

# OTP Group Green Bond

Allocation  
Report

31 December 2022

# OTP Group - Green Bond Allocation Report, 31 December 2022

This document is the annual allocation report of OTP Group's Green Bonds issued in 2022, in line with the Reporting section of OTP Group's Sustainable Finance Framework, published in May 2022.

The Allocation Report refers to the Green Eligible outstanding amount, as of 31 December 2022.

| Green Loan Portfolio | Amount [EUR]<br>a, b, c. | New Financing<br>in 2022 | Weighted average<br>remaining maturity<br>d. | Number of<br>Projects |
|----------------------|--------------------------|--------------------------|--|-----------------------|
| Green Buildings      | 462 022 863              | 138 587 727              | 5,8  | 12                    |
| Renewable Energy     | 430 651 780              | 211 010 286              | 8,6  | 108                   |
| Clean Transportation | 120 792 723              | 70 376 256               | 5,8  | 2                     |
| <b>TOTAL</b>         | <b>1 013 467 366</b>     | <b>419 974 269</b>       | <b>6,9</b>                                   | <b>122</b>            |

| Outstanding Green Bonds | Amount [EUR]       | Issue Date        | Maturity   |
|-------------------------|--------------------|-------------------|--|
| XS2499691330            | 400 000 000        | 13 July 2022      | 13 July 2025<br>[callable on 13 July 2024]           |
| XS2536446649            | 56 316 876*        | 29 September 2022 | 29 September 2026<br>[callable on 29 September 2025] |
| <b>TOTAL</b>            | <b>456 316 876</b> |                   |  |

\* ISSUED: USD 60 000 000, 1 EUR = 1,0654 USD, as of 31 December 2022

|  | Amount [EUR]         | Percentage [%] |
|--|----------------------|----------------|
| <b>Total Eligible Green Loan Portfolio</b> | <b>1 013 467 366</b> | <b>100</b>     |
| <b>Unallocated</b>                         | <b>557 150 490</b>   | <b>55</b>      |
| <b>Allocated</b>                           | <b>456 316 876</b>   | <b>45</b>      |

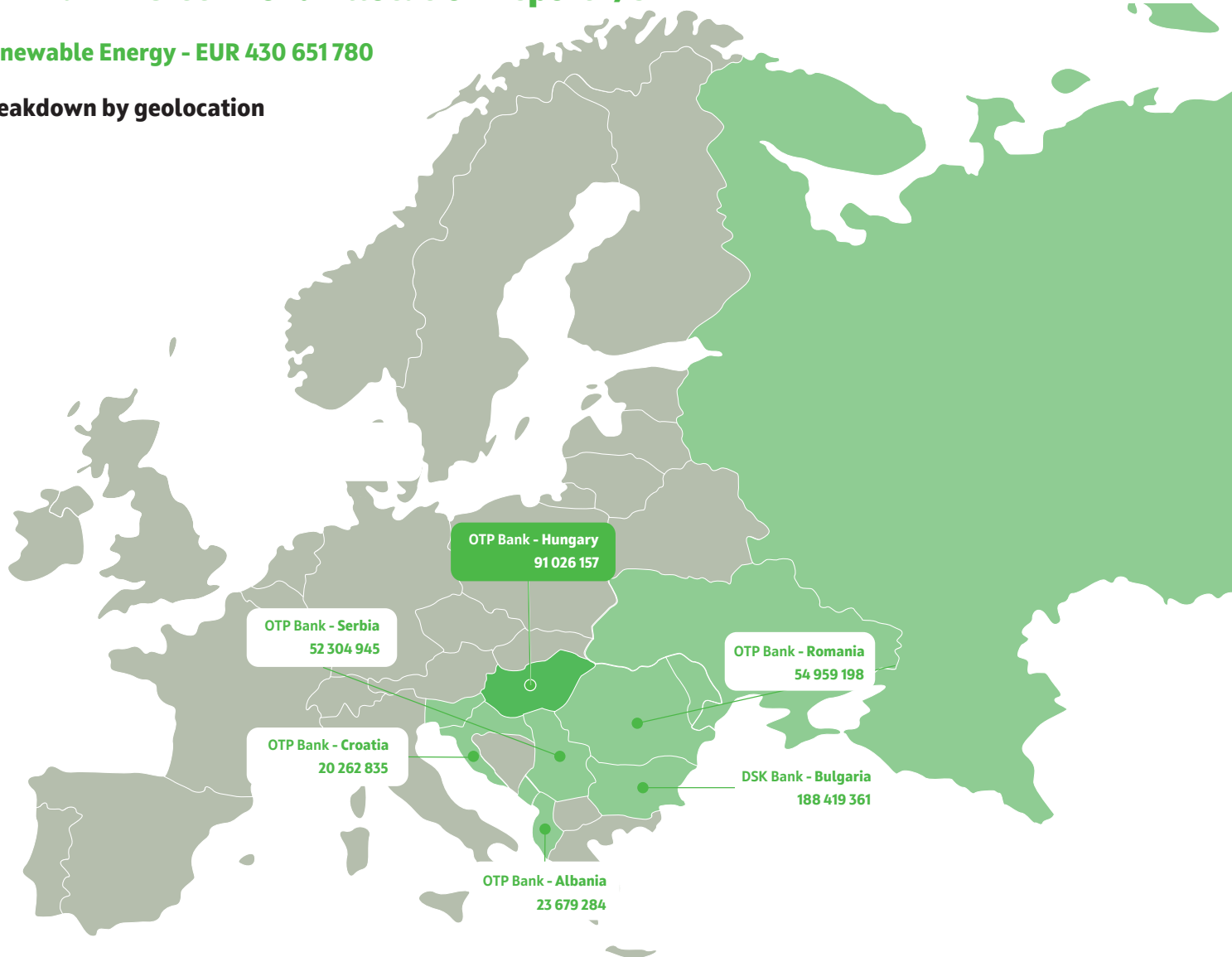
## Explanation

- EUR equivalent amount (Exchange rate of 31 December 2022)  
 1EUR = 400,25 HUF  
 = 4,95 RON  
 = 1,96 BGN  
 = 7,54 HRK  
 = 117,37 RSD  
 = 114,16 ALL
- These Amounts represent the 31 December 2022 Total Outstandings to loans that OTP Group has identified as Eligible Green Loans in accordance with Sustainable Finance Framework. EY's Limited Assurance Report in relation to the Eligible Green Loan Portfolio and respective disclosed Amounts, is included on the following pages.
- The amounts for Renewable Energy, Green Buildings and Clean Transportation are reviewed in accordance with the OTP Sustainable Finance Framework, the reported loan exposures are based on the consolidated IFRS loan analytics of OTP Group, as of 31 December 2022.
- New Financing in 2022 is defined as Contracted Credit exposures with the final draw down in the period between 1 January 2022 and 31 December 2022.

# OTP Bank - Green Bond Allocation Report 1/3

Renewable Energy - EUR 430 651 780

Breakdown by geolocation



| Project Type      | Country      | Amount [EUR]      | NoP*     |
|-------------------|--------------|-------------------|----------|
| <b>Hydropower</b> | <b>Total</b> | <b>23 679 284</b> | <b>6</b> |
|                   | Albania      | 23 679 284        | 6        |

| Project Type | Country      | Amount [EUR]       | NoP <sup>3</sup> |
|--------------|--------------|--------------------|------------------|
| <b>Wind</b>  | <b>Total</b> | <b>183 382 789</b> | <b>8</b>         |
|              | Bulgaria     | 77 751 585         | 3                |
|              | Serbia       | 48 774 720         | 1                |
|              | Romania      | 39 635 859         | 3                |
|              | Croatia      | 17 220 625         | 1                |

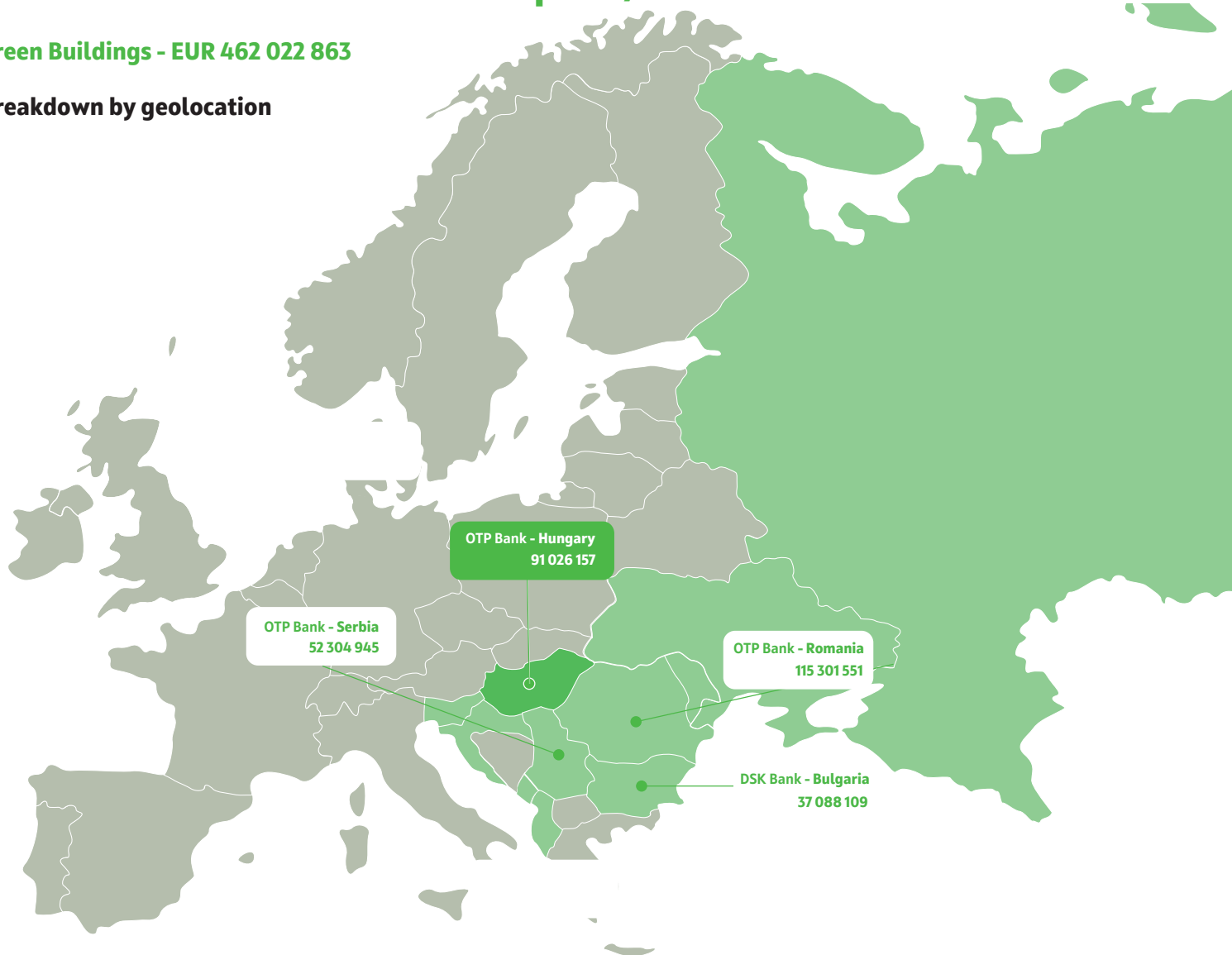
| Project Type | Country      | Amount [EUR]       | NoP       |
|--------------|--------------|--------------------|-----------|
| <b>Solar</b> | <b>Total</b> | <b>223 589 707</b> | <b>94</b> |
|              | Bulgaria     | 110 667 776        | 30        |
|              | Hungary      | 91 026 157         | 48        |
|              | Romania      | 15 323 339         | 11        |
|              | Serbia       | 3 530 225          | 2         |
|              | Croatia      | 3 042 210          | 3         |






\* NoP : Number of Projects

# OTP Bank - Green Bond Allocation Report 2/3

Green Buildings - EUR 462 022 863

Breakdown by geolocation



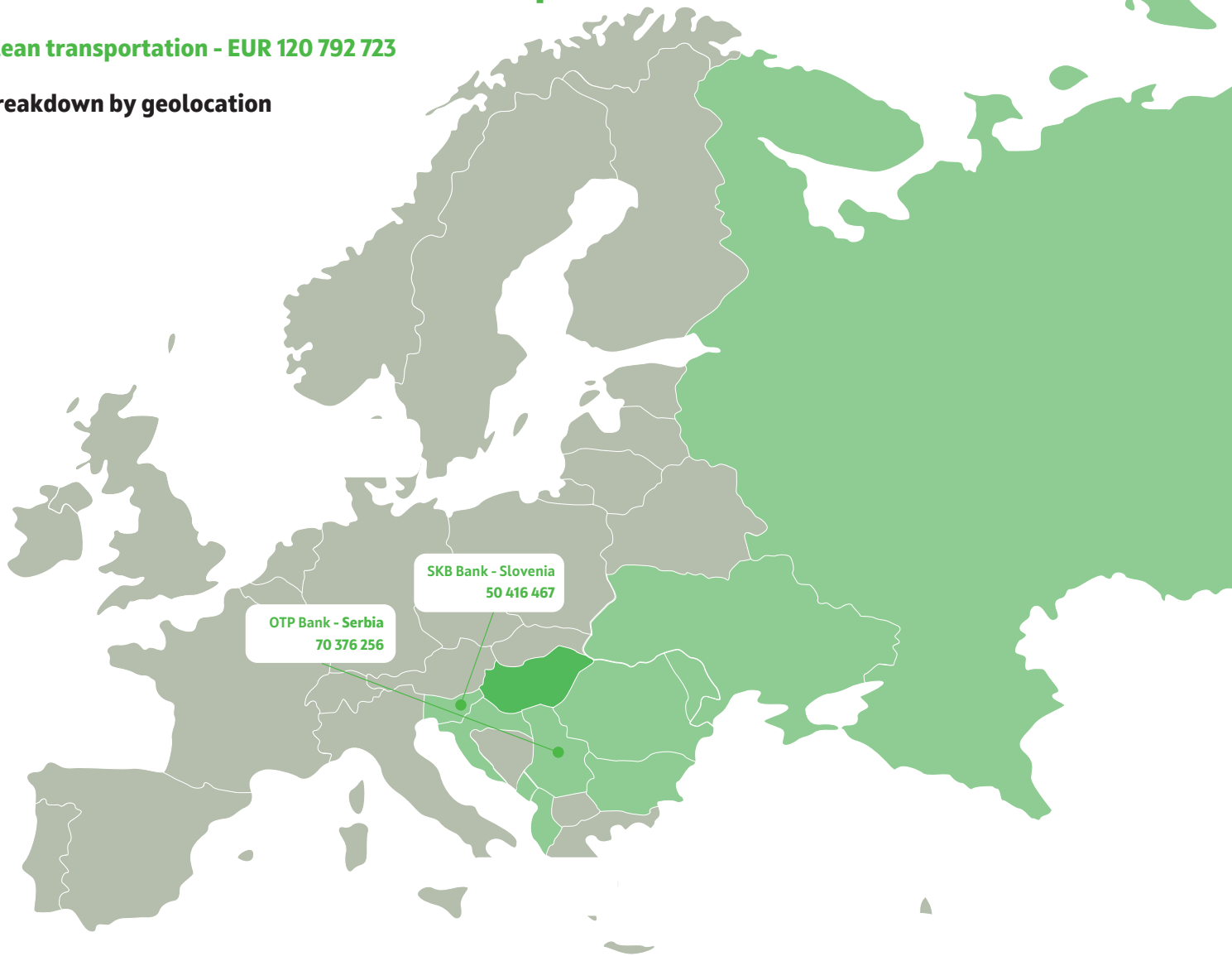
| Project Type         | Country  | Amount [EUR]       | NoP*      |
|----------------------|--|--------------------|-----------|
| <b>Shopping mall</b> | <b>Total</b>   | <b>82 814 087</b>  | <b>1</b>  |
|                      |  Romania  | 82 814 087         | 1         |
| <b>Office</b>        | <b>Total</b>   | <b>379 208 776</b> | <b>11</b> |
|                      |  Hungary  | 233 884 517        | 6         |
|                      |  Serbia   | 75 748 686         | 2         |
|                      |  Bulgaria | 37 088 109         | 2         |
|                      |  Romania  | 32 487 464         | 1         |



\* NoP : Number of Projects

# OTP Bank - Green Bond Allocation Report 3/3

Clean transportation - EUR 120 792 723

Breakdown by geolocation



| Project Type | Country  | Amount [EUR]       | NoP*     |
|--------------|--|--------------------|----------|
| Railways     | <b>Total</b>   | <b>120 792 723</b> | <b>2</b> |
|              |  Serbia   | 70 376 256         | 1        |
|              |  Slovenia | 50 416 467         | 1        |

\* NoP : Number of Projects

## INDEPENDENT ACCOUNTANT'S ASSURANCE REPORT

To the management of OTP Bank Plc.

### Scope

We have been engaged by OTP Bank Plc. (hereinafter 'the Company', or 'OTP') to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the OTP Group Green Bond Allocation Report (the "Subject Matter") as for 31 December 2022.

### Criteria applied by OTP

In preparing the Subject Matter, OTP applied relevant criteria from OTP Group's Sustainable Finance Framework as at 31 December 2022 which is in accordance with ICMA Green Bond Principles ("Criteria").

### OTP's responsibilities

OTP's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject matter, such that it is free from material misstatement, whether due to fraud or error.

### EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised), and the terms of reference for this engagement as agreed with the Company on 30 June 2023. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

### Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Description of procedures performed**

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject matter and related information and applying analytical and other appropriate procedures.

### **Our procedures included:**

1. We conducted interviews with responsible individuals regarding the policies and processes established for the issuance of Green Bonds in accordance with the Sustainable Finance Framework of the Bank, including eligibility, evaluation and selection processes, and management of proceeds thereof.
2. We interviewed the management and relevant personnel responsible for the key processes for carrying out internal control procedures and for preparing the data reported in the Subject Matter.
3. We obtained an understanding of the systems and processes for collecting, reporting and aggregating the selected information, including obtaining an understanding of internal controls relevant to the engagement but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control environment.
4. We tested the accuracy of the data on a sample basis and for a sample of loans, we inspected the documentation to check that the eligibility criteria followed was in accordance with the Criteria.
5. We tested if the Subject Matter is reported in accordance with the Criteria in all material respects.

We also performed such other procedures as we considered necessary in the circumstances.

## Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the OTP Group Green Bond Allocation Report as of 31 December 2022 in order for it to be in accordance with the Criteria.

Budapest, 12 July 2023



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