

## The eligibility criteria system applied by the MBH Mortgage Bank Co. Plc's Green Covered Bond Framework (March 26, 2025)

MBH Mortgage Bank Co. Plc. (hereinafter: MBH MB or Issuer) has relied on Lokáció Ingatlanpiaci Tanácsadó (hereinafter: Consultant), an independent green real estate consulting firm, in defining the eligibility criteria effective from March 2025.

Using the results of the study<sup>1</sup> published in 2023 on the estimation of energy demand for the residential real estate stock in Hungary and by integrating the conditions outlined in Annex I (chapter 7.1., 7.2. and 7.7.) of EU Taxonomy Regulation<sup>2</sup>, the Consultant has defined the detailed technical screening criteria for the eligibility criteria applied by the MBH MB's Green Covered Bond Framework, which is published on the Issuer's website in this document.

Based on the results of the review, the Issuer's green criteria system for residential and commercial buildings will be as follows from March 2025:

	Eligibility criteria	Technical screening criteria	EU Taxonomy
Green residential buildings	<ul style="list-style-type: none"> <li>New residential buildings that comply with 10% reduction of Primary Energy Demand (PED) compared to the requirements of Nearly-Zero-Energy-Building (NZEB) Standard in Hungary</li> </ul>	<ul style="list-style-type: none"> <li>For buildings built after November 1, 2023: PED ≤ 68 kWh/m<sup>2</sup>a and CO<sub>2</sub> emissions ≤ 18 kgCO<sub>2</sub>/m<sup>2</sup>a, or at least an "A+" EPC for both.</li> <li>Buildings built between January 1, 2021, and October 30, 2023: PED ≤ 90 kWh/m<sup>2</sup>a or at least an "AA" EPC.</li> </ul>	Construction loans: EU Taxonomy Annex I, chapter 7.1.
	<ul style="list-style-type: none"> <li>New residential buildings that belong to top 15% low carbon residential buildings in Hungary</li> </ul>	<ul style="list-style-type: none"> <li>For a single-family-house (SFH), at least a "D" EPC (after November 1, 2023) or at least a "DD" EPC (between January 1, 2016, and October 31, 2023).</li> <li>For a multi-family-house (MFH), at least a "C" EPC (after November 1, 2023) or at least a "CC" EPC (between January 1, 2016, and October 31, 2023).</li> </ul>	Construction loans: EU Taxonomy Annex I, chapter 7.1.  Home purchase (new, used): EU Taxonomy Annex I, chapter 7.7.
	<ul style="list-style-type: none"> <li>Refurbished existing residential buildings with primary energy savings of at least 30% compared to the building performance before the renovation</li> </ul>	Based on two EPCs, the primary energy demand of the property has improved by at least 30%. Based on the statistical calculations the correspondence	Renovation, modernization loans: EU Taxonomy Annex I, chapter 7.2.

<sup>1</sup> Bene M, Ertl A., Horváth Á., Mónus G. Székely J.: Estimating the Energy Demand of the Residential Real Estate Stock in Hungary Based on Energy Performance Certificate Data, Financial and Economic Review, Vol. 22 Issue 3, September 2023, 123–151.

<sup>2</sup> COMMISSION DELEGATED REGULATION (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives

		between the two certification systems is the following <sup>3</sup> : <div><div><div>EPC resulting in 30% improvement</div><div><div>Initial EPC</div><div></div></div></div><div><div>AA+</div><div>A++</div></div><div><div>A+</div><div>AA++</div></div><div><div>AA</div><div>AA++</div></div><div><div>A</div><div>AA+</div></div><div><div>BB</div><div>AA+</div></div><div><div>B</div><div>AA+</div></div><div><div>CC</div><div>AA+</div></div><div><div>C</div><div>A+</div></div><div><div>D</div><div>A</div></div><div><div>DD</div><div>A</div></div><div><div>E</div><div>B</div></div><div><div>EE</div><div>B</div></div><div><div>F</div><div>C</div></div><div><div>FF</div><div>C</div></div><div><div>G</div><div>DD</div></div><div><div>GG</div><div>DD</div></div><div><div>H</div><div>EE</div></div><div><div>HH</div><div>EE</div></div><div><div>I</div><div>FF</div></div><div><div>II</div><div>G</div></div><div><div>JJ</div><div>GG</div></div></div>	
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Green commercial buildings	<ul style="list-style-type: none"> <li>International green building certification systems with a high ranking in energy and sustainability</li> </ul>	<ul style="list-style-type: none"> <li>BREEAM very good or better</li> <li>LEED Gold or better</li> </ul>
	<ul style="list-style-type: none"> <li>New commercial buildings that comply with 10% reduction of Primary Energy Demand (PED) compared to the requirements of Nearly-Zero-Energy-Building (NZEB) Standard as defined in Hungarian building legislation effective at the time</li> </ul>	<ul style="list-style-type: none"> <li><i>Buildings built after November 1, 2023:</i> New buildings that comply with the 10% reduction in Primary Energy Demand (PED) required compared to the Nearly Zero-Energy Buildings (NZEB) standard (Legislation: 9/2023 (V.25) ÉKM regulation)</li> <li><i>Buildings built between January 1, 2021, and October 30, 2023:</i> New buildings that comply with the 10% reduction in Primary Energy Demand (PED) required compared to the Nearly Zero-Energy Buildings (NZEB) standard (Legislation: 7/2006 (V.24) TNM regulation)</li> </ul>
	<ul style="list-style-type: none"> <li>Refurbished existing commercial buildings with primary energy savings of at least 30% compared to the building performance before the renovation</li> </ul>	Based on two EPCs, the primary energy demand of the property has improved by at least 30%.

<sup>3</sup> Horváth M., Horváth Á., Székely J., Csoknyai T.: A jogszabályi változások következményei a lakóépületek energetikai besorolására 2. rész. Magyar Épületgépészet, LXXIV. évfolyam, 2025/1-2. szám, 1-6. o.

The current amendment of the Green Covered Bond Framework's eligibility criteria system, effective March 2025, affects the properties securing Eligible Green Mortgage Loans used as collaterals for the Issuer's green covered bonds issued from 2021. Therefore, based on the Issuer's decision, a uniform criteria system will be applied to the green residential and commercial buildings securing the Eligible Green Mortgage Loans considered as collateral assets for green covered bonds issued up until March 2025 and beyond.