



Sustainability efforts of OTP Group

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Welcome from the Chairman



Dr. Csányi Sándor
Chairman
OTP Bank



Dear Shareholders,

OTP Group is one of the leading banking groups in Central and Eastern Europe: we provide modern solutions and a broad range of financial products to more than 17.5 million customers across ten countries in the region, as well as in one Central Asian country. We can rightfully be proud of the achievements of the past three decades: through conscious and consistent development, we have not only become a leading financial institution in our region but have also grown into a significant banking group of European scale.

Our financial indicators also confirm the success of our strategy. Since stability is a key priority, for more than two decades we have successfully combined faster-than-peers organic growth with value creating acquisitions and outstanding profitability. In 2025, OTP Group's profit after tax reached HUF 1,146 billion, representing a 7% year-on-year increase, driven primarily by a 10% improvement in operating profit. More than two-thirds of the profit after tax was generated by our foreign subsidiaries. We hold dominant market positions in five countries, while in our other markets we aim to reach a top-three position.

Since 2014, OTP Group's net loan portfolio has quadrupled. This average annual growth rate of 16% significantly exceeded that of our regional peers over the same period.

Over recent decades, OTP has built unique expertise in the professional execution of bank acquisitions and the successful integration of acquired banks into the Group. This is how we became the leading consolidator of the regional banking sector. We achieved all this by consistently relying on our strong capital base, excellent liquidity and the outstanding professional expertise of our colleagues.

Our performance has once again been recognised with numerous professional awards. While each recognition is important and appreciated, we are particularly proud that in 2025 OTP Group once again topped The Banker's ranking of the 100

largest banks in Central and Eastern Europe and received the Bank of the Year award in three countries: Slovenia, Uzbekistan and Montenegro. It is also important feedback for us that, following our first-place ranking in 2024, last year we finished second in the European bank ranking compiled by S&P Global Market Intelligence based on objective financial indicators.

Although our activities are focused on efficient operations with sustainable profitability, we implement all of this in line with our ESG ambitions and commitments.

OTP Group aims to be a leading regional player in financing the transition to low-carbon economies, thereby contributing to the gradual building of a more sustainable future.

At the heart of OTP Bank's sustainability strategy is the expansion of our green loan portfolio. By the end of 2025, we managed to exceed our target by 13%, reaching HUF 1,693 billion. Green investments continue to offer significant growth and value-creation opportunities for both our customers and the bank.

We firmly believe that financial stability cannot exist without environmental and social sustainability. As recognition of our consistent efforts, over the last three years our Bank received Global Finance magazine's global sustainability award, ahead of numerous major multinational banks.

In recent years, despite external challenges, we delivered excellent financial results, further strengthened our market leading position, set new industry standards in digitalization and successfully expanded into beyond-banking services, building our customers' trust and loyalty.

I am hopeful that the management's medium-term strategic objectives will continue to meet shareholders' expectations.

INTRODUCTION

OTP Group is a significant player in many CEE countries' banking markets



About OTP Group

OTP Group, headquartered in Budapest, Hungary, provides retail and corporate banking services across 11 countries. At the end of 2025, the Group served approximately 17.5 million clients through a diversified distribution network comprising 1,196 branches, digital channels, agent networks and 5,622 ATMs, supported by 40,845 employees.

Founded in 1949 and listed on the stock exchange between 1995-1997, OTP Group has developed into a regionally diversified universal banking group in Central and Eastern Europe. The Group offers a broad range of traditional banking services alongside complementary financial services, including asset management, leasing, and factoring through its domestic and foreign subsidiaries. Based on banking assets, the Group has leading market positions in several countries in the region, including Hungary, Bulgaria, Slovenia, Serbia, and Montenegro, while maintaining a significant presence in Croatia, Albania and Moldova.

The Group entered Uzbekistan in Central Asia in 2023 and continues to operate in Ukraine and Russia.

The ownership structure of OTP Group is characterized by dispersed shareholder base, primarily consisting of institutional investors. Over the past decade, the Group's growth has been driven by a combination of organic business expansion and acquisitions. As a result, by the end of 2025 total assets exceeded EUR 100 billion, the net loan portfolio increased substantially over the last 10 years and profit after tax reached EUR 3 billion equivalent. The contribution of non-Hungarian Group members accounted for more than 70% of adjusted profit after tax.

In line with its strategic priorities, OTP Group focuses not only on profitability and growth, but also on maintaining a prudent capital position and strong liquidity buffers, supporting resilience across different operating environments.



Purpose of this document

This document aims to provide a short and understandable summary of OTP Group's efforts to contribute to a more sustainable economy.

It summarizes information available in different parts of OTP Bank's Integrated Annual Report 2025, too.



Disclaimer for deviations from the Integrated Report

In case of any discrepancies or inconsistencies between the Integrated Annual Report and this document, the information published in the Integrated Annual Report shall prevail.

Any information or data presented in this document that is not covered by the Integrated Annual Report should be considered unaudited.

OVERVIEW OF OTP GROUP'S SUSTAINABILITY STRATEGY

By adopting its second sustainability strategy for the period 2026–2028, OTP Group entered a more mature phase of its sustainability journey

The sustainability strategy of the Group is overseen by the parent institution, OTP Bank, through its highest decision-making body, the Executive Steering Committee (ESC). Following the successful completion of the Group's sustainability strategy for 2022-2025, the ESC approved the new sustainability strategy for

the next three years, 2026-2028. The new strategy builds on the experiences gained during the previous strategic cycle while introducing updated focus areas and targets reflecting developments in the economic and regulatory environment, as well as evolving stakeholder expectations.



Pillars of our sustainability strategy

OTP Group's sustainability strategy covers a set of objectives and actions which can be grouped into six key topics:

Green lending

We support the transition by financing environmentally sustainable projects across sectors and markets. See Page 11.

Decarbonisation of Own Operations

We reduce operational emissions through measures within our direct influence, including buildings, energy procurement and fleet management. See Page 15.

Decarbonisation of the Loan Portfolio

Assess and manage financed emissions and related transition dynamics in line with evolving regulatory expectations and portfolio-level metrics. See Page 21.

Managing ESG risks

ESG-related risks are embedded in the Group's overall risk strategy and risk management framework to mitigate potential financial impacts. As this area falls under prudential regulation, it is not discussed in detail in this document.

Reporting

We comply with extensive sustainability reporting obligations (including ESRS) and aim to provide transparent and decision-useful disclosures through coordinated Group-wide processes.

Social and Governance

We strengthen our targets and practices related to social responsibility towards clients and employees, and to ethical and transparent business conduct. See Page 33.



Transparency

Banks are increasingly subject to expectations from regulators, supervisors and other stakeholders to demonstrate their commitment to sustainability-related objectives. At the same time, the banking sector operates within structural limitations, including the fact that banks alone cannot enforce or directly control the transition to a carbon-neutral economy. In this context, OTP Group is committed to transparent and balanced communication regarding both its sustainability ambitions and its structural limitations. While the Group complies with applicable legal requirements and strives to meet stakeholders' expectations, it also aims to maintain

a realistic and prudent approach. Accordingly, OTP Group seeks to avoid overcommitment and to mitigate the risk of greenwashing.

In practical terms, OTP Group has not yet adopted a transition plan as defined under the CSRD and ESRS. Such plans are expected to outline clear pathways for reducing financed greenhouse gas (GHG) emissions. However, financed emissions are influenced primarily by the actions and transition pathway of the Group's counterparties and are therefore not fully under the Bank's control.

As a result, while OTP Bank currently does not disclose a CSRD / ERSR compliant transition plan, its sustainability strategy includes a number of initiatives aimed at supporting the transition towards a lower-carbon, greener and more sustainable economy.

In order to strengthen its commitment to transparency and responsible banking practices, OTP Bank became an official signatory to the UN Principles for Responsible Banking (PRB)

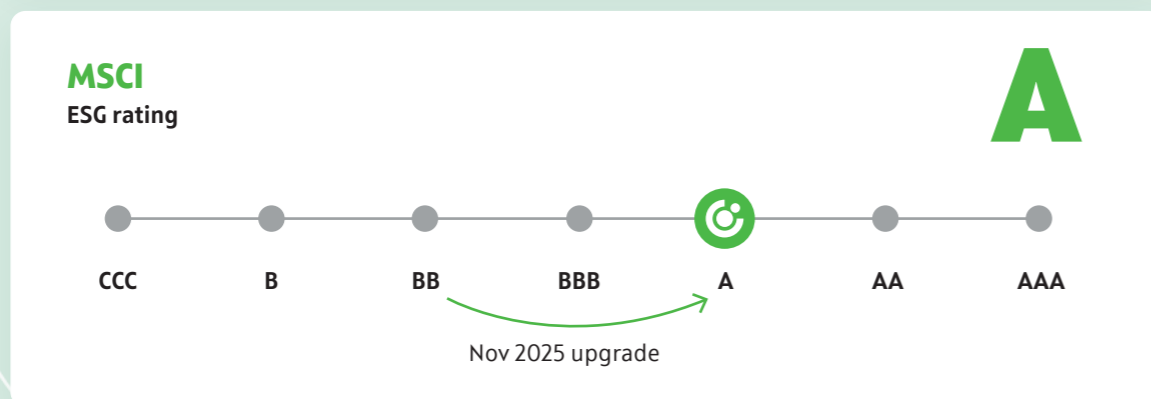
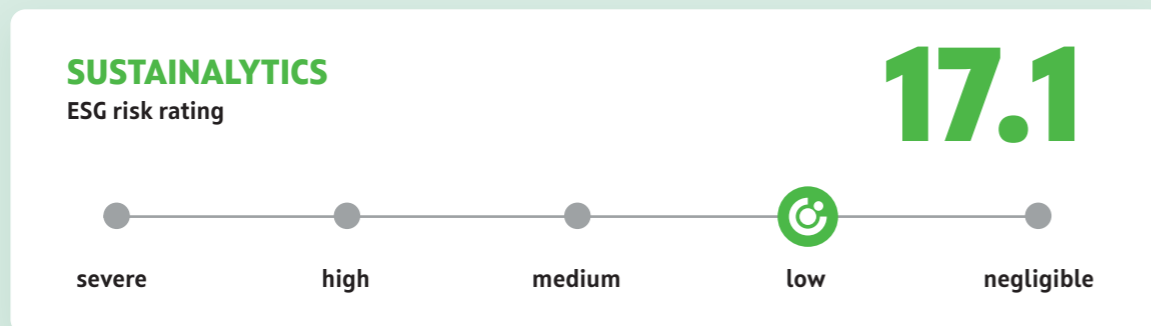
in October 2021. The PRB provides a global framework for a sustainable banking industry, developed by banks in cooperation with the United Nations Environment Programme Finance Initiative (UNEP FI).

Under the PRB framework, OTP Bank has committed to target setting in two impact areas: climate change mitigation and financial health and inclusion. These areas were confirmed as priority impact areas and remain the basis for the Bank's PRB-related activities.



Our sustainability ratings

OTP Group's efforts to sustainability are rated by three independent third-party agencies.



Our commitment to transparency was acknowledged by the numerous awards and recognitions our company has received recently. Below is a list of the prestigious awards that highlight our achievements and the trust we have earned from our stakeholders.

OTP Group's list of awards and recognitions from 2024-2026:

2026

Best Bank for Sustainable Finance in Hungary for 2026 (Global Finance)

2025

Winner of the "Companies for the Future Award" – Best ESG Program category by the Joint Venture Association

Best Bank for Sustainable Finance – Hungary 2025 (Global Finance)

Best Bank for Transition/Sustainability Linked Loans – Central and Eastern Europe - 2025 (Global Finance)

World's Best Bank for Transition/Sustainability Linked Loans – Central and Eastern Europe -2025 (Global Finance)

2024

The World's Best Bank for Sustainability Transparency (Global Award) for 2024

The Best Bank for Sustainability Transparency in CEE for 2024

The Best Bank for Sustainable Financing in Emerging Markets in CEE for 2024

The Best Bank for ESG Related Loans in CEE for 2024

The Best Bank for Sustainable Finance in Hungary for 2024

GREEN LENDING

Providing finance for the green transition is the most effective measure a bank can take for a more sustainable future



Green lending targets

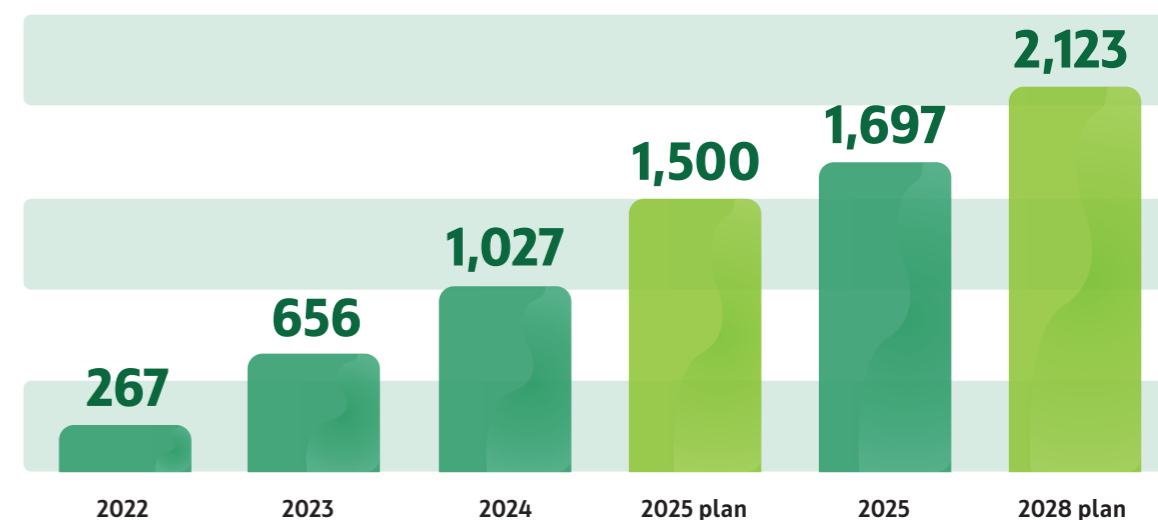
OTP Group considers a bank's main role in the carbon-neutral transition to provide financing necessary for it. Consequently, the primary objective of the Group's sustainability strategy is to expand its green loan portfolio, that is, to finance our customers' investments related to the transition to a low-carbon economy across all industries and segments.

The green exposure definition of OTP Group includes on-balance sheet loans, advances, leases, and bond exposures that have undergone an internal green assessment process and meet the technical screening criteria of any of the following frameworks: OTP Group Green Loan Framework¹, OTP Group Sustainable Finance Framework, the MNB's (Hungarian National Bank) corporate and municipal capital requirement discount program or green housing capital requirement discount program, as well as the NHP Green Home program.

OTP Bank was successful in meeting its 2025 target for the Group's green lending volume: with HUF 1,697 billion (EUR 4.44 billion) the Bank was 13% above its goal, HUF 1,500 billion (EUR 3.93 billion) that has been set 4 years earlier. The green loan volume of the Bank underwent an annual growth of 85% compared to the low basis of 2022, the share of green loans within its gross loan portfolio increased from 1.4% to 6.3% at the same time.

We expect both the volume and the share of our green financing to continue to increase, although the pace and composition may vary across markets. Our green portfolio has reached a more mature stage, with parts of earlier transactions expected to be repaid over the coming years. Accordingly, OTP Group's green financing target for 2028 – HUF 2,123 billion or EUR 5.56 billion – reflects a more moderate growth trajectory than in the 2022-2025 period. This is not a slowdown, but a sign of maturity: green lending has moved beyond its launch phase and is now a well-established product category across the Group.

Chart 1: Targets and historical value for green loan volume at OTP Group (HUF billion)



Source: OTP Bank

¹ The Green Loan Framework was in effect until 2025.

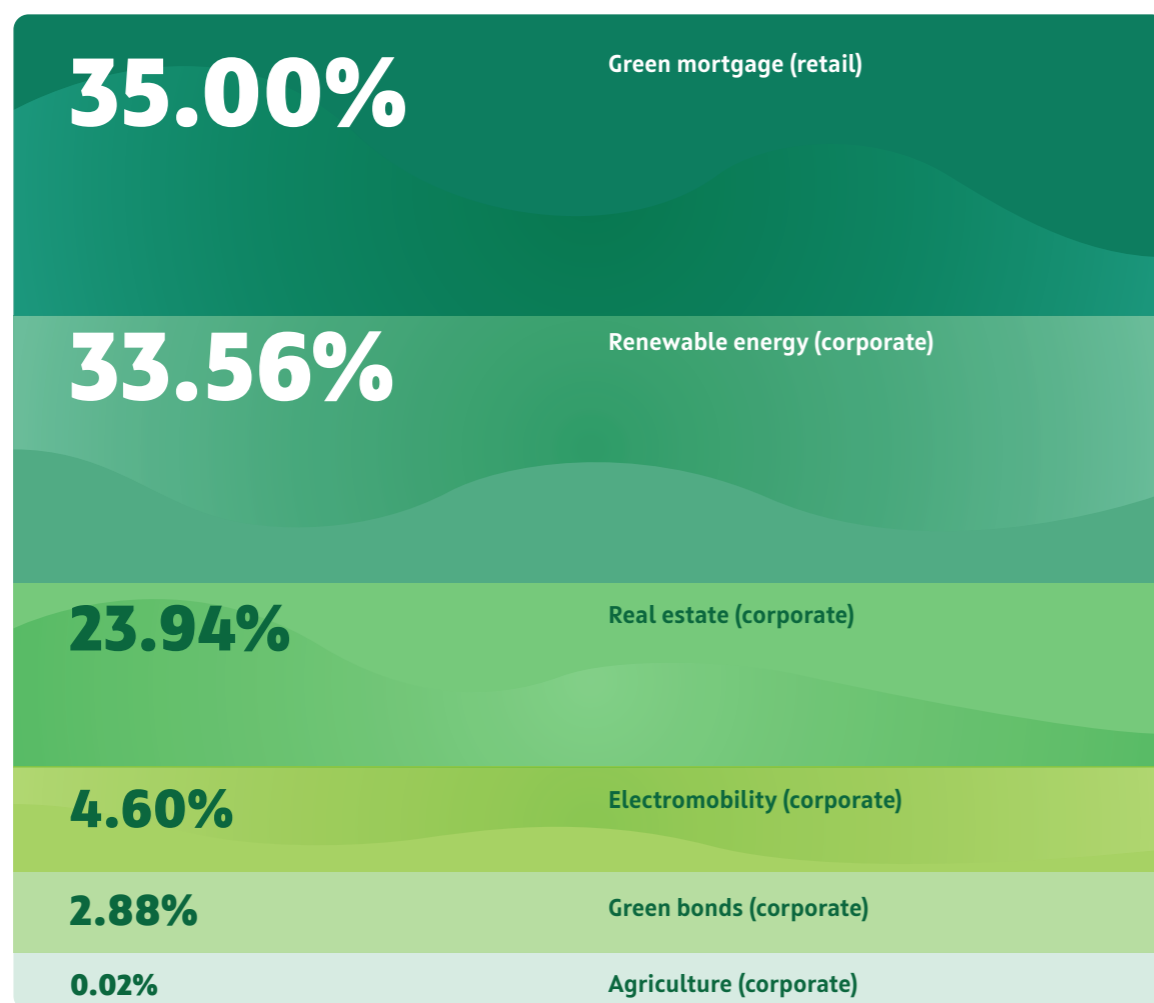


Composition of green loan portfolio

While the structure of green investments varies across markets, OTP Group has consistently integrated sustainable financing into its core operations, offering green solutions to clients across all sectors. Green exposures are predominantly linked to renewable energy,

(commercial) real estate and residential mortgage financing. Corporate transactions represent 65% of the Group's green portfolio, while retail products account for 35%, and Hungary remains the single largest contributor, representing 57% of total green volumes.

Chart 2: Distribution of OTP Group's green portfolio based on loan purpose, end-of-year, 2025



Source: OTP Bank

We expect the underlying drivers of our green growth to remain broadly unchanged, while its composition continues to evolve. An increasing share of new green volumes is expected to

come from outside Hungary – particularly in retail mortgage financing – alongside the growing relevance of emerging areas such as electromobility and transition finance.



REGIONAL SPOTLIGHT

Electrification in Bulgaria

OTP Group's Member in Bulgaria, DSK Bank is a key financier of renewable energy and electricity storage projects in the country. DSK Bank provides funding to renewable electricity generation projects with a total capacity of 1.4 GW, which is almost 20% of Bulgaria's total renewable power generation capacity. The corporate renewable portfolio of DSK amounted to EUR 508 million in 2025.

Additionally, Bulgaria is investing heavily in energy storage solutions to balance the intermittent nature of renewable energy sources. The government has launched calls for grants to support battery storage systems, aiming to integrate these with renewable electricity plants. DSK Bank finances battery storage systems in volume of EUR 63 million.



REGIONAL SPOTLIGHT

Sunny Loans in Croatia

Sunny Loan is a green home loan scheme offered specifically for energy renovation, purchase and development of energy-efficient properties; therefore, it supports sustainable and energy-efficient housing on favorable terms. It was introduced by OTP banka, OTP Group's Croatia Group Member as a mortgage product for retail customers in Croatia in 2024, and it aligns with the objectives of the ESG targets of the banking group.

In accordance with European Union regulations for new construction, the primary energy demand can be maximum 72 kWh/m² (continental region)

or 45 kWh/m² (coastal region), for apartments built before 2020 A/A+ energy certificate is demanded and for modernization, at least 30% reduction in primary energy demand is expected. The product is characterized by competitive interest rates, high loan amounts and long terms. For this reason, the loan portfolio related to sunny loans has shown continuous, higher growth since the end of 2024. By the beginning of 2026, the size of the portfolio had almost quadrupled, increasing from 14.7 million euros to almost 57 million euros.



Green funding

OTP Group had a total amount of issued green bond volume of HUF 309 billion (EUR 810 million). Green loans allocated to these green bond issuances are mostly green building and renewable energy financing projects. Loans allocated to the green bonds (which represent only a portion

of the total green portfolio) were estimated to contribute to the avoidance of approximately 1.7 million tons of CO₂eq per year according to the estimates presented in our integrated [Green Bond Allocation and Impact Report](#).

GREENING OUR OPERATIONS

OTP Group aims to reduce the greenhouse gas (GHG) emissions associated with its own operations

This effort is driven by regulatory expectations and supports the Group's sustainability strategy and long-term decarbonisation objective. In the banking sector, the vast majority of climate impact is typically associated with financed emissions, while emissions from own operations represent a comparatively small share. Nevertheless,

operational emissions remain material in absolute terms and are largely within the Group's direct influence through decisions on buildings, energy procurement and fleet management. Accordingly, OTP Group sets targets for emissions from its own operations, defines measures to achieve them, and monitors progress on an annual basis.

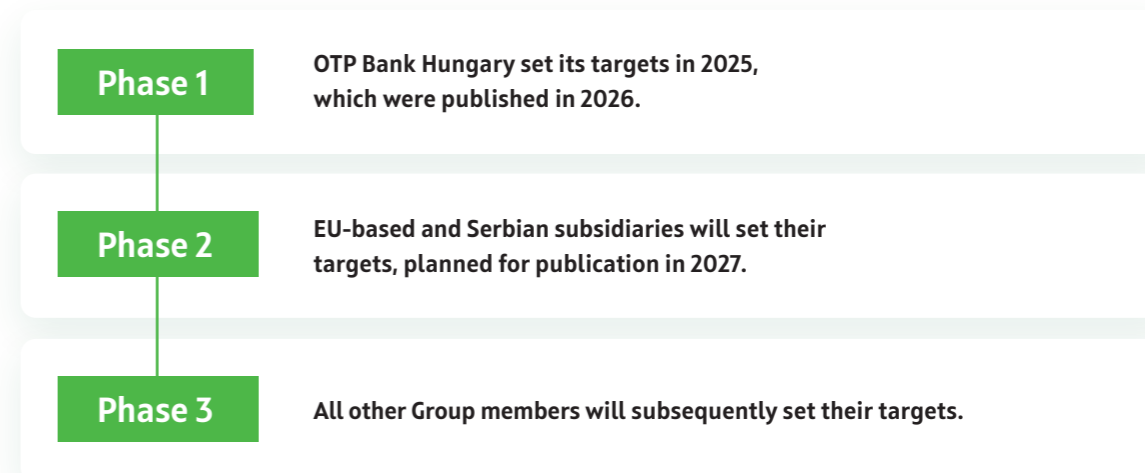


Target setting and implementation framework for operational emissions

As the majority of OTP Group's operational emissions are associated with Scope 1 and Scope 2 categories - primarily from buildings and the vehicle fleet - we focus our target-setting on these two areas. OTP Group applies Paris Agreement-aligned, science-

based pathways consistent with a 1.5°C trajectory. Accordingly, we use the Network for Greening the Financial System (NGFS) Net Zero Emissions 2050 (Version 5) scenarios for transportation as well as residential and commercial real estate.

OTP Group's operational target-setting is being rolled out in three phases:



The following section relates to OTP Bank Hungary only. In line with the selected net-zero pathways, we apply the corresponding reduction trajectories to our operational emissions. Accordingly, our

2030 target for building-related emissions is a 41.5% reduction versus the 2021 base year, while the target for fleet-related emissions is an 8% reduction versus the 2024 base year.

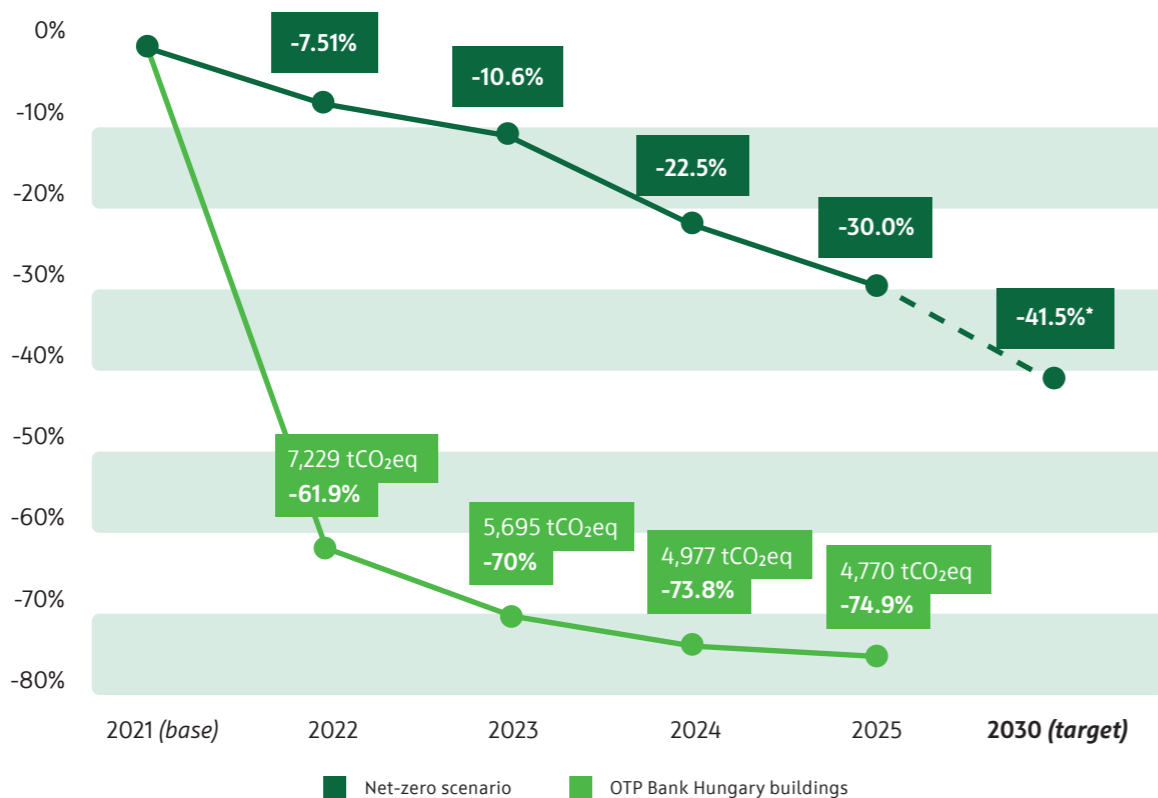


Target setting and measures for own buildings (OTP Bank Hungary)

For buildings operated by OTP Bank Hungary, the implementation of sustainability measures began in 2022; therefore, 2021 is applied as the base year. Based on current data, emissions from buildings are developing broadly in line with, or slightly

ahead of, the national net-zero pathway. OTP Bank Hungary is committed to achieving at least the 41.5% reduction required by the net-zero scenario by 2030 and based on current trends, anticipates the potential to exceed this level of reduction.

Figure 1: NGFS Net Zero 2050 pathway for Hungarian buildings and OTP Bank Hungary's current emissions trajectory



* Target level is at least 41.5% reduction compared to base year. Currently, decrease of emission volumes attributed to own buildings is below target level decrease rate. OTP Bank Hungary is committed to continuously reducing their buildings' emission even below the net-zero target level by 2030; and commits that its level will not exceed that level following the net-zero scenario's reduction pace.

Key measures supporting at least a 41.5% reduction in building-related emissions by 2030 include:

- Continued use of green electricity, which remains one of the most effective levers for reducing Scope 2 emissions.
- Electrification and energy-efficiency improvements across the building portfolio, supported by targeted investment programmes:
 - Replacement of natural gas boilers and, where feasible, district heating systems with more efficient electric heat pumps.
 - Improving energy efficiency of IT infrastructure and data centers, as reflected in improving Power Usage Effectiveness (PUE) indicators, despite increasing IT demand.
 - Ongoing reduction in total energy consumption across office buildings and branch locations.
- Energy audits of the ten highest-emitting buildings to identify site-specific, actionable measures for further emissions reductions.

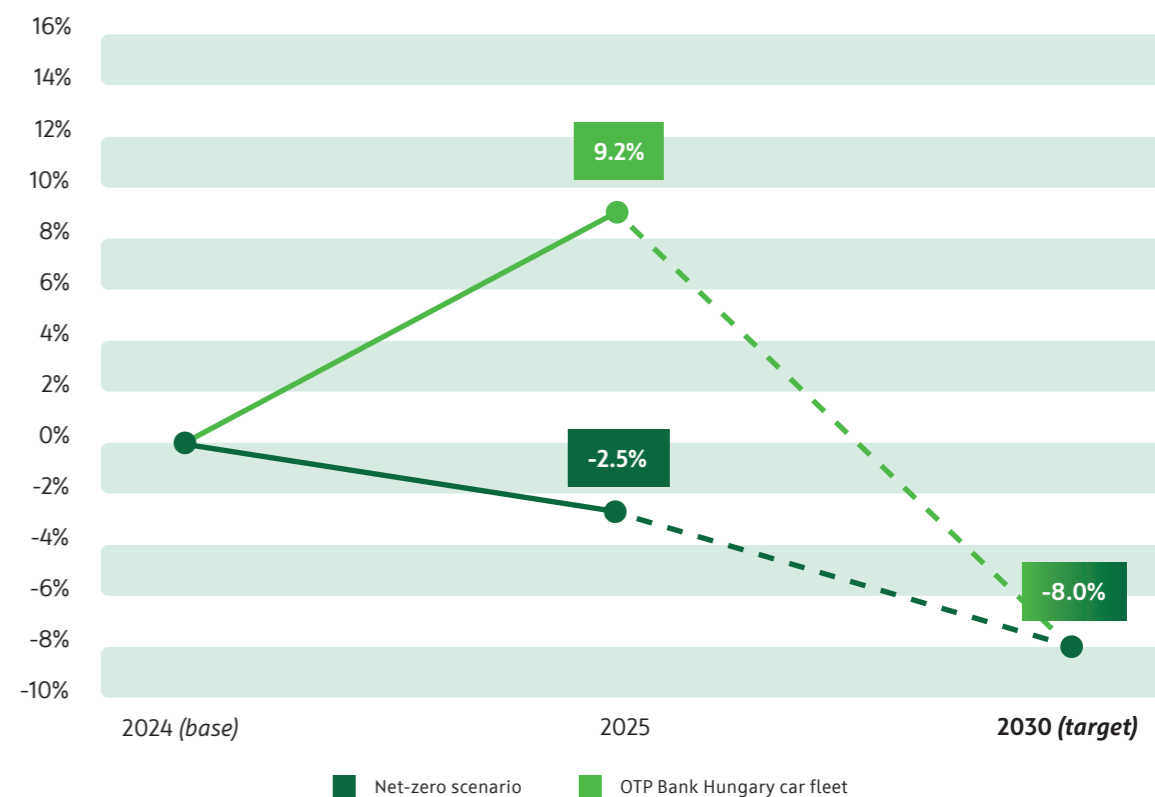


Target setting and measures for car fleet (OTP Bank Hungary)

The vehicle fleet of OTP Bank Hungary currently consists predominantly of internal combustion engine (ICE) vehicles, with hybrid and electric vehicles representing only a limited share. Fleet operations, including refueling and maintenance processes, have historically been structured around ICE vehicles; therefore, a transition

towards electric mobility requires gradual infrastructural adjustments, particularly with respect to charging solutions. As a result, the electrification of the fleet is pursued through a phased approach. The transformation of the car fleet commenced in 2026, with 2024 defined as the base year for emissions-related targets.

Figure 2: Net Zero scenario for Hungarian transportation and OTP Bank's car fleet's emission



Key measures – starting from 2026 – supporting the targeted reduction of emissions from the vehicle fleet include:

- 1** Gradual replacement of internal combustion engine (ICE) vehicles with battery electric vehicles (BEVs). In 2026, OTP Bank Hungary plans to replace 20 ICE vehicles with electric vehicles as part of a pilot phase. Subject to operational experience, up to approximately 100 ICE vehicles may be replaced by BEVs by 2030.
- 2** Development and upgrading of charging infrastructure. OTP Bank Hungary is reviewing existing and planned internal charging points in line with the expected pace of fleet electrification, while also assessing additional locations where new charging infrastructure may be installed.
- 3** Integration of external charging solutions. The Bank is evaluating the potential use of third-party public and private charging networks to complement internal infrastructure and improve overall charging availability for electric vehicles.
- 4** Alignment of fleet operation practices with electrification objectives. Fleet management processes are gradually being adapted to support the efficient use of electric vehicles, including route planning, vehicle allocation and charging arrangements.

In line with the NGFS Net Zero Emissions 2050 scenario for transportation, OTP Bank Hungary has set a target to reduce emissions from its vehicle fleet by at least 8% by 2030 compared to the 2024 base year. This more moderate reduction target reflects the differing decarbonisation dynamics of the transport sector compared to buildings, as well as the current structure of the Bank's fleet.

In contrast to buildings- where energy efficiency improvements and green electricity procurement can deliver relatively rapid emissions reductions- the decarbonisation of vehicle fleets depends

to a greater extent on vehicle replacement cycles and the availability of adequate charging infrastructure. As the systematic transformation of the car fleet only commenced in 2026, the scope for short-term emissions reductions by 2030 is inherently more limited.

The 8% target therefore represents a realistic, scenario-aligned reduction pathway, taking into account operational constraints and transition lead times, while allowing for the gradual scaling-up of electric vehicles in the fleet beyond 2030.



Carbon credits

OTP Bank Hungary prioritizes the reduction of greenhouse gas emissions from its own operations through direct measures wherever feasible. Nevertheless, it is not expected that operational emissions will be fully eliminated in the near term. In this context, carbon credit is used as a complementary measure, alongside ongoing efforts to reduce emissions at source.

In 2025, OTP Bank Hungary purchased and retired carbon credits amounting to approximately 7,000 tCO₂e, covering the majority of the Bank's remaining Scope 1 and Scope 2 emissions for the reporting period. These offsets were applied in addition to other mitigation actions, including the purchase of green electricity and energy-efficiency improvements across buildings and operations.

The retired carbon credits were verified under the Verified Carbon Standard (VCS) administered by Verra. Consistent with OTP Group's approach, preference is given to compensation projects implemented in countries where the Group operates, thereby supporting local environmental outcomes. Accordingly, the Bank supported the Sant Nikola Wind Farm project near Kavarna, Bulgaria, which is the largest wind farm in the country.

OTP Bank Hungary considers carbon offsetting to be a transitional instrument rather than a substitute for emissions reductions. As technological solutions, infrastructure and operational practices evolve, the relative role of carbon credit is expected to decline over time in parallel with further reductions in operational emissions.



REGIONAL SPOTLIGHT

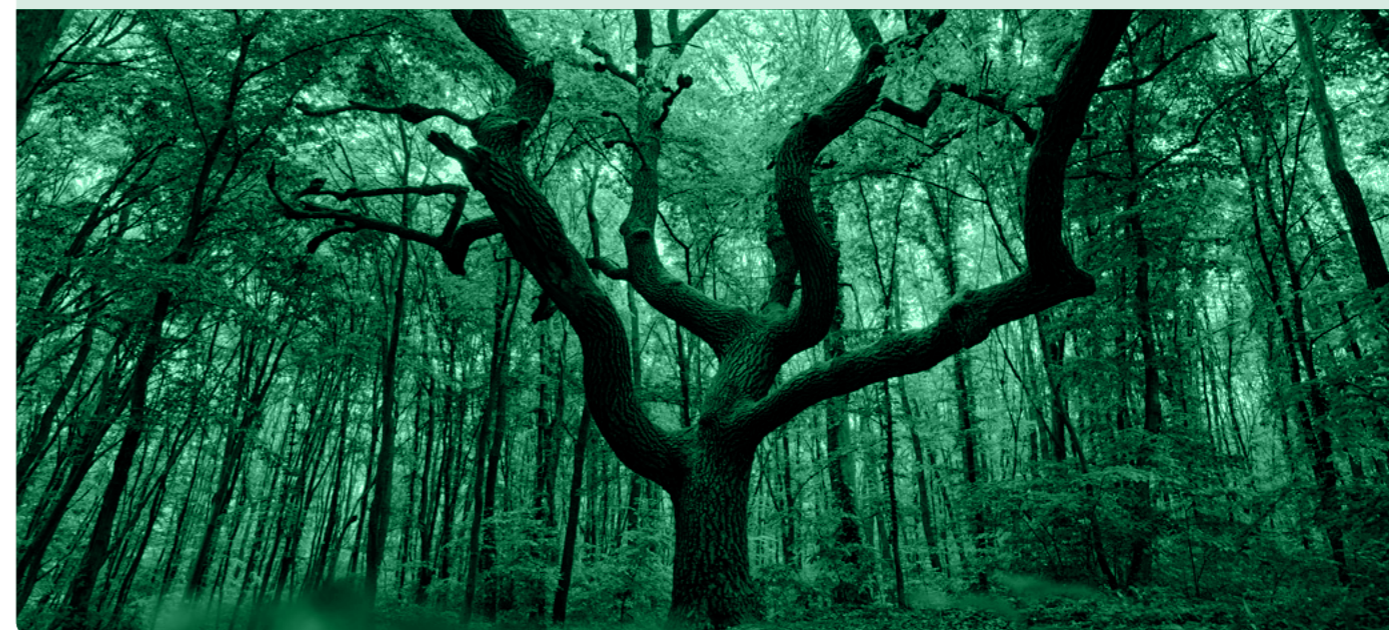
Pilis Park Forest, Hungary

OTP Bank Hungary cooperates with Pilisi Parkerdő Zrt. in the development and long-term conservation of the 320-hectare Budakeszi Wildlife Park. The cooperation focuses on preserving the natural and ecological value of the forest area, while strengthening its public, educational and recreational functions. Rather than commercial forestry, the initiative emphasises ecosystem protection, biodiversity conservation and environmentally conscious land use.

The partnership also provides a framework for professional and scientific collaboration and supports the internal dissemination of sustainability-related

awareness among employees. Through this initiative, OTP Bank aims to contribute to the protection and restoration of local natural assets in a country where the Group operates, while complementing its broader efforts to reduce emissions from its own operations.

This project is not intended to replace direct emission-reduction measures, but to support a broader sustainability approach that recognizes the role of nature-based initiatives alongside operational decarbonisation.



DECARBONISATION OF OUR LENDING PORTFOLIO

Through prudential and sustainability regulation, banks are increasingly expected to assess and manage the greenhouse gas emissions associated with their lending portfolios



Financed GHG inventory of OTP Group

OTP Group considers the main metric of its financed GHG emissions to be the financed Scope 1-2 emissions of borrowers in all PCAF-asset classes except the sovereign portfolio. According to this metric, OTP Group's financed carbon footprint was 9.5 million tons CO₂eq. Compared to 2023 and 2024 (9.2 and 8.3 million tons of CO₂eq, respectively), this increase primarily reflects the significant growth of the Group's balance sheet over the period. When assessed on an intensity basis – expressed as GHG emissions per unit of lending – OTP Group's financed emissions show a clear downward trend. While this trend is observable, it is much more the result

of eventual changes in the portfolio composition, data quality and methodological approaches, than concrete actions taken by the Group. Also, when evaluating the Group's financed GHG emissions, one should also be aware of the material uncertainties related to the underlying estimates resulting from limitations on data availability and the underlying estimation methodology (see also: later).

Taken together, these developments highlight the importance of interpreting changes in financed emissions primarily in a portfolio context.

Chart 3: OTP Group's main financed GHG emission metric (financed Scope 1+2 w/o the sovereign portfolio) and its decomposition into intensity and volume

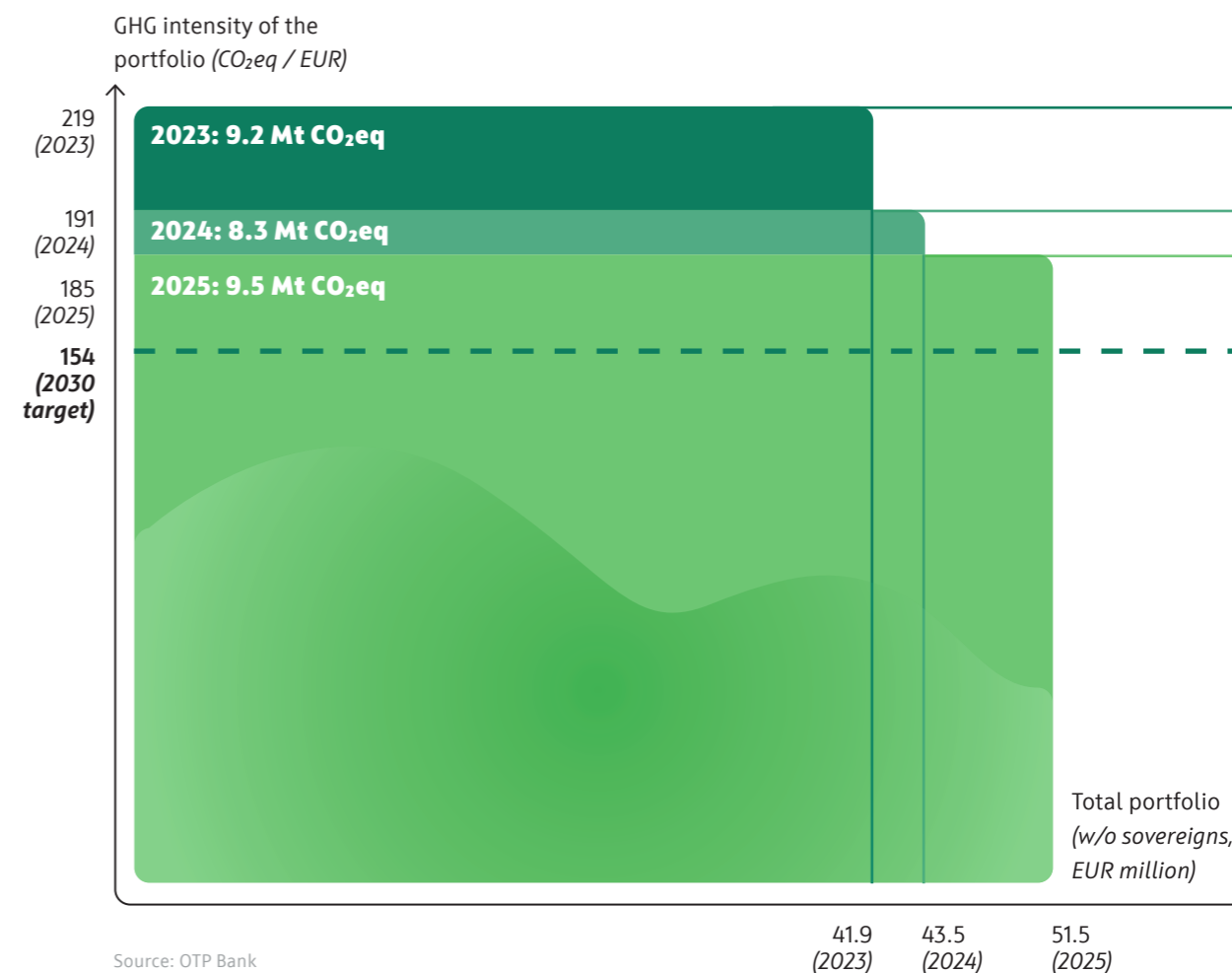


Table 2 presents more details on the composition of OTP Group's financed GHG emissions broken down by emission types and asset classes. The Group's total financed emissions including all emission types and all asset classes (29.3 million tons CO₂eq) are much higher than the Group's selected main financed carbon footprint indicator, financed Scope 1 and 2 emissions without the sovereign exposures (9.5 million tons CO₂eq). The difference can be attributed to financed Scope 3 emissions in general and financed emissions related to the sovereign portfolio segment. OTP Group considers the relevant, compulsory PCAF estimation methodology to be very speculative for these types of emissions, which do not reflect the actual financed carbon footprint of the Group properly. Therefore, the Group focuses on the financed Scope 1-2 emissions of the portfolio without sovereign exposures.

The bulk of these emissions came from the corporate portfolio. Within this segment, the energy sector accounting for 30% of emissions is the largest emitting industry, with trade and agriculture being the second and third. Industries that are traditionally held to belong to the most pollutive ones, such as mining, chemicals, cement, aluminium and iron production have an overall share of below 15% as the Group's exposures towards them are limited (7% of the corporate portfolio).

A significant part of emissions comes from financing internal combustion engine vehicles. Real estate loans have a low share of the Group's financed emissions: while they have high lending volumes, but with a relatively emission intensity.

Table 1: OTP Group's financed GHG emissions by PCAF asset classes in 2025

PCAF asset class	PCAF average data quality	Total exposure (million EUR)	Financed Scope 1 emission (tons of CO ₂ eq)	Financed Scope 2 emission (tons of CO ₂ eq)	Financed Scope 3 emission (tons of CO ₂ eq)	Total finance emissions (tons of CO ₂ eq)
Listed equity and corporate bonds	4.4	1,384	192,419	35,191	637,996	865,607
Business loans, unlisted equity and project loans	4.0	23,982	5,306,553	1,205,422	12,462,338	18,974,313
Commercial real estate financing	4.6	2,133		70,871	-	70,871
Mortgages	4.0	17,924		696,700	-	696,700
Vehicle loans	4.7	6,021	2,009,036	13,200	-	2,022,237
Total without sovereign debt	4.1	51,445		9,529,393	13,100,335	22,629,728
Sovereign debt (with LULUCF)	1.4	22,915	3,678,478	710,464	2,321,235	6,710,176
Total (all PCAF asset classes)	3.3	74,360		13,918,335	15,421,570	29,339,904

Source: OTP Bank

The estimation quality of the Group's financed emissions expressed in the terms of PCAF average data quality score are relatively low (under PCAF, higher data quality scores indicate lower underlying data quality), meaning that the financed emissions of OTP Group still come mostly from

estimations based on the borrower's financial and other characteristics, not from borrowers' own reports. This data quality is not expected to improve dynamically in the upcoming years as most borrowers in the CEE region are not obliged to measure and report their GHG emissions.



INTERPRETING THE NUMBERS

Data limitations under CSRD in CEE markets

The Corporate Sustainability Reporting Directive (CSRD) and its related regulations entered into force last year, forcing large companies to publish their reported GHG emission figures. Many expected that this would lead to a breakthrough in the estimation quality of bank's financed carbon footprint, as emissions that could be only estimated earlier would be replaced by real reported data. This has not happened, though. Not only because the CSRD still covers only large companies, but also – and especially, if we focus on the Central Eastern European (CEE) region, where large companies

are often subsidiaries of large, international corporations – because of the "consolidation rule": corporations subject to the CSRD on a stand-alone basis, but owned by a parent company that is itself a CSRD-subject, are exempted from the emission reporting requirements. As parent companies usually do not publish their GHG emissions by group entities, there are no available stand-alone emission data for most of the large companies in the CEE region.



OTP Group's financed GHG emission intensity

The greenhouse gas emission intensity of OTP Group's lending portfolio is a central indicator for assessing progress in portfolio decarbonisation. For financed Scope 1-2 emissions excluding sovereign exposures, emission intensity amounted to 185 g CO₂eq per EUR

of exposure. This indicator provides a more meaningful view of portfolio-level developments than absolute emissions, as it reflects changes in portfolio composition independently of balance sheet growth.

Table 2: OTP Group's financed GHG emissions by PCAF asset classes in 2025

PCAF asset class	Financed Scope 1 intensity (g CO ₂ eq / EUR)	Financed Scope 2 intensity (g CO ₂ eq / EUR)	Financed Scope 3 intensity (g CO ₂ eq / EUR)	Total emission intensity (g CO ₂ eq / EUR)
Listed equity and corporate bonds	139	25	461	625
Business loans, unlisted equity and project loans	221	50	520	791
Commercial real estate financing	33		-	33
Mortgages	39		-	39
Vehicle loans	334		-	334
Total without sovereign debt	185		255	440
Sovereign debt (with LULUCF)	161	31	101	293
Total (all PCAF asset classes)	187		207	395

Source: OTP Bank



Targets on financed GHG emissions of OTP Group

OTP Group published its first climate target settings in 2025, defining a reduction pathway for financed greenhouse gas emissions by 2030 relative to the 2023 base year. These targets are aligned with international climate scenarios and reflect both regulatory expectations and portfolio-level realities. Across the Group, scenario-based pathways inform both operational and portfolio decarbonisation efforts: NGFS scenarios are applied for operational emissions, while the IEA Net Zero Emissions by 2050 (NZE 2050) scenario serves as the reference for financed-emissions target setting.

Definitions – Scope and interpretation of targets

By financed GHG emissions, we mean the Bank's "share" of the GHG emissions of our borrowers allocated to us in proportion of the financing ratio (or so-called: attribution factor) of the given borrower or asset. GHG emissions of the borrowers consist of three composites: Scope 1 emissions (GHG issued directly by the borrower/asset), Scope 2 emissions (GHG emissions necessary for the electricity and heat consumed by the borrower/asset), Scope 3 emissions (GHG emissions created in the supply chain of the client). OTP Group considers only Scope 1 and 2 emissions as relatively reliable indicators of GHG emissions, whereas we assess any estimations of Scope 3 emissions as highly speculative. While OTP Group is obliged by the relevant legislation to define climate targets on all scopes of financed emissions, we consider targets on our financed Scope 1 and 2 emissions as the most meaningful ones.

Also, it is possible to define climate targets both on the absolute levels of a bank's financed emissions (expressed in millions of tons of CO₂eq) or on relative emissions intensities as a proportion to the outstanding loan volume (expressed in CO₂eq / millions of currencies). OTP Group prefers targets on relative emission intensities, because they do not require any assumptions on the underlying dynamics of balance sheet developments. However, to ensure transparency and compliance with the CSRD,

we translate relative emission intensities also into absolute levels assuming static balance sheet². This static balance sheet assumption refers to the balance sheet of the most recent year, which means that the total assets are adjusted each year to the most recent one. Thus, the absolute emission target for 2030 is always the relative emission intensity target (with a constant value since the target has been set) multiplied by the most recent total asset figures.

Finally, as the methodology to quantify financed carbon footprint of sovereign exposures is still very unreliable (as admitted also by the standard-setting body, PCAF), OTP Group focuses on targets that cover financed emissions without the sovereign portfolio.

Target for 2030 on financed GHG emissions

OTP Group defined its target to reduce its financed GHG emission by 2030 in line with the International Energy Agency's (IEA) Net Zero 2050 (NZE 2050) scenario. Reduction trajectories from the IEA NZE 2050 were applied to the different portfolio segments of the Group in terms of country- and industry-composition. This exercise resulted in an overall portfolio-level reduction target for financed emissions of 29.5% by 2030 compared to the base year of 2023, that is applied to the emission intensity of OTP Group's credit portfolio.

The interpretation of this target is the following: if the economic environment in OTP Group's core markets progresses in line with the IEA 2050 Net Zero scenario, then OTP Group's financed GHG emissions should reach this target. Thus, this target should be interpreted much more like a "baseline scenario" on which OTP Group's financed emissions progress if the transition to a carbon-neutral economy will be successful. It is important to emphasize that OTP Group alone cannot ensure that this target will be met if our economic environment follows a different trajectory. OTP Group alone cannot enforce the carbon-neutral transition.

² While a static balance sheet assumption is not realistic, it is a widespread technique applied in many supervisory exercises (such as the EBA stress tests), and there is no other assumption that would be more plausible.



BEYOND EMISSIONS

Green lending beyond climate mitigation

While most green loans of OTP Group has at least some contribution of mitigating climate change in terms of reducing GHG emissions, there are other green loan purposes that qualify as sustainable, while GHG-reduction is not their most important benefit. OTP Group finances irrigation projects that help agricultural production to adapt to the new

climate realities. Such loans – while not classified as sustainable under the EU Taxonomy – can still qualify as green or sustainable according to the Climate Bonds Initiative, the green capital relief program of the Hungarian central bank and the internal Green Loan Framework of OTP Bank.

Table 3: OTP Group's targeted and actual financed GHG emission intensity metric

g CO ₂ / EUR of exposure	2023	2024	2025	2030 T
Financed Scope 1-2 (w/o sovereign)	219	191	185	154
Change to 2023		-13%	-16%	-30%

Source: OTP Bank
 Note: OTP Group's key metric for the reduction of its financed GHG emission is the sum of all financed Scope 1-2 emission of all PCAF-asset classes with the exception of sovereign. For more details: see explanation in the section "Definitions – targets on exactly what?".

In 2025, OTP Group target metric was by 16% below the base year value of 2023, seemingly on track to the 2030-target. The increasing share of green loans contributed to this decrease somewhat, but the overall decrease reflected

mostly the outcomes of eventual changes in the portfolio composition and the quality of data used for the estimation of the financed GHG emissions. While the current trend is downward, its continuation – or reversal – remains uncertain.



INTERPRETING THE NUMBERS

Macroeconomic effects on emission metrics

Setting appropriate decarbonisation targets for any type of GHG emission measures is difficult, because they are impacted by a series of factors that are not connected to the actual "pollutiveness" of the given company or activity. For example, if we set absolute GHG emission targets (in terms of tons of CO₂eq emission) then a merger with another company or simple gain in market share might increase a company's absolute emission even if it might apply greener technologies in the meantime. Relative GHG emission targets – such as the ones OTP Bank prefers for its financed emissions – that relate emissions to some kind of monetary activity are subject to distortions coming e.g. from changes in price levels. OTP Bank sets its financed emission targets on the basis of its financed emission per loan volume – but its loan volume can change as a consequence of change in the compositions of the

portfolio, mergers, gain on market share and changes in monetary conditions. Especially difficult the correct treatment of inflation, which might have an impact on the loan volumes banks have: as price levels increase, nominal loan volumes will become higher, too – not in a linear or timely constant manner, though. When setting its financed GHG intensity target of 154 gram CO₂eq / euro for 2030, OTP Group did not account for the impact of inflation, also partially because expectations regarding the changes of price levels until 2030 are very speculative. An adjustment for the impact of inflation will be necessary, though – but it can be undertaken relatively precisely only on an a posteriori basis.

Sensitivity analysis of potential measures

Although OTP Group cannot, on its own, determine the pace of the transition, it has identified a set of potential measures that could influence

the carbon intensity of its lending portfolio. We have listed such measures in the list below; four are proactive and four are restrictive in nature.

Table 4: List of potential steering measures and their estimated impacts on OTP Group's financed GHG emission intensity

	Short name of measure	Impact in CO ₂ eq / EUR of exposures impacted	Description of measures
Proactive measures	More green loans	-620	Share of green loans would increase
	Lower financing ratios	-266	The loan volume weighted average financing ratio (attribution factor) would be decreased)
	More electric cars	-57	Reallocation of finance within the vehicle portfolio from "average vehicles" to financing electric cars
	Transition finance	hard to quantify	
Restrictive measures	Cutting financing to coal-fueled power plants	-622	Withdraw from loans where the borrowers' electricity production is fueled by coal in more than 25% and provide the same amount of loans to average corporate borrowers
	Cutting finance to the mining industry	-906	Withdraw from loans to the mining industry and provide the same amount of loans to average corporate borrowers
	Less financing to heavy industries	-175	Decrease loans to cement, steel, iron, aluminium, chemicals and replace them by loans to the "rest of the economy" sector
	Less vehicle loans	-70	Decrease the amount of vehicle loans and provide the same amount of loans to "average" borrowers (based on total portfolio average emission intensity)

Some of the measures (more green loans and transition financing, financing more electric cars) assume that the Group would increase the share of the greener, low-emission exposures and thus lower its financed GHG intensity measure. Other measures (cutting financing to coal-fueled power plants, to the mining industries, to pollutive industries and to vehicle finance) assume that the Group would exit from the financing of high GHG-emitter industries and replace them with lower ones. Lowering financing ratios would decrease the Group's share in responsibility for the borrowers' GHG emissions. Nevertheless, green lending has the greatest actual and specific positive environmental impact.

When interpreting the above list of measures, it is important to keep in mind that the Group might decide on the implementation of these measures on a discretionary basis, but it does not commit to taking automatically all or even any of these measures. Also, when considering taking any of these measures, the Group accounts for a series of aspects other than the ones regarding financed GHG emissions to be included in the decision. Such aspects might be the Group's financial interests, the Group's social responsibility and impacts on the viability or energy-security of its environment and stakeholders.

requirements (resulting from the Paris Agreement or the net zero ambitions of the European Union). If the outcome of this assessment is that the borrowers' efforts are inadequate that can have a negative impact on the Bank's credit decisions. It must be emphasized though that even in this case, OTP Bank might approve the loan application

of the borrower if it is deemed appropriate. Also, deeming the client's climate efforts to be adequate does not imply that OTP Bank considers the client's way of conduct as green, sustainable or environmental-friendly – it simply means that OTP Bank assessed its efforts as adequate.



Sectoral targets and alignment metrics for financing electricity production

In line with evolving market practices, OTP Group has defined sector-specific climate targets for selected industries, using alignment metrics that provide a more robust basis for assessment than estimated greenhouse gas emissions. Electricity production was the first sector where such a target was introduced. OTP Group had a total loan volume financing primary electricity generation of EUR 1.8 billion as of 2025. Almost half (45%)

of these loans were provided to electricity producers relying solely on renewable energy. We still provide finance to large electricity companies that have coal in their portfolio, as it still plays an important role in the energy mix of many "OTP countries", such as Bulgaria, Montenegro and Serbia. But this segment is expected to shrink in the future and will be mostly phased out by 2030.



POLICY IN FOCUS

Coal-related financing restrictions

The environmental impact of thermal coal mining and coal-fired power generation is both significant and well-documented, particularly in terms of carbon emissions. Financial institutions play a crucial role in supporting the gradual phase-out of these high-emission technologies by aligning capital allocation with climate goals. Recognizing this responsibility, OTP Bank is taking concrete steps to contribute to a more sustainable energy future.

From 1 of July 2025 OTP Bank applies restrictions on new loan financing for capital expenditures related to new capacity for thermal coal, i.e. mining and processing of thermal coal as well as coal-based electricity generation. Final maturity date of any potential new transactions

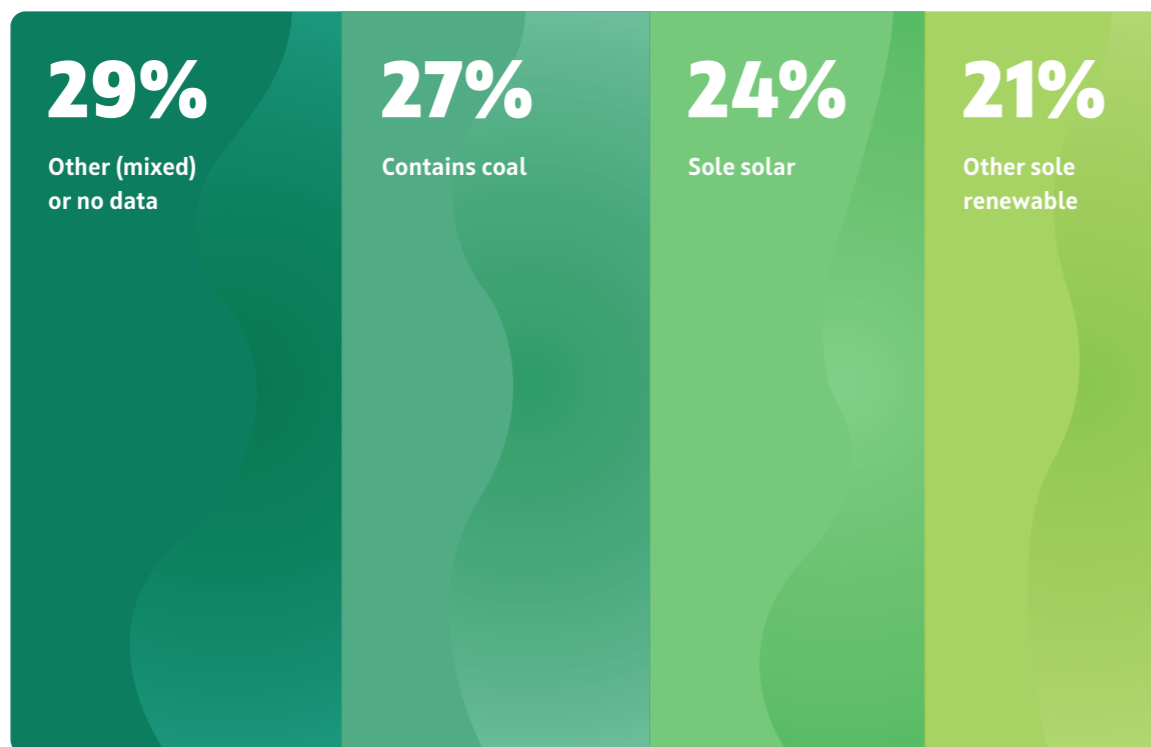
(investment loans, project finance loans) financing new thermal coal capacities, including refinancing, cannot exceed 31 December 2030 while their availability period cannot exceed 31 December 2026. OTP Bank is committed to support the transition to a sustainable, low-carbon economy in line with the Paris Climate Agreement, therefore investments in renewable energy and investments aiming at the reduction of the negative environmental impacts of existing thermal coal assets (green / transition financing, technological improvement etc.) are supported for financing.

Client engagement

OTP Bank has introduced a new mechanism to evaluate the efforts of its borrowers to mitigate climate change and reduce their own GHG emissions. The new mechanism applies from 1 January 2026, and covers all large companies operating in

electricity generation, cement, aluminium or steel production. OTP Bank prepares an internal assessment of whether the efforts of those borrowers are adequate considering industry trends, technological developments and policy

Chart 4: Composition of OTP Group's electricity production financing portfolio by energy sources (based on loan volume)



The underlying alignment metric, based on which OTP Group has set its climate target, is the average GHG emission of borrowers per electricity produced (expressed in kg CO₂eq/kWh) weighted with their loan volume within OTP Group's portfolio. OTP Group's target for 2030 is to keep the portfolio segment level value of this metric below 0.22 kg CO₂eq/kWh. This target has been set based on country-level

ambitions of a long-term net zero targets manifested in national decarbonisation plans in the countries where OTP Group is present. The targeted decrease of the metric was 7% above by 2030, which reflects the fact that the GHG emission intensity of electricity producers financed by OTP Group has been already "greener" than the recent averages in the relevant countries.

Table 5: Alignment metrics and targets for the financing of electricity production

Portfolio segment	Unit of measurement	2023	2024	2030
1. Financed electricity producers: financed emissions / production	kg CO ₂ eq/kWh	0.27	0.22	0.21
IEA NZE benchmark for electricity production		0.51	-	0.22



Uncertainties regarding the financed carbon footprint estimations, alignment metrics and meeting the targets

OTP Group quantifies its financed GHG emissions – in line with regulatory and industry expectations – based on the PCAF Standard or – in case of the other alignment metrics – in line with market standards. Nevertheless, it is important to emphasize that the quantification methodology of banks' – and OTP Group's – financed GHG emissions still contains a very high degree of uncertainty regarding the results (even when compliance with the PCAF Standard is provided). Also, the underlying internal databases face material data quality challenges. Therefore, changes in both the methodology and the underlying data, that alter the results of the estimations on the Group's financed GHG emissions even in terms of magnitudes either forward-looking or retrospectively or both, cannot be ruled out.

One of the most important sources of uncertainty is that banks – and thus, OTP Group – still has to rely on estimations regarding their borrowers' GHG emissions. Especially in the CEE region, where OTP Group is active, most of the companies do not measure and report their carbon footprint. For such borrowers, OTP Group estimates their GHG emissions mostly based on their financial data and / or country-level emission factors. We take the latter from the emission factor databases of PCAF (OTP Bank has been a PCAF signatory since June 2023), but these are only industry-level estimates that might not be necessarily representative to each individual borrower.

It is important to emphasize that estimation uncertainty of our financed carbon footprint is material due to the low amount of GHG emissions measured and reported by clients even for financed Scope 1 and 2 emissions.

But this might improve in the upcoming years, as more and more clients will collect, measure and report such data. However, in case of Scope 3 emissions, the estimation uncertainty will inevitably remain huge in the future, too, as such emissions cannot be measured directly and therefore will always rely on a highly speculative estimation approach.

With regard whether OTP Group is able to meet its targets on its financed GHG emissions, it should be emphasized that OTP Group cannot control all the factors that have an impact on these metrics. Such factors are borrowers' financial data, behavior and the composition of the Group's loan portfolio. For example, if borrowers with lower GHG intensity decide to pay off their loans, OTP Group's financed GHG intensity would rise – despite the Bank has not done anything wrong.

Therefore, the Bank preserves the right to retroactively correct and modify its estimations on its financed carbon footprint / alignment metrics and/or revise its related climate target settings if this is justified by the circumstances. The following events and developments might justify such retroactive revisions and a posteriori adjustments necessary (non-exhaustive list): a) having more reliable (reported and measured) emission data from borrowers; b) changes in price levels (inflation); c) changes in portfolio composition, d) changes in public policies with regard to climate change or any other issues; or any other unforeseeable event that make such adjustments reasonable. If such retroactive adjustments are necessary to undertake, the Group shall provide satisfactory explanation for them.

TARGETS RELATED TO SOCIAL AND GOVERNANCE FACTORS

OTP Group aims to be a fair partner for customers, employees and other business stakeholders

When updating its sustainability strategy for the period 2026-2028, OTP Group expanded the coverage of internal targets focusing on social and governance factors. The relevant indicators

can be grouped into three main categories: social factors related to customers; social factors related to own employees; and governance factors aiming transparent corporate operations.



Protecting trust through security, clarity and awareness

OTP Group focuses on three selected areas to protect the interests of its customers:

Data protection and privacy

- Maintenance and continuous improvement of data protection and information security frameworks in line with applicable regulatory requirements
- Regular awareness-raising activities and training for employees handling customer data

Clear and understandable client communication

- Ongoing review of customer communication materials to ensure clarity, transparency and accessibility
- Strengthening complaint-handling and feedback mechanisms to support fair customer treatment

Awareness raising in financial education

- Support for financial education initiatives and programs aimed at improving financial literacy
- Promoting responsible use of financial products through customer awareness campaigns



Building a fair, engaged and continuously developing workplace

OTP Group aims to be a workplace where colleagues are treated fairly and can grow while preserving a healthy work-life balance. Our targets focus on the following priorities:

Ensuring equal opportunities and equity

- Integration of diversity, equity and non-discrimination principles into recruitment, promotion and remuneration processes
- Application of internal policies supporting fair and inclusive workplace practices

Employee satisfaction and engagement

- Regular employee engagement and satisfaction surveys
- Implementation of follow-up actions based on survey feedback to improve the working environment

Supporting talent development and continuous learning

- Availability of training and development programmes for professional and leadership skills
- Encouraging continuous learning aligned with long-term business and organisational needs



Driving integrity and transparency in all our activities

OTP Group puts internal mechanisms into place to enforce compliance with all legal obligations and a transparent and fair way of operating with special attention on the following:

Ensuring ethical and transparent operations

- Application of codes of conduct, ethics policies and internal control frameworks
- Operation of compliance and whistleblowing mechanisms supporting responsible business conduct

Minimizing ESG risks in the value chain

- Consideration of ESG aspects in relevant governance and risk management processes
- Increased focus on ESG-related risks in supplier and partner relationships where relevant

Further details on the Group's social and governance objectives, targets and related measures are presented in the [Integrated Annual Report](#).