relationship under IAS 39 rules and is accounted for a separate line within the statements of financial position (*Fair value changes of the hedged items in portfolio hedge of interest rate risk*). To test the hedge effectiveness, the Bank uses

the hypothetical derivative method and compares the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the hedged risk. In case of macro hedge relationship the hedge effectiveness is measured on a monthly basis, by comparing fair value movements of the designated proportion of the bucketed loans due to the hedged risk, against the fair value movements of the derivatives, to ensure that they are within an 80% to 125% range.

Cash flow hedges
In May 2025 the Bank entered into a floating-rate EUR loan transaction, which is financed by a floating-rate HUF source. The first drawdown is due in 2026. The Bank generates EUR liquidity for the loan transaction by entering into a EUR/HUF floating-rate CCIRS transaction. This CCIRS is used to hedge the long EUR position thus formed on the balance sheet. In line with its risk management objective, it entered into a cash-flow hedging relationship for the transaction concluded to hedge its currency risk in accordance with the rules of IFRS 9, where the hedged risk is the EUR/HUF currency risk of the floating-rate, euro-denominated cash flows. The Bank has decided to designate the spot element of the foreign exchange risk as the hedged item in a cash flow hedge relationship. Since the revaluation of hedged assets in foreign currency is recognized in profit or loss, the foreign currency revaluation of the CCIRS transaction, which is to be accounted for in other comprehensive income, is also immediately transferred to the income statement. The IFRS 9 “cost of hedging” approach is applied to the change in the fair value of the forward element excluded from the CCIRS transaction hedge relationship designated as the hedging instrument, and to the change in the fair value resulting from the foreign currency basis spread (“FCBS”) resulting from fixed spreads, which are recognized in the cost of hedging reserve in Other comprehensive income, and its value was 2 730 million forint sas of 31 December 2025. The transaction started in May 2025, and there have been no disbursements behind this hedging transaction yet, so we do not report a hedged transaction yet.

In November 2025, the Bank purchased a fixed-rate USD corporate bond in the total amount of USD 200 million. The bond has a 10-year maturity with an average maturity of 7 years. The main financing of the bond is provided by a 5-year, floating-rate international bank facility in the amount of USD 190 million. In order to mitigate the USD interest rate risk, the Bank concluded two IRS transactions on 17th December 2025, in the total amount of USD 190 million, and exchanged the floating-rate USD facility for a fixed rate. In line with its risk management objective, a cash-flow hedging relationship was established for the transactions concluded, in accordance with the rules of IFRS 9 to hedge the interest rate risk, where the hedged risk is the interest rate risk of the cash flows of the floating-rate USD-denominated facility. As a result, the cash flows of the variable legs of the two IRS transactions designated as hedging instruments are fully equal to the cash flow of the variable interest rate source borrowed, thus 100% hedging effectiveness is expected. The change in the fair value of the hedging transactions was HUF 47.9 million as of 30th December 2025, which is recognized in Other comprehensive income - cash flow hedge reserve.

In the table below the Group determines the accumulated fair value adjustment arising from the continuing fair value hedge relationship.

	31.12.2025			
Hedged item	**Assets**		**Liabilities**	
	Carrying value of hedged item	**of which accumulated fair value adjustment**	**Carrying value of hedged item**	**of which accumulated fair value adjustment**
HUF loans	66 719	2 224		
EUR loans (macro hedge)	425 270	7 609		
Debt securities issued			369 990	2 888
Total	**491 989**	**9 833**	**369 990**	**2 888**

	31.12.2024			
Hedged item	**Assets**		**Liabilities**	
	Carrying value of hedged item	**of which accumulated fair value adjustment**	**Carrying value of hedged item**	**of which accumulated fair value adjustment**
HUF loans	71 409	2 001		
EUR loans (macro hedge)	383 506	12 580		
Debt securities issued			433 169	(5 735)
Total	**454 915**	**14 581**	**433 169**	**(5 735)**

	31.12.2025			31.12.2024		
	Less than 1 year	**1-5 year**	**More than 5 years**	**Less than 1 year**	**1-5 year**	**More than 5 years**
HUF loans						
Nominal amount (HUF million)	-	-	120 140	-	-	120 560
Principal repayable (HUF million)	-	-	73 995	-	-	79 607
Average fix interest rate	-	-	3.73%	-	-	3.70%
EUR loans						
Principal repayable (HUF million)	6 344-	-	443 485	-	7 326	399 941
Contracted but not yet drawn amounts (HUF million)	-	-	8 164	-	-	77 885
Average fix interest rate	3.5%	-	5.14%	-	3,84%	4.41%
Debt securities issued						
Notional amount	-	-	369 473	-	-	442 800
Fix interest rate	-	-	6.5%	-	-	6.5%

The components of the change in fair value of derivatives designated in fair value hedges are included in the following table.

					Gains or (-) losses from hedge accounting, net				
31.12.2025	**2025 Fair value**	**2024 Fair value**	**Change in fair value**	**Change in interest accrual**	**Gains or (-) losses from hedge deal**	**Gains or (-) losses from hedged item**	**Total**	**Fair value used for calculating hedge ineffectiveness**	**Ineffectiveness recognised in profit and loss**
Asset side hedge deal	6 051	7 810	(1 759)	(12)	(1 747)	223	**(1 524)**	223	(1 524)
Macro hedge deal	(7 674)	(6 584)	(1 090)	(5 798)	4 708	(4 315)	**393**	(4 970)	(262)
Liability side hedge deal	2 179	(15 968)	18 147	8 735	9 412	(8 382)	**1 030**	(8 623)	789
Total hedge interest rate swaps	**556**	**(14 742)**	**15 298**	**2 925**	**12 373**	**(12 474)**	**(101)**	**(13 370)**	**(997)**

					Gains or (-) losses from hedge accounting, net				
31.12.2024	**2024 Fair value**	**2023 Fair value**	**Change in fair value**	**Change in interest accrual**	**Gains or (-) losses from hedge deal**	**Gains or (-) losses from hedged item**	**Total**	**Fair value used for calculating hedge ineffectiveness**	**Ineffectiveness recognised in profit and loss**
Asset side hedge deal	7 810	7 831	(21)	(65)	44	(2 042)	**(1 998)**	(2 042)	(1 998)
Macro hedge deal	(6 584)	(5 302)	(1 282)	(212)	(1 070)	311	**(759)**	1 030	(40)
Liability side hedge deal	(15 968)	(8 885)	(7 083)	(381)	(6 702)	6 782	**80**	6 709	7
Total hedge interest rate swaps	**(14 742)**	**(6 356)**	**(8 386)**	**(658)**	**(7 728)**	**5 051**	**(2 677)**	**5 697**	**(2 031)**

11. PROPERTY PLANT AND EQUIPMENT

	31.12.2025	31.12.2024
Property, plant and equipment	4 093	4 282
Right of use assets	126	269
Net book value	**4 219**	**4 551**

Property, plant and equipment

	Real estates	Equipments	Total
Gross value			
Opening balance 2025	**5 704**	**3 300**	**9 004**
Additions	19	299	318
Disposals	0	(83)	(83)
Closing balance 2025	**5 723**	**3 516**	**9 239**
Depreciation			
Opening balance 2025	**(2 565)**	**(2 157)**	**(4 722)**
Charge for the year	(38)	(467)	(505)
Disposals	0	81	81
Closing balance 2025	**(2 603)**	**(2 543)**	**(5 146)**
Net book value			
31 December 2025	**3 139**	**1 143**	**4 282**
31 December 2025	**3 120**	**973**	**4 093**

	Real estates	Equipments	Total
Gross value			
Opening balance 2024	**5 636**	**2 891**	**8 527**
Additions	68	600	668
Disposals	0	(191)	(191)
Closing balance 2024	**5 704**	**3 300**	**9 004**
Depreciation			
Opening balance 2024	**(2 521)**	**(1 849)**	**(4 370)**
Charge for the year	(44)	(498)	(542)
Disposals	0	190	190
Closing balance 2024	**(2 565)**	**(2 157)**	**(4 722)**
Net book value			
31 December 2023	**3 115**	**1 042**	**4 157**
31 December 2024	**3 139**	**1 143**	**4 282**

Right of use assets

	Real estates	Parking places	Total
Gross value			
Opening balance 2025	**773**	**27**	**800**
Additions	8	0	8
Disposals	0	0	0
Closing balance 2025	**781**	**27**	**808**
Depreciation			
Opening balance 2025	**(516)**	**(15)**	**(531)**
Charge for the year	(148)	(3)	(151)
Disposals	0	0	0
Closing balance 2025	**(664)**	**(18)**	**(682)**
Net book value			
31 December 2024	**257**	**12**	**269**
31 December 2025	**117**	**9**	**126**

	Real estates	Parking places	Total
Gross value			
Opening balance 2024	**738**	**27**	**765**
Additions	35	0	35
Disposals	0	0	0
Closing balance 2024	**773**	**27**	**800**
Depreciation			
Opening balance 2024	**(375)**	**(12)**	**(387)**
Charge for the year	(141)	(3)	(144)
Disposals	0	0	0
Closing balance 2024	**(516)**	**(15)**	**(531)**
Net book value			
31 December 2023	**363**	**15**	**378**
31 December 2024	**257**	**12**	**269**

Expenses relating to short-term leases and to leases of low-value assets that are not presented as right of use assets are included in general and administrative expenses:

	31.12.2025	31.12.2024
Short-term leases	238	182
Leases of low-value assets	54	49
	292	**231**

12. INTANGIBLE ASSETS

	31.12.2025	31.12.2024
Opening net book value	**6 888**	**6 462**
Gross value		
Opening balance	**14 864**	**13 750**
Reclassification	0	0
Additions	1 863	1 178
Disposals	0	(64)
Closing balance	**16 727**	**14 864**
Amortization		
Opening balance	**(7 976)**	**(7 288)**
Charge for the year	(795)	(746)
Impairment	0	0
Disposals	0	58
Closing balance	**(8 771)**	**(7 976)**
Closing net book value	**7 956**	**6 888**

The Bank records software and intellectual property as intangible assets.

13. OTHER ASSETS

	31.12.2025	31.12.2024
Deferred income from reimbursed cost	13 563	10 175
Deferred expenses	3 577	2 224
Intermediated services	585	6 290
Deferred initial fair value adjustment	6 680	8 079
Interest subsidy settlements	5 945	3 756
Other	1 314	648
Special bank tax due to Covid-19	350	701
Non- income taxes	226	1 722
Total	**32 240**	**33 595**

Deferred income from reimbursed cost
During the 2014-2020 and the 2021-2027 programming periods, the European Union encourages the expansion and more active use of financial instruments. Section 24/B of Government Decree No. 272/2014. (XI. 5.) appointed MFB Zrt. as the body implementing the fund of funds to carry out the professional use of the refundable EU resource amounting to HUF 650 billion. For the 2021-2027 programming period included in Section 31 of Government Degree No. 256/2021. (V. 18.), appointed MFB Zrt. as the body implementing the holding fund for the delivery of the EU subsidies to the final beneficiaries.

For the related tasks of the Recovery and Resilience Plan of Hungary – Recovery and Resilience Facility herein after referred to as: "RRF" – in Section 10/A of Government Decree No. 373/2022. (IX.30), MFB Zrt. was appointed as the implementing body of the financial instrument.

Point 22 of Attachment 1 of the Decree of the Ministry for National Economy No. 26/2025. (VIII. 18.) appointed MFB Zrt. as the managing body of the budgetary appropriation named "Settlement of certain previously disbursed grants".

The management of the refundable subsidies, that should not be included in the assets of the economic operator appointed for the intermediation of aid (based on the Point 4a of Section 4 of the Act XLIX of 1991), financed from the 2007-2013 programming period, under the obligation of accountability, taken over by the Ministry for National Economy (legal predecessor Ministry of Finance, herein after referred to as "Ministry") from financial intermediaries under liquidation proceedings, is based on the contractual agreement between MFB Zrt. and the Ministry.

In the 2014-2020 and the 2021-2027 programming periods and during implementation of the RRF, the distribution of credit products is managed mainly through the intermediary system of "MFB Points" with which a more efficient allocation of resources can be realized. Intermediaries ensure physical availability, and their staff carries out a significant part of the credit valuation, disbursement and monitoring activities for which they receive a specific intermediary remuneration. All "MFB points" are operated by intermediary partners, therefore their costs and assets/liabilities are not included in the Bank's records.

MFB Zrt. is entitled to compensation for the costs of the activities detailed in the Financing Contract/Contractual Agreement concluded with the Managing Authority/National Authority/Ministry, which is paid by the Managing Authority/National Authority/Ministry to the Bank in accordance with specific rules and procedures. The remuneration covers the justified and certified expenditures of the Bank – primarily the Bank's organizational and infrastructure costs – relating directly or indirectly to the implementation of the Financing Contract, recorded separately in the Bank's accounting register. According to the Financing Agreement Contractual Agreement the Bank is not entitled to any additional fee or reimbursement from the Managing Authority/National Authority/Ministry. The Bank cannot have a profit from the remuneration.

The amount presented in the table includes costs already incurred by the Bank and submitted for reimbursemen to the Managing Authority/National Authority/Ministry.

Deferred initial fair value adjustment
In 2013, the National Bank of Hungary launched its so-called Funding for Growth Scheme and in 2020 the FGS Hajrá program (both called FGS) to finance the operation and investments of small- and medium size businesses (SMB) as an economic development activity. Within both of these programs, SME's fulfilling some present conditions were able to receive a preferential loan at a maximum interest rate of 2.5%, which was then refinanced by the National Bank of Hungary at 0% interest rate. The interest rates of these loans were lower than the interest rate of similar loans available in the market (off-market), therefore the initial fair value of loans received and provided were lower than their transaction value. This initial fair value difference was determined by the Bank; however, it was not accounted for in the profit or loss immediately given the unobservable inputs used in the calculation but was accrued for the lifetime of the underlying deal. In accordance with the IFRS standards part of the related loan provided was reclassified to other assets, while part of the received loan with the same amount approximately as on the asset side was reclassified to other liabilities. The unobservable input during the determination of the initial fair value difference was the differences customers' credit risk and the Bank's own credit risk.

	31.12.2025	31.12.2024
Opening balance	**8 079**	**13 556**
Additions from new loans	37	51
Decrease due to sales	(198)	(4 264)
Annual amortisation	(1 238)	(1 264)
Closing balance	**6 680**	**8 079**

Special bank tax due to Covid-19

To implement the Economic Protection Action Plan, a one-time special credit institution tax on the epidemiological situation for replenishing the Epidemiological Fund was introduced in 2020 amounting to HUF 1.7 billion for the Bank, which was paid in three equal instalments during the year. The profit and loss impact of it under the IFRS rules did not have to be presented in 2020, as under the special tax act, the next 5 years of bank special tax liability will be deducted with this amount in five equal annual instalments, therefore this amount will reduce bank special tax expenditure for these years. According to the regulation published in 2024, the part falling in 2024 could not be utilized, thus the originally 5-year duration has been extended by one year.

14. RECEIVABLES ON THE STATE DUE TO CURRENCY-HEDGING AGREEMENT

The Bank's foreign exchange risk originated from the foreign currency liabilities is hedged by the Foreign Exchange Guarantee Frame Agreement (FX Agreement) signed by the Hungarian Ministry of Finance originally in 2004 and later modified in 2014. This FX Agreement manages foreign exchange risks of the Bank's foreign currency borrowings (EUR) and the State compensates any foreign exchange loss incurred on these borrowings and the Bank is required to pay to the State the amount of realized foreign exchange gains on these transactions. Under the agreement early financial settlement is possible for programs where asset-side final beneficiaries made repayment in excess of 20% of the original program framework actually used.

The FX state guarantee frame for the Bank, declared by the law was HUF 2 000 billion.

	31.12.2025	31.12.2024
Guarantee frame maximum amount	**2 000 000**	**2 000 000**
Programmed amounts within the frame	1 494 273	1 477 809
Free frame	505 727	522 191
Sum used from the frame amount	**834 999**	**857 081**

	31.12.2025		31.12.2024	
	Opening FX rates	**Year end NBH FX rate**	**Opening FX rates**	**Year end NBH FX rate**
Converted amount	634 150	834 999	632 622	857 081
from this amount already repaid by customers on which the balance is fixed	*396 125*	*470 138*	*389 429*	*461 803*
Foreign exchange losses		200 849		224 460
Amount already received from the State *(relating to the not yet closed program)*		(66 159)		(64 861)
received during the year		*1 298*		*0*
Foreign exchange losses of FX state guarantee		134 690		159 599
Interest foreign exchange losses of FX state guarantee		31 990		30 522
Total foreign exchange losses on the converted amount		**166 680**		**190 120**
from this amount already repaid by customers on which the balance is fixed		***(106 003)***		*(102 896)*

In 2025, the business activity covered by the hedging agreement was not significant, but the EUR/HUF exchange rate decreased significantly as a result of which the receivables on the State was also decreased. However, without this exchange rate hedging mechanism, the Bank's open currency position would be significant. This increase is recognized in the income statement on the „Exchange differences [gain or (-) loss], net" line, thereby neutralizing the effect of the revaluation of foreign currency liabilities. The receivable is against the Hungarian State therefore the credit risk is considered to be marginal.

15. FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST

	31.12.2025	31.12.2024
Deposits		
Interbank deposits	194 498	34 957
Customer deposits (collateral behind loans)	54 661	47 521
Other customer deposits	251	4 887
	249 410	**87 365**
Loans taken		
Refinancing loans	164 838	178 095
Other loans taken	1 221 704	1 036 994
	1 386 542	**1 215 089**
Debt securities issued		
Listed HUF bonds	891 709	664 573
Listed FX bonds	1 025 322	1 020 743
from this listed on foreign stock exchange	*956 633*	*947 894*
	1 917 031	**1 685 316**
Other financial liabilities		
Margin accounts	4 122	8 853
Creditors and other financial liabilities	2 302	2 488
Finance lease liabilities	124	286
	6 548	**11 627**
Total	**3 559 531**	**2 999 397**

The Bank does not collect retail deposits, its corporate deposits contain such term deposits that are offered as collateral for the underlying loans or were collected for liquidity purposes. Also, the line "deposits" includes inter-bank deposits used for liquidity management.

The “Loans taken” line includes long-term liabilities in the Funding for Growth programs.

In the following table, bonds marked with the ISIN code "XS" were listed on the London Stock Exchange, while all other bonds are listed on the Budapest Stock Exchange.

15.1. DEBT SECURITIES ISSUED

Name of bond	ISIN code	Issue date	Maturity date	Interest rate (annually)	31.12.2025				31.12.2024		
					Nominal value			Carrying value	Nominal value		Carrying value
					currency	Currency equivalent	HUF equivalent	HUF equivalent	Currency equivalent	HUF equivalent	HUF equivalent
Foreign currency bonds											
MFB EUR/2025	XS2010030752	24.06.2020	24.06.2025	fixed 1.375%	EUR	0	0	0	750 000	307 568	309 526
MFBEUR/2026	XS2348280707	09.06.2021	09.06.2026	fixed 0.375%	EUR	500 000	192 700	193 026	500 000	205 045	205 199
MFB USD/2028	XS2630760796	31.05.2023	29.06.2028	fixed 6.5%	USD	1 125 000	369 473	369 990	1 125 000	442 800	433 169
MFB EU2706/1	HU0000362934	13.09.2023	29.06.2027	fixed 5.5%	EUR	139 580	53 794	55 011	139 580	57 240	58 362
		12.10.2023				34 800	13 412	13 678	34 800	14 271	14 487
MFB EUR/2030	XS3081701362	28.05.2025	27.06.2030	fixed 4.375%	EUR	1 000 000	385 400	393 617			
Total foreign currency bonds							**1 014 779**	**1 025 322**		**1 026 924**	**1 020 743**
HUF bonds											
MFB202710/1	HU0000357892	04.10.2017	27.10.2027	fixed 3.00%			4 180	4 215		4 180	4 222
		09.10.2019					16 890	17 302		16 890	17 474
		06.10.2021					13 175	13 167		13 175	13 127
		04.11.2021					34 910	34 533		34 910	34 242
MFB202506/1	HU0000359674	27.05.2020	24.06.2025	fixed 1.7%			0	0		35 000	35 327
MFB202604/1	HU0000360037	21.10.2020	22.04.2026	fixed 1.9%			34 706	35 165		34 706	35 174
		14.09.2023					63 306	62 723		63 306	58 401
MFB203110/1	HU0000360771	15.09.2021	22.10.2031	fixed 2.9%			33 950	33 540		33 950	33 449
		20.10.2021					24 035	22 727		24 035	22 512
MFB203304/1	HU0000360896	11.11.2021	20.04.2033	fixed 4.2%			9 600	9 690		9 600	9 669
		09.04.2025					1 000	824			
MFB202810/1	HU0000360912	17.11.2021	22.10.2028	fixed 3.9%			34 550	34 698		34 550	34 665
		01.12.2021					23 495	23 132		23 495	22 958
MFB202910/1	HU0000361035	08.12.2021	24.10.2029	fixed 4.6%			10 680	10 612		10 680	10 576
		02.02.2022					24 100	23 514		24 100	23 334
		15.10.2025					26 521	24 713			
		26.11.2025					23 575	21 827			
MFB202704/1	HU0000361092	15.12.2021	22.04.2027	fixed 4.5%			24 575	25 301		24 575	25 275
		19.01.2022					9 600	9 823		9 600	9 769
		16.02.2022					9 453	9 645		9 453	9 572
		26.10.2023					29 000	28 102		29 000	26 872
MFB202511/1	HU0000361761	15.06.2022	26.11.2025	fixed 7.8%			0	0		13 500	13 479
		15.09.2022					0	0		6 700	6 481
		17.11.2022					0	0		2 000	1 947
MFB202803/1	HU0000362975	27.09.2023	23.03.2028	fixed 8.2%			48 115	50 403		48 115	50 117

Name of bond	ISIN code	Issue date	Maturity date	Interest rate (annually)	31.12.2025				31.12.2024		
					Nominal value			Carrying value	Nominal value		Carrying value
					currency	Currency equivalent	HUF equivalent	HUF equivalent	Currency equivalent	HUF equivalent	HUF equivalent
MFB202610/1	HU0000363064	11.10.2023	21.10.2026	fixed 9.2%			14 625	14 722		14 625	14 547
MFB202905/Z	HU0000363593	20.03.2024	23.05.2029	fixed 6.5%			10 800	11 115		10 800	11 189
MFB203005/T	HU0000363775	02.05.2024	22.05.2030	fixed 7.5%			24 475	25 279		24 475	25 322
		26.02.2025					16 000	16 844			
MFB202902/1	HU0000363874	29.05.2024	28.02.2029	fixed 7.4%			48 965	51 846		48 965	50 923
		26.06.2024					25 017	26 724		25 017	26 316
MFB202802/1	HU0000364245	18.09.2024	02.02.2028	fixed 6.3%			11 600	12 559		11 600	11 827
		16.10.2024					13 050	14 069		13 050	13 218
		12.03.2025					27 170	28 820			
MFB202906/1	HU0000364286	02.10.2024	27.06.2029	fixed 6.1%			12 400	12 783		12 400	12 589
MFB202702/1	HU0000364955	12.02.2025	24.02.2027	fixed 6.4%			28 775	30 208			
		10.12.2025					39 600	41 663			
MFB203010/1	HU0000365135	26.03.2025	24.10.2030	fixed 7.0%			14 705	14 492			
MFB202806/1	HU0000365762	01.10.2025	2028.06.28	fixed 6.7%			30 400	30 793			
		12.11.2025					15 326	15 481			
MFB2030/12/1	HU0000366067	10.12.2025	2030.12.11	6M BUBOR			49 425	48 655			
Total HUF Bonds							**881 749**	**891 709**		**666 452**	**664 573**
Total Bonds							**1 896 528**	**1 917 031**		**1 693 376**	**1 685 316**

*****: *the currency value column contains the value rounded to the nearest thousand units of the given currency*

On 28 May 2025, the Bank successfully issued a EUR 1 billion nominal value bond, which was partly used to refinance the EUR 750 million bond that matured in June. Four new series of forint bonds were issued during the year, and additional issues were made to four existing series, including the first social bond. The total nominal value of the new series and additional issues was HUF 272.5 billion. Two series of forint bonds matured during the year with a total nominal value of HUF 57.2 billion.

In 2024, the Bank issued five new HUF denominated bonds with a nominal value of HUF 146 billion and expired two HUF bonds with a nominal amount of HUF 77 billion and three EUR bonds also expired with a nominal value of EUR 642.5 million.

To support its sourcing activities, the Bank prepared the MFB Sustainable Financing Framework, which complies with international standards, and with which it undertakes to use its sustainable resources according to green and social criteria to finance and/or refinance sustainable goals with a positive environmental and social impact. The Framework's compliance was reviewed by the world's leading rating agency, Sustainalytics Morningstar.

The successful auction held on 18th March 2024, was the first market-type green bond issue (MFB202905/Z) in the life of MFB Zrt., based on the steps it has taken towards sustainability in recent years. MFB Zrt. used the proceeds from the first social bond issue in 2024 (MFB203005/T) to finance or refinance instruments defined by the framework that have a positive social impact and alleviate social problems and inequalities. The Bank was among the first in the Central and Eastern European region to issue social bonds.

Reconciliation of liabilities arising from financing activities

	01.01.2025	Proceeds from bond issuance	Discount/ Premium	Partial repayments or full at maturity	Exchange rate change	Hedge impact	31.12.2025
HUF bonds	**664 573**	265 668	18 668	(57 200)	0	0	**891 709**
USD bonds	**433 169**	0	18 020	0	(72 576)	(8 623)	**369 990**
EUR bonds	**587 574**	403 463	(6 921)	(301 365)	(27 419)	0	**655 332**
Total	**1 685 316**	**669 131**	**29 767**	**(358 565)**	**(99 995)**	**(8 623)**	**1 917 031**

	01.01.2024	Proceeds from bond issuance	Discount/ Premium	Repayments at maturity	Exchange rate change	Hedge impact	31.12.2024
HUF bonds	**581 522**	145 907	14 405	(77 261)	0	0	**664 573**
USD bonds	**386 346**	0	(27)	0	53 559	(6 709)	**433 169**
EUR bonds	**794 636**	0	(416)	(256 034)	49 388	0	**587 574**
Total	**1 762 504**	**145 907**	**13 962**	**(333 295)**	**102 947**	**(6 709)**	**1 685 316**

16. PROVISIONS

Provisions by title	**31.12.2025**	**31.12.2024**
Financial guarantees	20 151	4 902
Capital commitment	941	146
Loan commitments	4 386	7 951
Subtotal for IFRS 9 provision method	***25 478***	***12 999***
Legal cases	13	0
Employee jubilee program, other	493	470
Total (Note 28)	**25 984**	**13 469**

Based on the judgement of the Legal department, the amount of provision regarding legal cases are expected to be settled in more than twelve months after the reporting period.

17. OTHER LIABILITIES

	31.12.2025	**31.12.2024**
Non- income taxes	900	1 326
Settlement from wages	1 443	1 423
Deferred income	3 750	4 187
Accrued costs	1 189	1 097
Lending related liabilities	1 348	809
Advance payments from managing authorities	14 136	10 263
Fees due before disbursement but not paid	3 323	145
Investment unit commitments	58 290	93 219
Deferred initial fair value adjustment	6 607	8 010
Other	199	173
Total	**91 185**	**120 653**

Liabilities to managing authorities include advances on expenditure reimbursement relating to the EU programming period 2007-2013, 2014-2020 and 2021-2027 (see Note 13).

Investment unit commitments are related to MFB Növekedési Tőkealap, Central European Fund of Funds and MFB Vállalati Beruházási és Tranzakciós Magántőkealap. The amounts are payable as required by the investment plans.

The deferred initial fair value adjustment line represents the initial fair value adjustment, which is determined based on the internal models, and is therefore deferred and amortized to the profit and loss in parallel to the amortization of the underlying instruments (loans taken in FGS programs, see Note 13).

18. SHARE CAPITAL, SHARE PREMIUM AND RESERVES

Share capital

100% of the shares are owned by the Hungarian State. The total value of the 519 900 ordinary shares, with HUF 1 million nominal value each was HUF 519 900 million.

Share premium

Share premium represents the difference between the nominal value of the subscribed share and the amount received at subscription. The Bank's share premium both on 31st December 2024 and 2023 was HUF 81 870 million.

Retained earnings

Per Government Decree 176/2025 (VI.30) (2024: 216/2024. (VII. 31.)) in 2025 the Bank, as a 100% state-owned entity, had to save HUF 296 million (2024: HUF 151.6 million) mainly on Personal expenses and pay the savings to the State Budget. According to IFRS Conceptual Framework the transaction qualifies as a distribution to shareholders and has to be accounted as dividend under IFRS 9. In these financial statements the Bank charged the amount directly to Retained earnings.

Valuation reserve

	Notes	31.12.2025	31.12.2024
Opening balance		**(559)**	**(1 063)**
Change in fair value		1 530	441
from this debt instruments		*761*	*441*
Expected credit loss on debt instruments		(43)	(26)
Foreign exchange difference		(22)	56
Transfer to profit or loss due to derecognition		0	0
Income tax effect		(80)	33
Subtotal	6	**826**	**(559)**
Cash flow hedge reserve	9	(47)	0
Cost of cash flow hedge	9	(2 730)	0
Closing balance		**(1 951)**	**(559)**
Total change over the period		**(1 392)**	**504**

Hungarian Accounting Act (Act C of 2000, section 114/B)

Pursuant to section 114/B of the Hungarian Accounting Act, the Bank shall present a specific equity reconciliation table for the reporting date and present it as part of the notes.

The equity reconciliation table contains the opening and closing information for each component of IFRS equity, and the opening and closing information for certain specified equity components, as well as the amount of the retained earnings available for payment of dividends. This amount can be determined from the last row of the equity reconciliation table and consists of retained earnings and after-tax profit for the year, less any increase in the valuation reserve for investment properties and increased by its tax impact. This section of the Accounting Act defines the content of the free profit reserve available for payment of dividends.

Parts of the reconciliation table
Share capital: as defined in the articles of association to the extent that it is an equity instrument.

Capital reserve: the sum of all components of equity that do not meet the definition of IFRS share capital, subscribed but not paid-up capital, retained earnings, valuation reserve, after-tax profit or allocated reserve.

Retained earnings: accumulated profit of the previous years that was not paid as dividends to shareholders.

Valuation reserve: the sum of other comprehensive income, including cumulative and other comprehensive income for the year, plus the amount of the valuation reserve created before the transition to IFRS.

Allocated reserve: includes amounts appropriated from the capital reserve and the retained earnings. Pursuant to the provisions of the Hungarian Credit Institutions Act, a credit institution is required to set aside 10% of its after-tax profit for the year, which it may use only to offset losses from its activities. In accordance to the section 83 (7) of the Credit Institution Act, if a credit institution prepares its annual financials in accordance with IFRS, it must separate the general reserve from the retained earnings and presents it as an Allocated reserve in the equity reconciliation table.

Based on section 114/B of the Hungarian Accounting Act, the Bank's equity reconciliation table for 31 December 2025 is as follows:

31 December 2025	Share Capital	Capital Reserve	Retained earnings	Other Reserves	Valuation reserve	Allocated reserve	Profit after tax	Total
Own equity under IFRS rules	**519 900**	**81 870**	**34 195**	**2 162**	**(1 951)**	**0**	**0**	**636 176**
General reserve				(2 162)		2 162		0
Profit after tax			(2 309)				2 309	0
Other comprehensive income								0
Own equity under Hungarian Accounting Act rules (section 114/B)	**519 900**	**81 870**	**31 886**	**0**	**(1 951)**	**2 162**	**2 309**	**636 176**

The registered share capital by the Court is HUF 519 900 million. The reserve available for dividend payment is HUF 34 195 million.

Based on section 114/B of the Hungarian Accounting Act, the Bank's equity reconciliation table for 31 December 2024 is as follows:

31 December 2024	Share Capital	Capital Reserve	Retained earnings	Other Reserves	Valuation reserve	Allocated reserve	Profit after tax	Total
Own equity under IFRS rules	**519 900**	**81 870**	**32 413**	**1 931**	**(559)**	**0**	**0**	**635 555**
General reserve				(1 931)		1 931		0
Profit after tax			(6 388)				6 388	0
Other comprehensive income								0
Own equity under Hungarian Accounting Act rules (section 114/B)	**519 900**	**81 870**	**26 025**	**0**	**(559)**	**1 931**	**6 388**	**635 555**

The registered share capital by the Court is HUF 519 900 million. The reserve available for dividend payment is HUF 32 413 million.

19. OTHER RESERVES

General reserve

Other reserve includes general reserve that is in accordance with Section 83 of Act No. CCXXXVII of 2013 equal to ten percent of the net profit after tax. The general reserve created and used in accordance with Hungarian legislation has been allocated directly from the profit and loss reserve in the IFRS annual accounts.

The Bank is not allowed to pay dividend from the statutory reserves.

20. CONTINGENT AND FUTURE LIABILITIES

To meet the financial needs of customers, the Bank enters into various irrevocable commitments and contingent liabilities. These consist of financial guarantees and other undrawn commitments to lend. Other non-financial guarantees commit the Bank to make payments on behalf of customers in the event of a specific act, generally related to the import or export of goods. Guarantees carry a similar credit risk to loans. Even though these obligations may not be recognized on the statement of financial position, they do contain credit risk and are therefore part of the overall risk of the Bank.

	31.12.2025	**31.12.2024**
Loan commitments	445 833	239 689
Capital commitments	284 187	338 983
Guarantees	1 146 269	1 111 841
Guarantees and loan commitments total	**1 876 289**	**1 690 513**
Legal cases	17	32
Other commitments	1 541	9 842
Total	**1 877 847**	**1 700 387**

Capital commitments represent the subscribed but not yet paid capital increase of venture capital investments/notes that is payable as required by the investment plans if the investment is closer to a loan commitment.

Other commitments represent potential further capital increase for the European Investment Fund that is not included in the investment plans, but its maximum amount was set in the foundation indeed of the fund. As owners' decision is necessary to determine the actual need and amount therefore this amount is not yet an obligation.

21. NET INTEREST INCOME

	2025	2024
Financial assets at fair value through other comprehensive income	1 057	3 231
Financial assets at amortized cost	128 118	129 172
Negative interest from financial liabilities	0	0
Interest income calculated using the effective interest method	**129 175**	**132 403**
Financial assets held for trading	30 198	37 611
Non-trading financial assets mandatorily at fair value through profit or loss	1 354	2 543
Derivatives – Hedge accounting	(1 246)	4 596
Other assets	13 598	21 846
Other similar income	**43 904**	**66 596**
Total interest income	**173 079**	**198 999**
Interest expense		
Financial liabilities held for trading	(27 164)	(40 268)
Financial liabilities at amortized cost	(157 845)	(150 890)
Derivatives – Hedge accounting	(3 502)	(6 328)
Other liabilities	(137)	(363)
Negative interest from financial assets	0	(2)
Total interest expense	**(188 648)**	**(197 851)**
Net interest income	**(15 569)**	**1 148**

Net interest income analysis by customer types:

	2025	2024
Interest income		
Customers	88 968	91 385
National Bank of Hungary	13 074	21 581
Other banks	40 283	54 170
Securities	30 754	31 863
Total	**173 079**	**198 999**
Interest expense		
Customers	(1 852)	(2 528)
National Bank of Hungary	(1 426)	(4 185)
Other banks	(95 687)	(109 581)
Securities	(89 683)	(81 557)
Total	**(188 648)**	**(197 851)**
Net interest income	**(15 569)**	**1 148**

22. DIVIDEND INCOME

	2025	2024
Dividend received from subsidiaries	**18 009**	**8 386**
MKK Zrt.	16 809	7 176
MFB Ingatlanfejlesztő Zrt.	1 200	1 210
Dividend received from Other investments	**7**	**6**
Other investments	7	6
Total	**18 016**	**8 392**

23. NET FEE AND COMMISSION INCOME

	2025	2024
Fee and commission income		
Guarantee fees	7 410	5 937
Loan servicing fees	330	481
Other fees and commission	2	12
Total	**7 742**	**6 430**
Fee and commission expenses		
Agent fees	(107)	(125)
Guarantee fees	(775)	(774)
Bank account commission	(91)	(104)
Commitment fee	(37)	(47)
Other fees and commission	(34)	(2)
Total	**(1 044)**	**(1 052)**
Net fee and commission income	**6 698**	**5 378**

24. GAINS OR (-) LOSSES ON FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING, NET

	2025	2024
Interest rate swaps	(23)	(23)
Cross currency interest rate swaps	(322)	29 127
Foreign currency swaps	(51 758)	(1 157)
Special derivatives	5 422	0
Total	**(46 681)**	**27 947**

25. GAINS OR (-) LOSSES ON NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS, NET

	2025	2024
Loans and advances to customers	(24)	(229)
Loans and advances to banks	(40)	56
Venture capital note – investment type	598	65
Venture capital note – loan type	32 376	39 616
Total	**32 910**	**39 508**

26. OTHER OPERATING INCOME/EXPENSES

	2025	2024
Other income		
Compensation received	9 865	8 754
Recovery of previous years costs	64	100
Rental income	118	119
Deferred initial fair value of borrowings	1 377	4 088
Other	395	635
Total other operating income	**11 819**	**13 696**
Other expenses		
Donations	(91)	(421)
Expenses related to previous years	(200)	(264)
Taxes – except income tax and special bank tax	(1 703)	(1 962)
Special bank tax	(6 189)	(5 123)
Extra profit tax	0	(486)
Other expenses related to lending and borrowing	(795)	(822)
Deferred initial fair value of loans granted	(1 398)	(4 101)
Expense on legal cases	(70)	(8)
Direct expenses eligible for cost reimbursement	(384)	(427)
Other	(37)	(81)
Total other operating expense	**(10 867)**	**(13 695)**

The Bank receives compensations for performing the tasks in connection with 2007-2013, 2014-2020, 2021-2027 EU programming periods and RRF (further details in Note 13). The Bank did not receive any consideration from the State for the exercising of owner's rights since 2023.

27. GENERAL AND ADMINISTRATIVE EXPENSES

	2025	2024
Wages and salaries	(10 447)	(8 841)
Compulsory social security	(1 881)	(1 485)
Other personnel expenses	(1 732)	(1 487)
Personnel expenses	**(14 060)**	**(11 813)**
Marketing	(1 036)	(1 074)
Expert fees	(876)	(1 378)
Rental expense	(936)	(797)
System support and maintenance	(1 152)	(1 101)
Office maintenance	(465)	(436)
Traveling	(78)	(89)
Media	(81)	(111)
Other material type costs	(78)	(75)
Post and newspapers	(120)	(107)
Electricity, water, gas supply	(147)	(172)
Membership fees	(99)	(96)
Education	(143)	(66)
Insurances	(126)	(109)
Other welfare services	(95)	(66)
Other	(191)	(161)
Other general administrative expenses	**(5 623)**	**(5 838)**
Total general and administrative expenses	**(19 683)**	**(17 651)**

The average number of the employees in 2025 was 521 (2024: 460).The expert fees line includes the audit fee for the individual and consolidated annual report, the consolidated sustainability report, the examination of the related public disclosure document, and the fee for the NBH special report, totalling to HUF 114.55 million + VAT (2024: HUF 143 million). There was no fee paid to the statutory auditor in 2025 or in 2024 for any non-audit services. There was no fee paid to group members of statutory auditor for non-audit services provided to the Bank neither during 2025 nor 2024.

28. PROVISIONS OR (-) REVERSAL OF PROVISIONS

	31.12.2025				31.12.2024			
	Other items	Guarantees and loan commitments	Capital commitments	Total	Other items	Guarantees and loan commitments	Capital commitments	Total
1. Opening balance on 1st January	**(470)**	**(12 853)**	**(146)**	**(13 469)**	**(390)**	**(5 700)**	**(156)**	**(6 246)**
2. Charge	(174)	(13 394)	(904)	(14 472)	(160)	(6 601)	0	(6 761)
3. Release	138	793	72	1 003	17	184	18	219
4. Utilization	0	0	0	0	63	0	0	63
5. Foreign exchange difference	0	917	37	954	0	(736)	(8)	(744)
6. Closing balance on 31st December	**(506)**	**(24 537)**	**(941)**	**(25 984)**	**(470)**	**(12 853)**	**(146)**	**(13 469)**
Net movement *(excluding FX movement)*	(36)	(12 601)	(832)	(13 469)	(80)	(6 417)	18	(6 479)
Profit or loss impact								
Other income (legal cases)	(13)	0	0	(13)	0	0	0	0
Impairment (-) or reversal of impairment of financial instruments	0	(12 601)	(832)	(13 433)	0	(6 417)	18	(6 399)
Amounts charged to wages	(23)			(23)	(80)			(80)

The table below presents the changes in the provision for financial guarantees and undrawn loan commitments during 2025 by credit risk stages. The movements represent every change during the year.

	Opening balance on 1st January 2025	Net (charge)/release without stage transfer	Charge due to origin	Utilization and expiries	From stage 1 to stage 2	From stage 2 to stage 1	From stage 2 to stage 3	FX impact	Closing balance on 31st December 2025
Guarantees	**(4 902)**	**(15 001)**	**(464)**	**194**	**0**	**0**	**0**	**22**	**(20 151)**
Stage 1	(915)	(5 776)	(236)	61	3 511	(61)		22	(3 394)
Stage 2	(3 987)	(9 220)	(228)	133	(3 511)	61	193	0	(16 559)
Stage 3	0	(5)	0	0			(193)	0	(198)
Loan commitments	**(7 951)**	**3 858**	**(1 203)**	**15**	**0**	**0**	**0**	**895**	**(4 386)**
Stage 1	(291)	(1 168)	(1 074)	10	876	(1 265)		29	(2 883)
Stage 2	(7 660)	5 023	(123)	5	(876)	1 265	23	866	(1 477)
Stage 3	0	3	(6)	0			(23)	0	(26)
Capital commitments	**(146)**	**(806)**	**(98)**	**72**	**0**	**0**	**0**	**37**	**(941)**
Stage 1	(146)	(806)	(98)	72	**0**	**0**	0	37	(941)
TOTAL	**(12 999)**	**(11 949)**	**(1 765)**	**281**	**0**	**0**	**0**	**954**	**(25 478)**

The table below presents the changes in the provision for financial guarantees and undrawn loan commitments during 2024 by credit risk stages.

	Opening balance on 1st January 2024	Net charge without stage transfer	Charge due to origin	Utilization and expiries	From stage 1 to stage 2	From stage 2 to stage 1	From stage 2 to stage 3	FX impact	Closing balance on 31st December 2024
Guarantees	**(780)**	**(3 844)**	**(278)**	**10**	**0**	**0**	**0**	**(10)**	**(4 902)**
Stage 1	(252)	(450)	(252)	10	63	(24)		(10)	(915)
Stage 2	(528)	(3 394)	(26)	0	(63)	24	0	(0)	(3 987)
Stage 3	0	0	0	0			0	0	0
Loan commitments	**(4 920)**	**(543)**	**(1 788)**	**26**	**0**	**0**	**0**	**(726)**	**(7 951)**
Stage 1	(105)	(50)	(195)	16	46	0		(3)	(291)
Stage 2	(4 731)	(580)	(1 593)	10	(46)	0	0	(720)	(7 660)
Stage 3	(84)	87	0	0			0	(3)	0
Capital commitments	**(156)**	**8**	**0**	**10**	**0**	**0**	**0**	**(8)**	**(146)**
Stage 1	(156)	8	0	10	0	0	0	(8)	(146)
TOTAL	**(5 856)**	**(4 379)**	**(2 066)**	**46**	**0**	**0**	**0**	**(744)**	**(12 999)**

29. IMPAIRMENT (-) OR REVERSAL OF IMPAIRMENT OF FINANCIAL INSTRUMENTS

	2025			2024		
	Charge/release due to origin/ expire	**Net charge without stage transfer**	**Total on 31st December**	**Charge/release due to originexpire**	**Net charge without stage transfer**	**Total on 31st December**
Customer loans	(2 549)	(10 693)	(13 242)	(3 004)	(15 470)	(18 474)
Loans to banks	0	0	0	(6)	(0)	(6)
Debt securities	(1 042)	(5 421)	(6 463)	(269)	1 003	734
Deposits at Central and other banks	(1)	1	0	0	0	0
Other financial receivables	(7)	0	(7)	0	4	4
Other demand deposits	(6)	(10)	(16)	0	(1)	(1)
Guarantees	(270)	(15 001)	(15 271)	(268)	(3 844)	(4 112)
Loan commitments	(1 188)	3 858	2 670	(1 762)	(543)	(2 305)
Capital commitments	(26)	(806)	(832)	10	8	18
Total profit and loss impact	**(5 089)**	**(28 072)**	**(33 161)**	**(5 299)**	**(18 843)**	**(24 142)**

Recovery on purchased receivables represents the actual recovery since initial recognition or planned recovery due to the change in the assumptions in the model used to estimate the future recovery.

The table below presents the changes in the impairment for financial assets during 2025 by credit risk stages. The movements represent every change during the year.

LOANS	Opening balance on 1st January 2025	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Unwinding	FX impact	Closing balance on 31st December 2025
Customer loans – Stage 1	**(3 434)**	**(993)**	**0**	**(6 206)**	**5 939**	**0**	**(2 471)**			**214**	**(6 951)**
General governments	**(152)**	0	0	(205)	19	0	0			0	**(338)**
Other financial corporations	**(209)**	(60)	0	(90)	147	0	(12)			0	**(224)**
Other non-financial corporations	**(2 867)**	(902)	0	(5 504)	5 772	0	(2 457)			214	**(5 744)**
Households	**(206)**	(31)	0	(407)	1	0	(2)			0	**(645)**
Loans to banks – Stage 1	**(8)**	**0**	**0**	**0**	**0**	**0**	**0**			**0**	**(8)**
Refinancing loans	**0**	0	0	0	0	0	0			0	**0**
Other loans	**(8)**	0	0	0	0	0	0			0	**(8)**
Customer loans – Stage 2	**(49 480)**	**(389)**	**0**	**(3 095)**	**(5 939)**	**5 488**	**2 471**	**(294)**		**2 655**	**(48 576)**
General governments	**0**	0	0	(276)	(19)	0	0	0		7	**(288)**
Other financial corporations	**(5 738)**	(190)	0	289	(147)	0	12	0		311	**(5 463)**
Other non-financial corporations	**(43 685)**	(169)	0	(3 126)	(5 772)	5 488	2 457	(294)		2 344	**(42 757)**
Households	**(57)**	(30)	0	18	(1)	0	2	0		0	**(68)**
Loans to banks – Stage 2	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**	**0**
Refinancing loans	**0**	0	0	0	0	0	0	0		0	**0**
Other loans	**0**	0	0	0	0	0	0	0		0	**0**

LOANS	Opening balance on 1st January 2025	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Unwinding	FX impact	Closing balance on 31st December 2025
Customer loans – Stage 3	**(30 319)**	**(1 015)**	**909**	**(1 883)**		**(5 488)**	**0**	**294**	**(204)**	**1 400**	**(36 306)**
General governments	**0**	0	0	0		0	0	0	0	0	**0**
Other financial corporations	**(5 958)**	0	0	22		0	0	0	(7)	0	**(5 943)**
Other non-financial corporations	**(24 355)**	(1 003)	909	(1 909)		(5 488)	0	294	(197)	1 400	**(30 349)**
Households	**(6)**	(12)	0	4		0	0	0	0	0	**(14)**
Customer loans – POCI	**(131)**	**(152)**	**0**	**109**					**0**	**0**	**(174)**
General governments	**0**	0	0	0					0	0	**0**
Other financial corporations	**0**	0	0	0					0	0	**0**
Other non-financial corporations	**(131)**	(152)	0	109					0	0	**(174)**
Households	**0**	0	0	0					0	0	**0**
Loans to banks – Stage 3	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	**0**	0	0	0		0	0	0	0	0	**0**
Other loans	**0**	0	0	0		0	0	0	0	0	**0**
Customer loans - TOTAL	**(83 364)**	**(2 549)**	**909**	**(11 075)**	**0**	**0**	**0**	**0**	**(204)**	**4 276**	**(92 007)**
General governments	(152)	0	0	(481)	0	0	0	0	0	6,57	(626)
Other financial corporations	(11 905)	(250)	0	221	0	0	0	0	(7)	311	(11 630)
Other non-financial corporations	(71 038)	(2 226)	909	(10 430)	0	0	0	0	(197)	3 958	(79 024)
Households	(269)	(73)	0	(385)	0	0	0	0	0	0	(727)
Loans to banks - TOTAL	**(8)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(8)**
Refinancing loans	**0**	0	0	0	0	0	0	0	0	0	**0**
Other loans	**(8)**	0	0	0	0	0	0	0	0	0	**(8)**

DEBT SECURITIES	Opening balance on 1st January 2025	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	FX impact	Closing balance on 31st December 2025
Stage 1	**(2 453)**	**(1 042)**	**(5 272)**	**2 560**	**0**	**36**		**19**	**(6 152)**
Hungarian government bonds	0	0	0	0	0	0		0	0
Corporate bonds	(2 425)	(1 042)	(5 178)	2 560	0	36		19	(6 030)
Mortgage bonds	(28)		(94)	0	0	0		0	(122)
Stage 2	**(259)**	**0**	**(106)**	**(2 560)**	**0**	**(36)**		**0**	**(2 961)**
Hungarian government bonds	0	0	0	0	0	0		0	0
Corporate bonds	(259)	0	(106)	(2 560)	0	(36)		0	(2 961)
Mortgage bonds	0	0	0	0	0	0		0	0
Total	**(2 712)**	**(1 042)**	**(5 379)**	**0**	**0**	**0**		**19**	**(9 113)**
Hungarian government bonds	0	0	0	0	0	0		0	0
Corporate bonds	(2 684)	(1 042)	(5 284)	0	0	0		19	(8 991)
Mortgage bonds	(28)	0	(94)	0	0	0		0	(122)

DEPOSITS AT CENTRAL AND OTHER BANKS	Opening balance on 1st January 2025	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2025
Stage 1*	**(1)**	**(1)**	**1**					**(1)**
Central bank deposits	**0**	0	0					**0**
Other bank deposits	**(1)**	(1)	1					**(1)**

**: Only stage 1 deposits were in the Bank's portfolio in 2025.*

OTHER FINANCIAL ASSETS	Opening balance on 1st January 2025	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2025
Stages*	**0**	**(7)**	**0**					**(7)**
Trade receivables	**0**	0	0					**0**
Margin accounts	**0**	(7)	0					**(7)**

**: Trade receivables cover stage 2, while margin accounts cover stage 1 items.*

OTHER DEMAND DEPOSITS	Opening balance on 1st January 2025	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	FX impact	Closing balance on 31st December 2025
Stage 1*	**(3)**	**(6)**	**(10)**					**0**	**(19)**
Cash balances with National Bank of Hungary	(3)	0	(10)					0	(13)
Other demand deposits	0	(6)	0					0	(6)

**: Only stage 1 deposits were in the Bank's portfolio in 2025.*

The table below presents the changes in the impairment for financial assets during 2024 by credit risk stages.

LOANS	Opening balance on 1st January 2024	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Unwinding	FX impact	Closing balance on 31st December 2024
Customer loans – Stage 1	**(4 137)**	**(672)**	**0**	**772**	**751**	**0**	**(5)**			**(142)**	**(3 434)**
General governments	**(69)**	0	0	(82)	0	0	0			(1)	**(152)**
Other financial corporations	**(229)**	(76)	0	48	48	0	0			0	**(209)**
Other non-financial corporations	**(3 822)**	(527)	0	930	699	0	(5)			(141)	**(2 867)**
Households	**(18)**	(68)	0	(123)	4	0	0			0	**(206)**
Loans to banks – Stage 1	**(2)**	**(6)**	**0**	**(0)**	**0**	**0**	**0**			**0**	**(8)**
Refinancing loans	**0**	0	0	0	0	0	0			0	**0**
Other loans	**(2)**	(6)	0	(0)	0	0	0			0	**(8)**
Customer loans – Stage 2	**(22 501)**	**(1 651)**	**0**	**(15 240)**	**(751)**	**940**	**5**	**(8 265)**		**(2 018)**	**(49 480)**
General governments	**0**	0	0	0	0	0	0	0		0	**0**
Other financial corporations	**(2 271)**	(1 276)	0	(1 918)	(48)	0	0	0		(225)	**(5 738)**
Other non-financial corporations	**(20 169)**	(375)	0	(13 290)	(699)	899	5	(8 263)		(1 793)	**(43 685)**
Households	**(61)**	0	0	(32)	(4)	41	0	(1)		0	**(57)**
Loans to banks – Stage 2	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**	**0**
Refinancing loans	**0**	0	0	0	0	0	0	0		0	**0**
Other loans	**0**	0	0	0	0	0	0	0		0	**0**

LOANS	Opening balance on 1st January 2024	Charge due to origin	Utilization	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Unwinding	FX impact	Closing balance on 31st December 2024
Customer loans – Stage 3	**(43 816)**	**(681)**	**11 374**	**(1 943)**		**(940)**	**0**	**8 265**	**(1 285)**	**(1 293)**	**(30 319)**
General governments	**0**	0	0	0		0	0	0	0	0	**0**
Other financial corporations	**(16 148)**	0	11 341	(1 250)		0	0	0	99	0	**(5 958)**
Other non-financial corporations	**(27 659)**	(680)	33	(736)		(899)	0	8 263	(1 384)	(1 293)	**(24 355)**
Households	**(9)**	(1)	0	44		(41)	0	1	(1)	0	**(6)**
Customer loans – POCI	**(210)**	**0**	**0**	**79**					**0**	**0**	**(131)**
General governments	**0**	0	0	0					0	0	**0**
Other financial corporations	**0**	0	0	0					0	0	**0**
Other non-financial corporations	**(210)**	0	0	79					0	0	**(131)**
Households	**0**	0	0	0					0	0	**0**
Loans to banks – Stage 3	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	**0**	0	0	0		0	0	0	0	0	**0**
Other loans	**0**	0	0	0		0	0	0	0	0	**0**
Customer loans - TOTAL	**(70 664)**	**(3 004)**	**11 374**	**(16 331)**	**0**	**0**	**0**	**0**	**(1 285)**	**(3 453)**	**(83 364)**
General governments	(69)	0	0	(82)	0	0	0	0	0	(1)	(152)
Other financial corporations	(18 648)	(1 352)	11 341	(3 120)	0	0	0	0	99	(225)	(11 905)
Other non-financial corporations	(51 859)	(1 583)	33	(13 018)	0	0	0	0	(1 384)	(3 227)	(71 038)
Households	(89)	(69)	0	(111)	0	0	0	0	(1)	0	(269)
Loans to banks - TOTAL	**(2)**	**(6)**	**0**	**(0)**	**0**	**0**	**0**	**0**	**0**	**0**	**(8)**
Refinancing loans	**0**	0	0	0	0	0	0	0	0	0	**0**
Other loans	**(2)**	(6)	0	(0)	0	0	0	0	0	0	**(8)**

DEBT SECURITIES	Opening balance on 1st January 2024	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	FX impact	Closing balanceon 31st December 2024
Stage 1	**(1 836)**	**(268)**	**(349)**	**28**	**0**	**0**		**(28)**	**(2 453)**
Hungarian government bonds	0	0	0	0	0	0		0	0
Corporate bonds	(1 833)	(253)	(339)	28	0	0		(28)	(2 425)
Mortgage bonds	(3)	(15)	(10)	0	0	0		0	(28)
Stage 2	**(1 616)**	**0**	**1 386**	**(28)**	**0**	**0**		**0**	**(259)**
Hungarian government bonds	0	0	0	0	0	0		0	0
Corporate bonds	(1 616)	0	1 386	(28)	0	0		0	(259)
Mortgage bonds	0	0	0	0	0	0		0	0
Total	**(3 452)**	**(268)**	**1 036**	**0**	**0**	**0**		**(28)**	**(2 712)**
Hungarian government bonds	0	0	0	0	0	0		0	0
Corporate bonds	(3 449)	(253)	1 046	0	0	0		(28)	(2 684)
Mortgage bonds	(3)	(15)	(10)	0	0	0		0	(28)

DEPOSITS AT CENTRAL AND OTHER BANKS	Opening balance on 1st January 2024	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2024
Stage 1*	**(1)**	**0**	**0**					**(1)**
Central bank deposits	**0**	0	0					**0**
Other bank deposits	**(1)**	0	0					**(1)**

**: Only stage 1 deposits were in the Bank's portfolio in 2024.*

OTHER FINANCIAL ASSETS	Opening balance on 1st January 2024	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2024
Stages*	**(4)**	**0**	**4**					**0**
Trade receivables	**0**	0	0					**0**
Margin accounts	**(4)**	0	4					**0**

**: Trade receivables cover stage 2, while margin accounts cover stage 1 items.*

OTHER DEMAND DEPOSITS	Opening balance on 1st January 2024	Charge due to origin	Net charge without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	FX impact	Closing balance on 31st December 2024
Stage 1*	**(2)**	**0**	**(1)**					**0**	**(3)**
Cash balances with National Bank of Hungary	(2)	0	(1)					0	(3)
Other demand deposits	(0)	0	0					0	0

*****: *Only stage 1 deposits were in the Bank's portfolio in 2024.*

30. IMPAIRMENT OR (-) REVERSAL OF IMPAIRMENT OF INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

	31.12.2025	31.12.2024
1. Opening balance on 1st January	**(32 644)**	**(26 617)**
2. Charge	(14 246)	(12 227)
3. Release	26 157	6 200
3.a. Release through profit or loss	*26 157*	*6 200*
3.b. Utilization	0	*0*
4. Foreign exchange difference	0	0
5. Reclassification	0	0
6. Closing balance on31st December	**(20 733)**	**(32 644)**
Net movement	11 911	(6 027)
Profit or loss impact (2+3a)	**11 911**	**(6 027)**

31. TAXATION

Income tax expenses include current taxes, and deferred taxes. In both 2025 and 2024 the corporate tax rate was 9%, the local tax rate was 2%, and the innovation contribution rate was 0.3%.

	2025	2024
Current tax	58	379
from this corporate tax	*0*	*0*
from this local tax and innovation contribution	*58*	*379*
Deferred tax	(36)	13
Total	**22**	**392**

The following table represents deferred tax asset and liability movements reported either in the income statement or in the other comprehensive income.

	31.12.2025			31.12.2024		
	Recognized in profit or loss	Recognized in OCI	Deferred tax liability	Recognized in profit or loss	Recognized in OCI	Deferred tax liability
Tax expense	**58**			**379**		
Deferred tax by titles						
Property, plant and equipment	(8)	0	84	8	0	92
FVOCI debt securities, equity instruments	0	80	150	0	(34)	70
Other provisions	(5)	0	(44)	(8)	0	(39)
Tax loss carry forward	(23)	0	(79)	13	0	(56)
Total	**(36)**	**80**	**111**	**13**	**(34)**	**67**
Total tax expense in the Income statements	**22**			**392**		

The following table represents deferred tax asset and liability movements during the year.

31.12.2025		Opening		Incerases		Decreases		Closing	
Type of deferred tax	**Asset/Liability**	**base**	**tax**	**base**	**tax**	**base**	**tax**	**base**	**tax**
Property, plant and equipment	Liability	1 026	92	0	0	96	8	930	84
Other provision	Asset	(444)	(39)	(49)	(5)	0	0	(493)	(44)
FVOCI debt securities	Liability	455	51	0	0	37	4	418	47
FVOCI equity investments	Liability	219	19	696	84	0	0	915	103
Tax loss carry forward	Asset	(628)	(56)	(257)	(23)	0	0	(885)	(79)
Total		**628**	**67**	**390**	**56**	**133**	**12**	**885**	**111**
of which related to corporate income tax			*56*		*36*		*12*		*80*

31.12.2024		Opening		Incerases		Decreases		Closing	
Type of deferred tax	**Asset/Liability**	**base**	**tax**	**base**	**tax**	**base**	**tax**	**base**	**tax**
Property, plant and equipment	Liability	938	84	88	8	0	0	1 026	92
Other provision	Asset	(356)	(31)	(88)	(8)	0	0	(444)	(39)
FVOCI debt securities	Liability	785	88	0	0	414	37	455	51
FVOCI equity investments	Liability	178	16	41	3	0	0	219	19
Tax loss carry forward	Asset	(773)	(69)	0	0	(145)	(13)	(628)	(56)
Total		**772**	**88**	**40**	**3**	**269**	**24**	**628**	**67**
of which related to corporate income tax			*69*		*3*		*16*		*56*

The following table reconciles income taxes as reported in the income statement.

Reconciliation of effective tax rate	**2025**		**2024**	
	Tax rate	**Amount**	**Tax rate**	**Amount**
Profit (loss) before income taxes		**2 331**		**6 780**
Corporate tax	**9.00%**	**210**	**9.00%**	**610**
Local tax and innovation contribution impact	2.52%	58	5.59%	379
Permanent differences				
Local tax	(0.23%)	(5)	(0.50%)	(34)
Tax loss carry forward	58.48%	1 363	3.05%	206
Non-tax deductible items	0.17%	4	0.10%	7
Dividend	(69.55%)	(1 621)	(11.14%)	(755)
Other	0.58%	13	(0.31%)	(21)
Effective tax	**0.97%**	**22**	**5.78%**	**392**

The accumulated amount of tax losses carries forward in 2025 was HUF 69 821 million (31.12.2024: HUF 61 562 million). The tax losses originated until 2014 (HUF 51 357 million) can be utilized without limitation. Those which are originated from 2015 can be carried forward in the next 5 years after origination (2025: HUF 10 833 million, 2028: 5 480 million, 2029: 2 151 million).

The future realization of the tax loss carries forward is uncertain and therefore a deferred tax asset is only recognized in an amount that compensates 50% of the deferred tax liability, since, according to the Hungarian tax legislation in force, the losses that can be utilized on annual basis shall not be more than the 50% of the positive tax base. The amount of the not recognized deferred tax asset on tax loss carry forward on 31st December 2025 is HUF 6 204 million (31.12.2024: HUF 5 541 million).

32. RELATED PARTIES

The Bank is owned by the Hungarian State. The Bank identifies subsidiaries and associates as related parties that are part of the MFB Group. The related parties also include members of the Executive board and the Board of Supervisors, as well as companies over which these persons have control or significant influence. Related party transactions are carried out under normal market conditions.

The Bank using the option provided in IAS 24.25 and does not disclose its transactions with other state-owned companies and disclose only the most significant transactions with the Hungarian State, such as state securities, taxes and reimbursements.

The definitions of the headings used in the table below are as follows.

State: The ultimate controlling party. The State column in the below table includes the major items due to or from the various state bodies. The rows of securities include government securities issued by the Central Government Debt Management Agency (ÁKK). Tax payable or refundable to the National Tax and Customs Administration (NAV) is included in the tax receivables/liabilities lines. Other assets/liabilities include reimbursement from the Managing Authorities and advances received. Receivables from the State due to currency-hedging agreement include the claim on the Ministry of Finance. The income statement lines include the effects of the above items such as interest income, tax payments, or reimbursement income.

Subsidiaries: Any company where the Bank has managing control. The Bank has control when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Associates: Any company where the Bank has significant influence but has no control over financial and operational policies.

	31.12.2025			31.12.2024		
	Subsidiaries	**Associates**	**State**	**Subsidiaries**	**Associates**	**State**
ASSETS						
Financial assets held for trading – Derivatives (special derivatives)	**1 361**	**0**	**28 019**	**0**	**0**	**0**
Financial assets at fair value through other comprehensive income	**0**	**0**	**12 892**	**0**	**0**	**17 769**
Debt securities	0	0	12 892	0	0	17 769
Financial assets at amortized cost	**47 290**	**14 665**	**20 455**	**36 733**	**16 980**	**31 227**
Debt securities	0	0	19 248	0	0	30 411
Loans to customers	47 289	14 665	0	36 733	16 980	0
Other financial receivables	1	0	1 207	0	0	816
Investments in subsidiariesand associates	**500 554**	**346 061**		**302 605**	**277 555**	
Tax assets			**319**			**299**
Current tax assets			319			299
Other assets	**261**	**0**	**15 702**	**462**	**1**	**12 173**
Receivables from the state due to currency-hedging agreement[1]			**166 680**			**201 241**
LIABILITIES						
Financial liabilities held for trading – Derivatives (special derivatives)	**2 180**	**0**	**21 777**	**0**	**0**	**0**
Financial liabilities at amortized cost	**288**	**7**	**0**	**368**	**1 582**	**223**
Deposits	*282*	*7*	*0*	268	1 465	0
Other financial liabilities	*6*	*0*	*0*	100	117	223
Tax liabilities			**0**			**0**
Current tax liabilities			0			0
Other liabilities	**6 751**	**50 775**	**15 165**	**28 848**	**63 157**	**11 780**
Guarantees and loan commitments (net)	**11 036**	**214 250**	**0**	**2 538**	**209 626**	**0**

1: from the presented amount HUF 23 613 million profit (2024: HUF 26 589 million loss) was presented in the income statements' line "Exchange differences [gain or (-) loss], net".

The presented data includes the impairment and provision created in accordance with the provision of IFRS 9, the presentation is on a net basis, therefore the amounts presented in the 2024 columns were also adjusted.

	31.12.2025			31.12.2024		
	Subsidiaries	**Associates**	**State**	**Subsidiaries**	**Associates**	**State**
PROFIT AND LOSS						
Interest income	2 431	2 117	1 659	2 497	2 282	3 596
Interest expense	(14)	(20)		(20)	(70)	
Dividend income	18 009	0		8 386	0	
Fee and commission income	3	12		3	15	
Fee and commission expense	0	0	(4)	0	(1)	
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	0	0		230	0	
Gains or (-) losses on financial assets and liabilities held for trading, net – (special derivatives)	(819)	0	6 241	0	0	0
Other operating income	6	1	8 165	17	2	7 961
Other operating expense	(513)	0	(7 929)	(517)	0	(7 808)
Administrative expenses	0	0	0	0	(326)	0
Contract modification loss, net	0	(17)		0	(1)	
Impairment (-) or reversal of impairment of financial instruments[2]	(7)	4 011		(16)	(1 524)	
Impairment or (-) reversal of impairment of investments in subsidiaries and associates	11 910	0		(7 527)	1 500	
Tax expense or (-) income related to profit or loss from continuing operations			(59)			(379)

The compensation of key management personnel in 2025 and 2024 was the following:

	2025	2024
Members of the Board of Directors	91	23
Members of the Supervisory Board	59	23
CEOs and deputy CEOs	113	208
Total	**263**	**254**

The table above includes the short-term benefits paid to the key management personnel. There was no post-employment benefit, long term benefit or termination benefit paid to the key management personnel and there is no share-based payment programme operated by the Bank. There was also no loan disbursement to the key management personnel.

33. SEGMENT REPORTING

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available. The CODM is the person – or group of persons – who allocates resources and assesses the performance for the entity. The functions of the CODM are performed by the Management Board of the Bank.

The Bank's segment reporting is based on the following operating segments.

Segments	Activity
Banking:	Loans, deposits and other transactions and balances with customers and banks.
Investment:	Activities related to securities and investments.
EU fund management:	Activities related to the mediation of EU funds by the Bank.

The Bank does not prepare geographical breakdowns because its primary business is carried out in Hungary and has no significant foreign operations.

The results of the segments include the revenue and expenditure directly linked to that segment and the relevant part of the revenue and expenditure which may be assigned to a segment, whether from external transactions or from other segments of the Bank. Income statement items were broken down based on the principle that if an item is clearly assigned to the segment, the total amount was presented there, and where it cannot be clearly categorized the net segment’s asset-based allocation was followed.

The banking and investment assets are clearly identifiable into the segments based on the Financial position statements lines. Liabilities and equity were separated into allocated and not-allocated parts. Not-allocated part represents the intangibles, property, plant and equipment, receivables from the state due to FX hedge agreement (those parts which were already closed, no unpaid loan contract behind it) and the liquidity reserve set by internal policy (5% of the total assets). The remainder was allocated proportionally to each segment.

2025	Banking	Investment	EU fund management	Total
Total segment income and gain				
Interest income	173 079	0	0	**173 079**
from this interest income calculated using the effective interest method	*129 175*	*0*	*0*	***129 175***
from this other similar income	*43 904*	*0*	*0*	***43 904***
Fee and commission income	7 742	0	0	**7 742**
from this guarantee fees	*7 410*	*0*	*0*	***7 410***
from this loan servicing fees	*330*	*0*	*0*	***330***
from this other fees and commission	*2*	*0*	*0*	***2***
Dividend income	0	18 016	0	**18 016**
Gains on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	1	0	0	**1**
Gains on non-trading financial assets mandatorily at fair value through profit or loss, net	(64)	32 974	0	**32 910**
Exchange differences [gain], net	28 384	20 119	0	**48 503**
Gains or (-) losses on derecognition of non-financial assets, net	2	1	0	**3**
Other operating income	981	2 681	8 157	**11 819**
Total segment income and gain	**210 125**	**73 791**	**8 157**	**292 073**
Interest expenses	(110 396)	(78 252)	0	**(188 648)**
Fee and commission expenses	(1 044)	0	0	**(1 044)**
from this agent fees	*(107)*	*0*	*0*	***(107)***
from this guarantee fees	*(775)*	*0*	*0*	***(775)***
from this bank account commission	*(91)*	*0*	*0*	***(91)***
from this commitment fees	*(37)*	*0*	*0*	***(37)***
from this other fees and commission	*(34)*	*0*	*0*	***(34)***
Loss on financial assets and liabilities held for trading, net	(30 491)	(16 190)	0	**(46 681)**
Loss from hedge accounting, net	(59)	(42)	0	**(101)**
Administrative expenses	(6 995)	(4 894)	(7 794)	**(19 683)**
Depreciation	(514)	(364)	(573)	**(1 451)**
Other operating expenses	(6 469)	(4 013)	(385)	**(10 867)**
Segment profit before impairment and provisions	**54 157**	**(29 964)**	**(595)**	**23 598**
Impairment (-) or reversal of impairment of financial instruments	(32 329)	(832)	0	**(33 161)**
Impairment (-) or reversal of impairment of investments in subsidiaries and associates	0	11 911	0	**11 911**
Impairment of non-financial instruments	0	0	0	**0**
Contract modification loss, net	(17)	0	0	**(17)**
Segment income before tax	**21 811**	**(18 885)**	**(595)**	**2 331**
Income tax expense				**(22)**
Profit for the year				**2 309**
Segment revenues				
Interest income	173 079	0	0	**173 079**
Fee and commission income	7 742	0	0	**7 742**
Dividend income	0	18 016	0	**18 016**
Other operating income	981	2 681	8 157	**11 819**
Total segment revenue	**181 802**	**20 697**	**8 157**	**210 565**
Timing of revenue				
Point in time	8 723	20 697	8 157	**37 577**
Over time	173 079	0	0	**173 079**

31.12.2025	Banking	Investment	Not allocated	Total
Segment assets	**2 284 991**	**1 618 916**	**476 850**	**4 380 757**
Participation of segment from total assets	52.16%	36.96%	10.89%	100.00%
Segment liabilities	**2 129 521**	**1 409 117**	**205 943**	**3 744 581**
Participation of segment from total liabilities	56.87%	37.63%	5.50%	100.00%

2024	Banking	Investment	EU fund management	Total
Total segment income and gain				
Interest income	198 999	0	0	**198 999**
from this interest income calculated using the effective interest method	*132 403*	*0*	*0*	***132 403***
from this other similar income	*66 596*	*0*	*0*	***66 596***
Fee and commission income	6 430	0	0	**6 430**
from this guarantee fees	*5 937*	*0*	*0*	***5 937***
from this loan servicing fees	*481*	*0*	*0*	***481***
from this other fees and commission	*12*	*0*	*0*	***12***
Dividend income	0	8 392	0	**8 392**
Gains on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	372	0	0	**372**
Gains on financial assets and liabilities held for trading, net	18 236	9 711	0	**27 947**
Gains on non-trading financial assets mandatorily at fair value through profit or loss, net	(174)	39 682	0	**39 508**
Other operating income	4 714	1 254	7 728	**13 696**
Total segment income and gain	**228 577**	**59 039**	**7 728**	**295 344**
Interest expenses	(129 104)	(68 747)	0	**(197 851)**
Fee and commission expenses	(1 052)	0	0	**(1 052)**
from this agent fees	*(125)*	*0*	*0*	***(125)***
from this guarantee fees	*(774)*	*0*	*0*	***(774)***
from this bank account commission	*(104)*	*0*	*0*	***(104)***
from this commitment fees	*(47)*	*0*	*0*	***(47)***
from this other fees and commission	*(2)*	*0*	*0*	***(2)***
Loss from hedge accounting, net	(1 747)	(930)	0	**(2 677)**
Exchange differences [loss], net	(15 506)	(8 257)	0	**(23 763)**
Loss on non-trading financial assets mandatorily at fair value through profit or loss, net	(3)	(1)	0	**(4)**
Administrative expenses	(6 921)	(3 578)	(7 152)	**(17 651)**
Depreciation	(558)	(297)	(576)	**(1 431)**
Other operating expenses	(9 866)	(3 402)	(427)	**(13 695)**
Segment profit before impairment and provisions	**63 820**	**(26 173)**	**(427)**	**37 220**
Impairment (-) or reversal of impairment of financial instruments	(24 160)	18	0	**(24 142)**
Impairment (-) or reversal of impairment of investments in subsidiaries and associates	0	(6 027)	0	**(6 027)**
Impairment of non-financial instruments	0	0	0	**0**
Contract modification loss, net	(271)	0	0	**(271)**
Segment income before tax	**39 389**	**(32 182)**	**(427)**	**6 780**
Income tax expense				**(392)**
Profit for the year				**6 388**

2024	Banking	Investment	EU fund management	Total
Segment revenues				
Interest income	198 999	0	0	**198 999**
Fee and commission income	6 430	0	0	**6 430**
Dividend income	0	8 392	0	**8 392**
Other operating income	4 714	1 254	7 728	**13 696**
Total segment revenue	**210 143**	**9 646**	**7 728**	**227 517**
Timing of revenue				
Point in time	11 144	9 646	7 728	**28 518**
Over time	198 999	0	0	**198 999**

31.12.2024	Banking	Investment	Not allocated	Total
Segment assets	**2 190 375**	**1 329 017**	**272 986**	**3 792 378**
Participation of segment from total assets	57.76%	35.04%	7.20%	100.00%
Segment liabilities	**2 075 806**	**1 047 123**	**33 894**	**3 156 823**
Participation of segment from total liabilities	65.76%	33.17%	1.07%	100.00%

34. FINANCIAL RISK MANAGEMENT

The Bank’s internal governance is consistent with its market weight and prominent business role, as well as its approved business model, and it incorporates the relevant risk principles, organizational structure, decision-making structures (including boards and committees), risk management rules, models and methodologies. The Bank operates reporting lines that enable the monitoring of risk performance.

The Group strives to balance business and risk management aspects pursuant to MFB Act.

The Bank is continually developing its comprehensive risk culture that, in line with the Bank's risk appetite, ensures compliance with international standards and best practices, as well as applicable domestic regulatory conditions and recommendations, and the identification, measurement and management of risks related to banking operations.

The Bank has an approved credit risk policy in line with the Bank's strategic objectives, comprehensive risk management policies and other policies covering different segments of risks (operational risk, market risk, etc.).

Defining risk management principles includes defining risk appetite, risk management strategy and risk management policy, setting risk limits, defining and documenting risk management system processes, procedures, tasks, decision and control powers, identifying risks in a continuous, timely manner, development of procedures and methods for measuring risks, measuring, assessing and monitoring risks, preparing reports on risk management activities, and establishing procedures to be followed in the event of exceeding established risk limits.

The Bank has a strategy and processes to determine and maintain the capital adequacy of the size and composition necessary to cover its current and future risks. It is the Government's legal obligation to ensure the long-term and stable functioning of the Bank, and it also monitors in detail the Bank's risk-taking activities, the expediency and profitability of management. The Bank quantifies all risks arising and presents them to its management bodies, despite the fact that, based on Section 8 (2) of the MFB Act, the Bank was exempted from the internal assessment of capital adequacy required by Section 97 of Hpt.procedure and the excess capital requirement from formation and maintenance.

Bank's risk management framework is based on a coherent, integrated approach:

- Due to its core business, the Bank consciously assumes risks (lending, investment transactions) and manages the risks associated with core business.
- A well-structured regulatory hierarchy provides the framework for risk management and control.
- As part of its risk management activities, the Bank identifies, measures and manages relevant risks that are critical to its operations, considering the overall risk profile.
- Methodological knowledge extends to the volatility of risks in stress situations, i.e., the size of a capital buffer needed to keep risk plan values safe.
- Key risk indicators to monitor each type of risk (limits, processes, measures) are used to return the value of the indicators to the expected zone.
- The Bank operates a management information system as part of its reporting lines to support efficient risk decision-making while an external reporting service operates for supervisory purposes.

The primary tools for developing a risk and risk management culture are the regular review and updating of risk and risk management policies and internal regulatory documents, the continuous communication of the defined value system and the regular training of employees in line with their roles and responsibilities in risk-taking, risk management and risk control. This way an informed risk culture is embedded in the day-to-day operations of the Bank.

The risk principles and strategies are approved by the Bank’s Board of Directors. The Board of Directors performing the management tasks regularly receives reports prepared by the Risk Management Division on the composition and development of the banking portfolio. On this basis the implementation of the risk strategy can be evaluated.

The risk management governance model defines the responsibilities and duties of different bodies and individuals within each organization, with the aim of ensuring the sound and efficient management of activities and the management of different types of risk.

The decision-making process defines, in a consistent manner, the responsibilities and powers of decision-making, consistent with the complexity of its decision-making areas and its financial impact.

The key decision-making bodies and decision-makers are listed in the Decision-making Agenda, and their powers, organization and procedures are defined in the Articles of Association, the Rules of Procedure of the Board of Directors and the Decision-making Agenda.

Decision - making Bodies

- Owner of property rights,
- Board of Directors
- Executive Board,
- Assets-Liabilities Management Committee,
- Individual Loans Committee,
- Problem Loans Committee,
- EU Steering Committee,
- Irregularities Management Committee,
- Development Steering Committee,
- Sustainable Finance Committee,
- Monitoring Committee.

Bodies with specific powers defined in the Bank's regulatory documents are also considered as Decision-making Bodies (e.g. Crisis Committee).

The powers and responsibilities of each committee are contained in the Bank's Articles of Association, the Rules of Procedure of the Board of Directors and the Decision-Making Rules of Procedure.

The determination of decision levels depends on the size of the commitment, the score and the level of coverage.

Risk Management Division and Strategic Risk Management Directorate

The Risk Management Division is completely separated from the Business Areas organizationally. The Head of the Division is a member of the Executive Board and reports directly to the CEO.

The Bank exercises risk control function through a dedicated organizational unit, the Strategic Risk Management Directorate, which is independent of the business areas and the operational risk management area. In view of the aspects of proportionality, it is not justified to operate the risk control area as an independent division, therefore, assessing the advantages and disadvantages, the Bank operates the Strategic Risk Management Directorate within the framework of the Risk Management Division. The organizational unit performing the risk control function is responsible for defining the Bank's risk management framework, enforcing external and internal limits and controls, and monitoring the implementation of the above within the Bank and through intermediaries. In line with this, the Division is responsible for the risk oversight of the Strategic Group and operating of Group-level risk management.

Departments of the Risk Management Division:

- ***Operative Credit Risk Management Directorate***
  The activities of the Operative Credit Risk Management Directorate include the identification and reduction of risks and the setting of risk limits in the preparation of credit and investment decisions. It is the responsibility of the Operative Credit Risk Management Directorate to monitor the risk assumptions at the time of contracting and disbursement and after the risk assumption. The Bank monitors the contractual obligations of its customers.
    - *Risk Analysis Department*
      The responsibilities of the Risk Analysis Department include the performance of risk analysis and risk control tasks for loans, investment transactions, fund managers and funds, the review and approval of customer ratings/limits, financial and sector analyses, checking the fulfillment of contract and disbursement conditions, making recommendations for impairment and provisioning.

- *Monitoring Department*
  Monitoring the exposures of clients in the portfolio owned by the Bank, developing and implementing approved action plans for clients with abnormal status.

- ***Strategic Risk Management Directorate***
  The Strategic Risk Management Directorate is responsible for the development and regulation of risk identification and measurement methodologies, the transparent presentation and application of risks, and the overall determination of risk losses.
  - *Risk Control Department*
    Coordinates the risk management activities of the strategic group members within the scope of their Bank-related responsibilities, acts as system administrator for risk management systems, manages market risks, represents risk control aspects in Bank and Group-level projects.

- ***Special Credit Risk Management Directorate***
  During its restructuring, pre-recovery and preparatory activities, the Special Credit Risk Management Directorate is responsible for the pre-work out activities within the Bank, i.e., the design and management of risk mitigation and reimbursement processes and the determination of risk losses (impairment, provisions).

- ***Financial Instruments Control Directorate***
  The Financial Instruments Control Directorate carries out on-the-spot checks on loans refinanced from its own resources or outsourced to ensure compliance with credit targets.
  - *On-site Audit Department*
    Carries out the audits set out in the audit plan, conducts extraordinary and follow-up audits as necessary, on which it prepares an audit report, and monitors the implementation of the actions required in the audit report.
  - *Quality Assurance Methodology Department*
    Development and implementation of mid-term audit strategy and annual audit plan, preparation of internal auditing policies and methodology, and follow-up of audit findings.

- ***EU Compliance and Data Reporting Directorate***
  During its activities, it coordinates the investigations initiated by external inspection bodies in connection with resource management activities. In addition, it performs tasks related to the closure of EU financial instruments and performs reporting and data reporting activities.
  - *Irregularity Management Department*
    It performs tasks related to the unauthorized use of resources in the EU programming periods regarding identification of responsibilities, registration, and reporting. Participates in the investigation of irregularities and unauthorized use of resources.

The most significant risks arising from financial instruments to which the Bank is exposed are credit risk, liquidity risk, market risk (currency exchange rate risk and banking book interest rate risks), climate change-related and environmental risk, operational risk. Risk management policies are set by the Board of Directors of the Bank in accordance with the rules and regulations set by the National Bank of Hungary. The application of and compliance to these policies is supervised by the Board. The Bank has established reporting systems for continuous monitoring of these risks.

A. CREDIT RISK

a) Credit risk management

Credit risk is the risk of financial loss to the Bank that arises from the client failing to meet its contractual obligations. Credit risk arises principally from the Bank's lending and investment activities, including the acquisition of investment certificates.

The Bank prepares and applies internal policies approved by the Board of Directors to achieve its strategy. These policies are intended to ensure the established and transparent risk exposure, the control of assessment and decrease of risks. The risk-taking regulations and policies developed for the safe management and prudent operation of the Bank are based on international and domestic professional practice, relevant legislation and supervisory recommendations and guidelines.

Customer rating

Customer and partner ratings must be performed during the decision-making process for all customers against whom the Bank intends to take risks. Beyond that, the Bank rates its clients at least once per year and performs extra reviews when appropriate.

Main customer rating procedures applied by the Bank are as follows:

- customer qualification of new companies and project companies;
- customer rating of operating companies;
- classification based on consolidated financial statements;
- customer rating of local government;
- simplified customer rating based on quantitative and qualitative criteria;
- Rating of venture capital funds and private equity funds;
- country and customer (national and international financial institutions, insurance companies) rating.

Customers are classified into customer rating categories based on objective and qualitative factors. The Bank uses the so-called slotting method for customer ratings of new companies and project companies, in accordance with the Basel recommendation. The customer rating of operating companies and customers subject to rating based on consolidated financial statements is based on a PD-based rating model. This rating may be modified by a maximum of one category in each direction by qualitative evaluation. The qualitative assessment includes an assessment of the ESG risks of the client. A simplified rating is prepared using an expert model for the rating of customers of exposures below HUF 50 million. Simplified rating procedures are also largely based on objective indicators. The rating of local governments and budgetary institutions is based on the analysis of defined quantitative indicators and qualitative indicators. The Bank uses an expert model to rate venture capital funds and private equity funds.

The applied ratings are the following:

Rating category	PD average (corporate)	Credit quality
1	0.904%	outstanding
2	1.969%	strong
3	3.197%	good
4	5.251%	average
5	8.439%	acceptable
6	11.754%	weak
7	16.409%	insolvent
8	100.000%	default

The default category includes customers against whom the Bank or any of its subsidiaries has a non-performing exposure, i.e., who is more than 90 days per due on their significant payment obligations against whom a legally binding bankruptcy, liquidation, debt settlement, forced liquidation procedure or other procedure aimed at the termination of his activity, or a reorganization or restructuring procedure is in progress, or who is likely not to fulfil his payment obligations in full against the Bank or any of its subsidiaries.

In determining the default category, the Bank considers compliance with Article 178 of the CRR and the relevant MNB regulations. For the application of the criterion in Article 178 (1) (a) of CRR, we apply the Special and Workout monitoring statuses applied by the Bank, which indicate a non-performing category.

Evaluation of collateral

The main types of collaterals accepted by the Bank are as follows:

- surety (surety of State (central budget), surety of guarantee institutions),
- guarantee,
- deposit (cash, security),
- mortgage or pledges on property, plant and equipment,
- pledge on rights, receivables, purchase price claims and equity interests.

The market value of the collateral is adjusted by the coverage ratio. This ratio expresses the probable amount of recovery from the collateral, and this adjusted collateral value is applied in the collateral registry and is considered in the impairment calculation.

The Bank performs quarterly monitoring and – if appropriate – the remeasurement of collaterals. When remeasurement occurred, the collateral registry is adjusted. The value of the collateral is determined by the Bank on the basis of valuations carried out by external independent valuers, which, depending on the type of collateral (e.g. real estate collateral), are reviewed in detail by a technical consultant (a member of staff or, in the absence of a member of staff, a person/organisation acting as a technical expert for the Bank).

Customer and Customer group limits, sector limits

The customer limit is defined as the amount of the highest risk against one customer that can be undertaken. The maximum limit for a customer or customer group is the Bank's large exposures limit. Pursuant to Section 8 (1c) of the MFB Act, the large exposures limit does not apply to companies in the direct majority ownership of MFB as well as to business companies where MFB Zrt excercises ownership rights.

The determination of customer and customer group limits depends on, among other things, the result of customer and partner ratings, the amount of equity or net income according to the closed financial statements of companies and the amount of interest-bearing liabilities. The sectoral limit depends on the financial situation of the sector.

Pursuant to Section 8(1b) of MFB Act, notwithstanding Article 4(1)(39) of Regulation (EU) No 575/2013, MFB Zrt. does not consider as a client group those clients where the relationship is based on a) their owners holding shares in the form of investment units; indirect or direct owners of investment units issued by an investment fund; the fund manager managing an investment fund; their cross-relationships; the investment fund holding shares in them; the investment units owned by them; or b) the loan provided by MFB Zrt. for the purpose of subscribing or purchasing the investment units of the investment fund; and the guarantee or joint and several suretyship provided by MFB Zrt. as collateral for any loan provided for subscribing or purchasing the investment units of the investment fund; or c) they would constitute a single risk factor with regard to the right or obligation related to the assets in the investment fund's portfolio.

The Bank classifies the sectors into eight risk groups by their financial position and determines limits for these groups. The sector group limits are the maximum of risk undertaken against clients classified into a given risk group.

Staging Criteria

Assets where there has been no significant credit risk increase since the initial recognition or are classified as low credit risk assets, are classified in the performing credit risk category – Stage 1.

Those transactions where significant credit risk increases have occurred since the initial recognition are classified into the increased credit risk category – Stage 2 - as far as the criteria for significant credit risk increase are met.

The Bank considers the following cases to be a significant increase in credit risk:

- significant deterioration in customer ratings or falling into category 7, insolvent;
- delays in the amount of the Bank’s or any of its Subsidiaries’ claims against the Customer for more than 30 days, exceeding the absolute or relative thresholds specified for retail and corporate clients;
- delays in payments the Bank’s or any of its Subsidiaries’ receivables from the Customer that exceed 90 days and do not reach the significant credit obligation threshold and
- change in other monitoring information;
- restructuring, if the transaction was performing at the time of the restructuring.

Information to be considered include the Bank's information about the customer, transactions that are observable in the course of the business, but not accessible from a system, however, indicate an increase in credit risk.

Impaired credit risk category – Stage 3 - is used for all transaction for which there is objective evidence of the default. These are the following:

- transactions above the significant credit obligation threshold that are more than 90 days overdue,
- transactions with status “special” or “workout” in the Bank’s "early warning indicator" system,
- transactions for which coercive measures have been taken against the customer (e.g. liquidation, bankruptcy, etc.) and terminated transactions
- the customer has committed fraud in connection with the contract, has seriously breached any of its contractual obligations to the Bank or a third party, a contractual security has been called, the customer has been liquidated.

Credit impaired loans (purchased or incurred) are categorized as POCI and will remain in this category until their maturity or derecognition.

In the Stage 1 category, the Bank quantifies the 12-month expected credit loss, while in Stage 2 and Stage 3 it calculates at lifetime expected credit loss. Credit losses on financial assets equal to the present value of the difference between the contractual cash flows and the cash flows expected by the Bank.

The 12-month expected credit losses are part of the lifetime expected credit losses and indicate the lack of those lifetime cash flow that may occur due to the default of the counterparty within 12 months after the reporting date, or if the expected life of the financial instrument is less than 12 months then a shorter period, weighted with the probability of default (PD).

Expected credit losses are the probability-weighted estimates of credit losses incurred during the expected life of the financial instrument (i.e., the present value of all cash flow deficits). The estimation of expected credit losses always reflects the potential for credit loss to occur or does not occur, even if the most likely result is that no credit loss occurs. The individually assessed estimate of expected credit losses shall reflect an unbiased and probability-weighted amount determined by evaluating a minimum of three (if it is not possible, at least of two) possible outcomes.

When determining the probability of default, the Bank classifies credit institutions with external credit ratings and those credit institutions and financial undertakings that do not have external credit ratings, individual corporate loans, agricultural loans, loans through agents, municipalities and parties into different valuation groups based on partner and customer types. When segmenting the portfolio, the Bank considers the credit risk categories by product type and sector code to determine the value of probability of default (PD), the loss given default (LGD) and the credit conversion factor (CCF), considering also the transactions covered by the State guarantee. During the corporate PD modelling, we modelled the probability of default using the commonly accepted logistic regression method. We identified 7 explanatory variables.

We base the LGD estimate on at least 7 years of historical experience of loss characteristics. The estimates are based on internal data. LGD is calculated using transaction-level data. Only direct costs are taken into account in the LGD calculation. Considering that recoveries and various costs occur with a time lag during the period from the default event to the completion of the collection process, it is necessary to determine discount rates that allow the present value of these cash flows to be calculated at a common point in time. In the case of receivables sold to a member of the MFB Group included in the full consolidation scope, the purchase price received from the buyer of the receivables is filtered out from the recoveries from a consolidated perspective. Within the framework of collateral LGD modeling, the expected recovery from the enforcement of collateral and the exposure remaining unsecured at the time of default are determined based on the collateral coverage level characteristic of each transaction.

For the purposes of determining PD, the Bank treats an exposure as defaulted if one or more of the following conditions are met:

- the debtor has been overdue for more than 90 days exceeding the significant credit obligation threshold for any payment obligation to the Bank or any of its subsidiaries;
- bankruptcy, liquidation, forced liquidation, debt settlement or other proceedings aimed at terminating the debtor's activities, or reorganization or restructuring proceedings are in progress against the debtor, the Bank or any other bank granted a payment concession to the debtor in the light of its financial difficulties that it would not otherwise have made and the debtor was in default at the time of the restructuring;

- the Bank terminated the loan agreement due to the debtor's breach of contract;
- the exposure was purchased by the Bank at a significant discount (at least 20%);
- the full fulfilment of the debtor's payment obligation is unlikely due to the following:
    - the Bank refused to restructure the transaction;
    - the debtor's income has fallen significantly or is below the level required to fulfil his obligations under the contract;
    - the debtor has liquidity problems;
    - the debtor has committed a serious breach of contract against the Bank or another bank;
    - the debtor has committed fraud in connection with the contract;
    - the debtor's claim was sold at a significant discount.

In determining the credit conversion factor (CCF) used to determine the expected loss on off-balance sheet liabilities (guarantees, guarantee frames, unused credit lines), the Bank classifies liabilities into four categories (1. Credit lines/guarantee frames; 2. Non-financial not draw downed guarantees; 3. Financial not draw downed guarantees; 4. Draw downed guarantees).

In 2025, the Bank began building a loss database, which resulted in the renewal of its LGD model. The Bank models direct LGD values: it aggregates recoveries following default events and compares them with the total exposure at the time of default (applying discounting).

During the year, the Bank updated its sovereign PD model, which is based on international credit rating agency’s data. The CCF model complies with the CRR3 regulatory requirements.

Bank does not have a complex statistical EAD model, but uses a simplified procedure adapted to the size of the databases.

During 2025, the Bank reassessed its PIT PD-type, IFRS 9 compliant rating model used for customer rating and impairment calculation and found its model performance to be adequate. In the last quarter, the Bank reviewed its macroeconomic forward-looking models (FLI). With regard to the LGD FLI model, it applies a more prudent value of 1, while with regard to the PD FLI model, it has implemented segmentation in line with the Bank's portfolio.

Incorporation of forward-looking information

The IFRS 9 standard generally expects the calculation of expected credit losses to take into account projections of future economic conditions.

Forward-looking information for customers subject to collective impairment is included by the Bank in the impairment through the LGD and corporate customer PD values assigned to them. These risk parameters are obtained by multiplying the values provided by the LGD and corporate PD model by the macro-correction factor resulting from the macro model.

The Bank applies a forward-looking information correction factor for the "corporate, agricultural and collective" LGD segment, including corporate bonds. The Bank has conservatively decided to apply a multiplier of 1.

For PD parameters, based on historical data, we identified those macroeconomic variables that are relevant to the default rate and thus the PD. These are: the ESA balance (accrual-based budget balance according to the European Union methodology) as a percentage of GDP, gross fixed capital formation, its lagged component and the lagged value of the Bank's default rate. As required, we defined three scenarios based on the estimated future trajectories of these variables: a baseline trajectory, an optimistic trajectory, and a pessimistic trajectory. The model assigns a correction factor to each scenario, and the resulting macro-correction factor is the weighted average of the factors assigned to the three scenarios, using the trajectories and the weighting prescribed by the National Bank of Hungary.

The Bank examines the sensitivity of impairment to changes in scenarios during stress testing. According to the testing on the macro-correction factor relevant credit sub portfolio in case of the pessimistic scenario HUF 1.54 billion additional impairment would be required while in case of the optimistic scenario HUF 2.51 billion impairment would be released compared to the amount settled. The following table contains the details:

Impairment & Provisions stressed values table	EAD subject to FLI	Actual I&P	Optimisic I&P	Pessimistic I&P
Stage 1	1 099 184	12 556	838	513
Stage 2	351 502	25 090	1675	1 024
Total	**1 450 685**	**37 646**	**2 513**	**1 537**

Forborne loans

Except in cases where special rules relating to the payment moratorium are applied, the Bank classifies the debt is classified as restructured, if due to the deterioration of the client's or partner's financial problems or creditworthiness, the risk-taking contract had to be amended by granting a discount to avoid non-payment. The reclassification of a restructured claim to a non-restructured claim is subject to the European Banking Authority's Guide on prudential requirements for defaulted exposure and restructuring.

b) Exposure to credit risk

Gross book value of customer loans and loans to banks at amortized cost broken down into customer rating categories described under the risk management principles are as follows.

	Rating categories	31.12.2025				
		Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
General governments	1 - 2	37 685	0	0	0	37 685
	3 - 6	0	9 778	0	0	9 778
	7 - 8	0	0	0	0	0
Total general governments		**37 685**	**9 778**	**0**	**0**	**47 463**
Other financial corporations	1 - 2	89 488	80 780	0	0	170 268
	3 - 6	145 290	91 430	0	0	236 720
	7 - 8	0	0	6 030	0	6 030
Total other financial corporations		**234 778**	**172 210**	**6 030**	**0**	**413 018**
Non-financial corporations	1 – 2	132 231	197 122	0	0	329 353
	3 – 6	295 500	272 670	0	0	568 170
	7 – 8	0	4 282	38 506	728	43 516
Total non-financial corporations		**427 731**	**474 074**	**38 506**	**728**	**941 040**
Households*	1 - 2	69	0	0	0	69
	3 - 6	78 438	9 324	0	0	87 762
	7 – 8	0	330	104	0	434
Total households		**78 507**	**9 654**	**104**	**0**	**88 265**
Total customer loans		**778 701**	**665 716**	**44 640**	**728**	**1 489 785**
Impairment		(6 951)	(48 576)	(36 306)	(174)	**(92 007)**
Maximum credit exposure		**771 750**	**617 140**	**8 334**	**554**	**1 397 778**

**: In case of family agricultural loans managed by intermediaries the Bank applies simplified staging rules which basically based on days past due and differ from the rules applicable to transactions directly managed by the Bank. The main reasons of this are the nature of this sub-portfolio and the limited information available for the intermediaries.*

	Rating categories	31.12.2025			
		Stage 1	**Stage 2**	**Stage 3**	**Total**
Banks	1 - 2	175 040	0	0	175 040
Total loans to banks		**175 040**	**0**	**0**	**175 040**
Impairment		(8)	0	0	(8)
Maximum credit exposure		**175 032**	**0**	**0**	**175 032**
Deposits at central and other banks	1 - 2	13 535	0	0	13 535
Total deposits at central and other banks		**13 535**	**0**	**0**	**13 535**
Impairment		(1)	0	0	(1)
Maximum credit exposure		**13 534**	**0**	**0**	**13 534**

	Rating categories	31.12.2024 Stage 1	Stage 2	Stage 3	POCI	Total
General governments	1 - 2	43 343	0	0	0	43 343
	3 - 6	11 862	0	0	0	11 862
	7 - 8	0	0	0	0	0
Total general governments		**55 205**	**0**	**0**	**0**	**55 205**
Other financial corporations	1 - 2	86 670	3 329	0	0	89 999
	3 - 6	126 647	149 487	0	0	276 134
	7 - 8	0	0	6 528	0	6 528
Total other financial corporations		**213 317**	**152 816**	**6 528**	**0**	**372 661**
Non-financial corporations	1 – 2	84 139	3 339	112	0	87 590
	3 – 6	434 646	419 690	0	0	854 336
	7 – 8	0	4 188	31 343	576	36 107
Total non-financial corporations		**518 785**	**427 217**	**31 455**	**576**	**978 033**
Households*	1 - 2	100	0	0	0	100
	3 - 6	79 435	6 174	96	0	85 705
	7 – 8	0	8 226	129	0	8 355
Total households		**79 535**	**14 400**	**225**	**0**	**94 160**
Total customer loans		**866 842**	**594 433**	**38 208**	**576**	**1 500 059**
Impairment		(3 434)	(49 480)	(30 319)	(131)	**(83 364)**
Maximum credit exposure		**863 408**	**544 953**	**7 889**	**445**	**1 416 695**

**: In case of family agricultural loans managed by intermediaries the Bank applies simplified staging rules which basically based on days past due and differ from the rules applicable to transactions directly managed by the Bank. The main reasons of this are the nature of this sub-portfolio and the limited information available for the intermediaries.*

	Rating categories	31.12.2024 Stage 1	Stage 2	Stage 3	Total
Banks	1 - 2	183 637	0	0	183 637
Total loans to banks		**183 637**	**0**	**0**	**183 637**
Impairment		(8)	0	0	(8)
Maximum credit exposure		**183 629**	**0**	**0**	**183 629**
Deposits at central and other banks	1 - 2	20 029	0	0	20 029
Total deposits at central and other banks		**20 029**	**0**	**0**	**20 029**
Impairment		(1)	0	0	(1)
Maximum credit exposure		**20 028**	**0**	**0**	**20 028**

Undrawn loan commitments and guarantees broken down into customer rating categories described under the risk management principles are as follows.

	Rating categories	31.12.2025			
		Stage 1	**Stage 2**	**Stage 3**	**Total**
Loan commitments	1 - 2	24 070	0	0	24 070
	3 – 6	388 044	33 342	0	421 386
	7 - 8	0	0	377	377
Total loan commitments		**412 114**	**33 342**	**377**	**445 833**
Capital commitments	1 - 2	284 187	0	0	284 187
Capital commitments		**284 187**	**0**	**0**	**284 187**
Guarantees	1 - 2	731 699	175 067	0	906 766
	3 - 6	188 775	48 120	0	236 895
	7 – 8	0	2 400	208	2 608
Total guarantees		**920 474**	**225 587**	**208**	**1 146 269**
Guarantees, capital and loan commitments total		**1 616 775**	**258 929**	**585**	**1 876 289**

	Rating categories	31.12.2024			
		Stage 1	**Stage 2**	**Stage 3**	**Total**
Loan commitments	1 - 2	12 921	48	0	12 970
	3 – 6	107 433	119 286	0	226 719
	7 - 8	0	0	0	0
Total loan commitments		**120 355**	**119 334**	**0**	**239 689**
Capital commitments	1 - 2	338 983	0	0	338 983
Capital commitments		**338 983**	**0**	**0**	**338 983**
Guarantees	1 - 2	440 428	25 686	0	466 114
	3 - 6	528 704	116 823	0	645 527
	7 – 8	0	200	0	200
Total guarantees		**969 132**	**142 709**	**0**	**1 111 841**
Guarantees, capital and loan commitments total		**1 428 470**	**262 043**	**0**	**1 690 513**

The table below represents the gross carrying amount transfers between impairment categories for customer loans valued at amortised cost and for undrawn loan commitments and guarantees. The movements represent every change during the year. See the impairment and provision transfers between impairment categories in Note 29.

		Opening balance on 1st January 2025	New loans	Sale	Net movements without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2025
Customer loans		**866 842**	**108 544**	**0**	**(141 428)**	**(129 066)**	**(5)**	**73 814**		**778 701**
General government		**55 205**	0	0	(6 698)	(10 822)	0	0		**37 685**
Other financial corporations		**213 317**	70 150	0	(36 779)	(23 182)	0	11 272		**234 778**
Other non-financial corporations	**Stage 1**	**518 785**	38 298	0	(92 867)	(94 435)	0	57 950		**427 731**
Households		**79 535**	96	0	(5 084)	(627)	(5)	4 592		**78 507**
Loans to banks		**183 637**	**0**	**0**	**(8 597)**	**0**	**0**	**0**		**175 040**
Refinancing loans		**0**	0	0	0	0	0	0		**0**
Other loans		**183 637**	0	0	(8 597)	0	0	0		**175 040**
Customer loans		**594 433**	**27 308**	**0**	**(2 134)**	**129 066**	**(10 598)**	**(73 815)**	**1 455**	**665 716**
General government		**0**	0	0	(1 044)	10 822	0	0	0	**9 778**
Other financial corporations		**152 816**	23 789	0	(16 305)	23 182	0	(11 272)	0	**172 210**
Other non-financial corporations	**Stage 2**	**427 217**	3 519	0	16 102	94 435	(10 214)	(57 950)	965	**474 074**
Households		**14 400**	0	0	(887)	627	(384)	(4 592)	490	**9 654**
Loans to banks		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans		**0**	0	0	0	0	0	0	0	**0**
Other loans		**0**	0	0	0	0	0	0	0	**0**

		Opening balance on 1st January 2025	New loans	Sale	Net movements without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balanceon 31st December 2025
Customer loans	Stage 3	**38 208**	**4 584**	**(909)**	**(6 391)**		**10 603**	**0**	**(1 455)**	**44 640**
General government	Stage 3	**0**	0	0	0		0	0	0	**0**
Other financial corporations	Stage 3	**6 528**	0	0	(498)		0	0	0	**6 030**
Other non-financial corporations	Stage 3	**31 455**	4 584	(909)	(5 873)		10 214	0	(965)	**38 506**
Households	Stage 3	**225**	0	0	(20)		389	0	(490)	**104**
Loans to banks	Stage 3	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**
Refinancing loans	Stage 3	**0**	0	0	0		0	0	0	**0**
Other loans	Stage 3	**0**	0	0	0		0	0	0	**0**
Customer loans	POCI	**576**	**151**	**0**	**1**					**728**
General government	POCI	**0**	0	0	0					**0**
Other financial corporations	POCI	**0**	0	0	0					**0**
Other non-financial corporations	POCI	**576**	151	0	1					**728**
Households	POCI	**0**	0	0	0					**0**
Customer loans	Total	**1 500 059**	**140 587**	**(909)**	**(149 952)**	**0**	**0**	**0**	**0**	**1 489 785**
General government	Total	**55 205**	0	0	(7 742)	0	0	0	0	**47 463**
Other financial corporations	Total	**372 661**	93 939	0	(53 582)	0	0	0	0	**413 018**
Other non-financial corporations	Total	**978 033**	46 552	(909)	(82 637)	0	0	0	0	**941 039**
Households	Total	**94 160**	96	0	(5 991)	0	0	0	0	**88 265**
Loans to banks	Total	**183 637**	**0**	**0**	**(8 597)**	**0**	**0**	**0**	**0**	**175 040**
Refinancing loans	Total	**0**	0	0	0	0	0	0	0	**0**
Other loans	Total	**183 637**	0	0	(8 597)	0	0	0	0	**175 040**

	Opening balance on 1st January 2025	New commitments	Drawn/ matured commitments	Net movements without stage transfer	From stage 1 to stage 2. or 3	From stage 2 or 3 to stage 1	From stage 2 to stage 3	Closing balance on 31st December 2025
Stage 1	**1 428 470**	**494 058**	**(178 991)**	**(76 022)**	**(96 382)**	**45 641**		**1 616 775**
Loan commitments	**120 355**	291 775	(12 054)	12 042	(32 680)	32 676		**412 114**
Capital commitments	**338 983**	83 938	(77 300)	(61 435)	0	0		**284 187**
Guarantees	**969 132**	118 345	(89 637)	(26 629)	(63 702)	12 965		**920 474**
Stage 2	**262 043**	**31 765**	**(43 492)**	**(41 288)**	**96 382**	**(45 641)**	**(840)**	**258 929**
Loan commitments	**119 334**	6 706	(1 960)	(90 412)	32 680	(32 676)	(330)	**33 342**
Guarantees	**142 709**	25 059	(41 532)	49 124	63 702	(12 965)	(510)	**225 587**
Stage 3	**0**	**56**	**0**	**(311)**	**0**	**0**	**840**	**585**
Loan commitments	**0**	56	0	(9)	0	0	330	**377**
Guarantees	**0**	0	0	(302)	0	0	510	**208**
Total	**1 690 513**	**525 879**	**(222 483)**	**(117 621)**	**0**	**0**	**0**	**1 876 289**
Loan commitments	**239 689**	**298 537**	**(14 014)**	**(78 379)**	**0**	**0**	**0**	**445 833**
Capital commitments	**338 983**	**83 938**	**(77 300)**	**(61 435)**	**0**	**0**	**0**	**284 187**
Guarantees	**1 111 841**	**143 404**	**(131 169)**	**22 193**	**0**	**0**	**0**	**1 146 269**

		Opening balance on 1st January 2024	New loans	Sale	Net movements without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balance on 31st December 2024
Customer loans		**776 318**	**212 887**	**0**	**(103 819)**	**(23 282)**	**0**	**4 738**		**866 842**
General government		**64 210**	0	0	(9 005)	0	0	0		**55 205**
Other financial corporations		**210 458**	45 235	0	(36 529)	(6 021)	0	174		**213 317**
Other non-financial corporations	**Stage 1**	**445 842**	140 501	0	(53 911)	(16 571)	0	2 924		**518 785**
Households		**55 808**	27 151	0	(4 374)	(690)	0	1 640		**79 535**
Loans to banks		**78 293**	**138 465**	**0**	**(33 121)**	**0**	**0**	**0**		**183 637**
Refinancing loans		**0**	0	0	0	0	0	0		**0**
Other loans		**78 293**	138 465	0	(33 121)	0	0	0		**183 637**
Customer loans		**468 095**	**44 122**	**0**	**52 415**	**23 282**	**(11 904)**	**(4 738)**	**23 162**	**594 433**
General government		**0**	0	0	0	0	0	0	0	**0**
Other financial corporations		**111 198**	34 517	0	1 255	6 021	0	(174)	0	**152 816**
Other non-financial corporations	**Stage 2**	**340 329**	9 605	0	52 046	16 571	(3 383)	(2 924)	14 972	**427 217**
Households		**16 568**	0	0	(886)	690	(8 521)	(1 640)	8 190	**14 400**
Loans to banks		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans		**0**	0	0	0	0	0	0	0	**0**
Other loans		**0**	0	0	0	0	0	0	0	**0**

		Opening balance on 1st January 2024	New loans	Sale	Net movements without stage transfer	From stage 1 to stage 2	From stage 1 or 2 to stage 3	From stage 2 or 3 to stage 1	From stage 3 to stage 2	Closing balanceon 31st December 2024
Customer loans	Stage 3	**61 844**	**854**	**(14 513)**	**1 280**		**11 904**	**0**	**(23 162)**	**38 208**
General government	Stage 3	**0**	0	0	0		0	0	0	**0**
Other financial corporations	Stage 3	**22 114**	0	(14 480)	(1 106)		0	0	0	**6 528**
Other non-financial corporations	Stage 3	**39 508**	854	(33)	2 716		3 383	0	(14 972)	**31 455**
Households	Stage 3	**222**	0	0	(329)		8 521	0	(8 190)	**225**
Loans to banks	Stage 3	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**
Refinancing loans	Stage 3	**0**	0	0	0		0	0	0	**0**
Other loans	Stage 3	**0**	0	0	0		0	0	0	**0**
Customer loans	POCI	**420**	**0**	**0**	**156**					**576**
General government	POCI	**0**	0	0	0					**0**
Other financial corporations	POCI	**0**	0	0	0					**0**
Other non-financial corporations	POCI	**420**	0	0	156					**576**
Households	POCI	**0**	0	0	0					**0**
Customer loans	Total	**1 306 677**	**257 863**	**(14 513)**	**(49 968)**	**0**	**0**	**0**	**0**	**1 500 059**
General government	Total	**64 210**	0	0	(9 005)	0	0	0	0	**55 205**
Other financial corporations	Total	**343 770**	79 751	(14 480)	(36 380)	0	0	0	0	**372 661**
Other non-financial corporations	Total	**826 099**	150 960	(33)	1 007	0	0	0	0	**978 033**
Households	Total	**72 599**	27 151	0	(5 590)	0	0	0	0	**94 160**
Loans to banks	Total	**78 293**	**138 465**	**0**	**(33 121)**	**0**	**0**	**0**	**0**	**183 637**
Refinancing loans	Total	**0**	0	0	0	0	0	0	0	**0**
Other loans	Total	**78 293**	138 465	0	(33 121)	0	0	0	0	**183 637**

	Opening balance on 1st January 2024	New commitments	Drawn/ matured commitments	Net movements without stage transfer	From stage 1 to stage 2. or 3	From stage 2 or 3 to stage 1	From stage 2 to stage 3	Closing balance on 31st December 2024
Stage 1	**1 344 921**	**436 849**	**(90 620)**	**(251 921)**	**(24 519)**	**13 760**		**1 428 470**
Loan commitments	**211 474**	90 555	(22 895)	(152 333)	(6 446)	0		**120 355**
Capital commitments	**351 816**	90 000	(43 500)	(59 333)	0	0		**338 983**
Guarantees	**781 631**	256 294	(24 225)	(40 256)	(18 073)	13 760		**969 132**
Stage 2	**207 332**	**46 012**	**(25 441)**	**23 381**	**24 519**	**(13 760)**	**0**	**262 043**
Loan commitments	**128 730**	42 098	(17 561)	(40 378)	6 446	0	0	**119 334**
Guarantees	**78 602**	3 914	(7 879)	63 759	18 073	(13 760)	0	**142 709**
Stage 3	**185**	**0**	**0**	**(185)**	**0**	**0**	**0**	**0**
Loan commitments	**185**	0	0	(185)	0	0	0	**0**
Guarantees	**0**	0	0	0	0	0	0	**0**
Total	**1 552 438**	**482 861**	**(116 061)**	**(228 725)**	**0**	**0**	**0**	**1 690 513**
Loan commitments	**340 389**	**132 653**	**(40 457)**	**(192 896)**	**0**	**0**	**0**	**239 689**
Capital commitments	**351 816**	**90 000**	**(43 500)**	**(59 333)**	**0**	**0**	**0**	**338 983**
Guarantees	**860 233**	**260 208**	**(32 104)**	**23 503**	**0**	**0**	**0**	**1 111 841**

Customer loans and loans to banks at fair value through profit and loss broken down into customer rating categories described under the risk management principles are as follows.

	customer rating categories	31.12.2025			
		Stage 1	**Stage 2**	**Stage 3**	**Total**
General government	1 - 2	0	0	0	0
	3 - 6	301	0	0	301
	7 - 8	0	0	0	0
Total general government		**301**	**0**	**0**	**301**
Other financial corporation	1 – 2	0	0	0	0
	3 - 6	380	0	0	380
	7 – 8	0	0	0	0
Total other financial corporations		**380**	**0**	**0**	**380**
Other non-financial corporation	1 – 2	168	0	0	168
	3 – 6	0	58	0	58
	7 – 8	0	0	0	0
Total other non-financial corporations		**168**	**58**	**0**	**226**
Household	1 - 2	0	0	0	0
	3 - 6	0	0	0	0
	7 – 8	0	51	0	51
Total household		**0**	**51**	**0**	**51**
Total customer loans		**849**	**109**	**0**	**958**
Loans to banks	1 – 2	22 621	0	0	22 621
	3 – 6	0	0	0	0
	7 – 8	0	0	0	0
Total loans to banks		**22 621**	**0**	**0**	**22 621**

	customer rating categories	31.12.2024			
		Stage 1	**Stage 2**	**Stage 3**	**Total**
General government	1 - 2	0	0	0	0
	3 - 6	362	0	0	362
	7 - 8	0	0	0	0
Total general government		**362**	**0**	**0**	**362**
Other financial corporation	1 – 2	142	170	0	312
	3 - 6	122	161	0	283
	7 – 8	0	0	0	0
Total other financial corporations		**264**	**331**	**0**	**595**
Other non-financial corporation	1 – 2	0	0	0	0
	3 – 6	271	17	0	288
	7 – 8	0	89	0	89
Total other non-financial corporations		**271**	**106**	**0**	**376**
Household	1 - 2	0	0	0	0
	3 - 6	0	0	0	0
	7 – 8	0	70	1	71
Total household		**0**	**70**	**1**	**71**
Total customer loans		**897**	**507**	**1**	**1 404**
Loans to banks	1 – 2	27 430	360	0	27 790
	3 – 6	4	0	0	4
	7 – 8	0	0	0	0
Total loans to banks		**27 434**	**360**	**0**	**27 794**

The table below represents debt securities by external rating categories

	31.12.2025			31.12.2024		
	Bank rating	***Moody's rating***	**Amount**	***Bank rating***	***Moody's rating***	**Amount**
Amortized cost debt securities			**530 319**			**435 366**
Hungarian government bonds		*Baa2*	19 248		*Baa2*	30 411
Mortgage bonds		-	13 504		-	7 483
Corporate bonds*			497 567			397 472
	AT1		*994*	*AT1*		*984*
	AT2		*76 121*			
	AT3		*333 224*	*AT3*		*392 362*
	AT4		*67 617*	*AT4*		*3 600*
	AT5		*1 529*	*AT5*		*526*
	AT6		*17 899*			
	AT8		*183*			
FVOCI debt securities			**21 855**			**27 365**
Government bonds		*Baa2*	12 892		*Baa2*	17 769
Bank bonds		*Baa2*	8 963		*Baa2*	9 596
FVTPL debt securities**			**741 613**			**748 246**
Crisis and tourism equity programs			446 161			500 116
Baross Gábor equity programs			165 426			170 103
Other venture capital notes			130 026			78 027

**: International rating is not available for these corporate bonds.*
*** FVTPL debt securities have no international rating, their risk assessment is based on the investment policy and the performance of the target companies.*

Exposure to credit risk and collaterals

The general creditworthiness of a corporate customer tends to be the most relevant indicator of credit quality of a loan, however collateral provides additional security and the Bank request that corporate borrowers provide it. The Bank may take collateral in form of a first rank mortgage over real estate, pledges on all corporate assets and other liens and guarantees (mostly state guarantees) as detailed in the next subsection.

The purpose of the table is to present a comparison between the net carrying amount of the customer loans and loans to bank at amortized cost and the corresponding collateral amounts to show the coverage. The fair value of the collaterals is limited by the net carrying amount of the loans and commitments.

	Under collateralized		Full or over collateralized		Uncollateralized	Total 31 December 2025	
LOANS AT AMORTIZED COST	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**	**fair value of collateral**
Customer loans	**582 566**	**283 733**	**204 412**	**204 412**	**610 800**	**1 397 778**	**488 145**
General government	37 235	22 490	9 602	9 602	0	46 837	32 092
Other financial corporations	233 565	116 240	228	228	167 595	401 388	116 468
Other non-financial corporations	311 766	145 003	148 555	148 555	401 694	862 015	293 558
Households	0	0	46 027	46 027	41 511	87 538	46 027
Loans to banks	**135 069**	**134 890**	**0**	**0**	**39 963**	**175 032**	**134 890**
Refinancing loans	0	0	0	0	0	0	0
Other loans	135 069	134 890	0	0	39 963	175 032	134 890
Total	**717 635**	**418 623**	**204 412**	**204 412**	**650 763**	**1 572 810**	**623 035**

	Under collateralized		Full or over collateralized		Uncollateralized	Total 31 December 2024	
LOANS AT AMORTIZED COST	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**	**fair value of collateral**
Customer loans	**606 435**	**309 264**	**189 263**	**189 263**	**620 997**	**1 416 695**	**498 527**
General government	54 928	36 503	125	125	0	55 053	36 628
Other financial corporations	204 256	93 298	353	353	156 147	360 756	93 651
Other non-financial corporations	347 251	179 463	136 793	136 793	422 951	906 995	316 256
Households	0	0	51 992	51 992	41 899	93 891	51 992
Loans to banks	**143 694**	**143 532**	**0**	**0**	**39 935**	**183 629**	**143 532**
Refinancing loans	0	0	0	0	0	0	0
Other loans	143 694	143 532	0	0	39 935	183 629	143 532
Total	**750 129**	**452 796**	**189 263**	**189 263**	**660 932**	**1 600 324**	**642 059**

The following table includes the reconciliation of the collateral value and the net carrying value for credit impaired (stage 3 and POCI) loans only. The fair value of the collaterals is limited by the net carrying amount of the loans.

	Under collateralized		Full or over collateralized		Uncollateralized	Total 31 December 2025	
LOANS AT AMORTIZED COST	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**	**fair value of collateral**
Customer loans	**4 236**	**3 899**	**4 341**	**4 341**	**311**	**8 888**	**8 240**
General government	0	0	0	0	0	0	0
Other financial corporations	70	31	17	17	0	87	48
Other non-financial corporations	4 166	3 868	4 238	4 238	307	8 711	8 106
Households	0	0	86	86	4	90	86
Loans to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	0	0	0	0	0	0	0
Other loans	0	0	0	0	0	0	0
Total	**4 236**	**3 899**	**4 341**	**4 341**	**311**	**8 888**	**8 240**

	Under collateralized		Full or over collateralized		Uncollateralized	Total 31 December 2024	
LOANS AT AMORTIZED COST	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**	**fair value of collateral**
Customer loans	**3 697**	**1 896**	**4 139**	**4 139**	**498**	**8 334**	**6 035**
General government	0	0	0	0	0	0	0
Other financial corporations	144	92	0	0	425	569	92
Other non-financial corporations	3 553	1 804	3 923	3 923	70	7 546	5 727
Households	0	0	216	216	3	219	216
Loans to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	0	0	0	0	0	0	0
Other loans	0	0	0	0	0	0	0
Total	**3 697**	**1 896**	**4 139**	**4 139**	**498**	**8 334**	**6 035**

The following table includes the carrying amount of the customer loans and loans to banks mandatorily at fair value through profit and loss and the corresponding collateral amounts. The fair value of the collaterals is limited by the net carrying amount of the loans.

LOANS AT FAIR VALUE	Under collateralized		Full or over collateralized		Uncollateralized	Total 31 December 2025	
	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans	fair value of collateral
Loans and advances to banks	**0**	**0**	**0**	**0**	**22 621**	**22 621**	**0**
Municipality loan program	0	0	0	0	17 554	17 554	0
Business development loan program	0	0	0	0	1 075	1 075	0
Agricultural development loan program	0	0	0	0	3 972	3 972	0
Retail loan program	0	0	0	0	20	20	0
Customer loans	**380**	**18**	**578**	**578**	**0**	**958**	**596**
General governments	0	0	301	301	0	301	301
Other financial corporations	380	18	0	0	0	380	18
Other non-financial corporations	0	0	226	226	0	226	226
Households	0	0	51	51	0	51	51
Total	**380**	**18**	**578**	**578**	**22 621**	**23 579**	**596**

LOANS AT FAIR VALUE	Under collateralized		Full or over collateralized		Uncollateralized	Total 31 December 2024	
	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans	fair value of collateral
Loans and advances to banks	**0**	**0**	**0**	**0**	**27 794**	**27 794**	**0**
Municipality loan program	0	0	0	0	19 286	19 286	0
Business development loan program	0	0	0	0	1 679	1 679	0
Agricultural development loan program	0	0	0	0	6 790	6 790	0
Retail loan program	0	0	0	0	39	39	0
Customer loans	**595**	**25**	**809**	**809**	**0**	**1 404**	**834**
General governments	0	0	362	362	0	362	362
Other financial corporations	595	25	0	0	0	595	25
Other non-financial corporations	0	0	376	376	0	376	376
Households	0	0	71	71	0	71	71
Total	**595**	**25**	**809**	**809**	**27 794**	**29 198**	**834**

Exposure to credit risk and collaterals – off balance sheet items

	Under collateralized		Full or over collateralized		Uncollateralized	Total 31 December 2025	
	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	carrying value of commitments	fair value of collateral
Loan commitments and guarantees	1 151 690	750 807	296	296	**698 825**	**1 850 811**	**751 103**
Loan commitments	62 935	37 076	296	296	378 217	441 448	37 372
Capital commitments	0	0	0	0	283 246	283 246	0
Guarantees	1 088 755	713 731	0	0	37 362	1 126 117	713 731

	Under collateralized		Full or over collateralized		Uncollateralized	Total 31 December 2024	
	carrying value of commitments	fair value of collateral	carrying value of commitments	fair value of collateral	carrying value of commitments	carrying value of commitments	fair value of collateral
Loan commitments and guarantees	**1 091 908**	**701 076**	**16 106**	**16 106**	**569 500**	**1 677 514**	**717 182**
Loan commitments	41 942	13 476	3 702	3 702	186 094	231 738	17 178
Capital commitments	0	0	0	0	338 837	338 837	0
Guarantees	1 049 966	687 600	12 404	12 404	44 569	1 106 939	700 004

c) Collateral and other security enhancements

An estimate of the fair value of collateral and other security enhancements (up to the net carrying amount of receivables) is shown in the table below.

	31 December 2025											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT AMORIZED COST	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**
Customer loans	**141 160**	**124 840**	**186 363**	**159 735**	**322 249**	**168 776**	**137 205**	**34 794**	**786 977**	**488 145**	**610 801**	**1 397 778**
General government	9 490	9 490	112	112	37 235	22 490	0	0	**46 837**	**32 092**	**0**	46 837
Other financial corporations	42 700	41 505	10 647	10 647	158 843	57 239	21 603	7 077	**233 793**	**116 468**	**167 595**	401 388
Other non-financial corporations	88 970	73 845	172 881	146 253	82 867	45 743	115 602	27 717	**460 320**	**293 558**	**401 695**	862 015
Households	0	0	2 723	2 723	43 304	43 304	0	0	**46 027**	**46 027**	**41 511**	87 538
Loans to banks	**135 069**	**134 890**	**0**	**0**	**0**	**0**	**0**	**0**	**135 069**	**134 890**	**39 963**	**175 032**
Refinancing loans	0	0	0	0	0	0	0	0	**0**	**0**	**0**	0
Other loans	135 069	134 890	0	0	0	0	0	0	**135 069**	**134 890**	**39 963**	175 032

Other category mostly includes suretyship (HUF 7 871 million) and cash deposits (HUF 5 610 million), and it also includes other collaterals (HUF 21 313 million).

	31 December 2024											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT AMORIZED COST	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**
Customer loans	**155 115**	**138 016**	**182 908**	**143 887**	**324 714**	**184 947**	**132 961**	**31 677**	**795 698**	**498 527**	**620 997**	**1 416 695**
General government	11 715	11 713	125	125	43 213	24 790	0	0	**55 053**	**36 628**	**0**	55 053
Other financial corporations	42 313	41 931	10 882	1 385	137 774	45 196	13 641	5 139	**204 610**	**93 651**	**156 146**	360 756
Other non-financial corporations	101 087	84 372	169 000	139 476	94 636	65 870	119 320	26 538	**484 043**	**316 256**	**422 952**	906 995
Households	0	0	2 901	2 901	49 091	49 091	0	0	**51 992**	**51 992**	**41 899**	93 891
Loans to banks	**143 694**	**143 532**	**0**	**0**	**0**	**0**	**0**	**0**	**143 694**	**143 532**	**39 935**	**183 629**
Refinancing loans	0	0	0	0	0	0	0	0	**0**	**0**	**0**	0
Other loans	143 694	143 532	0	0	0	0	0	0	**143 694**	**143 532**	**39 935**	183 629

Other category mostly includes suretyship (HUF 7 620 million) and cash deposits (HUF 5 650 million), and it also includes other collaterals (HUF 18 407 million).

The following table includes an estimate of the fair value of collateral and other security enhancements (up to the amount of receivables) for credit impaired (stage 3 and POCI) loans only.

	31 December 2025											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT AMORIZED COST	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans
Customer loans	**534**	**529**	**5 840**	**5 678**	**2 190**	**2 020**	**13**	**13**	**8 577**	**8 240**	**311**	**8 888**
General government	0	0	0	0	0	0	0	0	**0**	**0**	**0**	0
Other financial corporations	0	0	0	0	87	48	0	0	**87**	**48**	**0**	87
Other non-financial corporations	534	529	5 840	5 678	2 017	1 886	13	13	**8 404**	**8 106**	**307**	8 711
Households	0	0	0	0	86	86	0	0	**86**	**86**	**4**	90
Loans to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	0	0	0	0	0	0	0	0	**0**	**0**	**0**	0
Other loans	0	0	0	0	0	0	0	0	**0**	**0**	**0**	0

	31 December 2024											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT AMORIZED COST	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	fair value of collateral	carrying value of loans	carrying value of loans
Customer loans	**161**	**161**	**5 505**	**4 521**	**2 039**	**1 234**	**131**	**119**	**7 836**	**6 035**	**498**	**8 334**
General government	0	0	0	0	0	0	0	0	**0**	**0**	**0**	0
Other financial corporations	0	0	0	0	112	72	32	20	**144**	**92**	**425**	569
Other non-financial corporations	161	161	5 505	4 521	1 711	946	99	99	**7 476**	**5 727**	**70**	7 546
Households	0	0	0	0	216	216	0	0	**216**	**216**	**3**	219
Loans to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Refinancing loans	0	0	0	0	0	0	0	0	**0**	**0**	**0**	0
Other loans	0	0	0	0	0	0	0	0	**0**	**0**	**0**	0

The following table includes the carrying amount of the customer loans and loans to bank mandatorily at fair value through profit and loss and an estimate of the fair value of collateral and other security enhancements (up to the amount of receivables).

	31 December 2025											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT FAIR VALUE	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**
Loans and advances to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**22 621**	**22 621**
Municipality loan program	0	0	0	0	0	0	0	0	**0**	**0**	**17 554**	17 554
Business development loan program	0	0	0	0	0	0	0	0	**0**	**0**	**1 075**	1 075
Agricultural development loan program	0	0	0	0	0	0	0	0	**0**	**0**	**3 972**	3 972
Retail loan program	0	0	0	0	0	0	0	0	**0**	**0**	**20**	20
Customer loans	**36**	**36**	**521**	**521**	**0**	**0**	**401**	**39**	**958**	**596**	**0**	**958**
General governments	0	0	301	301	0	0	0	0	**301**	**301**	**0**	301
Other financial corporations	0	0	0	0	0	0	380	18	**380**	**18**	**0**	380
Other non-financial corporations	35	35	170	170	0	0	21	21	**226**	**226**	**0**	226
Households	1	1	50	50	0	0	0	0	**51**	**51**	**0**	51

	31 December 2024											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
LOANS AT FAIR VALUE	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**fair value of collateral**	**carrying value of loans**	**carrying value of loans**
Loans and advances to banks	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**27 794**	**27 794**
Municipality loan program	0	0	0	0	0	0	0	0	**0**	**0**	**19 286**	19 286
Business development loan program	0	0	0	0	0	0	0	0	**0**	**0**	**1 679**	1 679
Agricultural development loan program	0	0	0	0	0	0	0	0	**0**	**0**	**6 790**	6 790
Retail loan program	0	0	0	0	0	0	0	0	**0**	**0**	**39**	39
Customer loans	**45**	**45**	**684**	**684**	**0**	**0**	**675**	**105**	**1 404**	**834**	**0**	**1 404**
General governments	0	0	362	362	0	0	0	0	**362**	**362**	**0**	362
Other financial corporations	0	0	0	0	0	0	595	25	**595**	**25**	**0**	595
Other non-financial corporations	44	44	257	257	0	0	75	75	**376**	**376**	**0**	376
Households	1	1	65	65	0	0	5	5	**71**	**71**	**0**	71

Collateral and other security enhancements to credit risk and collaterals –off-balance sheet items

	31 December 2025											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
	carrying value of commit-ments	fair value of collateral	carrying value of commit-ments	fair value of collateral	carrying value of commit-menst	fair value of collateral	carrying value of commit-ments	fair value of collateral	carrying value of commit-ments	fair value of collateral	carrying value of commit-ments	carrying value of commitments
Loan commitments and guarantees	**708 293**	**634 162**	**28 041**	**8 282**	**194 336**	**76 465**	**221 316**	**32 193**	**1 151 986**	**751 102**	**698 825**	**1 850 811**
Loan commitments	41 287	32 307	11 768	1 619	8 047	3 173	2 128	272	**63 230**	**37 371**	**378 218**	441 448
Capital commitments	0	0	0	0	0	0	0	0	**0**	**0**	**283 246**	283 246
Guarantees	667 006	601 855	16 273	6 663	186 289	73 292	219 188	31 921	**1 088 756**	**713 731**	**37 361**	1 126 117

	31 December 2024											
	State guarantee		Property		Other mortgage		Other		Total collateral		Uncollaterialised	Total
	carrying value of commit-ments	fair value of collateral	carrying value of commit-ments	fair value of collateral	carrying value of commit-menst	fair value of collateral	carrying value of commit-ments	fair value of collateral	carrying value of commit-ments	fair value of collateral	carrying value of commit-ments	carrying value of commitments
Loan commitments and guarantees	**679 972**	**612 690**	**14 810**	**6 767**	**146 223**	**46 886**	**267 009**	**50 838**	**1 108 014**	**717 181**	**569 500**	**1 677 514**
Loan commitments	0	0	2 696	2 511	21 866	5 157	21 082	9 509	**45 644**	**17 177**	**186 094**	**231 738**
Capital commitments	0	0	0	0	0	0	0	0	**0**	**0**	**338 837**	**338 837**
Guarantees	679 972	612 690	12 114	4 256	124 357	41 729	245 927	41 329	**1 062 370**	**700 004**	**44 569**	**1 106 939**

The Central Budget determined a state guarantee frame for the Bank's asset side credit exposures (guarantee provided to the Bank) and also for liability side obligations (guarantee provided for the Bank). The amount of guarantee frame, its allocation (representing the amount allocated either to loan programs or individual loans, that takes into account the maximum coverage ratio specified in each loan programs) and the actual utilization related to the loan balances disbursed under the state guarantee frame were the following.

	31.12.2025	31.12.2024
Asset side state guarantee frame	**2 000 000**	**1 700 000**
Allocated gurantee frame to the extent of the coverage ratio	1 663 493	1 199 579
from this actual utilization at year end	*702 281*	*730 965*
Liability side guarantee frame	**5 000 000**	**4 300 000**
Utilization	3 661 615	2 797 855

d) Restructured loans

The Bank classifies a loan as restructured if it makes a discount or modification due to the current or expected financial difficulties of the borrower, which it would not have done if the borrower were solvent. In addition, the Bank individually reviewed the solvency of borrowers who entered the payment moratorium and decided on the reclassification of the transactions as restructured and their stage classification. The Bank did not consider the fact of involvement with the moratorium as an event that automatically triggers restructuring.

	Gross amount	Impairment	Net amount
1 January 2024	**142 570**	**(31 766)**	**110 804**
New restructured transactions	4 706	(760)	3 946
Changes in existing restructured loans	(2 491)	114	(2 376)
Decrease due to repayment	(74)	(1 328)	(1 402)
Decrease due to recovery	(71 218)	3 837	(67 380)
FX change	2 230	(2 173)	57
31 December 2024	**75 725**	**(32 076)**	**43 649**
New restructured transactions	1 444	(86)	1 358
Changes in existing restructured loans	(879)	(133)	(1 012)
Decrease due to repayment	(4 739)	661	(4 077)
Decrease due to recovery	(22 535)	1 231	(21 304)
FX change	(2 960)	1 613	(1 348)
31 December 2025	**46 056**	**(28 790)**	**17 266**

There was no such contract modification that would have led to derecognition and re-recognition implying derecognition gain or loss.

e) Concentration of credit risk

The below table includes the concentration of credit risk by industry on net carrying amount for customer loans.

Loans and advances to customers	**31.12.2025**				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Financial services	529 969	190 759	2 426	0	723 154
Property development	82 044	243 605	702	441	326 792
Other services (local governments, healthcare, other services)	1 542	107 609	0	80	109 231
Construction (including motorway financing)	33 027	8 509	41	33	41 611
Industry	47 944	43 255	2 310	0	93 508
Agriculture	35 144	12 445	86	0	47 675
Transport, storage, post, telecoms	37 235	991	0	0	38 226
Trade	838	2 852	716	0	4 406
Accommodation, catering	4 857	7 223	2 052	0	14 132
Total	**772 599**	**617 248**	**8 335**	**554**	**1 398 736**
of which amortized cost	*771 750*	*617 139*	*8 335*	*554*	*1 397 778*
of which FVTPL	*849*	*109*	*0*	*0*	*958*

Loans and advances to customers	**31.12.2024**				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Financial services	596 232	161 460	787	0	758 479
Property development	70 854	296 581	601	382	368 418
Other services (local governments, healthcare, other services)	12 846	4 767	41	0	17 654
Construction (including motorway financing)	30 537	9 868	0	52	40 457
Industry	66 455	40 842	3 871	0	111 168
Agriculture	36 953	20 231	216	0	57 400
Transport, storage, post, telecoms	43 213	1 007	0	0	44 220
Trade	3 482	1 239	35	11	4 767
Accommodation, catering	3 732	9 465	2 339	0	15 537
Total	**864 304**	**545 460**	**7 890**	**445**	**1 418 099**
of which amortized cost	*863 408*	*544 953*	*7 889*	*445*	*1 416 695*
of which FVTPL	*897*	*507*	*1*	*0*	*1 404*

B. LIQUIDITY RISK

a) Principles of liquidity risk management

The Bank's principal objective is to carry out secure and established course of business, and the prevention of liquidity issues which could threaten the Bank to meet its obligations. The liquidity management is determined by the nature of the business, the strategy, the annual business plan, the legal regulations and the regulatory activities of National Bank of Hungary.

Liquidity means the availability of necessary funds in time needed to meet the obligations. Liquidity demand arises when the obligations become due. Liquidity risk is the gap between in and outflows in different amount and time.

Regulation (EU) No 575/2013 of the European Parliament and of the Council (CRR) and Directive 2013/36 / EU (CRD IV) of 26th June 2013 have transposed the Basel III. Regulation into the European regulatory framework for credit institutions. The new requirements were introduced gradually, and 2019 was the first year that all requirements were fully met. At the same time, MFB Zrt. was exempted from the liquidity requirements, which is included in the MFB Act.

The Bank has a significant amount of primary liquidity reserves in government securities and other liquidity-providing Central Bank-eligible securities, therefore future cash outflows are continuously covered on the asset side.

The Bank's liquidity reserve:

	31.12.2025			31.12.2024		
	Par value	**Fair value**	**Free disposal**	**Par value**	**Fair value**	**Free disposal**
Hungarian government bonds	34 200	32 188	33 200	51 020	47 609	45 820
Hungarian bank bonds	8 479	8 963	8 479	9 022	9 596	9 022
Hungarian discount bonds	0	0	0	0	0	0
Mortgage bonds issued by banks	13 764	13 561	13 764	7 764	7 325	7 764
Other Central Bank-eligible securities	302 260	270 688	134 260	302 260	261 950	134 260
Total	**358 703**	**325 400**	**189 703**	**370 066**	**326 480**	**196 866**

The Bank primarily manages liquidity risk in a preventive manner and strives to provide financing with a source that ensures the most suitable balance in terms of maturity, principal repayment and interest payment. The Bank's fund-raising opportunities are favourable both at home and abroad. During the financial year, HUF and EUR market interest rates decreased, which provided favourable pricing opportunity to the fundraising operations.

Cash flow statements are prepared at least monthly, and which contain all banking book cash flow items and credit and investment directorates predicted cash flow transactions considering different scenarios. For continuous liquidity management a liquidity forecast is prepared monthly.

Pursuant to Article 8 (2) of the MFB Act, the Bank does not apply the rules on liquidity ratios and liquidity requirements set out in Articles 411-428 of CRR.

The Bank measures its liquidity risks in the following ways:

- Quantification of dependence on large individual deposits;
- Comprehensive cash flow, liquidity forecast;
- Stress-test;
- Survival analysis;
- Quantification of liquidity ratios.

The Bank manages its liquidity risks as follows:

- Where possible (market opportunities, pricing), using the most appropriate liabilities for the assets side;
- Designation and operation of appropriate processes and rules;
- Set up a limit system;
- Establishment of liquidity reserves;
- Effective asset-liability management.

Liquidity ratios and the results of stress testing confirmed that the short- and long-term liquidity positions are adequate at all times, due to the significant amount of liquidity reserves and the funds involved during the year.

b) Remaining contractual maturities of financial liabilities

Maturities on contractual (principal and interest), undiscounted cash flows of financial liabilities were as follows. The guarantees were classified in the first category, irrespective of the actual maturity of the instrument. Similarly, the loan commitments were also classified in the first category as they can be drawn down at request.

31.12.2025	Carrying amount	Gross nominal inflow/(outflow)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
Deposits	249 410	(265 593)	(195 248)	0	(2 841)	(18 040)	(49 464)
Loans from banks	1 386 542	(1 626 253)	(32 975)	(89 380)	(75 039)	(1 169 577)	(259 282)
Debt securities issued	1 917 031	(2 204 736)	(18 427)	0	(379 897)	(1 734 810)	(71 602)
Other financial liabilities	6 548	(6 548)	(6 548)	0	0	0	0
Derivatives	**57 319**	(47 568)	(290)	0	5 178	(29 474)	(22 982)
inflow			*112 717*	*0*	*24 484*	*405 365*	*0*
outflow			*(113 007)*	*0*	*(19 306)*	*(434 840)*	*(22 982)*
Hedge derivatives	**10 451**	26 984	0	0	(2 822)	1 655	28 152
inflow			*0*	*0*	*54 757*	*192 913*	*202 326*
outflow			*0*	*0*	*(57 578)*	*(191 259)*	*(174 175)*
Total financial liabilities and derivatives	**3 627 301**	**(4 123 714)**	**(253 488)**	**(89 380)**	**(455 420)**	**(2 950 246)**	**(375 179)**
Guarantees	**1 146 268**	**1 111 841**	**1 111 841**				
Capital commitments	**284 187**	**284 187**	**0**	**98 077**	**140 959**	**45 151**	**0**
Loan commitments	**445 833**	**239 689**	**239 689**				

31.12.2024	Carrying amount	Gross nominal inflow/(outflow)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
Deposits	**87 365**	(98 526)	(39 241)	(155)	(4 376)	(14 904)	(39 850)
Loans from banks	**1 215 089**	(1 351 912)	(63 944)	(16 707)	(52 952)	(1 140 522)	(77 787)
Debt securities issued	**1 685 316**	(1 934 268)	0	(8 059)	(422 623)	(1 433 110)	(70 476)
Other financial liabilities	**11 627**	(11 625)	(11 625)	0	0	0	0
Derivatives	**685**	(754)	(197)	(48)	(122)	(387)	0
inflow			*61 157*	*72*	*0*	*218*	*0*
outflow			*(61 354)*	*(120)*	*(122)*	*(605)*	*0*
Hedge derivatives	**22 552**	(16 460)	968	(3 204)	(2 494)	(11 730)	0
inflow			*20 801*	*5 166*	*43 661*	*122 769*	*0*
outflow			*(19 833)*	*(8 370)*	*(46 155)*	*(134 499)*	*0*
Total financial liabilities and derivatives	**3 022 634**	**(3 413 545)**	**(114 039)**	**(28 173)**	**(482 567)**	**(2 600 653)**	**(188 113)**
Guarantees	**1 111 841**	**1 111 841**	**1 111 841**				
Capital commitments	**338 983**	**338 983**	**5 000**	**138 744**	**165 472**	**29 767**	**0**
Loan commitments	**239 689**	**239 689**	**239 689**				

C. MARKET RISKS

a) Currency risk management – basis of risk management

The Bank has assets and liabilities, both on and off-balance sheet, denominated in various foreign currencies. Foreign exchange risk arises when the actual or forecasted assets in a foreign currency are either greater or less than the liabilities in that currency. The Bank manages the currency structure of assets and liabilities on and off-balance sheet, utilizing forward foreign exchange transactions and other hedging instruments. It is the policy of the Bank that it should not speculate in currencies and should only take currency positions within strict limits. The Board of Directors establishes and monitors specific regulations based on statutory and internal limits and approves the overall strategy. Compliance to these limits is regularly monitored.

The Foreign Exchange Guarantee Frame Agreement (FX Agreement) between the Bank and the Hungarian Ministry of Finance was signed in 2004, the modification was signed with the Ministry for National Economy in 2014. This FX Agreement manages foreign exchange risks of the Bank's foreign currency borrowings (EUR). Based on this FX Agreement, at the final maturity of the borrowings or upon introduction of EUR as the official currency of Hungary the State compensates any foreign exchange loss incurred on these borrowings and the Bank is required to pay to the State the amount of realized foreign exchange gains on these transactions in instalments. The amount of receivables from the State according to the FX Agreement is presented in Note 14. Monthly stress tests quantify the impact of possible exchange rate movements (+/- 10% shift for EUR/HUF and EUR/USD). The net exposure of the Bank is the total exposure decreased by the exposure fall under the FX state guarantee frame. The open position was long for EUR, CHF and GBP and was short for USD in 2025. Regarding the aggregate foreign exchange position, the weakening of the HUF would have a positive impact on the Bank's earnings.

The following table represents the Bank's foreign exchange position in which the effect of the currency hedging contract with the Hungarian State has been already adjusted.

31.12.2025	Absolute value	Net position
EUR	10 466	10 466
USD	2 362	(2 362)
Other currencies	18	18
Total	**12 846**	**8 122**

31.12.2024	Absolute value	Net position
EUR	7 585	7 585
USD	1 051	1 051
Other currencies	31	31
Total	**8 667**	**8 667**

According to the stress-tests, 10% change in HUF exchange rates in the worst direction would cause HUF 1 285 million (2024: HUF 867 million) decrease in the Bank's foreign exchange income and thus the own equity as well.

The Bank is exempted from keeping the trading book and does not take speculative positions due to a strategic decision. Accordingly, market risks (foreign exchange and interest rate) arise from the banking book, i.e., the normal operation of the bank (lending, raising funds). The Bank limits the amount of open foreign currency position and interest rate risk exposure by limits. The Bank has set a limit of EUR 6 million for the foreign currency open position due to impairment/provision for foreign currency assets. If the amount of impairment/provision exceeds this limit, the Bank closes the position with a minimum of a market transaction equal to the amount of the overrun, provided that the total amount of the open position allows it.

b) Foreign exchange risk analysis of financial assets and liabilities

31.12.2025	HUF	EUR	USD	Other	Total
Assets					
Cash, cash balances at central banks and other demand deposits	326 946	1 714	26	17	328 703
Financial assets held for trading	30 786	0	0	0	30 786
Non-trading financial assets mandatorily at fair value through profit or loss	535 865	229 327	0	0	765 192
Financial assets at fair value through other comprehensive income	12 893	10 270	0	0	23 163
Financial assets at amortized cost	1 218 256	854 818	85 972	0	2 159 046
Derivatives – Hedge accounting	8 230	0	0	0	8 230
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0	7 609	0	0	7 609
Total financial assets	**2 132 976**	**1 103 738**	**85 998**	**17**	**3 322 729**
Investments in subsidiaries and associates	817 498	29 117	0	0	846 615
Property, plant and equipment	4 219	0	0	0	4 219
Intangible assets	7 956	0	0	0	7 956
Tax assets	318	0	0	0	318
Other assets	32 131	62	34	13	32 240
Receivables from the state due to currency-hedging agreement	166 680	0	0	0	166 680
Total assets (1)	**3 161 778**	**1 132 917**	**86 032**	**30**	**4 380 757**
Liabilities and equity					
Financial liabilities held for trading	57 319	0	0	0	57 319
Financial liabilities at amortized cost	1 818 457	1 295 293	445 771	10	3 559 531
Derivatives – Hedge accounting	10 451	0	0	0	10 451
Total financial liabilities	**1 886 227**	**1 295 293**	**445 771**	**10**	**3 627 301**
Provisions	21 103	4 629	252	0	25 984
Tax liabilities	111	0	0	0	111
Other liabilities	86 661	4 509	13	2	91 185
Equity	635 024	1 152	0	0	636 176
Total liabilities and equity (2)	**2 629 126**	**1 305 583**	**446 036**	**12**	**4 380 757**
NET BALANCE SHEET POSITION (1) – (2)	**532 652**	**(172 666)**	**(360 004)**	**18**	**0**
Derivative notional amounts	**(203 190)**	**(187 460)**	**357 642**	**0**	**(33 008)**
NET FOREIGN EXCHANGE POSITION	**329 462**	**(360 126)**	**(2 362)**	**18**	**(33 008)**
Impact of receivables from State due to currency-hedging agreement	(370 592)	370 592	0	0	0
ADJUSTED NET FOREIGN EXCHANGE POSITION	**(41 130)**	**10 466**	**(2 362)**	**18**	**(33 008)**

31.12.2024	HUF	EUR	USD	Other	Total
Assets					
Cash, cash balances at central banks and other demand deposits	69 524	497	13	19	70 053
Financial assets held for trading	24 136	0	0	0	24 136
Non-trading financial assets mandatorily at fair value through profit or loss	569 221	208 223	0	0	777 444
Financial assets at fair value through other comprehensive income	17 769	10 207	0	0	27 976
Financial assets at amortized cost	1 181 483	851 947	23 336	0	2 056 766
Derivatives – Hedge accounting	7 810	0	0	0	7 810
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0	12 580	0	0	12 580
Total financial assets	**1 869 943**	**1 083 454**	**23 349**	**19**	**2 976 765**
Investments in subsidiaries and associates	566 976	13 184	0	0	580 160
Property, plant and equipment	4 551	0	0	0	4 551
Intangible assets	6 888	0	0	0	6 888
Tax assets	299	0	0	0	299
Other assets	33 491	74	17	13	33 595
Receivables from the state due to currency-hedging agreement	190 120	0	0	0	190 120
Total assets (1)	**2 672 268**	**1 096 712**	**23 366**	**32**	**3 792 378**
Liabilities and equity					
Financial liabilities held for trading	685	0	0	0	685
Financial liabilities at amortized cost	1 447 889	1 096 843	454 665	0	2 999 397
Derivatives – Hedge accounting	22 552	0	0	0	22 552
Total financial liabilities	**1 471 126**	**1 096 843**	**454 665**	**0**	**3 022 634**
Provisions	5 368	3 398	4 703	0	13 469
Tax liabilities	67	0	0	0	67
Other liabilities	117 659	2 953	40	1	120 653
Equity	635 099	456	0	0	635 555
Total liabilities and equity (2)	**2 229 319**	**1 103 650**	**459 408**	**1**	**3 792 378**
NET BALANCE SHEET POSITION (1) – (2)	**442 949**	**(6 938)**	**(436 042)**	**31**	**0**
Derivative notional amounts	(40 057)	(382 899)	437 093	0	**14 137**
NET FOREIGN EXCHANGE POSITION	**402 892**	**(389 837)**	**1 051**	**31**	**14 137**
Impact of receivables from State due to currency-hedging agreement	**(397 422)**	**397 422**	**0**	**0**	**0**
ADJUSTED NET FOREIGN EXCHANGE POSITION	**5 470**	**7 585**	**1 051**	**31**	**14 137**

The Bank manages foreign currency open positions (either short or long) within the strict limits approved by Asset Liability Committee.

c) Principles of interest rate risk management

Interest rate risk is measured by the extent to which changes in market interest rates impact margins and net interest income. Gaps in the value of assets, liabilities and off-balance sheet instruments that mature or reprice during a given period generate interest rate risk. The Bank gives special attention to the preventive management of interest rate risk. The Bank's objective is to harmonize loans and their resources already during the acquisition of funds regarding maturity, interest base and repricing periods to prevent significant repricing mismatches. The Bank does not undertake interest rate exposure for speculative purposes. If the interest of loans and fund of loans are in mismatches, the Bank concludes interest rate swap deals to ensure the proper closing of the position. Before signing an interest rate swap deal a detailed proposal is prepared for the Asset-Liability Committee which determines the parameters of the deal.

The analysis of interest rate risk exposure is prepared on a monthly basis. Regularly prepared reports in connection with interest rate risk management are the following:

- Repricing balance sheet concerning full-scale assets and liabilities,

- Calculation of BPV (Basis Point Value) and GAP,
- Stress-tests on interest rate risk exposure,
- Stress-tests on the drastic changes of interest rates,
- Measurement of applied interest bases in case of interest-bearing assets and liabilities.

d) Interest rate risk analysis

The performed interest rate risk reports and stress-tests indicate that the Bank's exposure to interest rate risk according to market reference interest rates (EURIBOR, USD SOFR, BUBOR) is low, greater changes in market rates – in any direction – do not cause great negative effect on the Bank's profit due to the repricing consonance.
According to stress-tests, 1% change in BUBOR and 0.25% change in EURIBOR and 0,25% in SOFR – at the same time and in the same direction – causes approximately HUF 3 201 million effect (2024: HUF 3 093 million), while 3% change in BUBOR and 1% change in EURIBOR and 1% in SOFR causes approximately HUF 9 668 million effect (2024: HUF 9 645 million) on the Bank's annual interest income (the effect is negative in case of interest rate increase, positive in case of interest rate decrease).

The Bank assess the possible effects of interest rate changes – considering different direction and degree – on the value of the Bank's portfolio and on the capital using BPV (basis point value) GAP on monthly basis. A 200-basis point increase in interest rates on interest-bearing assets and liabilities would have the following effect on the value of the Bank's capital, adjusted by revaluation band:

	31 December 2025								
	1-30 days	**31-90 days**	**91 days – 1 year**	**1 – 2 years**	**2 – 3 years**	**3 – 4 years**	**4 - 5 years**	**over 5 years**	**Total**
HUF	234	1 080	(643)	3 189	5 137	6 451	(3 363)	(20 770)	**(8 684)**
EUR	(44)	498	(887)	2 614	16 240	1 302	32 336	(34 794)	**17 264**
USD	3	(50)	(13)	(45)	(64)	(646)	4 072	(6 285)	**(3 029)**

	31 December 2024								
	1-30 days	**31-90 days**	**91 days - 1 year**	**1 - 2 years**	**2 - 3 years**	**3 - 4 years**	**4 - 5 years**	**over 5 years**	**Total**
HUF	98	1 060	(180)	644	2 931	4 078	5 068	(30 342)	**(16 643)**
EUR	53	333	1 298	5 445	4 476	23 716	845	(51 294)	**(15 128)**
USD	(1)	(18)	137	(62)	(72)	0	0	0	**(16)**

e) Market risk analysis

From market risk point of view, it is important that the Bank is not licensed for investment services and does not undertake speculative positions. Trading position contains short-term government bonds and own foreign exchange exposures. The Bank is exempted from keeping a trading book and preparing reports.

The Bank performs VAR analysis for the FX position by its market risk management system. In the VAR calculations, the short government securities stock as well as the total open book foreign exchange position of the Bank are included. The VAR position calculated from the portfolio concerning 99% confidence level and 10 days holding period shows a low value, it was 0.05% of the regulatory capital on 31st December 2025 (31.12.2024: 0.05%). This means that the probability of a HUF 298 million losses in the Bank's FX position – concerning 10 days holding period – is only 1% on 31st December 2025 (31.12.2024: HUF 285 million).

VAR position – 31 December 2025

Regulatory capital (million HUF): 633 861

Absolute risk indicators	Interest	Foreign exchange	Diversification	Total	VAR expressed as a percentage of Regulatory capital
Net asset value	0	8 122	0	**8 122**	
Parametric VAR	0	298	0	**298**	**0.05**

VAR position – 31 December 2024

Regulatory capital (million HUF): 633 752

Absolute risk indicators	Interest	Foreign exchange	Diversification	Total	VAR expressed as a percentage of Regulatory capital
Net asset value	0	8 668	0	**8 668**	
Parametric VAR	0	285	0	**285**	**0.05**

D. OPERATIONAL RISK

Operational risk refers to the probability of losses caused by inappropriately designed or incorrectly executed business processes, internal errors induced by people carelessly or deliberately, intentionally executed external attacks against banking systems or operational processes, inappropriate operating of IT infrastructure, effects of external environment.

Framework of effective banking operational risk management is based on proper internal governance which ensures that risk management policies, internal regulatory documentation and systems remain effective in a constantly changing business and regulatory environment.

For the above reason the Bank builds its operational risk management activity on the following principles:

- Bank performs operational risk management in a decentralized way along central coordination. Operational risk management is coordinated by a designated colleague (OpRisk Coordinator) of Strategic Risk Management Directorate within Risk Division; execution of operation risk management is responsibility of all areas of the Bank.
- The method that credit institutions can use to calculate the operational risk capital requirement is defined by Articles 312-315 of CRR III[2] concerning the operational risk own funds requirement and the business indicator component. Since the Bank's business indicator does not reach EUR 1 billion, its capital requirement is 12% of the business indicator calculated based on the average of the previous three financial years, according to Article 314.
- Bank follows a comprehensive operational risk management approach:
    - Fully identifies and measures the risk elements inherent in the processes, systems, human activities and external environment (collection and analysis of loss data, based on the Operational Risk Management Regulations). Operational risk management also covers the core business of the bank and other (non-score banking) activities.

[2] Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor.

  - Process-focused, focusing on identifying losses and process efficiency improvement activity.
  - Methodology is proactive, collects potential risks as well not only already occurred and registered losses.
- Management of the Bank receives information on relevant operational risk management events in standalone form or as part of other management reports quarterly.
- The Bank provides education and training to all employees annually to improve risk awareness, general risk sensitivity and disseminate specific operational risk management knowledge.
- The framework provides a common model for group members (subsidiaries) in terms of definitions, identification, measurement, monitoring, management, and risk mitigation.
- Bank maintains a separate database about operational risks and losses, which enables to fulfil its internal and external obligations concerning identification, measurement, analysis, evaluation, management, reporting, monitoring and capital requirement calculation and supervisory reporting.
- Operational risk management responsibilities and related tasks are also reflected in the job descriptions of the OpRisk Coordinator and designated colleagues of all concerned areas of the Bank.

The Bank meets the solvency capital requirement for operational risks according to the Business Indicator (BI) method, according to which the Bank's operational risk capital requirement was HUF 8 635 million on 31st December 2025 (31.12.2024: HUF 9 162 million based on the basic indicator method). The Bank's operational risk losses are much lower than this on an annual basis. In 2025 the Bank incurred a gross operating risk loss of HUF 58.5 million (2024: HUF 52 million).

E. CAPITAL MANAGEMENT

According to Section 1 (7) of the MFB Act the Bank applies the regulation No 575/2013 of the European Parliament and of the Council of 26th June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (CRR) in the respect of prudential requirements with the differences set out in MFB Act. The Bank's share capital must be at least HUF 100 billion according to the MFB Act.

To maintain its current solvency and to be able to meet its liabilities, the Bank must, at all times, have appropriate levels of primary core capital (i.e., Tier 1 capital: 4.5%), core capital (6.0%) and full regulatory capital (8.0%). Tier 1 capital has to contain the capital maintenance buffer (2.5%) and from 1st July 2024 also the countercyclical capital buffer (of which increased from 0,5% to 1% as of 1 July 2025) mentioned in local Banking law. As of July 2022, the Bank was exempted from the internal capital adequacy assessment procedure prescribed in § 97 of the CCXXXVII Act of 2013 on credit institutions and financial enterprises based on § 8 (2) of the MFB Act. However, the Bank determines the need for additional capital, which is part of the internal capital adequacy assessment procedure and presents it to its management bodies. The Bank meets the required capital requirements, so the capital position is considered stable.

According to the requirements of the CRR, credit institutions must have an adequate amount of own funds to cover the risk of the activity performed at all times to maintain their current solvency and meet their obligations. Together with the capital maintenance and countercyclical buffer – that increased from 0.5% to 1% as of 1 July 2025 - it must continuously maintain an adjusted core capital ratio of at least 8% and a total capital adequacy ratio of 11.5%, which the Bank continued to comply with. Compliance with capital adequacy regulations is monitored by the National Bank of Hungary.

The Bank complied with the regulatory and prudential regulations and the limits. The capital adequacy ratio exceeded the minimum required ratio. The Bank informs the Board of Directors quarterly about the activities and changes in the capital during the period. The regulatory capital is calculated and the compliance with limits is examined on a monthly basis.

	31.12.2025	31.12.2024
I. Calculation of Regulatory Capital		
Share capital	519 900	519 900
Share premium	81 870	81 870
Retained earnings	31 886	26 025
Accumulated other comprehensive income	(1 951)	(559)
General reserve	2 162	1 931
Net result for the year	2 309	6 388
Common equity Tier 1 capital before deduction	636 176	635 555
Adjustments to CET1 due to prudential filters		
Cash flow hedge reserve	47	0
Fair value gains and losses arising from the own credit risk	(3)	0
Total amount of deducted item		
Intangible assets	(2 355)	(1 800)
Insufficient coverage for non-performing exposures	(4)	(3)
CET1 capital elements or deductions - other	0	0
Common equity Tier 1 Capital (CET1)	**633 861**	**633 752**
Additional Tier1 Capital (AT1)	0	0
Tier 1 Capital (Tier1 or T1)	**633 861**	**633 752**
General risk reserve	0	0
Tax impact of general risk reserve	0	0
Tier 2 Capital (T2)	**0**	**0**
Regulatory Capital (T1+T2)	**633 861**	**633 752**
II. Calculation of Capital Requirement		
Total capital requirement for credit risk	231 527	333 206
Total capital requirement for exchange rate risk	744	693
Total capital requirement for operating risk	8 635	9 162
Total capital requirement for credit valuation adjustment	4 941	1 706
Total Capital Requirement	**245 847**	**344 767**
Risk weighted exposure	**3 073 093**	**4 309 591**
III. Capital adequacy ratio	**20.63%**	**14.71%**

F. FAIR VALUE

To increase the consistency and comparability of the fair value measurement and related disclosures, IFRS 13 sets out a fair value hierarchy, categorizing the inputs applied at determination of the fair values into three levels.

The Bank applies the following fair value hierarchy:

Level 1: The fair value of financial instruments is based on their quoted market price in active markets for identical instruments that are available for the Bank at the reporting date.

Level 2: The fair value of financial instruments is based on directly or indirectly observable data other than the quoted market price. The followings can be used for the valuation: quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. Where discounted cash flow techniques are used, estimated future cash flows are based on the Bank's economic estimates and the discount rate is a market related rate at the reporting date for an instrument with similar terms and conditions. Where valuation models are used, inputs are based on market related measures at the reporting date.

Level 3: The fair value of financial instruments is based on inputs other than observable market data. The valuation is based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Bank considers the fair value of its financial instruments to be level 1 if it was determined exclusively based on level 1 data. Level 2 category is applied when the measurement was based not only level 1 inputs, but no level 3 input was required. When more fair values are available, the use of higher fair values hierarchy get priority, therefore if a security is primarily categorized as level 2, but level 1 data is also available the level 1 data will be applied automatically.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Bank uses widely recognized valuation models to determine the fair value of common and simple financial instruments, such as interest rate and currency swaps, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments, the Bank uses proprietary valuation models, which are usually developed from recognized valuation models. Some or all the significant inputs into these models may

not be observable in the market and may be derived from market prices or rates or estimated based on assumptions. Examples of instruments involving significant unobservable inputs include certain OTC structured derivatives, certain loans, securities for which there is no active market. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments, determination of expected volatilities and correlations and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Bank believes that a third-party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Bank and the counterparty where appropriate. For measuring derivatives both credit valuation adjustment (CVA) and debit valuation adjustment (DVA) are taken into consideration when market participants would take this into consideration in pricing the derivatives.

Model inputs and values are calibrated against historical data and published forecasts and where possible, against current or recent observed transactions in different instruments and against broker quotes. This calibration process is inherently subjective, and it yields ranges of possible inputs and estimates of fair value, and management uses judgement to select the most appropriate point in the range.

The Bank measures forward transactions (derivative transactions) and HUF loans to credit institutions at EURIBOR-based interest rates at fair value. As the Bank does not provide investment services, it enters into forward transactions only with credit institution partners.

a) Financial instruments measured at fair value by the level of fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level of the applied fair value hierarchy. The amounts are based on the values recognized in the statement of financial position.

	31.12.2025			
	Level 1	**Level 2**	**Level 3**	**Total**
FINANCIAL ASSETS				
Derivatives		1 406	29 380	**30 786**
Non-trading financial assets mandatorily at fair value through profit or loss			**765 192**	**765 192**
Debt securities			741 613	**741 613**
Loans to customers			958	**958**
Loans to banks			22 621	**22 621**
Financial assets at fair value through other comprehensive income	**21 855**		**1 308**	**23 163**
Equity instruments			1 308	**1 308**
Debt instruments	21 855			**21 855**
Derivatives – Hedge accounting		**8 230**		**8 230**
FINANCIAL LIABILITIES				
Derivatives		33 361	23 958	**57 319**
Derivatives – Hedge accounting		10 451		**10 451**

	31.12.2024			
	Level 1	**Level 2**	**Level 3**	**Total**
FINANCIAL ASSETS				
Derivatives		**24 136**		**24 136**
Non-trading financial assets mandatorily at fair value through profit or loss			**777 444**	**777 444**
Debt securities			748 246	748 246
Loans to customers			1 404	1 404
Loans to banks			27 794	27 794
Financial assets at fair value through other comprehensive income	**27 365**		**611**	**27 976**
Equity instruments			611	611
Debt instruments	27 365			27 365
Derivatives – Hedge accounting		**7 810**		**7 810**
FINANCIAL LIABILITIES				
Derivatives		685		**685**
Derivatives – Hedge accounting		22 552		**22 552**

The Bank uses the discounted future cash flows model for its derivatives that is adjusted by the credit risk of the counterparty (asset side) or the Bank's own credit risk (liability side). The fair value of derivatives in hedge accounting is also calculated by using the same method. The underlying transactions in hedge accounting, the hedged item, are not reclassified into a fair value category, but remain in the amortized cost category.

Assets included in the „mandatorily at fair value through profit or loss" category are those failed on the SPPI test established by IFRS 9. The fair value of these items is determined based on the Bank's internal model, which considers the value of future cash flows and expected market yield surcharge when discounting. The Bank calculates the fair value of loans based on the discounted expected cash flow and discounts the contractual (capital, interest, interest subsidy) or individually determined future expected cash flows with the current yield curve or reference rate flat, increased by the product-level spread. In case of collective valuation, all contractual cash flows are considered and discounted. In case of individual valuation, the calculation includes the total expected cash flow. The fair value calculation is performed only for the already disbursed part, therefore the undrawn amount does not affect the fair value calculated. The fair value of the venture capital investments in this category are determined based onthe net asset value attributable to the Bank, as defined in the Management policies. The main

parameters of the plan performance model are fulfilment of placements, costs accounted for in the fund, expenses of financial operations / recognized impairment ratio, amount of exits, net asset value. Venture capital funds have no material liabilities and no other material assets.

For debt securities presented as financial instruments at fair value through other comprehensive income (formerly available for sale securities), the fair values are determined as the average of the best buy and sale price available publicly disclosed by Government debt management agency for the reporting date.

For the fair value determination of equity securities, the Bank considers the expected return on the market, the marketability of the item, its mobilization (the supply and demand conditions and the available market prices, the proportion from the net equity of the investment) and the probability and magnitude of the loss.

There was no transfer among the different fair value hierarchy categories.

b) Movement of financial instruments categorized into level 3

	31.12.2025					
	Customer loans	**Loans to banks**	**Other equity instruments**	**Debt securities**	**Derivatives – positive fair value**	**Derivatives – negative fair value**
Opening balance on 1st January	**1 404**	**27 794**	**611**	**748 246**	**0**	**0**
New disbursements/acquisition/capital increases	0	0	0	64 066	24 773	(24 773)
Sales	0	0	0	(82 276)	0	0
Repayments	(422)	(5 133)				
Profit or loss during the year	(24)	(40)	0	19 298	4 607	815
Fair value changes during the year accounted into OCI			697			
Transfer to associates			0	(7 721)		
Transfers from/to level 3. hierarchy category	0	0	0	0	0	0
Closing balance on 31st December	**958**	**22 621**	**1 308**	**741 613**	**29 380**	**(23 958)**

	31.12.2024			
	Customer loans	**Loans to banks**	**Other equity instruments**	**Debt securities**
Opening balance on 1st January	**3 790**	**31 250**	**570**	**603 156**
New disbursements/acquisition/capital increases	0	1 416	0	109 282
Sales	0	0	0	(14 390)
Repayments	(2 157)	(4 928)		
Profit or loss (during the year	(229)	56	0	50 198
Fair value changes during the year accounted into OCI			41	
Transfers from/to level 3. hierarchy category	0	0	0	0
Closing balance on 31st December	**1 404**	**27 794**	**611**	**748 246**

The Bank used discounted cash flow model valuation technique to determine the fair value for customer and bank loans in level 3 category. The significant unobservable inputs applied were the probability of default and the individual credit spread of the given customer, by the way they do not significantly affect the fair value measurement. For equity instruments the Bank applied discounted cash flow model for the expected net cash flow derived from the entity.

Significant increase in any of the input parameters in isolation would result in lower fair values. In case of equity instruments increase in expected net cash flows would result in higher fair value.

c) Financial instruments not measured at fair value by the level of fair value hierarchy

	31.12.2025				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying value**
Cash. cash balances at central banks and other demand deposits		328 703		**328 703**	**328 703**
Financial asset at amortized cost	**32 856**	**0**	**2 122 846**	**2 155 702**	**2 159 046**
Debt securities	**32 856**		**492 226**	**525 082**	**530 319**
Hungarian government bonds	19 295			**19 295**	19 248
Corporate bonds			492 226	**492 226**	497 567
Mortgage bonds	13 561			**13 561**	13 504
Loans			**1 574 708**	**1 574 708**	**1 572 810**
Customer loans			**1 400 863**	**1 400 863**	**1 397 778**
General governments			47 277	**47 277**	46 837
Other financial corporations			412 287	**412 287**	401 388
Other non-financial corporations			858 666	**858 666**	862 015
Households			82 633	**82 633**	87 538
Loans to banks			**173 845**	**173 845**	**175 032**
Refinancing loans			0	**0**	0
Other loans			173 845	**173 845**	175 032
Other financial assets			**42 383**	**42 383**	**42 383**
Trade receivables			1 432	**1 432**	1 432
Margin accounts			40 951	**40 951**	40 951
Deposits at central and other banks			**13 529**	**13 529**	**13 534**
Central bank deposits			0	**0**	0
Other bank deposits			13 529	**13 529**	13 534
Financial liabilities at amortized cost		**1 918 804**	**1 622 364**	**3 541 168**	**3 559 531**
Deposits			**240 394**	**240 394**	**249 410**
Interbank deposits			194 458	**194 458**	194 498
Customer deposits (collateral behind loans)			45 685	**45 685**	54 661
Other customer deposits			251	**251**	251
Due from banks			**1 375 422**	**1 375 422**	**1 386 542**
Refinancing loans			145 163	**145 163**	164 838
Other loans taken			1 230 259	**1 230 259**	1 221 704
Debt securities issued		**1 918 804**		**1 918 804**	**1 917 031**
Listed HUF bonds		874 351		**874 351**	891 709
Listed CCY bonds		1 044 453		**1 044 453**	1 025 322
from this listed on foreign stock exchange		*972 808*		**972 808**	*956 633*
Other financial liabilities			**6 548**	**6 548**	**6 548**
Margin accounts			4 122	**4 122**	4 122
Creditors and other financial liabilities			2 302	**2 302**	2 302
Finance lease liabilities			124	**124**	124

	31.12.2024				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying value**
Cash. cash balances at central banks and other demand deposits		**70 053**		**70 053**	**70 053**
Financial asset at amortized cost	**37 164**	**0**	**1 977 933**	**2 015 097**	**2 056 766**
Debt securities	**37 164**		**368 429**	**405 593**	**435 366**
Hungarian government bonds	29 839			**29 839**	30 411
Corporate bonds			368 429	**368 429**	397 472
Mortgage bonds	7 325			**7 325**	7 483
Loans			**1 588 431**	**1 588 431**	**1 600 324**
Customer loans			**1 405 532**	**1 405 532**	**1 416 695**
General governments			55 159	**55 159**	55 053
Other financial corporations			367 676	**367 676**	360 756
Other non-financial corporations			897 480	**897 480**	906 995
Households			85 217	**85 217**	93 891
Loans to banks			**182 899**	**182 899**	**183 629**
Refinancing loans			0	**0**	0
Other loans			182 899	**182 899**	183 629
Other financial assets			**1 048**	**1 048**	**1 048**
Trade receivables			878	**878**	878
Margin accounts			170	**170**	170
Deposits at central and other banks			**20 025**	**20 025**	**20 028**
Central bank deposits			0	**0**	0
Other bank deposits			20 025	**20 025**	20 028
Financial liabilities at amortized cost		**1 656 772**	**1 287 171**	**2 943 943**	**2 999 397**
Deposits			**73 995**	**73 995**	**87 365**
Interbank deposits			34 952	**34 952**	34 957
Customer deposits (collateral behind loans)			34 287	**34 287**	47 521
Other customer deposits			4 756	**4 756**	4 887
Due from banks			**1 201 549**	**1 201 549**	**1 215 089**
Refinancing loans			152 959	**152 959**	178 095
Other loans taken			1 048 590	**1 048 590**	1 036 994
Debt securities issued		**1 656 772**		**1 656 772**	**1 685 316**
Listed HUF bonds		637 920		**637 920**	664 573
Listed CCY bonds		1 018 852		**1 018 852**	1 020 743
from this listed on foreign stock exchange		*940 291*		***940 291***	*947 894*
Other financial liabilities			**11 627**	**11 627**	**11 627**
Margin accounts			8 853	**8 853**	8 853
Creditors and other financial liabilities			2 488	**2 488**	2 488
Finance lease liabilities			286	**286**	286

The fair value of cash and cash equivalents and demand and short-term bank deposits was considered to be equal to the carrying amount at the reporting date.

Where available, the fair value of loans and advances is based on observable market transactions. Where observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Input into the valuation techniques includes expected lifetime credit losses, interest rates, prepayment rates and primary origination or secondary market spreads. For collateral-dependent impaired loans, the fair value is measured based on the value of the underlying collateral. Input into the models may include data from third party brokers based on OTC trading activity, and information obtained from other market participants, which includes observed primary and secondary transactions.

In case of purchased and issued debt securities measured at amortized cost, the fair value of the instrument is calculated based on the daily market closing rates available in the Inforex system. Where this information is not available, the securities are classified into level 2 or 3 fair value hierarchy and, accordingly, discounted cash flow method is applied by using the current market yield curves. The fair value of issued bonds is determined based on data provided by market makers, however as there is no active market for these bonds therefore, they were categorized into level 2.

The fair value of deposits from banks and customers is estimated using discounted cash flow techniques, applying the rates that are offered for deposits of similar maturities and terms. The fair value of deposits payable on demand is the amount payable at the reporting date.

35. OFFSETTINGS

The below tables include all repurchase agreements and all such derivatives where ISDA agreements allows the net settlements.

Financial assets subject to offsetting and potential offsetting agreements – 31 December 2025

	Gross carrying amount	Amounts set off against financial liabilities	Net carrying amount	Potential effect of netting agreement not qualifying for offsetting in the Financial Position Statements			Net amount after potential offsetting
				Financial instruments	Cash collateral received	Non-cash financial collateral received	
Derivatives	39 016	0	39 016	(4 122)	0	0	**34 894**
Repurchase agreements	0	0	0	0	0	0	**0**
Total	**39 016**	**0**	**39 016**	**(4 122)**	**0**	**0**	**34 894**

Financial liabilities subject to offsetting and potential offsetting agreements - 31 December 2025

	Gross carrying amount	Amounts set off against financial assets	Net carrying amount	Potential effect of netting agreement not qualifying for offsetting in the Financial Position Statements			Net amount after potential offsetting
				Financial instruments	Cash collateral given	Non-cash financial collateral given	
Derivatives	67 770	0	67 770	(40 958)	0	0	**26 812**
Reverse repurchase agreements	0	0	0	0	0	0	**0**
Total	**67 770**	**0**	**67 770**	**(40 958)**	**0**	**0**	**26 812**

Financial assets subject to offsetting and potential offsetting agreements - 31 December 2024

	Gross carrying amount	Amounts set off against financial liabilities	Net carrying amount	Potential effect of netting agreement not qualifying for offsetting in the Financial Position Statements			Net amount after potential offsetting
				Financial instruments	Cash collateral received	Non-cash financial collateral received	
Derivatives	31 946	0	31 946	(8 853)	0	0	**23 093**
Repurchase agreements	0	0	0	0	0	0	0
Total	**31 946**	**0**	**31 946**	**(8 853)**	**0**	**0**	**23 093**

Financial liabilities subject to offsetting and potential offsetting agreements - 31 December 2024

	Gross carrying amount	Amounts set off against financial assets	Net carrying amount	Potential effect of netting agreement not qualifying for offsetting in the Financial Position Statements			Net amount after potential offsetting
				Financial instruments	Cash collateral given	Non-cash financial collateral given	
Derivatives	23 237	0	23 237	(170)	0	0	**23 067**
Reverse repurchase agreements	0	0	0	0	0	0	0
Total	**23 237**	**0**	**23 237**	**(170)**	**0**	**0**	**23 067**

36. MATURITY TABLE

The following table shows the residual maturity breakdown of financial assets and liabilities. The guarantees were classified in the category „within a year", irrespective of the actual maturity of the credit line holding period. The loan commitments were classified based on their actual maturity.

	31.12.2025			31.12.2024		
	Within a year	**Over a year**	**Total**	**Within a year**	**Over a year**	**Total**
Financial Assets						
Cash, cash balances at central banks and other demand deposits	328 703		328 703	70 053		70 053
Financial assets held for trading	30 786		30 786	24 136		24 136
Non-trading financial assets mandatorily at fair value through profit or loss	1 013	764 179	765 192	1 709	775 735	777 444
Financial assets at fair value through other comprehensive income	12 892	10 271	23 163	5 450	22 526	27 976
Financial assets at amortized cost	115 616	2 043 430	2 159 046	163 167	1 893 599	2 056 766
Derivatives – Hedge accounting	8 230		8 230	7 810		7 810
Fair value changes of the hedged items in portfolio hedge of interest rate risk	7 609		7 609	12 580		12 580
Total Financial Assets	**504 849**	**2 817 880**	**3 322 729**	**284 904**	**2 691 860**	**2 976 765**
Financial Liabilities						
Financial liabilities held for trading	57 319		57 319	685		685
Financial liabilities at amortized cost	643 822	2 915 708	3 559 531	505 036	2 494 361	2 999 397
Derivatives – Hedge accounting	10 451		10 451	22 552		22 552
Total Financial Liabilities	**711 592**	**2 915 708**	**3 627 301**	**528 273**	**2 494 361**	**3 022 634**
Guarantees	**1 146 269**		**1 146 269**	**1 111 841**		**1 111 841**
Capital commitments	**239 036**	**45 151**	**284 187**	**309 217**	**29 767**	**338 983**
Loan commitments	**194 433**	**251 400**	**445 833**	**197 848**	**41 841**	**239 689**

The Bank manages liquidity risk through liquidity reserves (Central Bank eligible securities and liquidity GAP limits. It provides timely renewal and replacement of expiring funds.

37. EXERCISING OWNER'S RIGHTS

The Bank exercises the owner's rights in the name of the Hungarian State for state owned companies determined by Annex 1., point 9. of the Decree No. 1/2022 (V.26.) of Ministry of Economic Development and in venture capital funds determined by the decrees 8/2016. (IV.19.) and 64/2016. (XII.28.) of Ministry for National Development, furthermore 15/2022. (XII.6) of Ministry for Economic Development. Incomes and expenses arising from the management of State assets form the incomes and expenses of the central budget. The Bank acts as an agent that is not allowed to sell the entities and is not entitled for any dividend (unless has its own investment in the entity).

The companies and venture capital funds in which the Bank exercises the owner's rights on 31st December 2025 and 2024 are the following:

Name of the company / fund	**Activity**	**State ownership**		**Subscribed capital**	
		31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
AJH Növekedési Kockázati Tőkealap	Venture capital fund	69.99%	69.99%	4 286	4 286
Bonitás Kockázati Tőkealap	Venture capital fund		69.23%		6 500
Bonitás Kockázati Tőkealap II	Venture capital fund	76.87%	76.87%	12 158	12 158
Capitalisatio Kockázati Tőkealap	Venture capital fund	70.00%	70,00%	13 351	13 351
Conor Seed Capital Kockázati Tőkealap	Venture capital fund		69.77%		2 150
Core Venture Közös Növekedési Kockázati Tőkealap	Venture capital fund	69.93%	69.93%	4 290	4 290
Diákhitel Központ Zártkörűen Működő Részvénytársaság	Crediting	100.00%	100.00%	300	300
Finatech II. Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	13 351	13 351
Forte Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	3 617	3 617
GRAN III. Kockázati Tőkealap	Venture capital fund	74.03%	74.03%	6 931	6 931
Kutatás-fejlesztési és Innovációs Állami Tőkealap	Venture capital fund	100.00%	100.00%	30 000	30 000
Infokommunikációs Állami Tőkealap	Venture capital fund	100.00%	100.00%	6 075	6 075
Innovation Europe Agrár Innovációs Magántőkealap (former Green Europe Agrár Tőkealap)	Capital fund	70.00%	70.00%	38 540	164 036
PBG FMC Tőkealap	Venture capital fund	69.77%	69.77%	4 300	4 300
Prosperitás Profit Közös Növekedési Kockázati Tőkealap	Venture capital fund	69.98%	69.98%	6 430	6 430
Prosperitás Proseed Közös Magvető Kockázati Tőkealap	Venture capital fund	69.77%	69.77%	2 150	2 150
Regionális Fejlesztési Holding Zártkörűen Működő Részvénytársaság	Economy development activities		100.00%		23 842
Solus I. Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	13 351	13 351
Solus II. Kockázati Tőkealap	Venture capital fund	87.51%	87.51%	8 010	8 010
Takarék Kockázati Tőkealap I.	Venture capital fund	76.92%	76.92%	12 150	12 150
Üzleti Infokommunikációs, Digitalizációs Tőkealap	Venture capital fund	100,00%	100,00%	9 226	9 226
Valor Capital Közös Zártvégű Kockázati Tőkealap	Venture capital fund	69.99%	69.99%	2 934	2 934
X-VENTURES ALPHA I. Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	2 492	2 492
X-Ventures Béta Kockázati Tőkealap	Venture capital fund	69.77%	69.77%	3 280	3 280

Name of the company / fund	Activity	State ownership		Subscribed capital	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
Vespucci Capital I. Kockázati Tőkealap (former X-Ventures Delta Kockázati Tőkealap)	Venture capital fund	70.00%	70.00%	13 351	13 351
X-Ventures Gamma Kockázati Tőkealap	Venture capital fund	70.00%	70.00%	13 351	13 351

38. EVENTS AFTER THE REPORTING PERIOD

All adjusting events after the balance sheet date have been considered in the preparation of the Bank's financial statements. The Bank has assessed the current war conflicts and their economic impacts. Based on our assessment, the processes experienced do not adversely affect the Bank's operations and the going concern principle applies for the 12-month period following the balance sheet date.

MFB HUNGARIAN DEVELOPMENT BANK PRIVATE LIMITED COMPANY 2025 ANNUAL MANAGEMENT REPORT

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I. Executive summary

MFB Hungarian Development Bank Private Limited Company (hereinafter: “MFB Plc.”, “MFB” or the “Bank”) has prepared its 2025 Management Report in compliance with the Act C of 2000 on Accounting and pursuant to the rules of procedure of its Board of Directors and Supervisory Board. The purpose of the report is to allow the Bank’s governing bodies to learn the details of the Bank’s operations and business processes in the reporting period, and, based on balance sheet and income statement data, to gain an accurate picture of the Bank’s financial management in 2025.

MFB Plc.'s performance in 2025 was determined by external factors resulting from the high export orientation of the national economy (the transformation of production chains due to the rise of protectionism, structural problems in export markets), moderate economic growth, a decline in investment, the strengthening of the forint against the euro due to the general weakening of the dollar, and the slowdown in the domestic quantitative easing cycle. In Hungary in 2025, the strict central bank policy slightly reduced the interest rates on newly granted long-term corporate forint loans, which contributed to a moderate increase in credit demand with a minimal upturn in corporate investment intentions. This is in line with the results of the MFB's corporate questionnaire surveys (MFB-INDIKÁTOR): by autumn 2025, the proportion of companies planning to raise some form of external financing in the next 12 months rose from 24% in the previous year to 25%.

Despite subdued investment demand, the Bank —following last year’s new commitments and disbursements of more than HUF 1 000 billion —nearly HUF 1 000 billion in new loans, guarantees and capital placements, following new commitments, guarantee provisions and placements of more than HUF 1 000 billion in the previous year.
In 2025, businesses continued to benefit from several loan and capital programmes, individual loans and bonds, as well as guarantees complementing the lending activities, in order to fulfil their investment and working capital requirements, to address economic difficulties, liquidity problems and ultimately to help economy development and regain stability.

The Bank financed its business activity in the reporting year through new domestic bond issues and short and medium-term borrowing. MFB did not receive any capital contribution from its owner in the year under review; Thanks to the capital-equalisation mechanism implemented in 2025, the Bank’s total capital adequacy ratio increased to 20.63 % by the end of 2025.

Following consultations with the auditor, the Bank implemented significant methodological changes to its credit classification system in 2025. As a result, the Bank was required to recognise higher provisions against its loan portfolio. This increase was partially offset by reversals of impairment on investments. Overall, the Bank’s cost of risk in 2025 was lower than in 2024, amounting to HUF 21.3 billion.

The Bank’s profit after tax remained positive in 2025. This outcome was driven by higher dividend income than in the prior year, increased net fee and commission income, and accounting gains on market funds measured at fair value.

In summary, MFB had another successful year in 2025. Business activity continued to show growth, with MFB being available to businesses with loan, capital and guarantee products; meanwhile, the Bank achieved a positive result.

I. Executive summary (continued)

I.1. The Bank's key data

The principal figures of 2025 are summarised in the table below[1]:

data in HUF million	2025
Balance sheet total	4 380 757
Shareholders' equity	636 176
Total operating income	42 119
Total operating expenses	(11 349)
Effect on profit of changes in impairment and pr	(21 263)
Other items	(7 198)
Profit/loss for the year	2 309

I.2. Business processes

Lending, new guarantees

In 2025, new loan disbursements amounted to HUF 338.3 billion; at the end of the year, the Bank's total net loans portfolio[2] amounted to nearly HUF 1 596.4 billion, which was HUF 33 billion less than at the end of 2024.

New corporate bond underwriting[3] shown under credit securities amounted to HUF 109.0 billion; while the year-end net balance of corporate bonds, credit institution bonds and mortgage bonds was HUF 520 billion.

In 2025 the Bank granted its clients new guarantees and guarantee limits of HUF 190.7 billion; the year-end balance of guarantees and guarantee limits exceeded HUF 1 146.3 billion.

Equity interests

In 2025 MFB's subscriptions of investment units in the various capital funds and thus its support for the capital placements made through these funds continued to be heavily represented among its direct investments. In addition, buyback transactions were carried out during the year as part of the active portfolio management.

The main elements of capital increases in its own businesses and investment unit subscription commitments were the following:

- Subscription of investment units in the capital funds to meet the capital increase commitments previously undertaken by MFB-funded Crisis and Tourism capital funds.
- Subsciption of investment fund units under the Baross Gábor Capital Programme and fulfillment of the subscription commitment, Programme Financing of other domestic or EU-managed capital funds
- Capital contribution to MFB Invest Ltd.
- Other MFB Group investments

[1] In the Management Report, total operating income and total operating expenses include the revenue and expenses related to the Bank's core activity, while other profit and loss from financial assets is presented in the *Other items*. The income statement is presented in detail in section V.

[2] The aggregate value of the lines of Loans in the accounting balance sheet.

[3] In the balance sheet, for corporate bonds, classified as financial assets at FVOCI or as financial assets at amortised cost, the amount presented under debt securities comprises bonds issued by credit institutions, mortgage bonds and corporate bonds.

I. Executive summary (continued)

The main elements of the exit rebuys and share reductions were as follows:

- Sale of units owned by Gábor Baross Capital Programme Securities funds.
- The acquisition of the investment units of the Central European Opportunity Private Equity Fund, which was launched within the framework of the MFB-funded Crisis Capital Fund

The Bank's net equity interest portfolio grew by HUF 261 billion in 2025[4], to HUF 1 589.5 billion, actual capital placements and investment-unit subscriptions amounted to nearly HUF 345.0 billion.

EU funds management

MFB was a fund management entity in the 2007-2013 programming period, and a Fund of Funds implementing entity in the 2014-2020 European Union programming period and in the 2021-2027 programming period, it plays the role of the organisation implementing the Holding Fund and the organisation implementing the Financial Instrument, and disposes over the available funds in its own name, but for the benefit of the Governing Authorities/National Authority operating under the control of the National Development Centre. Consequently, it maintains separate records of the funds of programming periods; these do not form part of the Bank's balance sheet.
In 2025, the Bank disbursed EU funds totalling HUF 44.1 billion through intermediaries related to the 2021-2027 programming period and the RRF (in the form of refundable and non-refundable loans).

I.3. Funding management

In 2025, MFB Plc. raised medium and long-term external funds worth HUF 1 101.3 billion. In terms of currency, the forint accounted for 4.7%, the euro for 49.7% and the dollar for 5.6% of the funds. International bonds represented 36.7%, domestic bonds 24.7%, bilateral bank loans 24.6%, syndicated loans 12.4% and institutional loans 1.6% of the funds.

I.4. Finances

The Bank's net interest income (negative HUF 15 569 million) was down on the previous year's level due to the repricing of existing loans and the high interest expenses of newly acquired funds, as well as due to the significant financing needs of non-interest-bearing assets. Net fee and commission income (HUF 6 698 million) came in higher than the previous year's figure due to a larger guarantee portfolio, and dividend income (HUF 18 016 million) was also higher than in 2024.

During the year, the accounting gain on market funds measured at fair value (HUF 32 974 million) represented a significant item, which however decreased compared to 2024.

The expenses of banking operations (HUF 21 134 million) increased in 2025 mainly due to the carry-over effect of the integration of DHK in the second half of 2024, which affected the entire year. With respect to changes in impairments/provisions, methodological adjustments increased the required provisions for loans; however, this was partly offset by impairment write-backs on investments, also due to methodological changes. Consequently, the cost of risk in 2025 was lower than in 2024, amounting to HUF 21.3 billion

[4]Also presented in this part of the balance sheet are the capital fund units recognised among *Non-trading financial instruments mandatorily measured at fair value through profit or loss*. The volume amount is consistent with the balance sheet numbers in section V of the report; the balance sheet is presented in detail in that section.

I. Executive summary (continued)

The Bank spent HUF 2 189 million on bank-operation investments in 2025. These capital investments were aimed at ensuring the necessary infrastructure, implementing developments required for performing the requisite range of tasks, and at replacing obsolete equipment and vehicles.

I.5. MFB-DHK integration

Based on the decision of the Government and the Founder, in 2025 MFB continued to perform a significant part of the tasks of DHK Zrt. in 2025. The outsourcing of the tasks belonging to DHK Zrt. and the employees performing those tasks induced an increase in costs MFB Plc. The Bank recognises part of this cost increase as revenue in the form of service fees and cost pass-through.

I.6. Summary

The Bank's activities in 2025 were largely determined by its response to the emerging overall economic crisis, and the measures taken to maintain economic stability, handling economic difficulties and economy development. In 2025, the Bank provided significant funds to businesses to mitigate economic damage and to expand investments to support economic growth. Accordingly, the balance sheet total increased along with the business activity. In addition, one of the key goals of the Bank in 2025 was to ensure the optimal and rational use of state assets, and in 2025 the Bank realised a profit of HUF 2.3 billion after tax.

2025 was the fourth year of the Bank's implementation of its 2022–2030 medium-term strategy. The strategy, revised in 2024, foresees HUF 4 100 billion of new commitments by 2025 and a further HUF 2 700 billion between 2026 and 2030. The Bank met the first-phase deployment target by the end of 2025; normal business activity between 2022 and 2025 exceeded HUF 4 200 billion. In light of this performance and based on the figures in the approved business plan, the Bank expects to achieve the projected business activity by 2030.

Based on MFB's latest questionnaire-based corporate survey (MFB INDICATOR) conducted at the end of 2025, there is approximately HUF 522 billion in unmet but reasonably profitable lending demand (gap) in the Hungarian economy (including investment loans, working capital loans and overdraft facilities). The estimated gap measured in the investment loan market is HUF 475 billion, the gradual filling of which is a justifiable task in line with EU principles as well.

I.7. Corporate governance statement

Under Section 95/B (1) of Act C on Accounting of 2000, which applies to Management Reports, a business whose transferable securities have been accepted for trading on a regulated market in any Member State of the European Economic Area must publish a corporate governance statement in its Management Report. Pursuant to the above, MFB is required to make a statement in light of the bonds it has issued. The corporate governance statement is prepared by the Bank as an appendix to the Management Report but published as a separate document on its website.

I. Executive summary (continued)

I.8. Sustainability Report (ESG)

Pursuant to Act C of 2000 on Accounting, the Bank is not obliged to prepare an individual sustainability report for the 2025 business year. Pursuant to Chapter VI/C of Act C of 2000 on Accounting, a parent company preparing a consolidated sustainability report shall be deemed to have fulfilled its sustainability reporting obligations under Sections 95/E (1) – (11) and (13), as well as the requirement set out in Section 95 (3). The Bank will prepare its consolidated sustainability report for the 2025 financial year as an annex to the Management Report and will also publish it as a standalone document on its website. The Bank prepares its consolidated Sustainability Report for the business year 2025 as an appendix to the Management Report but publishes it as a separate document on its website.

I.9. Method of disclosure

The Bank discloses essential information – with the exception of non-essential and protected or confidential information – at least once a year, at the same time as the public report, in accordance with CCXXXVII of 2013 on credit institutions and financial enterprises. Act 122-123. §, and on the basis of the European Parliament and Council Regulation (hereinafter: CRR) 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation 648/2012/EU (CRR). The Bank responds to this with a Disclosure notice, which is available on the Bank's website.

II. Operating conditions

II.1. Macroeconomic effects

The Hungarian economy has been fluctuating since the end of 2022. Following a temporary decline in Q1 2025 (-0.3%), GDP rose by 0.3% in Q2 2025 and 0.6% in Q3 compared to a year earlier, adjusted for calendar effects. In January–September 2025, GDP volume grew by 0.4%, which is a more modest performance than the EU average (1.6%, seasonally and calendar adjusted). Growth was essentially single-pillar, driven by stronger household consumption, which was also supported by fiscal impulses. At the same time, economic expansion was strongly curbed by a slump in investment demand and the unfavorable performance of foreign trade due to the slow recovery of export markets and the prolonged crisis in the European automotive industry. The "evaporation" of external demand is also reflected in the decline in industrial production.

Based on seasonal and calendar-adjusted data, investment performance in the national economy reached a record high in mid-2022, but has been declining steadily on an annual basis since then. In 2025, the volume of investments was 4.3% lower than a year earlier, due to the decline in construction investments, while investments in machinery and equipment essentially stagnated. Across the various economic sectors, the decline in investments was primarily caused by lower-volume development activity in the manufacturing industry. There are many reasons behind the slowdown in development (e.g. weak external economic conditions, gloomy economic outlook, low utilization of production capacity, high interest rates, unfavorable budgetary situation, drying up of EU funds).

The gross corporate loan portfolio increased by 3.7% or HUF 480 billion in 2025 compared to the end of 2024 (December 2025: HUF 13 612 billion). The picture is improved by the fact that the stock of foreign currency loans increased by HUF 74 billion as a result of the forint's strengthening during the year, while forint loans increased by HUF 406 billion (+6.2%). Transaction data also confirm the favourable trends: as a result of disbursements and repayments, the stock of forint loans increased by HUF 423 billion and the stock of foreign currency loans by HUF 564 billion in 2025.

II. Operating conditions (continued)

The annual rate of change in consumer prices was above 5% in the first two months of 2025, then between 4% and 5% from March to October, above the inflation target range. In the first half of the year, inflation was driven up by rising food prices as well as services, but the latter was gradually curbed by the price cap introduced in March. In November, inflation began to slow sharply, and by December it was only 3.3%. Disinflation at the end of the year was supported by the strengthening of the forint, the statistical effect (high base, mainly in the case of food), the restrained price increase intentions of businesses, the decline in fuel prices, and the extension of the price cap. In 2025, consumer prices rose by an average of 4.4% compared to 2024.

MNB's Monetary Council did not change monetary conditions in 2025, with base rate remaining at 6.50% since September 2024.

II.2. Legislative changes significantly affecting the Bank's operations

The table below shows the Bank's utilization of state guarantees and interest subsidies approved in accordance with the provisions of Act XC of 2024 on Hungary's central budget for 2025 at the end of the year:

data in HUF billion	Limit	Drawn down	Available
Fundraising limit	5 000	3 662	1 338
Loan financing, surety and guarantee limit	2 000	1 664	336
Exchange rate hedging agreement limit	2 000	1 494	506
Interest subsidy limit	400	29	371

The provisions on capital adjustment of Act XX of 2001 on the Hungarian Development Bank (hereinafter: MFB Act) entered into force on May 2, 2025. Investment funds represent a significant portion of the balance sheet of MFB Plc. and its wholly owned subsidiary, MFB Invest Plc. Changes in their net asset value during the term may have a significant impact on the results and equity of MFB Plc. From the perspective of MFB Plc., the capital equalisation system mitigates the impact of short-term adverse market movements and, through the associated state guarantee, contributes to the reduction of risk-weighted assets and the stabilisation of the capital adequacy ratio. In return, MFB Plc. waives a predetermined portion of future returns in favour of the state. The detailed rules of capital equalization are set out in the capital equalization agreement between MFB Plc. and the Hungarian state.

Act CXXXIV of 2025 on the granting of loans to prevent the bankruptcy of the metropolitan municipality (hereinafter: Aid Loan Act), MFB Plc. shall, under the conditions specified in the legislation, grant a loan or credit facility to a municipality experiencing payment difficulties in order to enable it to pay wages, or shall make a credit line available. In connection with the Aid Loan Act, on December 24, 2025, MFB Plc. was tasked with participating in the granting of loans and credits under the Act on the Granting of Loans to Avoid Bankruptcy of the Capital City Municipality, based on a specific decision of the Government. In addition, the possibility of interest equalization was included, which ensures that the Hungarian state reimburses MFB Plc. for the difference between the interest on loans or credits granted under this framework and the financing costs incurred for this purpose. Based on the Aid Loan Act, MFB Plc. did not play a role in 2025. In 2025, the legislation enacted in the framework of emergency legislation regarding the state(s) of emergency ordered by the Government (thus in particular regarding the freeze on reference and default interest rates) continued to affect the activities of MFB Plc.

II. Operating conditions (continued)

II.3. Founder's Resolutions

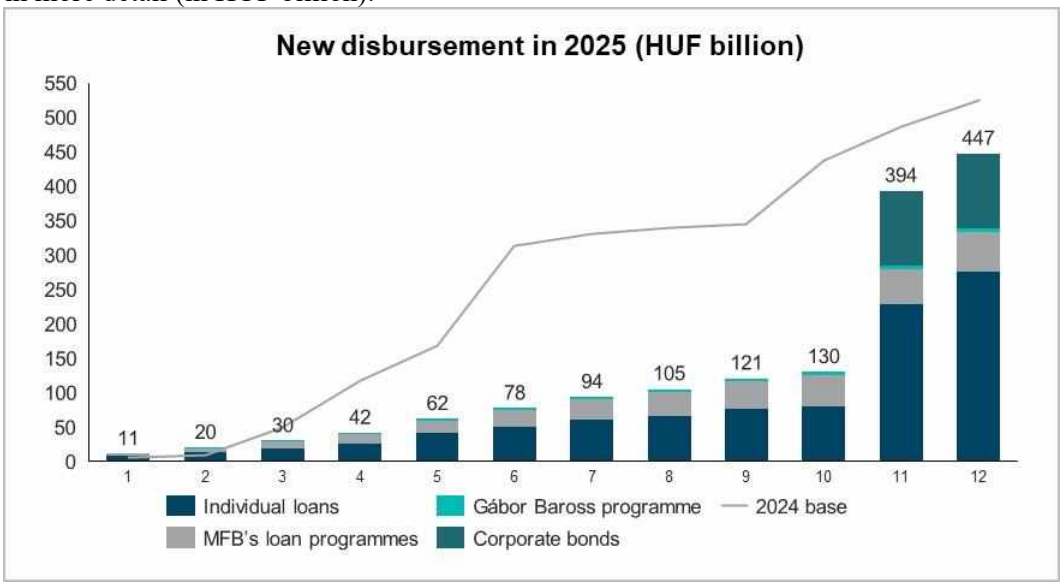
The Minister for National Economy, who exercises shareholder rights over the Bank, has taken several important decisions concerning the Bank's operations. In the year 2025, the majority of the Founders' Resolutions adopted by the founders – acting within the scope of their duties and powers as defined in the Articles of Association – were related to taking business decisions, specifying deadlines for their completion and describing the method for verifying their implementation, as well as the recall and appointment of executive officers.

III. The Bank's activities in 2025

III.1. Lending

In 2025, the total amount of newly concluded or amended contracts was HUF 505.2 billion. The value of MFB-funded loans disbursed in 2025 (excluding credit securities) was HUF 338.3 billion.
During the current year, the Bank subscribed HUF 109.0 billion worth of corporate bonds, which is shown in the balance sheet under Credit securities.

The graph below presents the 2025 changes in the disbursement of MFB-funded loans and corporate bonds in more detail (in HUF billion):



MFB's loan programmes

Through MFB-funded loan programmes the Bank had provided borrowing opportunities to the following target groups in 2025:

- micro, small and medium-sized enterprises meeting the criteria for SMEs,
- businesses not meeting the criteria for SMEs (mid-caps and large companies),
- agribusinesses.

III. The Banks's activities in 2025 (continued)

As in previous years, in 2025 the domestic economic actors had to face significant challenges, partly from the lingering effects of the previous period (Russia-Ukraine war, stalling of EU funds, fiscal imbalance) and partly from new risks. This included, for example, the significant epidemiological situation caused by contagious foot-and-mouth disease virus at the beginning of 2025, which also had a noticeable impact on the agricultural and food industry supply chains, increasing economic uncertainty. In addition, the global interest rate environment only slowly normalized, and international geopolitical tensions continued to intensify.

Accordingly, the Bank's response to the economic consequences arising from these reasons was the focus in 2025. Loan products provided to financial enterprises remained popular in 2025. The Széchenyi Microcredit Facility, launched by KAVOSZ Ltd. under the Széchenyi Card Programme, continued to generate significant customer demand from SME sector players in 2025, due to its particularly favourable pricing, for which MFB provides financing resources to the financial institutions involved in the sales process. In addition, in 2025 in line with market needs, a separate scheme was developed for financing current assets, the rise in sales of which began in 2025.

The following MFB-funded loan programmes were available or announced in the last quarter of 2025:

- Enterprise Development MFB Loan Programme
  - MFB Széchenyi Microcredit Refinancing Programme 2.0
  - MFB Agriculture Working Capital Loan Programme 2025
  - MFB Food Production Working Capital Loan Programme 2025
  - MFB TÉSZ Working Capital Loan Programme 2025
  - MFB Livestock Working Capital Loan Programme 2025
  - MFB Condominium Plus Loan Programme
  - MFB Green Momentum Loan Programme
  - MFB PVRK Current Asset Loan Programme
- Loan programme managed by MFB aimed at developing businesses
  - Széchenyi Restart Investment Loan MAX+
  - Agri Széchenyi Restart Investment Loan MAX+
  - Széchenyi Restart Liquidity Loan MAX+
  - EXIM Future Exporters Investment Loan
  - EXIM Future Exporters Investment Green Loan

The above loan programmes have provided and continue to provide the widest possible access to funding designed to enable the comprehensive implementation of borrowing requirements altered due to the economic environment, as well as of macroeconomic objectives for economic recovery.

The Bank's development activities related to MFB-funded products in 2025 were as follows:

- The MFB Széchenyi Microcredit Refinancing Programme 2.0 introduced in 2022, continued to provide refinancing in 2025 to financial institutions for the distribution of KAVOSZ Zrt.'s Széchenyi Microcredit MAX+ product. The programme cap was increased from HUF 80 billion to HUF 150 billion, effective 5 February 2025. The programme interest rate is subject to continuous review, with ongoing monitoring of funding costs and consideration of the related inquiry from Ministry for National Economy. Accordingly, the programme rate was reduced in 2025 (on 17 February and 26 September). As a result and despite a decline in corporate investment appetite, the favorable pricing contributed to substantial uptake under the MFB Széchenyi Microcredit Refinancing Programme 2.0, with refinancing agreements totalling HUF 60.6 billion concluded in 2025.

III. The Banks's activities in 2025 (continued)

- In view of the significant demand from financial enterprises, the Bank introduced the MFB PVRK Current Asset Loan Programme on 19 November 2024, which can only be applied for through financial enterprises refinanced by the MFB. To date, 13 financial enterprises are in the process of joining the sale of the scheme. In the framework of the Loan Programme, inventory, trade receivables, and operating costs can be financed, including real estate financing for current assets, as well as loans for the final repayment of loans for such purposes.
  As part of the Credit Programme, minor amendments were introduced as of 22 May 2025, in line with feedback from financial enterprises (e.g. changes to TEÁOR activity codes and the financing of real estate acquired through enforcement proceedings).
- From 11 December 2024, the Bank participates as a direct distributor for KAVOSZ Ltd. in the sale of Széchenyi Restart Investment Loan MAX+, Agri Széchenyi Restart Investment Loan MAX+ and Széchenyi Restart Liquidity Loan MAX+ products. The loan purposes, term, commitment period, own funds and collateral provided by the client, etc. are defined in accordance with the product documentation of KAVOSZ Ltd.'s referenced products. Given that the service to be provided by KAVOSZ Ltd. to MFB is not considered consultancy related to the core activity, public procurement is required, which is negotiated by KAVOSZ Ltd. and MFB Plc. in early 2025. Product maintenance continued throughout 2025.
- As of 8 January 2025, the Bank has participated as a direct distributor in the sale of EXIM Bank's "Future Exporters Investment Loan" and "Future Exporters Investment Green Loan" products.
- At the beginning of 2025, an outbreak of the foot-and-mouth disease virus occurred in Hungary, giving rise to a critical epidemiological situation. In view of this, MFB Plc. proposed a comprehensive programme package to be implemented in three phases. As the first phase, the MFB Livestock Working Capital Programme 2025 was launched on 15 May 2025 with a funding envelope of HUF 100 billion.
- As the second phase of the above-mentioned package, the restarted MFB working-capital loan programmes became available as of 28 November 2025, with a total funding envelope of HUF 16 464 billion: the MFB Agricultural Working-Capital Loan Programme 2025, the MFB Food-Industry Working-Capital Loan Programme 2025, and the MFB Producer-Organisation (TÉSZ) Working-Capital Loan Programme 2025. Financing under these programmes can be applied for directly at MFB Zrt. The onboarding of partner credit institutions to distribute the products is currently in progress.
- In order to mitigate housing difficulties in Hungary, the MFB Condominium Plus Loan Programme was announced on 14 November 2025 with a funding envelope of HUF 100 billion. Under the programme, the construction of condominium buildings consisting of up to 50 residential units is financed through financial enterprises under a refinancing scheme.
- As of 16 December 2025, a new comprehensive financing opportunity is available at MFB under the name MFB Green Momentum Loan Programme. Launched with a total framework of EUR 75 million (approximately HUF 30 billion), the programme consists of two products –an investment loan and a working capital loan –and aims to support the transition of Hungarian enterprises and organizations toward sustainable operations, technological renewal, and enhanced competitiveness. The programme places particular emphasis on financing investments that promote circular economy models and environmentally focused developments. The loan products are available to micro, small, and medium-sized enterprises, large enterprises, and other organizations maintaining double-entry bookkeeping, provided they are registered or have a branch office in Hungary and seek financing for green investments or green working capital needs. Owing to its flexible approach, the verification of the green nature of the investment is not tied to specific indicators, and non-compliance with the MFB Sustainable Financing Framework or the EU taxonomy do not constitute an exclusion criterion.
- In addition to the measures related to self-financed loan programmes indicated above, based on the Service Level Agreement between Diákhitel Központ Ltd. (hereinafter: DHK) and MFB, as of 12 June 2024, the MFB's Product Management and Business Development Department (hereinafter: PMBD) will coordinate product development tasks related to student loan products and prepare pricing proposals.

III. The Banks's activities in 2025 (continued)

Individual placements

The total value of individual new contracts and contract amendments was HUF 443.0 billion. In the case of individual loans, the annual amount disbursed was in excess of HUF 280.1 billion.
The Bank reports under individual loans the loans granted under the Gábor Baross Loan Programme, with a total of HUF 4.8 billion of new loans having been disbursed in 2025.
Within individual placements, the Bank continues to prioritize meeting the financing needs of the companies in its group; the amount of new loans granted to group members was HUF 56.4 billion in 2025.

Corporate bonds

In 2025, MFB Plc. also took part in corporate financing in the form of corporate bond subscriptions, in addition to traditional lending, which is shown in the balance sheet under Credit securities. In 2025, the Bank subscribed a total of HUF 109.0 billion in corporate bonds.

III.2. Guarantees and sureties

In addition to loan products, MFB continued to help businesses in 2025 with guarantees and sureties directly or indirectly related to loan transactions. The total amount of new guarantees issued by the Bank was HUF 190.7 billion in 2025 (including guarantee facilities)[5]. Thus, the guarantee portfolio increased to HUF 903.5 billion, while the value of guarantee facilities amounted to HUF 242.1 billion by the end of the year.

III.3. Investments

Companies in which MFB holds a direct ownership stake

MFB's investment activity continued to grow in 2025, with investment units in the various capital funds representing a significant share of the Bank's investments, and thus the financing of capital placements through investment funds, with the involvement of market-based fund managers and by encouraging private investors, was also a key driver.
The advantage of capital investment made through capital funds is that it can also provide financing for businesses that have no access or only limited access to loan financing. In addition, focusing on rebuilding the economy and placing it back on a growth footing is a good means of financing growth and even international expansion, e.g. for financing corporate or real estate transactions, or for financing slower-payback investments. In addition to the above, capital funds also open up the possibility of complementing the funds provided by MFB with capital from private investors, thereby increasing the amount of funds available to finance development.
In 2024, MFB-financed capital funds can be classified into six categories:

- Crisis and Tourism Capital Funds
- Capital funds financed under Pillars
- Financing of other domestic or EU-managed capital funds
- Capital contribution to MFB Invest Plc. (e.g. Funds for the real estate)
- Other MFB Group investments

The Bank committed a total of HUF 79.1 billion in new commitments to capital funds in 2025. In addition to economic development, the objectives of the new investments already include stimulating liquidity in capital markets, revitalizing the real-estate and promoting green investing. In case of capital funds, the total commitments approached HUF 1 345.6 billion by the end of 2025. Actual disbursements in 2025 for capital funds established previously and in the subject year totalled HUF 137.0 billion.

[5] out of which new guarantees HUF 156.1 billion, new guarantee facilities HUF 34.6 billion

III. The Banks's activities in 2025 (continued)

In addition to directly financing equity funds, the Bank also funded the activities of companies within the MFB Group. This primarily included financing MFB Invest Plc.'s business activities and providing a capital injection into IHT Ltd.

In addition to the above, MFB Plc. successfully exited from the securities funds created under Pillar I of the Baross Gábor Capital Programme, and the redemption of the last investment unit will be completed on 17/01/2025. In November 2025 the co-investor acquired the units of the Central European Opportunity private equity fund, established under the Bank's own-funded Crisis Capital Programme, and the fund was derecognized from the Bank's balance sheet.

Companies in which MFB exercises ownership rights
The Bank exercised ownership rights in respect of the following companies on 31 December 2025:

- Diákhitel Központ Plc.
- Capital funds of the 2007-2013 programming period and capital funds of the 2014-2020 programming period.
- pursuant to Decree 15/2022 (XII.6.) of the Ministry of Economic Development (GFM), the Innovation Europe Agricultural Innovation Private Equity Fund

III.4. MFB-DHK integration

The cooperation between MFB Plc. and Diákhitel Plc. for 2025 is governed by the Service Agreement (SLA) concluded in 2024 between Diákhitel Plc. and MFB Plc. Pursuant to a government decision and the Founder's resolution, Diákhitel Plc. has entrusted MFB Plc. with performing tasks related to the operation of the student and training loan system, including entering into student and training loan agreements in the name of, for the benefit of, and at the risk of Diákhitel Plc. Pursuant to the Service Level Agreement (SLA) DHK pays a service fee to MFB based on the costs incurred in order to perform the activities and tasks specified in the contract.

As of the end of December 2025, the number of employees with multiple employment was 40, while the number of employees employed exclusively by Diákhitel Plc. remained 3.

III.5. EU funds management

The MFB acted as the funds-managing body in the 2007–2013 programming period, as the Implementing Body of the Funds of Funds in the 2014–2020 EU programming period, and as the Implementing Body for the Holding Fund (hereinafter: HVSZ) in the 2021–2027 programming period; during the implementation of the RRF it serves as the Implementing Body for Financial Instruments (hereinafter: PEVSZ). It administers the resources made available to it in its own name but on behalf of the Managing Authorities/National Authority operating under the direction of the National Development Centre. Accordingly, the programming-period and RRF resources are not part of the Bank's balance sheet and are maintained in a separate register.

The EU resource management tasks serving the economic development goals of the MFB play a decisive role in the Bank's activities, the loan stock of deployed EU financial instruments amounted to nearly HUF 428.7 billion for the 2014–2020 period and HUF 32.0 billion for the 2021–2027 period (including the Recovery and Resilience Facility) at the end of 2025, a significant number of employees are engaged in the management of resources and the deployment of financial instruments. Therefore, the Bank views its EU resource management activities as a key intangible resource.

The 2007-2013 and 2014-2020 programming periods are over: the closing processes have been completed, and the remaining banking tasks are related to the management of the existing portfolio and of the repaid funds.

III. The Banks's activities in 2025 (continued)

Regarding venture capital programmes from the 2014–2020 programming period investment Period has ended, meaning that capital funds focus their activities on the care and maintenance of the portfolio. This is reflected in the decrease in placements. The funds drew down 100% of the in-kind contribution and almost fully invested it.

As HFIE/FIIA, the Bank perform the task of implementing the operational programmes that determine how the financial instruments are used (GINOP Plus, DIMOP Plus, KEHOP Plus, TOP Plus and RRF).

In the 2021-2027 programming period, EU programmes provide borrowing opportunities for the following target groups:

- micro, small and medium-sized enterprises,
- large companies,
- retail/residential customers (natural persons)
- non-governmental organisations.

Consultations are ongoing with the planners of the affected operational programmes that have not yet been announced concerning the product types already included in, and planned for, the ÉFK, the product parameters, and the timetable for their introduction. Based on the operational programmes adopted for the period between 2021-2027, HUF 863.11 billion of cohesion funds will be used in the form of financial instrument grants, which will also be supplemented by RRF funds (HUF +31.3 billion). The Bank selected the financial intermediaries involved in the implementation of the EU-funded loan programmes within the framework of a public procurement procedure for both the corporate and retail MFB Point Plus networks.

In the first half of 2025, a loan programme was announced targeting the corporate segment: the GINOP Plusz 1.4.5-25 "National Champions - supporting green and digital transformation -combined loan in one operation" aimed at supporting green and digital transition (GINOP Plusz-1.4.5-25).

In the second half of 2025, the GINOP Plusz 1.4.3-24 SME Technology Plus Loan Programme (GINOP Plusz-1.4.3-24) was amended, resulting in the creation of:

- Component A, operating under the original terms; and
- Component B, a working-capital loan product (GINOP Plusz-1.4.3-24/B).

The loan facility supporting energy-efficiency investments by enterprises (KEHOP Plus-4.1.6-25) was published in December 2025, with applications accepted from 2 February 2026. Also published on the website in December 2025 was the Geothermal Utilisation Preferential Loan Scheme (KEHOP Plus-4.2.5-25) –developed under MFB's direct administration –which entered into force on 15 January 2026 and for which applications can be submitted from 2 March 2026.
Preparatory activities continued for the 2021–2027 programming period venture capital instruments:

- GINOP Plusz – 2.5.1.25: Early-stage R&D capital programme (framework: HUF 18.12 billion). The call was published on the grants portal on 11 December 2025. As part of an in-house procedure to select financial intermediaries, a request for proposals was issued.
- DIMOP Plusz – 1.1.4.25: Digital Startup programme (framework: HUF 16.7 billion). The call was published on the grants portal on 29 September 2025. The procurement procedure to select financial intermediaries was initiated in December 2025 by sending the procurement documentation to KFF.
- GINOP Plusz – 2.5.2.26: Technology-specific capital programme (framework: HUF 55 billion). The draft call has been prepared and the programme launch is forecast for Q1 2026.

By the end of 2025, the loan and capital programmes listed in the table below were announced based on the Annual Development Allocations (ÉFK).

III. The Banks's activities in 2025 (continued)

Financial Programme code	Programme name	Annual Development Allocations (ÉFK) (HUF billion)
GINOP Plusz-1.4.3-24	SME Technology Plus Loan programme	85.5
GINOP Plusz-1.4.3-24/B	SME Technology Plus Loan programme - working capital loan programme	70
GINOP Plusz-1.4.4-24	SME Technology Plus Budapest Loan programme	73.2
GINOP Plusz-1.4.5-25	National Champions - supporting green and digital transformation -combined loan in one operation	155.6
DIMOP Plusz-1.2.3/A-24	Supporting micro-small-medium size enterprises digitalization - combined loan in one operation	29.4
DIMOP Plusz-1.2.3/B-24	Supporting small-and medium size enterprises digitalization - Loan programme	7.3
KEHOP Plusz-4.1.7-24	Home renovation programme for supporting households' energy efficiency investments	66.8
KEHOP Plusz-4.1.8-24	Home renovation programme for supporting households' energy efficiency investments - Budapest	6.2
RRF-REP-10.13.1-24	Home renovation programme for supporting households' energy efficiency investments	108.2
RRF-REP-10.14.1-24	Setting up recharging stations for electric vehicles (EVs)	30.1
GINOP Plusz-2.5.1.25*	Early-stage R&D capital programme	18.1
DIMOP Plusz-1.1.4.25**	Digital Startup programme	16.7

*In 2025 the selection process for the financial intermediary had not yet been completed

***As of 2025, the process for selecting a financial intermediary had not yet been completed. Pursuant to the amendment to Government Decision No. 1158/2023 (April 27), effective as of February 6, 2026, the call's identification code has been changed to DIMOP Plusz–5.1.4.*

III.6. Changes in limits and thresholds

The Bank's key prudential indicators are summarised in the following table:

data in HUF million	2025.12.31
Own funds	633 862
Large exposure limit:	
- customer/customer group	380 317
- credit institution	1 267 723
- financial business	633 862
Highest exposure:	
- customer/customer group	469 525
- credit institution	74 299
- financial business	76 116
Capital adequacy ratio, %	20.63%

III. The Banks's activities in 2025 (continued)

MFB's capital adequacy ratio has been above the regulatory limit in recent years, but its value has been steadily declining due to the significant capital requirements of its business activities, reaching 13.88% on June 30, 2025, thus approaching the warning level of the recovery plan (13%). Since the amendment to the MFB Act came into force on May 2, 2025, pursuant to Section 5(10) of the MFB Act Based on Section 5(10) of the MFB Act, the State shall, in accordance with the capital equalization agreement, cover the difference between the capital invested by MFB in investment fund shares and the monetary claim replacing the investment fund shares upon maturity or disposal, at the expense of the central budget. The primary objective of the capital equalisation mechanism was to stabilise MFB's capital adequacy ratio by allowing the portion of exposures covered by the state guarantee to be treated as sovereign risk, thereby reducing the Bank's risk-weighted assets.
MFB did not receive any capital contribution from its owner in 2025; however, as a result of the capital equalisation mechanism, the Bank's risk-weighted assets decreased significantly, which led to an increase in the capital adequacy ratio to 20.63% by year-end.

IV. The Bank's asset-liability management

IV.1. Funding

In 2025, MFB Plc. acquired medium and long-term external funds worth HUF 1 101.3 billion. In terms of currency, the forint accounted for 44.7%, the euro for 49.7%, the USD for 5.6% of the funds. 36.6% comprised international bonds, 24.7% domestic bonds, 24.6% bilateral bank loans, 12.4% syndicated and club loans, and 1.6% institutional loans.
MFB Plc. completed the following medium and long-term transactions in 2025:

- EUR 1 billion international public bond –MFB Plc., with BNP PARIBAS, Erste Group Bank AG, ING Bank N.V., J.P. Morgan SE, Morgan Stanley Europe SE and Raiffeisen Bank International AG as joint lead managers, completed a public international bond issue with value date 28 May 2025.
- In September 2023 MFB Plc. entered into distributor agreements with 6 domestic credit institutions. Under the agreements, the Bank offers domestic forint-denominated bonds to the public through auctions on the Budapest Stock Exchange during the period ending 31 December 2026. In 2025 the bond issues were completed with a par value of HUF 272.5 billion (of which HUF 16 billion related to social bonds).
- Bilateral facilities with domestic banks (HUF) —In 2025 the Bank concluded bilateral loan agreements with several domestic credit institutions totalling HUF 361.84 billion, from which HUF 135 billion was disbursed in 2025.
- Bilateral facilities with domestic and foreign banks (EUR) —In 2025 MFB Plc. concluded bilateral loan agreements with domestic and foreign credit institutions totalling EUR 450 million, of which EUR 350 million was disbursed in 2025.
- Club loan (HUF) –On 5 November 2024 the Bank signed a club loan agreement of HUF 150 billion with a banking consortium of five domestic credit institutions; HUF 75 billion was disbursed under this facility in 2025.
- Syndicated facility (USD) –In 2025 the Bank signed a syndicated loan facility of USD 190 million with a consortium of domestic and foreign credit institutions; the full amount was disbursed during the year.
- Committed facility with China Development Bank (CDB) –Dated 17 July 2024, MFB Plc. entered into a EUR 38.13 million committed loan facility with CDB.
- Facility with the Council of Europe Development Bank (CEB) –On 18 November 2025 MFB Plc. and the CEB (Paris) signed a EUR 50 million loan facility intended to finance education projects in Hungary; EUR 25 million was disbursed from the facility in 2025.

IV. The Banks's asset-liability management (continued)

Changes in MFB Plc.'s credit ratings

Moody's Investors Service: No changes to previously assigned ratings or outlooks occurred in 2025.

Fitch Ratings: On 10 December 2025 Fitch affirmed MFB Plc.'s long-term issuer default rating at "BBB"; the outlook on this rating was revised from Stable to Negative. Other ratings remained unchanged.

Scope Ratings GmbH: No changes to previously assigned ratings or outlooks occurred in 2025.

IV.2. Asset and liability structure, maturity structure, maturity match

Based on the balance sheet items presented in Chapter V, on 31 December 2025, total loans represented almost 37% of the Bank's total assets at year-end. The net portfolio of other interest-bearing assets [6]that partly serve as liquidity reserves (cash, interbank and MNB deposits) totalled HUF 383.2 billion, which represents 8.7% of total assets, the net portfolio of Credit securities [7](government securities and corporate bonds, bank bonds and mortgage bonds) totalled at HUF 552 billion, which represents 12.6% of total assets. The value of investments accounts for about 36.3%. Other assets accounted for 5.9% of the balance sheet total, in which exchange-rate guarantee settlements with the State appear with the greatest weight.
Liabilities can be considered homogeneous. As a result of its activities determined by law, the Bank does not take retail deposits. Corporate deposits and lending-related collateral deposits accounted for a mere 1.2% of total liabilities. Most of the Bank's liabilities (around 75.4%) come from the international and domestic money and capital markets. Within the total liabilities, bond issuance accounted for 43.8% and borrowing represented 29.2%. The stock of liabilities from MNB amounts to around HUF 109 billion, i.e. 2.5% of total liabilities. The share of interbank loans was 4.5% as at the end of 2025. The Bank's equity is another significant element on the liabilities side of the balance sheet, representing 14.5% of total liabilities. The portfolio of other liabilities amounts to 4.2%. The Bank's asset coverage (maturity match), as well as the liquidity ratios, present a favourable picture; MFB's stable liquidity position remained in 2025, due to the large funding operations.

- [6] The accounting balance sheet includes cash, accounts receivables from central banks and other demand deposits, HUF government bonds, IFRS corrections, other financial receivables, and Central Bank and interbank deposits.
- [7] In the accounting balance sheet, Credit securities, except for Capital fund units recognised among *Non-trading financial instruments mandatorily measured at fair value through profit or loss.*

V. The Bank's balance sheet and income statement

The Bank's key 2025 balance sheet data are summarised in the table below[8]:

(HUF million) BALANCE SHEET	31.12.2025	31.12.2024
Interest-bearing assets	**2 531 750**	**2 182 504**
Cash, Central bank and interbank deposits	383 187	90 251
Credit securities	552 174	462 731
Loans	1 596 389	1 629 522
Non-interest bearing assets (Shares)	**1 589 536**	**1 329 017**
Other assets	**259 471**	**280 857**
Total assets	**4 380 757**	**3 792 378**
External funds	**3 559 530**	**2 999 397**
Short-term funds*	201 297	50 871
Long-term funds*	3 358 234	2 948 525
Other liabilities	**185 050**	**157 426**
Shareholders' equity	**636 176**	**635 555**
Total liabilities	**4 380 757**	**3 792 378**

**In 2025, collateral deposits were reclassified from Short-term to Long-term funds. Compared tot he figures presented in the 2024 Annual Business Report, there is a discrepancy due tot he reclassification.*

At the end of 2025 the Bank's total assets exceeded the previous year-end figure by HUF 588 billion. The Bank's equity increased primarily as a result of profit for the period.

The differences in the structure of assets compared to the end of the previous year are as follows:

- the portfolio of cash, central bank deposits and other interbank deposits significantly increased compared to the end of the previous year, which was partly due to one repurchase of capital fund share by co-investors, and partly because unused new funds are temporarily held in liquid assets,
- the portfolio of debt securities was also higher than the previous year owing to the increase in stock of corporate bonds,
- slight decrease in the net ending loans compared to previous year[9],

[8] In the Management Report, the balance sheet is presented from the perspective of business controlling, and the comparison with the accounting balance sheet is contained in Annex 1. The main elements of the deviation from the accounting balance sheet are the following:

Cash, central bank and interbank deposits include:

- Cash, balances with central banks and other demand deposits
- Other financial receivables
- Central bank and interbank deposits

Debt Securities include:

- *Credit securities, except for Capital fund units recognised among Non-trading financial instruments mandatorily measured at fair value through profit or loss*
- *Government bonds denominated in HUF reported under 'Financial assets measured at fair value through other comprehensive income'* and *'Financial assets measured at amortised cost'*, including forint-denominated government bonds and their IFRS-adjusted amounts

Total Loans include:

- Loans

Equity interests:

- Instruments representing an ownership share
- Investments in subsidiaries, joint ventures and associates
- *Credit securities* recognised among *Non-trading financial instruments mandatorily measured at fair value through profit or loss* (Capital fund units)

Other assets: Exchange-rate guarantee receivables from the State, tangible assets, intangible assets, financial instruments held for trading, derivatives, and other assets

External funds: Financial liabilities measured at amortised cost

[9] The gross loan and corporate bond portfolio calculated from the perspective of business controlling adjusted for IFRS items was HUF 2 218 billion.

V. The Banks's balance sheet and income statement (continued)

- the stock of investments was increased by the subscription of investment units of private and venture capital funds and the capital increase of MFB Invest Plc.,
- Assets related to exchange-rate guarantee receivables from the State were mainly affected by a stronger HUF exchange rate, represent the largest part of other assets.

The Bank's income statement is as follows[10]:

(HUF million) INCOME STATEMENT	2025.	2024.
Total operating income	**42 119**	**54 600**
Invome from banking operations	9 145	14 918
Net interest income	(15 569)	1 148
Dividend income	18 016	8 392
Net commission and fee income	6 698	5 378
Fair value gain/loss on VC fund units	32 974	39 682
Total operating expenses	**(11 349)**	**(10 535)**
Expenses of banking operations	(21 134)	(19 082)
Expense reimbursement	8 163	7 738
SLA	1 622	809
Effect on profit of changes in impairment and provisions	**(21 263)**	**(30 169)**
Other income/expenses, taxes	**(7 198)**	**(7 508)**
Profit / loss for the year	**2 309**	**6 388**

The Bank's profit for the year was HUF 2.3 billion. In examining the profit items, it should be noted that

- The Bank's net interest income (HUF 15 569 million loss) was down significantly from the previous year's level. This was driven, on the one hand, by higher interest expense on maturing liabilities as they were repriced and on newly acquired funding, and on the other hand by the expansion of the non-interest bearing asset base and the comparatively higher interest cost of financing that expansion with interest bearing sources versus the previous year.
- The Bank recognised total dividend income of HUF 18 016 million –comprising dividends related to the 2024 performance of MKK Ltd. and MFB Ingatlan-fejlesztő Plc., as well as dividend advances —which is substantially higher than in the previous year.
- The balance of commissions and fees received and paid is higher than in 2024, mainly as a result of the increase in fee income received due to the larger average guarantee portfolio.
- During the year, the accounting gain on market funds measured at fair value was some of the larger items, which improved the overall profit figure by HUF 33 billion in 2025. The gain on the sale of investment fund units was lower than in the previous year, as the Bank did not recognise a positive fair-value change for these equity fund units in 2025.

[10] In the Management Report, the profit and loss statement is presented from the perspective of business controlling, and the comparison with the accounting income statement is included in Annex 1. The main elements of the deviation from the accounting income statement are the following:

- In the Management Report, total operating income and total operating expenses include the revenue and expenses related to the core activity, while other profit and loss from financial assets is presented among *Other items*. The banking supervision fee (HUF -1 527 million) is presented among Other income, but from the perspect of business controlling this item also increases operating expenses.
- Total operating income includes the fair value gains on VC fund units from marketable funds measured at fair value.
- *Expense reimbursement:* This is shown in the balance sheet under *Other operating income* excluding the net sales of non-financial and investment services related to previous years.

V. The Banks's balance sheet and income statement (continued)

- Expenses of banking operations exceeded the previous year's level. The 19% increase in personnel expenses was due to the DHK integration which began in the second half of 2024, and its full-year effect, furthermore due to the increase in the number of employees required for the Bank's operation (the end-of-year headcount increased by 25 and last but not least due to the inflation-linked wage increases. The level of material expenses decreased by 4%, mainly due to lower utility costs (including electricity and gas), marketing and experts' fee costs. The expenses of banking operations are detailed in a separate section.
- The cost reimbursement line mainly includes the reimbursement of costs related to tasks associated with the management of EU funds. Costs reimbursement received in the year under review amounted to HUF 8.2 billion, which exceeds the level of the previous year. In 2025, the Bank performed its EU fund management tasks with higher number of FTEs (Full Time Equivalent) than in the previous year, meaning that the reimbursement of personnel costs increased in parallel with the increase in the number of employees and salaries.
- Based on the Service Level Agreement (SLA) introduced as part of the MFB-DHK integration, MFB charges a service fee for the performance of tasks taken over from DHK under the conditions specified in the SLA, the amount of which is shown in this line.
- The amount recognized in the "Effect of changes in impairment and provisions on profit or loss" line arises from additional impairment/provisioning requirements resulting from methodological changes and an overall increase in activity. The changes in impairment and provisions are presented in a separate section.
- In 2025, the Other income, expenses line includes, among other things, the loss recognised for 2025 as well as the amount of taxes (including the special bank tax, other taxes), banking supervision fee, profit/ loss from exchange rate differences, profit/loss from financial assets and liabilities held for trading purposes, as well as the amount of profit from the sale of receivables. In 2025, Other income, expenses developed more favourably than in the previous year, which is largely due to positive impact of derivative transactions under the capital equalisation mechanism.

VI. The Bank's business management in 2025

VI.1. Cost management

The changes in expenses of banking operations in 2025[11] are summarised in the table below:

(HUF million)	2025.	2024.
Other administrative expenses	**(5 623)**	**(5 838)**
Operating expenses	(770)	(723)
Communication expenses	(486)	(469)
Marketing expenses	(1 048)	(1 119)
IT expenses	(1 556)	(1 438)
Vehicle expenses	(229)	(210)
Expert expenses	(711)	(1 212)
Other expenses	(824)	(667)
Depreciation	**(1 451)**	**(1 431)**
Personnel expenses	**(14 060)**	**(11 813)**
Total expenses of banking operations	**(21 134)**	**(19 082)**
Cost reimbursement by the State	8 163	7 738
SLA (Service Level Agreement)	1 622	809
Net total expenses	**(11 349)**	**(10 535)**

[11] In the Management Report, expenses of banking operations were grouped from a controlling perspective, according to the main connection points, while in the notes to the financial statements the costs were classified strictly on the basis of accounting principles.

VI. The Banks's business management in 2025 (continued)

The value of banking operations expenses increased primarily due to the MFB-DHK integration on 12 July 2024, as the cost impact of the integration was already felt throughout 2025. The gross value for 2025 exceeded the previous year's figure by 10.8%.

In line with the increase in the number of employees resulting from expanding business activity and the integration of DHK in 2024, the level of personnel expenses increased by 19.0% compared to the previous year. The average headcount of the Bank was 520.8 in 2025, which represents an increase of 61.1 in the reporting year.

Despite increased activity, the Bank realised savings across several non-personnel expense items. The largest reduction occurred in consultancy fees, reflecting the completion of Phase I of the DHK integration in 2024 and the execution in 2024 of the IHT assessment and counselling, which supported the centralisation of IT procurements; consequently, no further consultancy costs related to these projects were incurred in 2025.

Cost increases were recorded for the following items:

- The increase in IT and communications expenses, as well as other costs (insurance, audit fees, training), is primarily attributable to the rise in headcount.
- The rise in IT costs was primarily due to price increases for subscription-based software and operational services recognised as expenses, expanded user and capacity requirements, and the strengthening of cloud and IT security services (including higher licence subscriptions). The increase is predominantly operational in nature and was not capitalised. Preliminary IT assessments related to the relocation were implemented as unplanned requirements; without these assessments, the head office relocation could not have been carried out.
- Other external service costs were affected by an increase in the number of students employed under the internship programme and by general price inflation reflected in fees paid.

Personnel expenses and headcount

MFB's active-employee headcount on 1 January 2025 was 511, with an additional 16 employees on the books but not included in the "statistical headcount" (i.e. those actually working). By the end of the year, the active-employee headcount had increased to 560, of which the number of inactive employees was 24 and the number of active employees was 536 people. The average number of employees of the Bank in 2025 amounted to 520.8.

In 2025 it became necessary to fill the positions authorised in the business plan; as a result of intensive recruitment, the headcount was successfully increased to 536 by year-end. Filling the planned headcount was therefore essential to manage workloads, ensure the successful delivery of strategic projects. The headcount replenishment ensures that the Bank will continue to operate in a stable, efficient and regulatory-compliant manner, while reducing risks arising from overburdening and enabling the achievement of strategic objectives.

In 2025, MFB engaged 68 full-time (day-programme) students with active enrolment status as interns, of whom 39 were still working at the Bank at year-end. Twelve of them were recruited as employees during the year. The Bank allocated HUF 170.7 million in 2025 to fund the internship programme.

VI. The Banks's business management in 2025 (continued)

Cost reimbursement by the State

The Bank receives additional reimbursement from the Managing Authority for costs related to EU grant intermediation activities. In 2025, HUF 7.9 billion in cost reimbursements were settled on this basis, and the Bank will receive an additional HUF 0.2 billion in cost reimbursements for managing the 2007-2013 defaulted portfolio under a contract of mandate concluded with the Ministry of Finance.

VI.2. Organisation, internal regulation

In 2025, a total of 231 new or amended internal regulatory documents were issued within MFB Plc.'s internal regulatory framework. The following changes were made to the core documents.

- Organisational and Operational Regulations: amended seven times in 2025. The changes affected the Bank's entire organisational structure: new organisational units were established under certain Divisions, while other units were merged or reorganised. In addition, procedural changes were also made, primarily relating to the transfer of employer rights and the designation of substitutions.
- Decision-Making Rules (Decision-Making Procedures): amended six times in 2025. The amendments clarified and supplemented the composition, remit and decision-making authority of the decision-making bodies. The amendments also affected the rules governing the holding of meetings, the structure of decision-making documents and, in some cases, the amount of decision-making limits.
- Consumer Business Regulations: amended three times in 2025 to ensure alignment with consumer-protection expectations and established banking practice.
- Corporate (Entrepreneurial) Business Regulations: amended three times in 2025, in parallel with legislative changes (Act LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing) and evolving banking practices.

VI.3. Capital expenditures in banking operations

The Bank spent a total of HUF 2 189 million on capital projects during the year (capital expenditures capitalised). IT investments in 2025 amounted to HUF 2 105 million, the main elements of which were as follows:

Digitalisation

- In order to expand the application of robotics, following a comprehensive assessment of process suitability, technological feasibility and risk considerations, the integration of automation into additional business processes was initiated, in line with efficiency improvement and enhanced control objectives. The full implementation of the EKEIDR document management system has been completed. An additional supplementary module was also integrated to ensure that the system supports fast and efficient operations upon its rollout. The development of the implementation of having conflict of interest declarations made via an electronic interface has started, which provides significant support for Compliance tasks.
- The development of the IT strategy for the 2026–2028 period represents a significant step towards improving the operational efficiency of the field of IT. The strategy, prepared with the help of external experts, aims to promote the broader adoption of IT standards and best practices, while enabling more cost-efficient operations through the optimal use of IT tools, software, services and resources. To support daily operations, a bank-specific, artificial intelligence-based technology operating within the Bank's own infrastructure was introduced.

VI. The Banks's business management in 2025 (continued)

Developments

- In 2025, the Bank also provided special development capacity for the further development of the systems supporting the deployment of EU funds in the interest of the unimpeded placement of loan products of the programming periods.
- In compliance with SWIFT requirements, the Bank successfully completed the migration of payment messaging standards from ISO 15022 to ISO 20022 within the specified deadline.
- The establishment of a complete data management register within one system (IBM IGC) covering all data management activities – all its elements – was implemented and further expanded through the integration of additional systems.

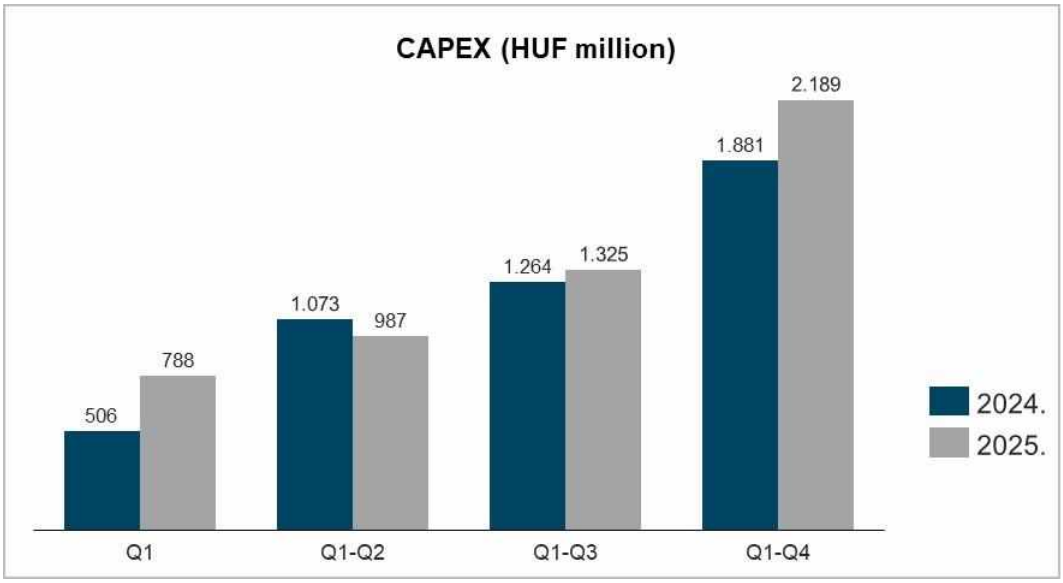
Infrastructure

- The procurement of new equipment (notebooks, monitors) was continued to ensure that outdated equipment was replaced.

Operations

- In 2025, one vehicle was acquired to replace an outdated company car.
- Aside from this, only essential investments were made, namely repairs identified during the electrical safety inspection at headquarters and the replacement of mobile phones.

The graph below presents the capital expenditures in banking operations:



In 2025 the Bank concluded 36 public procurement procedures with contracts totalling net HUF 3.4 billion, while another 18 public procurement procedures worth an estimated net HUF 3.2 billion were carried over to 2026.

VII. Effect on profit of impairment and provisions, operating loss events

VII.1. Effect on profit of impairment/provisions

The amount of impairment and provisions for 2025 is more favourable than in 2024. In 2025, the Bank had to set aside a larger amount (HUF - 32.3 billion) in provisions for its loans than in 2024. This was offset by the reversal of impairment losses on investments (HUF +11 billion), so that overall, the risk cost in 2025 was lower than in 2024, amounting to HUF 21.3 billion.

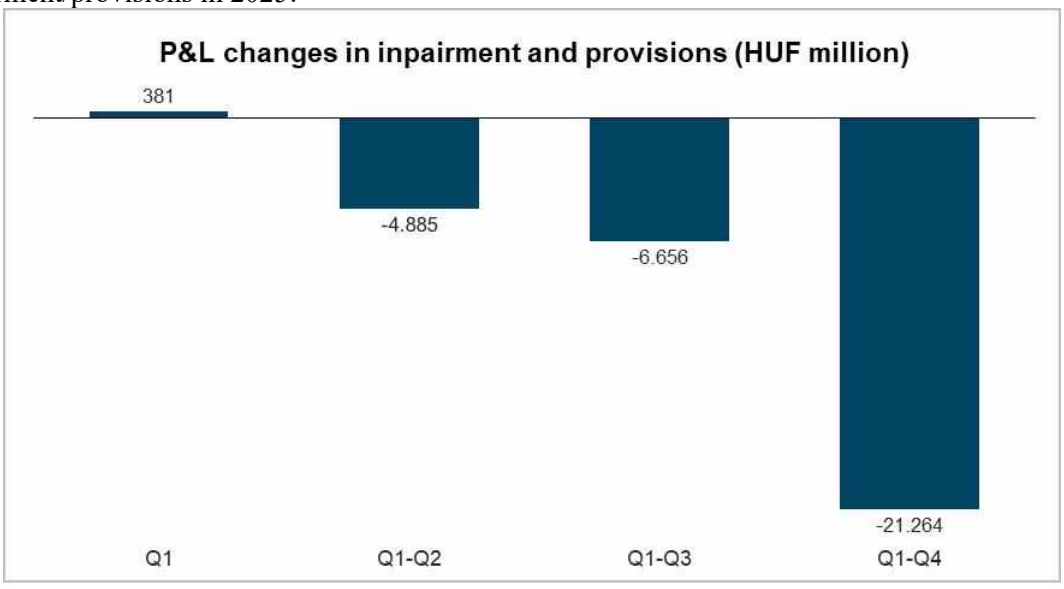
In 2025, the Bank implemented the results of the annual modeling tasks of the ECL (Expected Credit Loss) models for group-classified credit assets on September 30, 2025, and then on December 31, 2025. Consequently, significant increases in impairment and ECL allowances were recognised in those two quarters. In the first two quarters of the year, the movements in impairment and allowance balances followed the natural changes of the affected sub-portfolios.

Regarding the two implementation cut-off dates mentioned above, the Bank implemented the following methodological changes:

- As of 30 September 2025, changes to the long term default rate, the LGD model, the sovereign PD model, and the forward looking macroeconomic PD models together resulted in approximately HUF 8.7 billion of ECL provisioning.
- As of 31 December 2025, further changes to the PD macro factor incorporating forward looking macroeconomic information and to the LGD macro factor led to an additional HUF 12.2 billion of ECL provisioning.

In addition, the natural portfolio stock changes (customer and exposure rating migrations) and other minor adjustments explain the remaining provisioning.

The graph below presents the change of the effect on profit of recognised/reversed impairment/provisions in 2025:



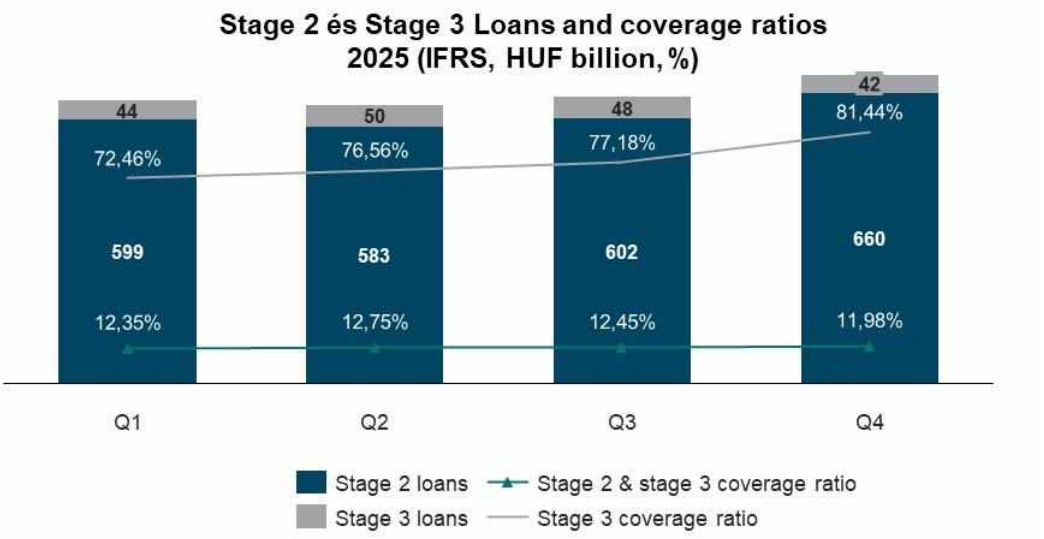
VII. Effect on profit of impairment and provisions, operating loss events (continued)

VII.2. Coverage of transactions

The coverage of transactions is presented broken down into loans and ownership interests.

Adversely classified loans and coverage ratio

The ratio of Stage 2 and Stage 3 loans covered by impairment was 12.0% at the end of 2025, while at year-end 2025, the impairment coverage of Stage 3 loans and POCI assets (hereinafter: Stage 3 loans) stood at 81.44 %.
There was a slight shift from the previous year as the ratio of Stage 1 (performing) loans decreased from 63 % to 57.9 % at year end, the percentage of Stage 2 loans increased from 34.7 % to 39.4 % while Stage 3 loans increased from 2.3 % to 2.7 %.
The graph below presents the changes in Stage 2 and Stage 3 loans and their impairment:



The collateral coverage (collateral value / net book value) of Stage 3 (non-performing loans) was 92.71 % at the end of 2025, with the indicator increasing by 20.71 % compared to the end of 2024, due to the mid-year reallocation of Stage 3 and POCI loans.

Coverage of adversely rated investments (equity interests)

The value of the portfolio of equity interests rated below 30% amounted to HUF 30 billion in 2025.
In the case of four private capital funds established with contributions from private investors, the total provision for the capital contribution obligation at year-end was HUF 941 million.

Operational loss events

In 2025, the Bank incurred a gross operating risk loss of HUF 58.5 million. The largest items were an administrative data processing error in the amount of HUF 52.5 million, an MNB fine in the amount of HUF 4.5 million, and other items (vehicle damage, enforcement, performance, process management) in the amount of HUF 1.5 million.

VIII. Key ratios illustrating the operations of MFB

Financial indicators

ROA		2025	2024	HUF million, % Index
1.	Profit/loss for the year	2 309	6 388	36.1%
2.	Balance sheet total	4 380 757	3 792 378	115.5%
3.=1/2	**Return on assets (ROA)**	**0.05%**	**0.17%**	**31.3%**

ROE		2025	2024	HUF million, % Index
1.	Profit/loss for the year	2 309	6 388	36.1%
2.	Shareholders' equity	636 176	635 555	100.1%
3.=1/2	**Return on equity (ROE)**	**0.4%**	**1.0%**	**36.1%**

At the end of 2025, both ROA and ROE ratios decreased, mainly due to lower profit after tax than in the previous year. The Bank's balance sheet total increased due to the expansion in activity, while its equity increased because of the profit of 2025.

Cost / Income Ratio		2025	2024	HUF million, % Index
1.	Expenses of banking operations (adjus	11 349	10 535	107.7%
2.	Operating income	42 119	54 600	77.1%
3.=1/2	**Cost/income ratio**	**26.9%**	**19.3%**	**139.6%**

Total operating expenses in 2025 increased by 7.7%, year-on-year, mainly due to the full-year impact of the DHK integration. Within total operating income, fair-value gains on equity instruments decreased and net interest income weakened. Consequently, the indicator deteriorated compared to the prior year.

Leverage		2025	2024	HUF million, % Index
1.	Balance sheet total	4 380 757	3 792 378	115.5%
2.	Shareholders' equity	636 176	635 555	100.1%
3.=1/2	**Leverage indicator**	**6.9**	**6.0**	**115.4%**

Equity growth in 2025 lagged behind the rate of growth of the balance sheet total, resulting in a decline in the Bank's leverage ratio compared to the previous year.

Liquid assets ratio		2025	2024	HUF million, % Index
1.	Cash, Central bank and interbank depo	415 327	138 431	300.0%
2.	Total assets	4 380 757	3 792 378	115.5%
3.=1/2	**Liquid assets ratio**	**9.5%**	**3.7%**	**259.7%**

Alongside the expansion achieved in 2025, the share of liquid assets also rose in parallel with substantial funding inflows, consequently, the temporarily available year-end liquidity stock provides cover for further business expansion or for managing an unforeseen, exceptional liquidity stress. The Bank keeps the portfolio of securities suitable for repo transactions permanently above the level of liquidity reserves required by the regulations.

VIII. Key ratios illustrating the operations of MFB (continued)

		2025	2024	HUF million, % Index
1.	Loan portfolio + Corporate bond + Equit	3 683 492	3 356 012	109,8%
2.	Balance sheet total	4 380 757	3 792 378	115,5%
3.=1/2	**Business portfolio ratio**	**84,1%**	**88,5%**	**95,0%**

The Bank's loan, corporate-bond and equity-interests portfolio increased by nearly 10 % in 2025. The balance sheet expanded even more, as the Bank temporarily held unused new funding in liquid assets.

Non-financial indicators

Headcount management		2025	2024	nr, % Index
1.	Closing headcount	560	527	106.3%
2.	Closing headcount (active)	536	511	104.9%
3.	Average headcount (active)	521	460	113.3%

In 2025 both the Bank's year-end and average headcounts increased, thus exceeding the 2024 levels. The rise in headcount partly reflects the impact of the MFB-DHK integration (visible in the average headcount) and partly represents new hires related to expanding responsibilities (affecting both average and year-end headcounts).

Announced MFB programmes and sub prograr		2025	2024	nr / HUF billion, % Index
1.	MFB programmes (nr)	8	3	266.7%
2.	Total programme funds (HUF billion)	437	161	271.1%

At the end of 2025, the following eight loan programmes funded by MFB Plc. were available:

- MFB Széchenyi Microcredit Refinancing Programme 2.0 announced for refinancing the Széchenyi Microcredit MAX and MAX+ scheme of KAVOSZ Ltd. (announced budget: HUF 150 billion)
- The MFB PVRK Current Asset Loan Programme can be applied for from 19 November 2024 (announced budget: HUF 40 billion)
- MFB Livestock Working Capital Loan Programme 2025 - available for applications from 15 May 2025 (announced financial envelope: HUF 100 billion)
- MFB Agriculture Working Capital Loan Programme 2025
- MFB Food Production Working Capital Loan Programme 2025
- MFB TÉSZ Working Capital Loan Programme 2025 - available for applications from 28 November 2025 (the three products have a combined announced financial envelope of HUF 16.464 billion)
- MFB Condominium Plus Loan Programme - available for applications from 14 November 2025 (announced financial envelope: HUF 100 billion)
- MFB Green Momentum Loan Programme - available for applications from 16 December 2025 (announced financial envelope: EUR 75 million, approx. HUF 30 billion)

In addition, on 11 December 2024, the Bank joined KAVOSZ Ltd. as a distributor for the Széchenyi Restart Investment Loan MAX+, Agri Széchenyi Restart Investment Loan MAX+ and Széchenyi Restart Liquidity Loan MAX+ schemes. On 8 January 2025, the Bank joined as a distributor to EXIM Bank's Future Exporters Investment Loan and Future Exporters Investment Green Loan programmes. Thus, together with these, businesses can apply for financing in 13 own-funded schemes.

IX. Risk management activities

The Bank's organisational unit that performs a risk control function is responsible for defining the Bank's risk strategy, policies and methods, enforcing external and internal limits and controls, and ensuring and reviewing adequate execution both internally and through intermediaries. Accordingly, the Bank lays down risk governance principles and also performs a coordinative supervisory function among the companies where it holds an ownership interest or exercises shareholder rights. Notwithstanding the exemption from the internal capital adequacy assessment process provided for in Section 97 of Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises, as set out in Section 8(2) of the MFB Act, the Bank comprehensively reviews, in compliance with the principles set out in the Internal Capital Adequacy Assessment Process (ICAAP), the components of the Bank's risk management framework (Enterprise Risk Management, hereinafter "ERM") and the efficiency of their systemic operation. As part of the ERM the Bank has in place the lines of defence required by MNB. As a result of effective risk management activities, the Bank is able to identify, measure and manage its key risks, and thus achieve the business objectives set by its owner and support economic development, which is defined as its fundamental task. The entire risk management functionality is integrated into the Bank's processes with the exception of the last phase of workout activities, which is performed by the group's dedicated competence centre, a subsidiary specialised in this field (MKK Ltd.).

Credit risk (risk of default)

Credit risk, as a collective term, includes all risks of default, including customer risk, counterparty risk and investment risk, where the investment's performance falls short of the business plan and causes financial loss to the Bank.

The preparation process for exposures (risk-taking) is defined in the internal regulations on risk assumption, during which the Bank identifies the risks of the transactions and verifies the borrowers' ability to repay the loan.
In 2025, the Bank quantified the capital requirement for credit risk using the standardised approach in Pillar 1 in accordance with CRR Regulation, and in Pillar 2, as a small institution, followed a method based on the capital requirement set out in Pillar 1, and measures whether an additional capital requirement is required due to the type of risk not included in Pillar 1. The capital requirement for credit risk was HUF 231 527 million on 31 December 2025.

Operational risks

The Bank's framework for efficient operational risk management is based on adequate internal governance, which ensures that risk management policies, internal regulatory documents and systems remain sufficiently effective in the continually changing business and regulatory environment. The Bank meets the own funds requirement applicable to operational risks in accordance with the standard approach, according to which the Bank's operational risk capital requirement was HUF 8 635 million on 31 December 2025.

The preparation process for exposures (risk-taking) is defined in the internal regulations on risk assumption, during which the Bank identifies the risks of the transactions and verifies the borrowers' ability to repay the loan.

Market risk, FX risk

In the management of FX risks the Bank places the emphasis on the open position held at its own risk. The absolute value of the open position amounted to 2.02% of the own funds on 31 December 2025, and its net value also amounted to 1.28% of the own funds.
The Bank uses stress tests to measure the losses expected in the event of an extreme shift in exchange rates. Because of the relatively small net open position, the outcomes of the stress tests also suggested a relatively small potential loss.

IX. Risk management activities (continued)

data in HUF million	31.12.2025	31.12.2024
Absolute value of open FX position	12 846	8 667
Stress test (10% exchange rate shift)	1 285	867
Limit (5% of own funds) or 25 bn. HUF	25 000	25 000

There are no risk exposures for trading purposes. The transactions entered into by Treasury are regarded as transactions for hedging, liquidity management or limit maintenance purposes.
The VaR of the positions held on 31 December 2025 amounts to a mere 0.05% of the Bank's own funds.

	VAR (million HUF)	
Date	**Value**	**Limit**
31.12.2025	298	5 809
31.12.2024	285	6 160

The capital requirement of FX risk was HUF 744 million on 31 December 2025.

Residual risk

Residual risk refers to the risk that the credit risk mitigation (CRM) procedures recognised in capital requirement calculations are not as efficient as stated. The client must have collateral values reviewed by an independent appraiser approved by the Bank at the frequency specified in the relevant agreement. During its loan monitoring activities the Bank regularly inspects the collaterals behind transactions that involve an exposure; residual risks are managed as part of the monthly and quarterly rating/classification of outstanding loans, by recognising impairment and provisions to offset any decrease in coverage.

Concentration risk

Limit systems are the essential tools for managing concentration risks. The Bank manages concentration risks not only at bank level but also at the level of the MFB Group. The concept of large exposures to a single client or client group is governed by CRR Regulation, while the limits of such exposures applicable to the Bank are regulated in the MFB Act. The Bank applies a set of sector limits to sectoral risk groups in the same monetary position based on the aggregate financial data of industry sectors.
By calculating a commonly accepted statistical measure of concentration – the Herfindahl-Hirschman Index (HHI), where on a scale of 0 to 10,000 a value below 1,000 indicates low concentration, a value in the 1,000-1,800 range means medium concentration and a value above 1,800 means high concentration – the Bank regularly checks whether the sectoral concentration of direct exposures remains within the standard limits. In 2025, the index typically moved in the average risk range.

Country risk

Prior to conducting international financial transactions, the Bank sets country limits for all countries in which the partner institution (or, in the case of foreign branches, the parent institution) has its registered office. The country limit is the aggregate of the political and economic risks that the Bank can take in respect of the given country (and the financial institutions registered there). Due to the non-material volumes, MFB had minimal country risk in 2024.

IX. Risk management activities (continued)

Interest rate risk in the banking book

The fundamental principle of the Bank's interest rate risk management policy is that the Bank manages interest rate risks preventively; in other words, it tries to provide funding for its loan programmes and disbursements that is the best match in terms of reference rate, repricing period and maturity. As part of the management of interest rate risks the Bank enters into hedging deals if necessary.
Interest rate risk positions are quantified by currency using the basis point value (BPV) method as well as by assessing the impact on short-term profitability (scenario analysis). The USD interest rate risk exposure is marginal.

2025.12.31 HUF million	**1 bp.**	**1%**
HUF	-43.42	-4 342
EUR + USD	71.18	7 118
Total	27.76	2 776

The Bank uses stress tests (mild and severe stress scenarios) to assess the potential impact of exceptional (extreme) but possible events, which quantify low risk exposure thanks to the existence of repricing consistency.

	Mild Stress-test				**Strong Stress-test**			
Date	**HUF + 1 %**	**EUR + 0,25 %**	**Total**	**Limit**	**HUF + 3 %**	**EUR + 1 %**	**Total**	**Limit**
2025.	-3 136	-47	-3 184	-17 427	-9 409	-190	-9 599	-46 473
2024.	-2 727	-375	-3 102	-18 818	-8 180	-1 501	-9 681	-49 280

Liquidity risk

The purpose of the liquidity reserve policy is to ensure that sufficient liquid assets are available to the Bank to cover unexpected cash outflows at any time. The Bank is prepared in every regard to handle extraordinary liquidity situations adequately and safely and has a recovery plan.
Under Section 8(2) of the MFB Act, the provisions of Articles 411-428 of CRR Regulation do not have to be applied to MFB. The Bank, however, calculates the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR), and compliance with the ratios is considered a priority in liquidity management.
In addition to the above, the Bank also uses structural GAP limits (which are set for maturity bands) in liquidity management and also conducts 90-day survival analyses according to normal and stress scenarios.

Counterparty risk

To quantify the capital requirement of counterparty risk the Bank employs the original exposure method defined in Article 282 of the CRR.
When the original exposure method is employed, the potential exposure of an individual transaction is the notional value of the transaction multiplied by:

- the product of the time-to-maturity of the transaction, expressed in years, and 0.5% in the case of interest rate derivatives;
- 4% in the case of FX derivatives;

Under Section 8(2) of the MFB Act, the provisions of Articles 411-428 of CRR Regulation do not have to be applied to MFB. The Bank, however, calculates the LCR and the NSFR, and compliance with the ratios is considered a priority in liquidity management.

IX. Risk management activities (continued)

The Bank uses the basic method described in Article 384 of the CRR to calculate the own funds requirement of the credit valuation adjustment (hereinafter "CVA") risk related to counterparty risk. Under the bilateral agreements concluded with its counterparties the Bank exercises its right to add collaterals accepted for risk mitigation and revaluates them regularly. The capital requirement of the CVA was HUF 4 941 million on 31 December 2025 (HUF 1 706 million in 2024).

Strategic risks

The Bank manages strategic risks – which arise from changes in the business environment, making incorrect business decisions, adopting a high-risk business model or ignoring the changes in the business environment – by drawing up a medium-term comprehensive business strategy for 2021-2030 and reviewing and updating its risk management strategy and policy annually. The viable, safe and sustainable implementation of the business strategy is supported by functional sub-strategies. In its risk strategy MFB consciously moves toward risks that are larger but can be assumed prudently; at the same time, the increase in risk appetite and risk tolerance is balanced out by increasingly advanced risk management methods, improvements in risk-taking and risk mitigation techniques and continuous risk monitoring.

Risk arising from the economic environment

The Bank assesses the risks arising from changes in the economic environment by developing credit risk stress scenarios and analysing their potential impact on capital position and profits. In its 2025 analysis, the Bank covered all possible stress scenarios.

Risk arising from the regulatory environment

The Bank adapts to the risks arising from changes in legislation. It informs its shareholders in a timely manner about the expected effects of the planned changes on the Bank and manages the related risks during capital planning.

X. Audit

In 2025, the Internal Audit Directorate (IAD) closed and issued 29 reports, of which 23 were planned audits and 6 unplanned audits – demonstrating the follow-up of the action plan related to the 2023 MNB Comprehensive Audit. 8 planned audits were initiated in 2024 under the previous year's plan, however, their execution extended into 2025.16 of the 27 audits scheduled in the 2024 plan were completed. The review process of 4 audit has been completed, 7 audits are in progress, their conclusion will most likely take place in Q1 2026.

The use of time for the various tasks was significantly changed due to the two-week tasks of assessing the related findings of the Supervisory Comprehensive Audit and requesting missing or incomplete data. In 2025, compared with the plan, the IAD devoted more time to reviewing internal policies.

In 2025, as part of its advisory activities, the IAD participated in the IHT project and in the ESG working group. In the context of renewing Microsoft's cloud-based services, the IAD provided expert support and continuously monitored the Hunguard audit. From November 2025, responsibility for managing audits by the State Audit Office (SAO) and the Government Control Office was transferred to the IAD, including coordination of the ÁSZ audit launched in 2025 on the review of state capital programmes.
The IAD reported continuously and in detail to the Supervisory Board (SB) about the results and experiences of the audits. BEI provided a quarterly summary to the Supervisory Board on the management and follow-up of audit-related tasks. The internal audits found no breaches of law and no shortcomings that could endanger the Bank's functioning.

X. Audit (continued)

The Group-level Policy and Manual on internal audit were reviewed in the second half of 2025, and after internal consultation and the necessary approvals by the Supervisory Board and the Executive Board, the regulations came into effect.
During 2025, the BEI supported the development of the Bank's internal regulatory environment and the development of new products by issuing opinions on 207 regulations. Also, the BEI issued preliminary opinions (55) on all of the Supervisory Board and Audit Committee proposals.

XI. Compliance

In accordance with international and Hungarian regulations and recommendations, the Bank operates a separate organisational unit (Compliance Directorate) to identify and manage compliance risks; the Directorate performs its tasks based on the compliance risk management methodology, the compliance bylaws and the compliance work plan.

The Compliance Directorate prepares an annual comprehensive report for the Board of Directors and the Supervisory Board on the Bank's compliance activities and status, which includes the identification of compliance risks, an assessment and analysis of their impact, details of the required action plans, and an account of the monitoring of the results of these actions.

In addition to general compliance responsibilities (e.g. preventing money laundering, terrorist financing and market abuse, ensuring compliance with conflict of interest rules, monitoring changes in legislation), the Compliance Directorate also performs other operational tasks to ensure adherence to ethical standards and rules of conduct, the objectives of which include ensuring the fair treatment of clients and integrity, a general prohibition on corruption and gifts, compliance with the key requirements pertaining to ethics, conduct and behaviour during work. Operating compliance processes contributes to prudent operations, the reduction of reputation risks and the strengthening of corporate culture.

The Compliance Directorate discharged its regulatory, operational, training, consulting, risk assessment and control tasks set out in its 2025 Work and Audit Plan, in particular in the areas of anti-money laundering and sanctions compliance, internal credit monitoring, complaints management and conflict-of-interest compliance.

In 2025, the determination of the business specifications necessary for the development of the HYDRA system supporting the implementation of customer due diligence measures in the field of anti-money laundering, the testing and roll-out of the developments, the operation of monitoring processes related to money laundering and terrorist financing (AML Act) and execution of planned audits continued to be priorities, as well as to introducing an external oversight function for anti-money laundering processes.

Within the field of general compliance the framework of the legislative amendment monitoring activity, the supervisory regulatory tools (MNB recommendations, management circulars) that are relevant from the point of view of MFB compliance were identified, and in this context, a monitoring module supporting the tracking of legislative amendments was also procured. The relevant banking departments were also informed about the legal and regulatory requirements, and the tasks necessary for compliance were defined. In the area of conflicts of interest, several audits were carried out covering the general banking network and the network of intermediaries involved in the allocation of EU funds. In 2024, the independence audits carried out in the case of EU-settled procurements represented a significant proportion as well. For proprietary activities, the requirements specification for the development enabling the electronic submission of conflict-of-interest declarations has been completed, and implementation of the development has also commenced.

MFB's Anti-Corruption Policy was reissued as a group-level directive covering members of the MFB Group, and a new group-level Code of Conduct and Ethics was adopted and entered into force in 2025.

XI. Compliance (continued)

In the field of conflict-of-interest audits, the support of the Internal Audit and Integrity Directorate's quarterly conflicts of interest audits continued, during which the Compliance Directorate ensured continuous contact and data reporting. Furthermore, the tasks set out in the action plan prepared in response to the findings of the Internal Audit and Integrity Directorate’s 2024 risk-assessment review of the conflict-of-interest framework have been executed.

In 2025 the Compliance Directorate performed the tasks set out in the internal regulations relating to activities outsourced pursuant to the Credit Institutions Act and the Compliance Officer also fulfilled the responsibilities of the Head of Outsourcing.

Within the framework of the service contract concluded for the operation of the student loan system, the Compliance Directorate also carried out compliance tasks related to Diákhitel Központ Ltd. including maintaining internal regulations and supervising regulatory compliance.

In relation to data protection compliance, the Compliance Directorate continued to support the work of the Data Protection Officer, who, in addition to the tasks assumed in the 2025 work plan, also performed their consultant, reviewer and other expert tasks.

XII. Marketing activities

For MFB, the focus of communications and marketing activities in 2025 remained on effectively supporting financing programmes implemented with domestic and European Union funds, and on strengthening and consciously positioning the MFB Pont Plusz intermediary network. The Marketing and Communications Directorate’s primary task continued to be the consistent support of the Bank’s business objectives and the clear, professionally substantiated communication of economic and development policy priorities.

In 2025 the Bank’s communications centred on clearly, transparently and distinctively presenting targeted financing instruments aimed at a wide range of businesses and institutions—particularly programmes supporting the green transition, energy efficiency, housing and technological renewal. There was an increasing emphasis on educational, decision-support content designed to facilitate the practical understanding and take-up of these programmes.

Communication in 2025 shifted away from closing the previous EU cycle and focussed instead on scaling up and ensuring the stable operation of products related to the 2021–2027 financial period. Throughout this period the MFB Pont Plusz network continued to act as an intermediary channel for bringing both retail and corporate financing products to market, supported by accompanying marketing and PR activities.

In December 2025 MFB launched a brand campaign aimed at reinforcing the Bank’s role as a development bank and its social utility. The campaign continued into 2026 and contributed to positioning MFB as a stable, professionally reliable institution that supports sustainable and inclusive growth.

XII. Marketing activities (continued)

In 2025 the Bank maintained a stable and credible presence in the domestic economic and trade media as well as at relevant professional forums and conferences. The vast majority of media coverage presented MFB's role and achievements in an objective, expert tone, contributing to the strengthening of the institution's long-term reputation.
Content marketing in 2025 expanded and became more differentiated. During the year MFB continued thematic PR communications tied to specific products and policy objectives and deepened its coverage of sustainability and ESG issues. The Bank maintained successful appearances on commercial television while regularly publishing on its own web platforms; articles and background materials supporting businesses further reinforced MFB's educational and supportive role.

In 2025 MFB was an active participant in domestic economic and professional conferences, particularly in the areas where the Bank's role is indispensable—sustainability, energy efficiency, housing and financing corporate development. Press coverage accompanying the Bank's presence at these events consistently reported on MFB's activities in a positive or balanced tone.

Sustainability in 2025 no longer appeared as a standalone theme but as an overarching approach in MFB's external communications. Within this framework the Bank further increased the visibility of its ESG commitment and, both at professional events and through its content, demonstrated how it contributes to the green transition and to establishing long-term economic balance.

Environmental policy, environmental protection measures

This chapter describes the direct environmental impacts of the Bank's operations and the activities undertaken by the Bank to promote sustainability.
MFB is committed to managing environmental risks and exploiting environmental opportunities in its financial services activities. Its core commitments in this respect are set out in the ESG sub-strategy of the business strategy.

Emissions from the Bank's own operations and reducing these

MFB Plc. does not engage in any environmentally harmful activities. In relation to its own operations, the primary environmental impacts arise from energy consumption, greenhouse gas emissions and waste management. The Bank is committed to maintaining the Green Office certification renewed in 2024 and to the gradual reduction of energy use and its carbon footprint where possible. The Bank intends to renew the Green Office certification every two years and the completion of the action plans to obtain the certification are presented to the Bank's management every six months as part of the overall ESG reporting. Under the Green Office Action Programme, MFB is preparing a plan to further reduce its ecological footprint. The objective of the Bank is to reduce the carbon footprint of its operations. As part of the programme, the Bank's 2025 carbon footprint has been quantified in Scope 1 (direct emissions) and Scope 2 (purchased energy) categories, and the quantification of certain categories of indirect emissions in Scope 3 (purchased materials and services) has been carried out in accordance with international standards. These CO_2 emissions data are the basis for the development of our future operational improvement plans to reduce our own emissions. In addition to the above, the Bank is focusing on digital solutions for its own operations, optimising energy use and waste management, and reducing negative environmental impacts.

XII. Marketing activities (continued)

Taking into account MNB's Green Recommendation, MFB will be developing a carbon neutrality plan in 2026 in line with climate change and environmental sustainability objectives.

In 2025, the Bank continued to provide ESG-focussed training for senior management and sustainability-relevant training opportunities for employees. Training programmes on current sustainability topics were developed for employees in the framework of MFB Academy, ESG aspects and the Bank's Green Office programme were integrated into the e-learning exam system.
Alongside the mandatory training, in 2025 employees participated in individually organised sessions to gain a detailed understanding of domestic ESG regulation (e.g., the ESG Act) and the principal requirements of the Corporate Sustainability Reporting Directive (CSRD). Employees of Business and Risk Management received professional training on two occasions to ensure that, when preparing proposals for individual lending transactions, the Bank's applicable policies and requirements for assessing and analysing transactions' ESG risks are applied comprehensively. Furthermore, ESG topics are published and continuously updated in a dedicated section of the Bank's intranet platform (Green Zone) to help effectively develop an ESG mindset among Bank staff.

Bank-wide compliance with the MNB Green Recommendation

According to its action plan, the Bank continued to implement the tasks set out in Recommendation No. 10/2022 (VIII.2) of the National Bank of Hungary on "climate-related and environmental risks and the integration of environmental sustainability considerations into the activities of credit institutions" (hereinafter: Green Recommendation), involving the relevant areas, in accordance with the action plan undertaken. The aim is to integrate sustainability-related banking activities into the operations and processes of existing organisations in the medium term.
The Bank is committed to be at the forefront of promoting good practices and attitudes towards sustainability, and to support sustainable transition by reviewing past lending and investment practices from a sustainability perspective, by developing and recommending various "green & social" loans, investments and other financial products linked to environmentally relevant objectives.
Following the integration of ESG risks into the bank's lending processes and the development of key performance indicators (KPIs) in line with regulatory expectations, the project launched in 2025 to assess transition and physical risks has been completed.
Within the process of preparing the consolidated Sustainability Report, presented as a separate chapter of the MFB Group's consolidated Management Report, the Group reviewed in 2025 the material topics originally identified in the materiality assessment carried out for 2024. As part of this review, and with the involvement of relevant stakeholders, an updated list of material topics was determined.
The double materiality assessment identified the following environmental topics:

ESRS E1: Climate change
ESRS E5: Waste management
These topics are elaborated in detail in the Sustainability Report within the presentation of each respective topic.

XII. Marketing activities (continued)

Sustainable Finance Framework

In 2023, the Bank published its Sustainable Finance Framework, which provides a unified framework for managing the Bank's sustainability-related green and social lending targets for its placements, including both the eligibility categories and exclusions for these targets. Furthermore, it also provides guidance on the assessment and selection of eligible projects, the rules for the use of funding and the content of the annual public reporting on disbursements made in accordance with the conditions of the Framework. The Framework was reviewed in 2025. During the review, the range of acceptable green categories was expanded with two additional categories. The Framework's external expert assessment (issuance of a Second Party Opinion) was conducted by S&P Global. In 2025, the Bank prepared, for the first time since the Framework's establishment, an Allocation Report and an Environmental Impact Assessment Report in line with the applicable standards, detailing the allocation of funds to the eligible loan portfolio and the environmental and social impacts of their use, for the purpose of informing investors. The preliminary allocation report of the Framework was audited by an independent external auditor. Following the first green and social funding rounds in 2024, a follow-on issuance of the social bond took place in 2025.

Responsible employer

In its human resources policy the Bank is committed to condemning any form of discrimination – based on sex, age, religion, race, political or trade union affiliation, language of other differences – and to respecting the rights of the disabled.

MFB directly supports the development of communities, the promotion of financial literacy and the creation of opportunities. Respect for human rights is an important consideration with regard to both business partners and employees, and the Bank places great emphasis on this issue in its regulations, the organisation of its operations, its communication, and its complaint handling processes. The Bank does not have a separate diversity policy applicable to the managing and supervisory bodies, as it is partly defined in the Code of Conduct and Ethics.
For MFB, responsible employer behaviour is not just an ethical obligation but also a competitive advantage in the labour market. In its human resources policy, the Bank is committed to supporting employee retention, cooperation, community building, training and development, physical and mental well-being, as well as a family-friendly corporate culture, and has therefore contributed to strengthening its role as a responsible employer in 2025 through actions related to these priority focus areas.
In 2025, the Bank also paid special attention to the preservation of the health of its employees and the support of their physical well-being. In this context –to reduce musculoskeletal disorders caused by sedentary work –the Bank has continued to offer on-site group exercise classes at a reduced cost and actively contributes to the funding of sports activities available outside the Bank. In the area of community building, it has supported team-building events and group recreational activities (e.g. bank trips), as well as community participation in sporting events and charity activities.
In 2025, the Bank was awarded the BeneFit PRIZE certification in recognition of its sports, educational and other employee well-being programmes.
MFB realised that it is increasingly challenging to maintain the mental health of its employees and to maintain a good work-life balance. To support this, in 2025 the Bank continued to prioritise the well-being of its employees and, alongside its numerous existing benefits, maintained bank-funded psychological counselling services. In 2025, we continued to focus on leadership development in training and development and also provided a wide range of opportunities for the individual development of our employees. We are committed to maintaining and developing the knowledge and skills of our staff through professional and skills development training. We also continued our language training programme with a high number of participants.

XII. Marketing activities (continued)

To strengthen employee retention and the feedback and supportive roles of managers, the organization reintroduced in 2025 the previously developed system of 'managerial feedback sessions', which provides opportunities for managerial feedback.
Environmental sustainability also played a prominent role in 2025, as supporting environmentally conscious operations is an essential part of responsible employer behaviour. This year, the Bank again obtained Green Office certification, which was extended not only to its main building, but also to its two additional rental properties. In 2025, MFB also renewed the Family Friendly Workplace label, with which the issuer of the label acknowledged the Bank's long-term commitment to a family-friendly corporate culture.
The measures implemented by the Bank in 2025 further strengthened employee commitment and the creation of a supportive and cohesive community in order for MFB's operation to meet not only the challenges of the present but also those of the future, while creating value not only for its employees, but also for its clients and the broader environment.

Social responsibility

Throughout the year, MFB placed a strong emphasis on showcasing its corporate social responsibility activities, reinforcing its values as a state-owned development institution and its commitment to society.
Cooperation with the St Martin's Children's Rescue Service Foundation continued. In 2025 we again provided support to convert a standard vehicle into a pediatric rescue vehicle (ambulance), to equip their emergency service's training centre with appropriate equipment, and to purhase a life support system.
In 2025 the Bank once again served as a prominent patron of the Junior Prima Award's "Hungarian Science" category: for the 19th year it helped ensure that the professional work of ten outstanding young researchers and scientists received national recognition, thereby supporting Hungary's next generation of scientific talent and excellence.
Other information

Presentation of sites and branches: MFB does not have any sites outside its registered office.

MFB has no key intangible assets that are fundamental to its business model.

XIII. Audits by external organisations

State Audit Office (SAO)

The State Audit Office notified the Bank on 6 November 2025 of the initiation of an inspection entitled "Audit of State Capital Programmes"[12]. The inspection, with respect to the state capital programmes selected for review (the Securities Sub-programme and Funds for the real estate), seeks to assess the exercise of ownership rights over the organisations involved in the launch and implementation of the capital programmes, the design and operation of controls established by the audited entities, decision-making processes, and the conformity of execution throughout the entire process –examined for compliance and appropriateness, and, in the case of the Securities Sub-programme, for effectiveness. The period under review covers 1 January 2023 until the commencement of the inspection. On multiple occasions, the Bank complied with the information requests related to the inspection within the prescribed deadlines by uploading the requested information and documents to the Electronic Data Request System (EAR).

[12] In connection with the preparation for the audit, the Bank received a letter requesting documents on June 3, 2025.

XIII. Audits by external organisations (continued)

MNB

MNB carried out a target audit in relation to the refinancing activities of financial enterprises and the weighting of exposures in the form of investment units in alternative investment funds. The Bank received the audit report and the decision closing the inspection on 14 March 2025. Due to deficiencies set out in the Decision that resulted in non-compliance with legal requirements, the MNB imposed a fine of HUF 4.5 million on the Bank, which was paid on 27 March 2025. During its inspection, MNB did not identify any serious irregularities that would have required immediate action. The implementation of the prescribed measures is ongoing, and to date the Bank has completed the tasks in accordance with the deadlines approved by MNB. Implementation of the measures prescribed following MNB's 2023 Comprehensive Audit –the Bank having received the closing Decision in 2024 –remains ongoing. The Bank carried out the requisite actions in 2025 in strict conformity with the timelines approved by MNB.

European Court of Auditors

On 16 October 2024, the Directorate General Responsible for the Implementation of Economic Development Programmes of the National Development Centre (Governing Authority) informed MFB Plc. that the European Court of Auditors was launching an audit into

- the measures relating to the reuse of GOP and KMOP Széchenyi Alapok Ltd. funds after the 2007-2013 programming period and the monitoring of these measures,
- the 2014-2020 programming period: namely the reuse measures related to EDIOP-8 and EFOP financial instruments during the programming period, as well as measures for their reuse after the programming period and their follow-up,
- the 2021-2027 programming period: namely GINOP PLUSZ, Priority 1: Enterprise development and Priority 2: planned reuse measures related to Research, Development and Innovation financial instruments announced during the programming period, as well as measures for their reuse after the programming period and their follow-up.

The title of the audit is: 'Performance audit no. 24CH2003 on the renewable nature of cohesion financial instruments'. The audit started with the completion of the audit questionnaire, and the personal interviews were completed, with regard to the additional data request, the requisite information and documentation were provided within the prescribed time frame. We are waiting for a draft report.
The Directorate General Responsible for the Implementation of Economic Development Programmes of the National Development Centre (Governing Authority) informed MFB Plc. that the **European Court of Auditors** was launching an audit into **GINOP-8 and GINOP-9 priorities financial instruments programmes.** The final audit reports relating to the inspections have been sent to the Member State. The National Development Centre coordinates the implementation of the measures.

Directorate-General for Auditing European Grants (EUTAF)

On August 8, 2025, the EUTAF Social Programmes Control Board notified MFB Plc. that the XLIV of 2022. on the basis of Article 6 (2) of the Act (hereinafter: EUTAF Act), **EFOP-5.0.1-17-2018-00001**, entitled "Reimbursement of costs of AAVSZ and intermediaries of EFOP priority 5" control. The audit report was received by MFB Plc. on 12 November 2025, and disclosed no findings.

XIII. Audits by external organisations (continued)

The EUTAF Directorate for Controlling Regional Programmes notified MFB Plc. that – pursuant to Section 16/A of Government Decree No. 272/2014. (XI. 5.) – it has started the audit of the project containing the financial instrument VEKOP. MFB Plc. received the audit reports for the following VEKOP schemes on the dates indicated: VEKOP-1.2.3-16-2017-00001 –received on 5 August 2025, VEKOP-2.1.2-17-2018-00001 –received on 30 July 2025, VEKOP-5.1.1-5-1-2-16-1-2017-00001 – received on 15 August 2025, VEKOP-5.2.1-17-2017-00001 –received on 8 August 2025.

MFB Plc. has initiated the implementation of the measures. The majority have been closed as completed; one measure remains ongoing.

On 3 August 2024, the EUTAF Directorate for Controlling Economic Development Grants notified MFB Plc. that – pursuant to Section 3(1) of EUTAF Act – it has started the sample audit of the costs recognised under EDIOP Priority 8 for the accounting year 2023/2024, in line with Article 127 of Regulation (EU) No 1303/2013[13]. The documents as per the data request, as well as the documents specified in the request to provide missing or incomplete data/documents were sent to the Audit Authority within the deadline.

On 2 December 2024, the EUTAF Directorate for Controlling Economic Development Grants notified MFB Plc. that – pursuant to Section 3(1) of EUTAF Act – it has started the system audit of the implementation of the GINOP_PLUSZ programme, the implementation of the financial instruments of the 2021-2027 funding period pursuant to Article 77(1) of Regulation (EU) No.2021/1060/EU[14]. MFB Plc. received the final audit report on 18 December 2025. Implementation of the measures has begun and is ongoing.

On 17 March 2024 the Directorate for the Audit of the Recovery and Resilience Plan of EUTAF notified MFB Plc. that, pursuant to Section 3 of the EUTAF Act, it had commenced a thematic audit of the implementation of RRF financial instruments under the title “Thematic audit on the establishment of the internal control system for financial instruments related to the RepowerEU chapter of the Recovery and Resilience Plan.” The final audit report was received by MFB Plc. on 18 December 2025. Implementation of the measures has commenced and is ongoing.

On 3 June 2025 the EUTAF Directorate for Controlling Economic Development Grants notified MFB Plc. that, pursuant to Section 3(1)(a) of the EUTAF Act, it had initiated a sample-based audit of costs declared in relation to GINOP Priority 9 for the 2023/2024 financial year under Article 127 of Regulation (EU) No 1303/2013. The audit was ongoing at that time. The final audit report was received by MFB Plc. on 4 December 2025 and the audit has been closed.

[13] Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund, laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006.

[14] Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and laying down financial rules for those funds and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the instrument for financial support for border management and visa.

XIII. Audits by external organisations (continued)

Governing Authorities (GA):

The Directorate General Responsible for the Implementation of Economic Development Programmes of the National Development Centre (Governing Authority) started the audit of the compliance of the costs incurred since 2024, at MFB Plc. during the implementation of the GINOP Plusz programme with the arm's length price requirement. The Governing Authority and MFB Plc. maintain close coordination to facilitate the audits, data requests and requests for supplementary information are complied with within the prescribed deadlines. The audits were concluded as of Q2 2025, and the implementation of the measures identified remains ongoing.

On the basis of previous external official audits concerning the implementation of financial instruments, the measures set out in the reports regarding MFB Plc., as the Fund of Funds implementing entity and organisation implementing the Holding Fund, were carried out continuously and within the deadline. The Bank pays particular attention to ongoing system, thematic and sample audits, and complies with external requests for data and documentation from the authorities within the required time frames. The Bank prepared the reports for the audit authority by the deadline prescribed by law, reporting all actions completed.

XIV. The 2026 business policy concept of MFB

The core mission of MFB Plc. is to support domestic economic development, address market failures and provide market players with financing under favourable terms and conditions that enable investments and development projects.

The activities of MFB Plc. as a development bank will continue to complement the operations of the Hungarian banking sector in 2026 through the Bank's involvement in financing transactions that would not take place on a market basis but that are desirable for the national economy. Based on the representative MFB-INDIKÁTOR questionnaire survey conducted among businesses in autumn 2025, the Hungarian economy has an unmet lending gap of around HUF 522 billion (including investment loans, working capital loans and overdraft facilities), which offers reasonable returns. The size of the gap measured in the investment credit market, which is a priority area for monitoring, is estimated at HUF 475 billion, the gradual filling of which is a justifiable task, in line with EU principles as well.

MFB Plc. sees 2026 as the year of financial stability and maintained activity, and its goal is to maintain the financing of the economy by providing the necessary funding, ensuring a stable background for businesses.

The most important objectives for 2025:

- Economic development: the aim is to support economic growth, provide funding to address economic imbalances/deficiencies and take over part of the credit and capital risks from the market.
- EU funds management: To complete and accelerate EU disbursements, with a total of nearly HUF 95 billion in new disbursements under the RRF and the 2021-27 programming cycle
- MFB-funded business activity: To continue to expand MFB-funded placements in 2025 a total of HUF 695 billion in new disbursements, of which HUF 239 billion in new loan placements, HUF 32 billion in new guarantees provided and HUF 329 billion in new capital injections.
- Stable banking operations: To ensure the stability of the outstanding stock following the significant new commitments of over HUF 6 000 billion in the previous years. Cost and investment levels aligned with business activity and consistent with stable operations.
- Creating sustainable profitability: Implement measures to achieve medium-term profitability (Maintaining and strengthening market position, sustainability, and the green transition).

XIV. The 2026 business policy concept of MFB (continued)

- The goal is to maintain the stability of the Hungarian economy in the face of global financial and economic difficulties, to facilitate the financing of businesses, and to ensure the continued availability of loan, guarantee and capital financing.

Nevertheless, in 2025 the Bank must continue to allow for financial and business risks which may affect the fulfilment of the plan, including financial market volatility, resource scarcity, the performance of the subsidiary portfolio, the timely implementation of capital fund placements, and the challenges of channel and product renewal. Managing these risks will remain a key task in the future.

XV. Events after the balance sheet date

All adjusting events after the balance sheet date have been considered the preparation of the consolidated financial statements of the Bank. The Bank has assessed the current war conflicts and their economic impacts. Based on our assessment, the processes experienced do not adversely affect the Bank's operations and the going concern principle applies for the 12-month period following the balance sheet date.

Budapest, 1 April 2026

Zsolt Kovács
Chairman and CEO

Dénes Miklós Szluha
Managing Director

Annex 1

In the Management Report, the balance sheet and profit and loss statement are presented from the perspective of business controlling, and the comparison with the accounting balance sheet is contained in Annex 1 below.

		Total assets				
	(million HUF)	*Interest-bearing assets*			Non-interest bearing assets	Other assets
ASSETS	31.12.2025	Cash, Central bank and interbank	Dect securities	Loans	Investments (Shares)	
Cash, cash balances at central banks and other demand deposits	**328 703**	**328 703**				
Financial assets held for trading	**30 786**					**30 786**
Non-trading financial assets mandatorily at fair value through profit or loss	**765 192**					
Debt securities	741 613				741 613	
Loans	**23 579**			**23 579**		
Loans to customers	*958*			*958*		
Loans to banks	*22 621*			*22 621*		
Financial assets at fair value through other comprehensive income	**23 163**					
Equity instruments	1 308				1 308	
Debt securities	21 855		21 855			
Financial assets at amortized cost	**2 159 046**					
Debt securities	530 319		530 319			
Loans	**1 572 810**			**1 572 810**		
Loans to customers	*1 397 778*			*1 397 778*		
Loans to banks	*175 032*			*175 032*		
Other financial assets	42 383	40 950				1 433
Deposits at central and other banks	13 534	13 534				
Derivatives – Hedge accounting	**8 230**					**8 230**
Fair value changes of the hedged items in portfolio hedge of interest rate risk	**7 609**					**7 609**
Investments in subsidiaries and associates	**846 615**				**846 615**	
Property, plant and equipment	**4 219**					**4 219**
Intangible assets	**7 956**					**7 956**
Tax assets	**318**					**318**
Other assets	**32 240**					**32 240**
Receivables from the state due to currency-hedging agreement	**166 680**					**166 680**
TOTAL ASSETS	**4 380 757**					
The sum of the balance sheet lines of a business report		**383 187**	**552 174**	**1 596 389**	**1 589 536**	**259 471**

		Total liabilities			
	(million HUF)	External funds		*Other liabilities*	Shareholders ' equity
LIABILITIES	31.12.2025	Short-term funds	Long-term funds		
Financial liabilities held for trading	**57 319**			**57 319**	
Financial liabilities measured at amortized cost	**3 559 531**	**201 297**	**3 358 234**		
Derivatives – Hedge accounting	**10 451**			**10 451**	
Provisions	**25 984**			**25 984**	
Tax liabilities	**111**			**111**	
Other liabilities	**91 185**			**91 185**	
TOTAL LIABILITIES	**3 744 581**				
TOTAL EQUITY	**636 176**				**636 176**
TOTAL EQUITY AND LIABILITIES	**4 380 757**				
The sum of the balance sheet lines of a business report		**201 297**	**3 358 234**	**185 050**	**636 176**

Within other financial receivables, the net balance of margin deposit accounts can be seen under Cash, Central Bank interbank deposits, while the balance of Trade customers is under other assets.

		Total operating income				Total operating expenses					Effect on profit of changes in impairment and provisions	Other income/expenses, taxes	Profit / loss for the year
	(million HUF)	Income from banking operations				Expenses of banking operations							
INCOME STATEMENT	31.12.2025	Net interest income	Dividend income	Net commission and fee income	Fair value gain/loss on VC fund units	Personal expenses	Other administrative costs	Depreciation	Expense reimbursement	SLA			
Interest income	173 079	173 079											
(Interest expenses)	(188 648)	(188 648)											
Dividend income	18 016		18 016										
Fee and commission income	7 742			7 742									
Fee and commission expenses	(1 044)			(1 044)									
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	1											1	
Gains or (-) losses on financial assets and liabilities held for trading, net	(46 681)											(46 681)	
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	32 910				32 974							(64) 0	
Gains or (-) losses from hedge accounting, net	(101)											(101)	
Exchange differences [gain or (-) loss], net	48 503											48 503	
Gains or (-) losses on derecognition of non-financial assets, net	3											3	
Other operating revenue and income	11 819								8 163	1 622		2 034	
Other operating expenses	(10 867)										(13)	(10 854)	
TOTAL OPERATING INCOME, NET	44 732												
Administrative expenses	(19 683)					(14 060)	(5 623)						
Depreciation	(1 451)							(1 451)					
Contract modification loss, net	(17)											(17)	
Impairment (-) or reversal of impairment of financial instruments	(33 161)										(33 161)		
Impairment (-) or reversal of impairment of investments in subsidiaries and associates	11 911										11 911		
Impairment (-) or reversal of impairment of non-financial instruments	0												
PROFIT OR (-) LOSS FROM CONTINUING ACTIVITIES BEFORE TAX	2 331												
Tax expense related to profit or loss	(22)											(22)	
PROFIT OR (-) LOSS FROM CONTINUING ACTIVITIES AFTER TAX	2 309												
The sum of the result of a business report		(15 569)	18 016	6 698	32 974	(14 060)	(5 623)	(1 451)	8 163	1 622	(21 263)	(7 198)	2 309

Corporate Governance Report

2025

Budapest, 1. April 2026

Introduction

Pursuant to Section 95/B(1) on the business report under Act C of 2000 on Accounting, any business whose negotiable securities have been admitted for trading on a regulated market of a Member State of the European Economic Area is required to publish a Corporate Governance Statement in its business report.

MFB Hungarian Development Bank Private Limited Company (hereinafter: MFB Zrt., Bank or the Company) is thus required to publish a statement with respect to the bonds it issues.

MFB Zrt. has published the following report on its corporate governance practices during the 2025 financial year.

The Company's internal system of governance and control is based on the Recommendations and Proposals for Corporate Governance, approved by the Budapest Stock Exchange on 8 December 2020. The corporate governance principles defined in the Recommendations have been adopted by the Company without any material differences.

It must be, however, taken into consideration that MFB Zrt. is a single-member private joint-stock company, where, on the basis of Section 1(2) of Act XX of 2001 on Magyar Fejlesztési Bank Részvénytársaság (hereinafter: MFB Act) and Annex 2 of Act CXCVI of 2011 on National Assets, 100% of the shares representing the Company are exclusively owned by the Hungarian State. Any alienation of the shares or offering of the same as security shall be deemed null and void. As part of its responsibilities under Sections 3(1) to (4a) of the MFB Act, the Company is required to proceed, both independently and in cooperation with other Hungarian and international organisations, in accordance with the requirements of transparency, expediency, economy, efficiency and prudence, with a view to securing the development funds required to achieve the economic development objectives defined by the medium and long-term economic strategy of the Government. The Company shall act on behalf of its sole shareholder, the Hungarian State. The objectives of the State and the acting Government are set out by the law or conveyed to the Company by a Government Resolution.

MFB Zrt. – as part of its responsibilities under in Section 3 (3) of the MFB Act – was a fund management organization in the 2007-2013 programming period, and in the 2014-2020 programing period is the implementing organization of the fund of funds, and in the 2021-2027 programing period will be the holding-fund implementing entity of the cohesion fund, while with regard the resources of the Recovery and Resilience (Resilience Building) Instrument is the implementing body of the financial instrument, during which MFB Zrt. disposes of the resources made available to in its own name, but the benefit of the Governing Authorities (National Authority). Accordingly MFB Zrt. keeps separate register of the sources of programming periods, but these registers do not form part of the Bank's balance sheet.

Based on the authorization of Government Decree No 1/2012 of (I.20.) MFB Zrt. participate in the performance of the tasks of Diákhitel Központ Zrt. from 12 June 2024 in closer cooperation with extensive experience in banking fields. MFB Zrt. performs the against an assignment fee, according to a service contract, acting on behalf of Diákhitel Központ Zrt.

The shareholder's (owner's) rights of the State over MFB Zrt. shall be exercised by the Minister responsible for supervising state assets. On the basis of Section 103 (1) 8 of Government Decree No 182/2022 of (V.24.) setting out the duties and competences of the members of the Government, the Minister for National Economy assets is a member of the Government, responsible for supervising state assets (hereinafter: the person exercising shareholder's rights).

The person exercising shareholder's rights shall issue the founder's resolution for the Company, thus determining the Company's strategic decisions. In a founder's resolution, the person exercising shareholder's rights shall require the Company to carry out the tasks set out in the Government's resolutions. The person exercising shareholder's rights shall decide on the selection, appointment, recall and discharge of members of the Board of Directors, members and the Chair of the Supervisory Board and the Chief Executive Officer heading the Company's work organisation under an employment contract.

Pursuant to Act CXXII of 2009 on publicly owned companies (hereinafter: Kgtv. Act), MFB Zrt. is a publicly owned company.

For the purposes of the provisions of the Kgtv. Act, the Company is treated as a company of priority importance for the national economy.

Based on the Act LXXXIV of 2024 on the resilience of critical organizations, MFB Zrt. has been designated as a critical organization and therefore, its activities are subject to this law, the related implementing regulations, and other legal provisions.

In other words, MFB Zrt.'s corporate governance practices are determined by the economic development objectives set in the Government's medium and long-term economic strategy, its classification as a company of priority importance for the national economy, the characteristics of being a single-member private joint-stock company and the provisions of the MFB Act and the Statutes of MFB Zrt.

Based on its size and the number of its employees, the Company is a large enterprise. It has a formalised operation. In addition to Act CCXXXVII of 2013 on credit institutions and financial companies (hereinafter: Hpt. Act), the Company's Statutes and the provisions of the rules of procedure of the Board of Directors and the Supervisory Board, the governance and functioning of the Company are determined by the remuneration policy, which is under the competence of the person exercising shareholder's rights, and internal regulations required by EU and national legislation and provisions applicable to credit institutions.

Within the Bank, there is no separate diversity policy applicable to the management and supervisory bodies, but Company's Ethics Statement set out a general prohibition of all forms of discrimination at a fundamental level. In line with this, the Bank's human resources policy is committed to condemning all forms of discrimination, including sex, age, religion, race, political and trade union affiliation, language and other distinctions, and to respecting the rights of persons with disabilities. In the course of its activities, MFB Zrt. supports the development of communities, the spread of financial culture and the creation of opportunities. Respect for human rights is an important aspect, both in relation to business partners and employees, and the Bank places great emphasis on this in its policies, in the organization of its operation, in communication and in its complaint handling processes.

1.1 A brief presentation of the operation of the Board of Directors / Governing Board, and the distribution of responsibilities and tasks between the Board of Directors / Governing Board and the management.

The Board of Directors is the Company's managing body. Members of the Board of Directors are the Company's executive officers.

The Board of Directors may consist of 5 to 9 members. Members of the Board of Directors are appointed – for a 5-year term – and recalled by the person exercising shareholder's rights. The Board

of Directors is headed by its Chair. The Chair of the Board is elected by the Board members from among themselves. During the term of his or her mandate, the CEO shall be a member of the Board of Directors, without a specific decision by the person exercising shareholder's rights. Notwithstanding the term specified in Article 14(4) of the MFB Act, the CEO shall remain a member of the Board for the entire duration of his or her mandate. In the event that the Chair of the Board of Directors and the CEO is the same person, pursuant to the third sentence of Section 15(2) of the MFB Act, the CEO shall be entitled to use the title of Chairman & CEO.

Members of the Board of Directors may be recalled from their office at any time by the person exercising shareholder's rights without further explanation. At least two members of the Board shall be employees of the Company (internal members). According to Section 149 (2) of the Hpt. Act, the directors of the company pursuant to the Hpt. Act may be elected as internal members of the Board of Directors. The Board membership of internal members shall cease immediately on the termination of their employment. Members of the Board of Directors and their family members may not be Members of the European Parliament, Members of Parliament, members of any municipal/local governments or spokespersons for a national or ethnic minority. The Chair of the Board of Directors and Board members shall make a declaration of property in accordance with the applicable statutory provisions.

The Board shall exercise its rights and responsibilities as a corporate body.
The Board shall draw up the Company's reports under the International Financial Reporting Standards (IFRS) in accordance with the Accounting Act and a proposal for the appropriation of net profit and submit them to the person exercising shareholder's rights for approval. The Board of Directors shall ensure that the Company's books are appropriately maintained. Moreover, the responsibilities of the Board shall include the approval of the Company's regulations on organisation and operation as well as any regulations assigned by the Rules of Procedure of the Board or by the law to the competence of the Board. Similarly, the Board of Directors shall make a decision on any major issues specified in the Board's Rules of Procedure.

The Company shall not have an appointing committee or a remuneration committee.

The person exercising shareholder's rights may not deprive the Board of Directors of its powers.

Meetings of the Board shall be convened as appropriate but at least once every three months. Board meetings shall be convened by the Chair of the Board through the forwarding of an invitation to Board members at least 8 days prior to the proposed date of the meeting. The invitation shall specify the venue, date and hour of the meeting and the proposed agenda of the meeting. Whenever possible, the proposals related to the agenda should be made available to the board members no later than three days before the meeting date. Any issue that has not been included in the agenda of the meeting – excluding the case where a Board member makes a proposal to add to the agenda within 4 days of receiving the invitation – shall only be discussed by the Board of Directors if at least two-thirds of the Board members are present and all attending members unanimously agree that the agenda item in question should be discussed at the meeting. The representative of the party exercising ownership rights and the Chair of the Supervisory Board shall be invited to any meeting of the Board of Directors.

Any member of the Board of Directors may request that a Board meeting be convened, specifying the agenda to be discussed by such meeting. The meeting shall be convened by the Chair of the Board of Directors for a day within 15 days of such request.

Meetings of the Board of Directors shall have a quorum if it is attended by the majority of Board members participate in person or by electronic means of communication that also allow the use of cameras. Decisions shall be made by a simple majority of the votes of attending members. The

unanimous vote of the Board of Directors shall be required for decisions provided for in Section 106 of the Hpt. Act (exposure to affiliated persons) and decisions under Section 144(3) of the Hpt. Act.

The Board may also adopt a decision without convening a meeting, in writing (by mail or direct delivery) (written procedure). Moreover, the Chair of the Board of Directors may convene an emergency Board meeting.

1.2 An introduction of the Board of Directors / Governing Board, Supervisory Board and management members (for board members, also indicating each member's status of independence), a presentation of the boards structures.

As at 31 December 2025, the members of the Board of Directors are as follows:

1. Zsolt Kovács, internal member of the Board of Directors, Chairman & CEO
2. Zoltán Zsámboki, Deputy CEO, internal member of the Board of Directors
3. Dr. Richárd Adorján, external member of the Board of Directors,
4. Dr. László Balás-Piri, external member of the Board of Directors
5. Tamás Balás, external member of the Board of Directors
6. Kinga Huray, external member of the Board of Directors
7. Richárd Sándor Kreutzer, external member of the Board of Directors.

The start and end dates of the mandates are set out in detail under item 13 of the Company's Certificate of Incorporation.

As at 31 December 2025, the Chair and the members of the Supervisory Board are as follows:

1. Dr. Péter Pataki, Chair of the Supervisory Board
2. Dr. Henriett Emese Jeneiné Gerő, member of the Supervisory Board
3. Gáspár Gergely Suppan, member of the Supervisory Board
4. Zita Katalin Kékesiné Győrffy member of the Supervisory Board
5. Ervin Gönczy, member of the Supervisory Board, employee representative
6. Dr. Réka Sebestyén, member of the Supervisory Board, employee representative.

The start dates of the mandates are set out in detail under item 15 of the Company's Certificate of Incorporation.

The Bank's most senior officer responsible for operations is the Chief Executive Officer. The Company's Chief Executive Officer was Gergely Bence Katona until 30 September 2025, and the Company's Chief Executive Officer from 1 October 2025 is Zsolt Kovács.

The employee is entitled to substitute the Chief Executive Officer is Zoltán Zsámboki Deputy Chief Executive Officer.

1.3 Specifying the number of meetings which the Board of Directors / Governing Board, Supervisory Board and committees held in the given period, completed with attendance rates.

In 2025, the Board of Directors had met 15 times and adopted decisions 19 times without holding a meeting by written procedure, with the following participation rates:

	Date of Board meeting/ adopted a decision by written procedure	Participation rate
1.	10 January 2025-meeting	Of 5 members, 4 participated
2.	29 January 2025-meeting	Of 5 members, 4 participated
3.	27 February 2025-meeting	Of 6 members, 4 participated
4.	28 March 2025 - meeting	Of 6 members, 6 participated
5.	8 April 2025- meeting	Of 6 members, 5 participated
6.	3 June 2025- meeting	Of 6 members, 5 participated
7.	19 June 2025- meeting	Of 7 members, 5 participated
8.	30 July 2025- meeting	Of 7 members, 5 participated
9.	27 August 2025- meeting	Of 7 members, 5 participated
10.	2 September 2025 - meeting	Of 7 members, 6 participated
11.	25 September 2025 - meeting	Of 7 members, 5 participated
12.	6 October 2025 - meeting	Of 7 members, 7 participated
13.	30 October 2025 - meeting	Of 7 members, 5 participated
14.	27 November 2025 - meeting	Of 7 members, 5 participated
15.	18 December 2025 - meeting	Of 7 members, 6 participated
	Written procedure	
1.	23 January 2025	Of 5 members, 4 participated
2.	4 March 2025	Of 6 members, 6 participated
3.	19 March 2025	Of 6 members, 4 participated
4.	24 April 2025	Of 6 members, 4 participated
5.	29 April 2025	Of 6 members, 4 participated
6.	30 April 2025	Of 6 members, 5 participated
7.	12 May 2025	Of 6 members, 5 participated
8.	21 May 2025	Of 7 members, 5 participated
9.	27 May 2025	Of 6 members, 6 participated
10.	4 June 2025	Of 6 members, 5 participated
11.	24 June 2025	Of 7 members, 7 participated
12.	25 June 2025	Of 7 members, 7 participated
13.	16 July 2025	Of 7 members, 6 participated
14.	21 August 2025	Of 7 members, 6 participated
15.	13 October 2025	Of 7 members, 7 participated
16.	21 October 2025	Of 7 members, 6 participated
17.	12 November 2025	Of 7 members, 6 participated
18.	15 December 2025	Of 7 members, 7 participated
19.	19 December 2025	Of 7 members, 7 participated

In 2025 the Supervisory Board had held 8 meetings and made decisions in 18 cases without holding a meeting, by written voting with the following participation rates.

	Date of Supervisory Board meeting/ adopted a decision by written procedure	Participation rate
1.	29 January 2025 - meeting	Of 6 members, 6 participated
2.	8 April 2025 - meeting	Of 6 members, 6 participated
3.	3 June 2025 - meeting	Of 6 members, 6 participated
4.	19 June 2025 - meeting	Of 6 members, 5 participated
5.	30 July 2025 - meeting	Of 6 members, 5 participated
6.	27 August 2025 - meeting	Of 6 members, 5 participated
7.	30 October 2025 - meeting	Of 6 members, 5 participated
8.	18 December 2025 - meeting	Of 6 members, 5 participated
	Written procedure	
1.	31 January 2025	Of 6 members, 5 participated
2.	11 February 2025	Of 6 members, 6 participated
3.	27 February 2025	Of 6 members, 6 participated
4.	28 February 2025	Of 6 members, 6 participated
5.	7 March 2025	Of 6 members, 6 participated
6.	16 April 2025	Of 6 members, 6 participated
7.	24 April 2025	Of 6 members, 4 participated
8.	8 May 2025	Of 6 members, 6 participated
9.	27 May 2025	Of 6 members, 6 participated
10.	11 June 2025	Of 6 members, 5 participated
11.	18 July 2025	Of 6 members, 4 participated
12.	4 September 2025	Of 6 members, 6 participated
13.	26 September 2025	Of 6 members, 6 participated
14.	16 October 2025	Of 6 members, 6 participated
15.	17 October 2025	Of 6 members, 5 participated
16.	12 November 2025	Of 6 members, 6 participated
17.	18 November 2025	Of 6 members, 5 participated
18.	2 December 2025	Of 6 members, 5 participated

1.4 A presentation of the work done by the Board of Directors / Governing Board, the Supervisory Board and the management as well as the considerations for assessing their individual members. Specifying if the assessment carried out in the given period resulted in any changes.

The Company has implemented a set of regulations drawn up by the person exercising shareholder's rights in consideration of the provisions of Act CXXII of 2009 on the more economical operation of publicly owned companies (hereinafter: Kgtv. Act) and Government Resolution No 1660/2015 (IX. 15.) regarding the renewal of the system of remuneration of management employees of companies in majority public ownership (hereinafter: Govt. Resolution), in respect of the method and amount of the remuneration of executive officers, members of the Supervisory Board and management employees and the system of their remuneration (hereinafter: Remuneration Policy).

The Remuneration Policy approved by the person exercising shareholder's rights includes the main rules for defining and assessing the system of performance requirements (annual bonuses) for executive employees are as follows:

- A bonus-based remuneration system shall be implemented for managers in order to encourage the successful achievement of business policy, strategy and economic targets for the year concerned and efficient operation;
- As a performance requirement, any target condition should be based on performance that can be objectively defined and be based on performing one's job with reasonable expertise and diligence. In case of a performance objective comprising the achievement of the key figure(s) of the business plan, the target conditions have to be set within ranges. A performance objective comprising the achievement of the key figure(s) of the business plan cannot be set solely if its fulfilment resulted in the 100% payment of the related bonus;
- The amount of the annual bonus of a manager shall not exceed the extent regulated in the relevant Government Decision. If the Company has made a loss, no bonus shall be paid to the manager;
- The performance requirements and conditions should preferably be defined simultaneously with or within 30 days of the adoption of the business plan for the year, unless under exceptional circumstances where they may be set at a later date;
- The performance requirements shall be assessed and settled simultaneously with or within 30 days of the adoption of the financial statement (balance sheet) for the financial year, unless under exceptional circumstances, where it may take place at a later date;
- If any of in the set performance requirements or not, or partially fulfilled, the employer's rights shall decide, on the amount and the payment of the bonus in proportion to the otherwise fulfilled performance requirements;
- Where the employment of a manager is terminated during the year, the bonus shall be payable on a pro rata basis simultaneously with the adoption of financial statement closing the financial year according to the Act on Accounting or within 30 days of the adoption of the financial statement;
- The circumstances listed in the Remuneration Policy must be considered as factors reducing or excluding the payment of a bonus. The person entitled to set the performance requirements may determine additional factors reducing or excluding the payment of a bonus.

1.5 A report on the operation of each committee, elaborating on the professional background of committee members, the number of and the attendance rate at the meetings held as well as the major topics discussed at the meetings and a presentation of the general operation of each committee. When presenting the operation of the Audit Committee, any decision by the Board of Directors / Governing Board against the proposal of the committee should be mentioned (also including the explanations offered by the Board of Directors / Governing Board). The Company website, where all tasks delegated to the committees and the dates of the members' appointment must be published, should also be mentioned. (If this information is not available on the Company website, it must be included in the Corporate Governance Report.)

Supervisory Board

The Supervisory Board consists of 6 members. The Chair and members of the Supervisory Board are appointed for a definite period of up to 5 years and are recalled by the person exercising shareholder's rights. At least one-third of the members of the Supervisory Board shall be employee representatives for as long as the Company has more than 200 (two hundred) full-time employees on an average annual basis. Only natural persons may be Supervisory Board members; other than employee representatives, they may not be employees of the Company.

The Supervisory Board shall supervise the Company's management. Within the frames of this authority, the Supervisory Board may request information from senior executives and employees of the company, may inspect the company's accounting records, registers, books and documents, may examine the company's payment account, cash register, securities and commodities, as well as its contracts, or may place them under examination by an expert. Such information may also be requested or inspected or the Company's records may also be examined or ordered to be examined by individual members of the Supervisory Board.

The Supervisory Board shall have all rights and obligations set out for the supervisory boards of credit institutions by the applicable legislation in effect from time to time.
The Supervisory Board shall:

a) ensure that the Bank has a comprehensive and fully functional control system;
b) put forth a proposal for the Company's auditor and his or her fee;
c) verify the Bank's annual and interim financial statements, including the annual publication information;
d) technically manage and review the internal audit unit; as part of that function, the Supervisory Board shall
    1. adopt the annual review plan of the internal audit unit,
    2. discuss, at least once every six months, the reports drawn up by internal audit and review the implementation of the required measures,
    3. assist, where appropriate, the efforts of internal audit by inviting external experts,
    4. put forth proposals for adjusting the number of staff of the internal audit unit,
e) draw up recommendations and proposals on the basis of the findings of inspections by internal audit;
f) the prior consent of the Supervisory Board shall be required if the Chief Executive Officer intends to appoint a new employee to manage the internal audit unit or terminate the employment of the head of the internal audit unit.

Without the application of Section 3:123 of the Civil Code, the Supervisory Board is obliged to examine all relevant business policy reports requiring the decision of the holder of ownership rights, as well as all submissions relating to matters within the competence of the holder of ownership rights. The holder of ownership rights may decide on the reports pursuant to the Accounting Act only in the possession of the written report of the Supervisory Board. Decisions regulated in Section 106 (1) of the Hpt. Act (exposure to affiliated persons) require, in addition to the unanimous decision of the Board of Directors of the company, the consent of the Supervisory Board.

Meetings of the Supervisory Board shall be convened by the Chair of the Supervisory Board in writing (by mail, email sent to members or direct delivery), the invitation being conveyed to the members of the Supervisory Board at least 8 (eight) days before the date of the meeting. The invitation shall include the agenda of the meeting, if possible along with the proposals for the issues concerning the agenda items. If not, the proposal must be sent to the members of the supervisory board no later then 3 (three) days before the date of the meeting. Any two Supervisory Board members may request in writing the Chair to convene a Supervisory Board meeting, specifying the reason and the goal of the proposed meeting. Where the Chair fails to convene a meeting within 5 (five) days of receipt there quest, such meeting may be convened by any member having requested that the meeting be convened.

The Supervisory Board shall have a quorum if more than two-thirds of its members or at least 3 (three) members are present at the meeting in person or by electronic means of communication that also allow the use of cameras. Decisions of the Supervisory Board shall be adopted by a majority of votes by members of the Supervisory Board. The Supervisory Board may also adopt a decision without

convening a meeting, in writing (by mail) exceptionally, in particularly and immensely justified cases. A decision shall have been adopted if, within 3 (three) workdays of dispatch (or, in exceptional cases, within a shorter period specified by the Chair), at least 2/3 (two-thirds) of the members of the Supervisory Board (but a minimum of 3 members) have sent their votes to the Bank's registered office in the form of a private deed of full probative value or in the form of scanned or digitally signed documents, by email to the Secretary of the Supervisory Board. There shall be no need to wait for the vote of a member of the Supervisory Board if such member previously notified the Chair of the Supervisory Board of the fact that, during the period concerned, he/she would not be able to participate in the work of the Supervisory Board, in person or through a written voting procedure, due to another engagement.

The rules of procedure of the Supervisory Board shall be determined by the Supervisory Board and approved by the person exercising shareholder's rights. The Chair of the Supervisory Board and Supervisory Board members shall make a declaration of property in accordance with the applicable legislation.

Audit Committee

The Audit Committee shall:

a) assist the Supervisory Board in its activities, including
   - the review of the system of financial reporting,
   - the selection of an auditor, and
   - cooperation with the auditor;
b) review and monitor the independence of the auditor of the individual annual and the consolidated annual financial statements, as well as the sustainability report prepared as part thereof, including in particular compliance with Article 5 of Regulation (EU) No 537/2014;
c) monitor the statutory audit of the annual and consolidated annual financial statements and the sustainability report prepared as part thereof, taking into account the findings and conclusions made during the quality review of statutory public oversight auditing, conducted by an authority carrying out public oversight auditing duties (Act LXXV of 2007 on the Chamber of Hungarian Auditors, the Activities of Auditors, and on the Public Oversight of Auditors (hereafter: Kkt. Act));
d) monitor the efficiency of the Bank's internal control and risk management systems, putting forward recommendations where appropriate;
e) monitor the process of financial reporting, putting forward recommendations where appropriate;
f) monitor the Bank's ESG activities and assurance on sustainability reporting and, if necessary make recommendations.

The functions and competences of the Audit Committee are set out in detail in the rules of procedure of the Audit Committee.

As at 31 December 2025, the Chair and the members of Audit Committee are as follows:

1. Dr. Péter Pataki, Chair of the Audit Committee
2. Gáspár Gergely Suppan, member of the Audit Committee
3. Zita Katalin Kékesiné Győrffy member of the Audit Committee.

In 2025 the Audit Committee held 2 meeting and made decisions in 13 times without holding a meeting by written voting. The participation rate was as follows.

	Date of Audit Committee meeting/ adopted a decision by written procedure	Participation rate
1.	8 April 2025	Of 3 members, 3 participated
2.	19 June 2025	Of 3 members, 3 participated
	Written procedure	
1.	16 January 2024	Of 3 members, 3 participated
2.	29 January 2025	Of 3 members, 2 participated
3.	11 February 2025	Of 3 members, 3 participated
4.	17 February 2025	Of 3 members, 3 participated
5.	11 March 2025	Of 3 members, 3 participated
6.	19 March 2025	Of 3 members, 3 participated
7.	23 May 2025	Of 3 members, 3 participated
8.	24 June 2025	Of 3 members, 3 participated
9.	8 September 2025	Of 3 members, 3 participated
10.	21 October 2025	Of 3 members, 3 participated
11.	30 October 2025	Of 3 members, 3 participated
12.	10 December 2025	Of 3 members, 3 participated
13.	12 December 2025	Of 3 members, 3 participated

Detailed information on the 2025 meetings of the Board of Directors and the Supervisory Board is set out in section 1.3.

The Company's internal decision-making bodies include:

a) the person exercising shareholder's rights,
b) Board of Directors,
c) Management Body,
d) Asset-Liability Management Committee,
e) Individual Credit Committee,
f) Problem Loans Committee,
g) EU Management Committee,
h) Sustainable Financing Committee
i) Infringement Management Committee
j) Developmental Management Committee
k) Monitoring Committee

Other internal decision-making bodies of the Company by individual power (e.g. Crisis Committee) are regulated by the regulation documents of the Bank.

The Company's internal decision preparation bodies include the:

a) Support Committee,
b) Housing Committee,
c) Aid Committee,
d) Public Procurement Preparation and Assessment Committee,
e) Workplace Health and Safety Committee,
f) Health and Safety Parity Body,
g) Ethics Committee,
h) Scrapping Committee.

The Company shall publish on its website information on the names and positions of the managers and members of its government bodies.

1.6 A description of the system of internal controls, an evaluation of the activities performed in the given period. A report on the efficiency and effectiveness of the risk management procedures. (Information about where shareholders can access the Board of Directors / Governing Board report on the operation of internal controls.)

The Bank shall develop and operate its internal audit system in accordance with the characteristics, scope, complexity and risks of its activities with a view to ensuring that it conducts its activities under an appropriate management system and appropriate controls in order to achieve the objectives of the organisation.

Organisational structure and the defining of functions and responsibilities
In terms of its organisational structure and within the specific organisational units, the Bank shall define competences in order to delimit the functions and responsibilities related to specific processes as well as the specific functions and responsibilities pertaining to cross-organisational processes, isolating those functions that are incompatible from the point of view of the process. The processes, responsibilities and controls are set out in the regulatory documents, whereas the functions and responsibilities pertaining to each job are set out in the job descriptions.

Decision-making system
In addition to defining the functions and competences, it is of priority importance to exactly define the competences related to the making of personal and committee decisions in order to ensure that a clear, transparent and consistent framework system, commensurate with the complexity and the financial consequences of each topic is in place to assist the decision-making process during day-to-day operation.

Regulatory framework system
By setting up the area focusing on the adoption of a consistent Group-level regulatory concept and process control, the Bank intends to ensure that the regulatory structure concerning the processes and activities is suitably consistent and uniform and that sufficiently detailed regulatory documents that cover the entire process are drawn up for each process. When drawing up the regulatory documents, the Legal Directorate and in addition the Regulatory and Secretariat Directorate the Compliance Directorate ensure that they fully comply with the statutory provisions.

Internal defence lines
Within its organisation, the Bank has implemented a three-tier risk protection system. Keeping the proportionality principle in mind, in order to execute the internal control, the Bank has implemented efficient, comprehensive internal control functions (risk control function, compliance function, internal audit function, information security and prevention of fraud functions).

Board of Directors /Supervisory Board

I. Chief Executive Officer
   A) Management
      1. Internal procedure, controls built in the procedure and management controls
   B) Risk management, Compliance, Bank- and Information Security/ BCP/ DRP, Prevention of fraud

II. Audit Commitee
   A) Internal Audit,
   B) Audit

In order to ensure the independence of control functions,

1) the control function's staff shall not engage in any activities under their control;
2) it shall be organisationally separate from the functional and organisational areas it controls;
3) its remuneration shall not be dependent on the performance of the areas controlled;
4) the control function shall have access to the resources required for its operation.

Risk management

The Bank's risk control function is carried out by within the Risk Management Division, a dedicated organisational unit independent from the business areas. The framework of risk management and control is provided by an appropriately structured regulatory hierarchy, ensuring prudent banking operation through abstract guidelines at a high level and through increasingly detailed instructions and rules of procedure at the lower levels. In order to reasonably limit the assumption of risks, limits are applied in order to observe risk levels so as to ensure that targets are achieved in accordance with the relevant risk appetite.

The function is given sufficient priority during the decision-making process in order to ensure that risk criteria are assessed and sufficiently considered when making any decision.

Compliance

The compliance function covers the institution as a whole as well as each organisational unit, business area and activity, in particular with regard to ethic, conflict of interest issues, market abuses and the prevention of money laundering. The Compliance Directorate, an organisational unit independent of business and other banking area, performs the compliance function of the Bank. The activities of the Compliance Directorate are determined by compliance statute issued as a group-level directive also contains the expectations of MFB Zrt. regarding the compliance activities of the companies belonging to the MFB Group.

Internal audit

The Bank maintains an autonomous internal audit department, which is structurally and functionally independent of its other areas; the resources required for internal audit activities are made available on a continuous basis. Internal audit is an independent and objective activity aiming to provide reasonable assurance (verification) and advice with a view to improving the Bank's operation and increase its success. As part of its activities, it examines and provides reasonable assurance, supported by sufficient evidence, on whether the risk management, governance and control systems, and processes developed and operated by management, comply with the relevant requirements. It promotes the achievement of the Bank's objectives through an appropriate and efficient methodology and through risk-based control activities.

Information system

In addition to the regulation of processes and the conscious separation of functions and responsibilities, the level of control of processes is also improved within the information systems.
In the majority of its basic processes, the Bank applies information systems that purposefully support the strengthening of the control environment of processes, thus ensuring the appropriate implementation of processes through various built-in automated mechanisms.
Access to the information system is granted through multi-level filters (business manager, data owner), which are regularly reviewed. Authorisations are assigned in a way that ensures that each employee is granted active authorisation only to applications that are relevant to his or her duties, and in addition, staff responsible for data-entry and approval functions are separated from each other.

Built-in and follow-up controls
The Bank designs its administrative processes and regulatory documents are a way that enables controls to be built into the various processes. Controls are thus incorporated into the various processes in order to ensure that any task should only be carried out once the previous task has been verified and corrected where appropriate, in order to ensure the conformity of the inputs of complementary tasks. No single operation may be carried out, processed and verified by the same person, as that would not ensure the identification and correction of errors detected during implementation.

The Bank's regulatory documents set out the task and process-specific control points, i.e. the control activities. The Bank's procedures are developed in a way that ensures that any transaction is only implemented after a documented review.

At the Bank, the heads of the competent organisational units are responsible for the implementation of built-in control and management control.

Management control
The various management levels and the organisational structure aim to facilitate the efficient achievement of the Bank's objectives and strategy. Management control functions must be carried out at each level of management. Management control tools include requiring employees to report, requesting reports, exercising the right to sign documents, the verification of the fulfilment of tasks from a formal and substantive point of view, on-site reviews carried out in person and the operation of the management information system. The heads of individual organisational units shall oversee their team members and require them to report on a regular basis, as provided for in internal regulations and rules of procedure. The detailed rules for management control, including reports and business trips, are set out in the regulatory documents.

Management information system
The development and operation of a management information system encompassing all of its activities are an important element of the Bank's control system. The purpose of the management information system is to ensure that consistent and comprehensive information are available for the various levels of management during governance and control.

The Bank's management information system includes the entirety of Bank and Group-level information generated for the management on a timely basis at sufficient depth as well as the system that forwards such collected and properly processed information to the user in due time, while being capable of responding to changes.

The internal reports constituting the management information system, the frequency of submission of such reports and the indication of the relevant management level shall be set out in a regulatory document and be regularly reviewed.

Exercising shareholder control
The Bank shall exercise control over the organisations belonging to the MFB Group. As part of such shareholder supervision, the Bank extends the elements of its internal control system listed above to an extent that ensures that the operation of the various companies is appropriately monitored and governed, and that the common goals of the MFB Group are achieved, as well as ensuring the requisite and sufficient exchange of information between the Bank and other Group companies.

1.7. Information on whether the auditor performed any activities not related to auditing.

The Bank's auditor for the 2025 financial year was the Forvis Mazars Korlátolt Felelősségű Társaság.

The Bank did not avail itself of certain non-audit services from the Forvis Mazars Korlátolt Felelősségű Társaság Network.

1.8. An overview of the Company's publication policy and its insider trading policy.

A separate policy provides for the prohibition of insider trading and market manipulation, stipulating that persons performing managerial duties and persons closely associated with them and employees having access to inside information are prohibited from entering into transactions or charging other persons with entering into transactions involving securities issued by the Bank or derivatives or other financial instruments related to said securities. The Company has not implemented a share-based incentive scheme.

With regard to the publishing of information, the Company acts in accordance with the applicable laws and stock exchange regulations.

1.9. An overview of the method of exercising shareholder rights.

The Company's capital stock amounts to HUF 519 900 000 000 (Five Hundred and Nineteen Billion Nine Hundred Million Forints), which consists of 519 900 printed registered ordinary shares of a nominal value of HUF 1 000 000 each. The Company's shares are non-transferable. Each share embodies the same rights.

Where the Company's capital stock is increased from assets additional to the capital stock, the new shares are acquired by the State without consideration. Depending on the decision of the person exercising shareholder's rights, the capital stock may be reduced by reducing the number or the nominal value of the shares, or both. The person exercising shareholder's rights shall not pay any amount out of the capital stock before the reduction in the capital stock has been registered in the Companies Register.

The Board of Directors shall be entitled to issue shares of combined denomination and to break up shares of combined denomination.

The Board of Directors shall keep the register of shareholders on the registered shares in accordance with the provisions of the Hpt. Act and Act V of 2013 on the Civil Code (hereinafter: Civil Code). The register of shareholders shall be accessible to any person.

1.10. A brief presentation of the rules for the conduct of the General Meeting.

Since the Company is a single-member joint-stock company, it has no shareholders' meeting; matters under the competence of the founder are decided upon by the person exercising shareholder's rights in writing, by a founder's resolution, subject to the provisions applicable to the Company. Proposals for the person exercising shareholder's rights shall be approved by the Company's Board of Directors and discussed by the Supervisory Board. Any decision shall take effect on its communication to the executive officers.

1.11. Presentation of the issuer's compliance with Section IV. of Act 67 of 2019 on the incentivisation of long-term shareholder participation and harmonization of particular other acts.

The company is not subject to Act LXVII of 2019 on the Promotion of Long-Term Shareholder Participation and the Amendment of Certain Acts for the Purpose of Legal Harmonization, so the regulations in question do not apply to the company.

Corporate Governance Report on compliance with the Corporate Governance Recommendations

As part of the Corporate Governance Report, the Company makes a statement regarding the extent to which it has implemented in its own corporate governance practice the recommendations and proposals specified in the relevant sections of the Corporate Governance Recommendations issued by the Budapest Stock Exchange Ltd., by completing the following tables. These tables provide an overview for the investors of the extent of the compliance - by the relevant company - with certain requirements set out in the Corporate Governance Recommendations at glance, and enable easy comparison of the practices of the specific companies.

Level of compliance with the Recommendations

The Company indicates whether it follows the relevant recommendation or not, and if not, briefly explains the reasons why it did not follow that specific recommendation.

R 1.1.1 Does the Company have an organisational unit dealing with investor relationship management, or a designated person to perform these tasks?

Yes.

R 1.1.2. Are the Company's Articles of Association available on the Company's website?

Yes.

R 1.1.4 If the Company's Articles of Association allow shareholders to exercise their rights in their absence, did the Company publish the methods and conditions of doing so, including all necessary documents?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting. In lieu of the shareholder's meeting, matters under the competence of the supreme decision-making body are decided on by a founder's resolution issued by the person exercising shareholder's rights, which decision is equivalent to the decision of the shareholder's meeting.

R 1.2.1 Did the Company publish on its website a summary document containing the rules applicable to the conduct of its General Meetings and to the exercise of voting rights by shareholders?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.2.2 Did the Company publish the exact date when the range of those eligible to participate in a given company event is set (record date), and also the last day when the shares granting eligibility for participating in a given company event are traded?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.2.3 Did the Company hold its General Meetings in a manner providing for maximum shareholder participation?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.2.6 The Company did not restrict the shareholders' right to designate a different representative for each of their securities accounts to represent them at any General Meeting. (Answer Yes, if not)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.2.7 For proposals for the agenda items, were the Board of Directors' draft resolution and also the Supervisory Board's opinion disclosed to the shareholders?

Yes.

R 1.3.3 The Company did not restrict the right of its shareholders attending a General Meeting to request information, add comments and submit proposals, or set any preconditions for these with the exception of some measures taken to conduct the General Meeting in a correct manner and as intended. (Answer Yes, if not)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.4 By answering the questions raised at the General Meeting, did the Company ensure compliance with the information provision and disclosure principles set out in legal regulations and BSE requirements? (If no such question arose the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.5 Did the Company publish on its website the answers to the questions that the representatives of the Company's boards or its auditor present at the General Meeting could not satisfactorily answer at the meeting within 3 working days following the General Meeting, or an official statement explaining why it refrained from giving answers? (If there was no such event the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.7 Did the Chairman of the General Meeting order a recess or suggest that the General Meeting be postponed when a proposal or proposal relating to a particular issue on the agenda was submitted which the shareholders hadn't had a chance to become familiar with before the General Meeting? (If there was no such submission the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.8.1 The Chairman of the General Meeting did not use a combined voting procedure for a decision related to electing and recalling executive officers and Supervisory Board members. (If there was no election or recall the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting, but the above principle was observed in respect of the decision of the person exercising shareholder's rights.

R 1.3.8.2 For executive officers or Supervisory Board members, whose nominations were supported by shareholders, did the Company disclose the identity of the supporting shareholder(s)? (If there was no supporting shareholder the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.9 Prior to discussing agenda items concerning the amendment of the Articles of Association, did the General Meeting pass a separate resolution to determine whether to decide on each amendment of the Articles of Association by individual votes, joint votes, or votes combined in a specific way? (If the Articles of Association has not been modified the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.3.10 Did the Company publish the minutes of the General Meeting containing the resolutions, the description of the draft resolutions and any important questions and answers related to the draft resolutions within 30 days following the General Meeting?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

R 1.6.1.1 Do the Company's publication guidelines cover the procedures for electronic, online disclosure?

Yes.

R 1.6.1.2 Does the Company design its by considering the aspects of disclosure and the information of investors?

Yes.

R 1.6.2.1 Does the Company have an internal publication policy in place which covers the processing the information listed in Section 1.6.2 of the Recommendations document?

Yes.

R 1.6.2.2 Do the internal regulations of the Company cover the methods for the assessment of events judged to be important for publication?

Yes.

R 1.6.2.3 Did the Board of Directors/Governing Board assess the efficiency of the publication processes?

No. Explanation: the Company's internal regulations on communication ensure that any information intended for publication is published as soon as possible on the Company's website as well as in the places of mandatory publication prescribed by law. The shareholder is notified by the Board of Directors in the annual financial report.

R 1.6.2.4 Did the Company publish the findings of the efficiency assessment of the publication process?

No. Explanation: the Company's internal regulations on communication ensure that any information intended for publication is published as soon as possible on the Company's website as well as in the places of mandatory publication prescribed by law. The shareholder is notified by the Board of Directors in the annual report.

R 1.6.3 Did the Company publish its annual company event calendar?

No. Explanation: since the Company is a single-member joint-stock company, no corporate events calendar has been drawn up. On the company website, market operators are notified of any major announcements (loan schemes and financing opportunities), financial statements, press releases, events and publications. Since the strategic objectives and main activities of MFB Zrt. are set out for the public in the MFB Act, any information for the public is only required in the case of a change in such objectives and activities. The Company's strategic objectives and their implementation are described in the annual report, which is published on the company website in Hungarian and English.

R 1.6.4 Did the Company publish its strategy, business ethics and policies regarding other stakeholders?

No. Explanation: Since the strategic objectives and main activities of MFB Zrt. are set out for the public by law (MFB Act), no specific information for the public needs to be published. The Company's strategic objectives and the implementation of these are described in the annual report, which is published on the company website. The major detailed conditions of the Company's main activities, the rules for credit products, their rules of procedure and the names of refinancing partners involved in the implementation of specific loan programmes are published on the company website on a continuous basis. The Company's Ethics Statement and the Group-level Anti-Corruption Policy adopted by the Board of Directors of MFB Zrt. are available on the company website.

R 1.6.5 Did the Company publish career information about Executive Board/ Board of Directors / Supervisory Board and management members in its annual report or on the company website? (If it wasn't published in the current year, but in the year of the election and only in the GM proposals (not on the website), then the answer is: YES)

No. Explanation: The Company is not subject to such disclosure obligation.

R 1.6.6 Did the Company publish all relevant information about the internal organisation and the operation of the Board of Directors / Governing Board and the Supervisory Board, about the work of the management, the assessments of these and the changes in the current year?

No. Explanation: Due to the fact that the Company is privately held, it is not subject to such disclosure obligation.

R 1.6.8 Did the Company publish its risk management guidelines and information about its system of internal controls, the main risks and the principles for their management?

Yes.

R 1.6.9.1 Did the Company publish its guidelines relating to the trading of its shares by insiders?

No. Explanation: The shares of the Company are non-negotiable and, therefore, no policies have been drawn up regarding the trading of shares. Members of the Board of Directors, the Supervisory Board and the management may not acquire an interest in the Company's securities. There is no share-based incentive scheme.

R 1.6.9.2 Did the Company disclose the share of the Board of Directors / Governing Board, Supervisory Board and management members in the securities issued by the Company in the annual report or in some other way? (If the above mentioned senior officers do not have any share the answer is: YES)

Yes.

R 1.6.10 Did the Company publish the relationship of Board of Directors / Governing Board, Supervisory Board and management members may have with third parties which could affect the operation of the Company?

No. Explanation: the conflict of interest rules concerning employees and members of the Board of Directors and the Supervisory Board are provided for in the MFB Act, the Hpt. Act and the Civil Code, whereas internal policies ensure compliance with such rules.

R 2.1.1 Does the Company's Articles of Association contain clear provisions regarding the responsibilities and competences of the General Meeting and the Board of Directors / Governing Board?

No. Explanation: the Company is a single-member joint-stock company; matters under the competence of the supreme decision-making body are decided on by a founder's resolution issued by the person exercising shareholder's rights, which is equivalent to a resolution of the shareholder's meeting. The article of association contains clear provisions regarding the responsibilities of the founder and the Board of directors.

R 2.2.1 Does the Board of Directors / Governing Board have a rules of procedure in place defining the organisational structure, the actions for arranging for and conducting the meetings, and the tasks regarding the adopted resolutions, as well as other issues related to the operation of the Board of Directors / Governing Board?

Yes.

R 2.2.2 Does the Company publish the procedure used for nominating Executive Board/ Board of Directors members and the principles for determining their remuneration?

No. Explanation: the Company is a single-member joint-stock company; matters under the competence of the shareholders' meeting are decided upon by the person exercising shareholder's rights in writing, subject to the provisions applicable to the Company. The appointment, recall and discharge of members of the Board of Directors fall under the competence of the person exercising shareholder's rights.

R 2.3.1 Does the Supervisory Board provide a detailed description of its operation and duties, as well as the administrative procedures and processes followed by it, in its rules of procedure and work plan?

Yes.

R 2.4.1.1 Did the Board of Directors / Governing Board and the Supervisory Board hold meetings periodically at a predefined interval?

Yes.

R 2.4.1.2 Did the rules of procedure of the Board of Directors / Governing Board and the Supervisory Board provide rules for the conduct of meetings that cannot be planned in advance, and for decision-making using electronic telecommunications means?

Yes.

R 2.4.2.1 Did board members have access to the proposals to be presented at the meeting of the respective board at least five days prior to the meeting?

No. Explanation: The Articles of Association of MFB Zrt., as well as the rules of procedure for the Board of Directors and the Board of Supervisory Board, determine the latest deadline for dispatching proposals to be less than five working days, meaning that proposals related to the agenda must be delivered to the members at least three days before the meeting.

R 2.4.2.2 Did the Company arrange the proper conduct of the meetings, the drawing up of the meeting minutes and management of the resolutions made by the Board of Directors / Governing Board and the Supervisory Board?

Yes.

R 2.4.3 Do the rules of procedure provide for the regular or ad hoc participation of non-board members at respective board's meetings?

Yes.

R 2.5.1 Were the members of the Board of Directors / Governing Board and the Supervisory Board nominated and elected in a transparent process, and was the information about the candidates made public in due time before the General Meeting? (If there was no nomination and election the answer is: YES)

No. Explanation: the Company is a single-member joint-stock company; matters under the competence of the shareholders' meeting are decided upon by the person exercising shareholder's

rights in writing, subject to the provisions applicable to the Company. The appointment, recall and discharge of members of the Board of Directors and the Supervisory Board and determining the remuneration of the members and Chair of the Board fall under the competence of the person exercising shareholder's rights.

A 2.5.2 Does the composition and size of the boards comply with the principles set out in Section 2.5.2 of the Recommendations?

Yes.

A 2.5.3 Did the Company ensure that the newly elected Board of Directors / Governing Board and Supervisory Board members became familiar with the structure and operation of the Company and their tasks were carried out as members of the respective boards? (If there was no newly elected member in the current year: YES)

Yes.

R 2.6.1 Did the Governing Board / Supervisory Board request (in the context of preparing the annual corporate governance report) its members considered to be independent to confirm their independence at regular intervals? (If there is no independent member the answer is: YES)

No. Explanation: The Board of Directors does not request its members, considered to be independent, to confirm their independence at regular intervals.

R 2.6.2 Does the Company provide information about the tools which ensure that the Board of Directors / Governing Board assesses objectively the management's activities?

No. Explanation: The Company is a single-person joint-stock company, where the Board of Directors is responsible for monitoring the management's performance. Fees are determined by the person exercising employer's rights. The employer's rights over the CEO are exercised by the Minister exercising the government's exclusive shareholder's (owner's) rights. The Minister decides on the selection, appointment, recall and discharge of the members of the Board of Directors, members and the Chair of the Supervisory Board, members of the Audit Committee and the Chief Executive Officer.

R 2.6.3 Did the Company publish its guidelines concerning the independence of its Governing Board / Supervisory Board members and the applied independence criteria on its website?

No. Explanation: On its website, the Company does not specifically publish the guidelines concerning the independence of the Board of Directors and the Supervisory Board and the relevant independence criteria, as they are provided for in the Hpt. Act, the Civil Code, the MFB Act and the Kgtv. Act.

R 2.6.4 Does the Supervisory Board of the Company have any members who has held any position in the Board of Directors or in the management of the Company in the previous five years, not including cases when they were involved to ensure employee participation?

No. Explanation: One of the members of the Supervisory Board was a member of the Executive Board for a short period from 17.01.2024 to 18.03.2024 without exercising the right of representation. The extremely short duration of membership of the Executive Board do not substantially affect the performance of the functions of the Supervisory Board.

R 2.7.1 Did members of the Board of Directors / Governing Board inform the Board of Directors / Governing Board and (if applicable) the Supervisory Board (or the Audit Committee if a uniform governance system is in place) if they, or individuals they have business relations with, or their relatives have interest in any business transactions of the Company (or any subsidiaries thereof) which excludes their independence? (If there was no such transaction the answer is: YES)

Yes.

R 2.7.2 Were transactions and assignments between members of boards/ members of the management/individuals closely associated with them and the Company/subsidiaries of the Company carried out in accordance with the Company's general business practice but applying more stringent transparency rules compared to general business practice, and were they approved? (If there was no such transaction the answer is: YES)

Yes.

R 2.7.3 Did board members inform the Supervisory Board / Audit Committee (Nominating Committee) if they had received an appointment for board membership or management position of a company not belonging to the Company Group? (If there was no such appointment, the answer is YES)

No. Explanation: members of the Company's Board of Directors and Supervisory Board may only be executive officers or Supervisory Board members as specified by the MFB Act. When they are elected, members must issue a statement on their existing status as an executive officer and their Supervisory Board membership, and must notify the competent organisational unit of the Company of any change to such status in accordance with MFB Zrt.'s relevant policy.

R 2.7.4 Did the Board of Directors / Governing Board develop guidelines for the flow of information and the management of insider information within the Company, and monitor compliance with them?

Yes.

R 2.8.1 Did the Company create an independent internal audit function that reports directly to the Audit Committee / Supervisory Board?

Yes.

R 2.8.2 Does Internal Audit have unrestricted access to all information necessary for carrying out audits?

Yes.

R 2.8.3 Did shareholders receive information about the operation of the system of internal controls?

Yes.

R 2.8.4 Does the Company have a function ensuring compliance (compliance function)?

Yes.

R 2.8.5.1 Is the Board of Directors / Governing Board or a committee operated by it responsible for the supervision and management of the entire risk management of the Company?

Yes.

R 2.8.5.2 Did the relevant organisation of the Company and the General Meeting received information about the efficiency of the risk management procedures? (If such information has been received by the relevant organisation or the GM, but not in the current year, the answer is: YES)

Yes.

R 2.8.6 With the involvement of the relevant areas, did the Board of Directors / Governing Board develop the basic principles of risk management taking into account the special idiosyncrasies of the industry and the Company?

Yes.

R 2.8.7 Did the Board of Directors / Governing Board define the principles for the system of internal controls to ensure the management and control of the risks affecting the Company's activities as well as the achievement of its performance and profit objectives?

Yes.

R 2.8.8 Did internal control systems functions report about the operation of internal control mechanisms and corporate governance functions to the competent board at least once a year?

Yes.

R 2.9.2Did the Board of Directors / Governing Board invite the Company's auditor in an advisory capacity to the meetings on financial reports?

Yes.

Level of compliance with proposals

P 1.1.3 Does the Company's Articles of Association provide an opportunity for shareholders to exercise their voting rights also when they are not present in person?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.2.4 Did the Company determine the place and time of General Meetings initiated by shareholders by taking the initiating shareholders' proposal into account?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.2.5 Does the voting procedure used by the Company ensure a clear, unambiguous and fast determination of voting results, and in the case of electronic voting, also the validity and reliability of the results?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.3.1.1 Were the Board of Directors/Governing Board and the Supervisory Board represented at the General Meeting?

No. Explanation: While the Company has no shareholders' meeting, the Board of Directors and the Supervisory Board submit their opinion on the founder's resolutions issued by the person exercising shareholder's rights.

P 1.3.1.2 In the event the Board of Directors/Governing Board and the Supervisory Board was absent, was it disclosed by the Chairman of the General Meeting before discussion of the agenda began?

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.3.2.1 The Articles of Association of the Company did not preclude any individuals from receiving an invitation to the General Meetings of the Company at the initiative of the Chairman of the Board of Directors/Governing Board and being granted the right to express their opinion and to add comments there if that person's presence and expert opinion is presumed to be necessary or help provide information to the shareholders and help the General Meeting make decisions.(Answer Yes, if not)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.3.2.2 The Articles of Association of the Company did not preclude any individual from receiving an invitation to the General Meetings of the Company at the initiative of shareholders requesting to supplement the agenda items of the General Meeting and from being granted the right to express their opinion and to add comments there. (Answer Yes, if not)

No. Explanation: the Company is a single-member joint-stock company with no shareholder's meeting.

P 1.3.6 Does the annual report of the Company prepared as specified in the Accounting Act contain a brief, easy-to-understand and illustrative summary for shareholders, including all material information related to the Company's annual operation?

Yes.

P 1.4.1 In line with Section 1.4.1, did the Company pay dividend within 10 working days to those of its shareholders who had submitted all the necessary information and documents? (If there was no dividend the answer is: YES)

Yes.

P 1.6.11 Did the Company publish its information in English as well, in line with the provisions of Section 1.6.11?

Yes.

P 1.6.12 Did the Company inform its investors about its operation, financial situation and assets on a regular basis, but at least quarterly?

No. Explanation: Based on the provisions of Act CXX of 2001 on capital market MFB Zrt. is not obliged to prepare a half-yearly report, therefore the Bank's investors can find out about the operation, financial and property status of MFB Zrt. from the annual audited individual and consolidated reports – regularly published on the Bank's websites and in the places of mandatory publication – and from the half-yearly unaudited, non-consolidated financial statements.

P 2.9.1 Does the Company have in place internal procedures regarding the use of external advisors and outsourced activities?

Yes.