

SUSTAINABILITY ACHIEVEMENTS

2025



Sustainability Performance Coordination Department

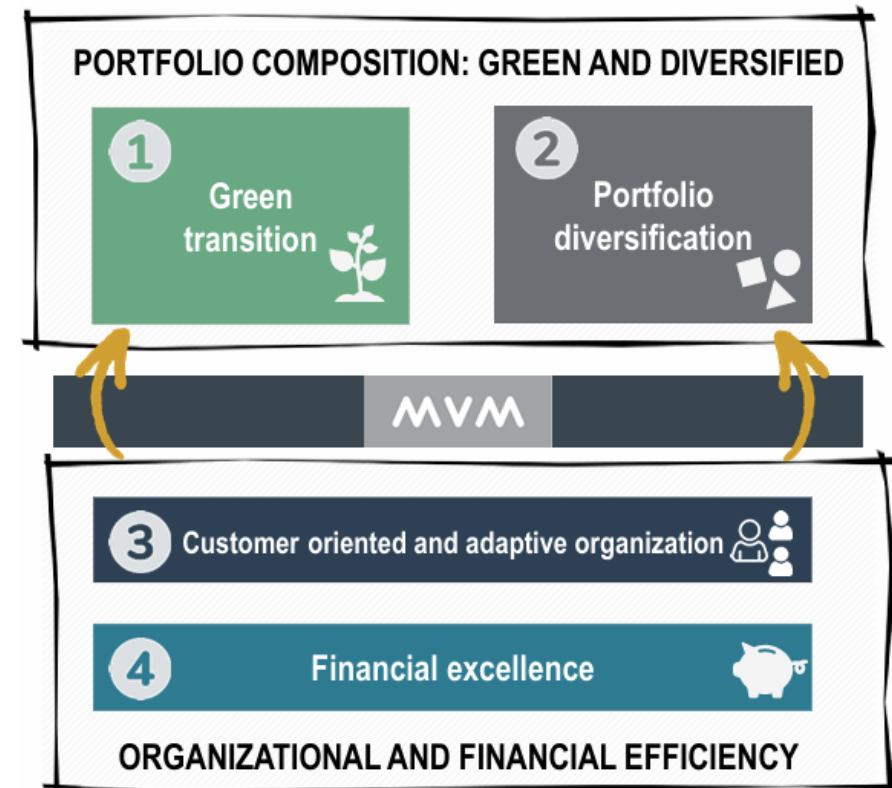
ESG WITHIN THE STRATEGY

MVM Zrt.'s management demonstrates a strong commitment to sustainable environmental, social, and governance values and principles throughout the operations of the nationally owned energy group it oversees.

Of the **four pillars** of the strategy, **Green Transition** is explicitly focused on sustainability, the other three (**Portfolio Diversification**, **a Customer-Centric and Adaptive Organization**, and **Financial Excellence**) also have significant sustainability relevance.

The strategy addresses the following expectations and challenges:

- Sustainability expectations—especially decarbonization—and the related consumer awareness will strongly shape the room for maneuver of energy and utility companies in the next decade.
- The share of carbon-neutral technologies (renewables and nuclear), as well as transitional technologies with lower greenhouse gas (GHG) emissions compared to coal (such as natural gas), along with hydrogen, is projected to grow further.
- Electricity demand is also expected to increase steadily in the coming decades, driven in part by electrification trends. This will require the development of regulated infrastructure, with a particular focus on the electricity grid.
- Natural gas serves as a transitional fuel to support the gradual phase-out of coal and provides flexibility to balance intermittent renewable energy production.



SUSTAINABILITY AS A COMPETITIVE ADVANTAGE

Sustainability is increasingly becoming a factor of competitiveness—not only as an expectation, but also as a measure of value. Through ESG ratings, it is now possible to clearly assess how committed a company is to environmental and social responsibility, which is also an important consideration for investors and partners.

Competitive ESG Rating: One of MVM Group’s key objectives is to develop and maintain a balanced and transparent ESG framework that reflects the specific characteristics of the energy sector. A strategic priority for the Group is the continuous enhancement of its existing ESG ratings through targeted initiatives and ongoing improvements to its reporting system. In addition to promoting transparency, this also opens up opportunities to strengthen the Group’s financing position.

Sustainalytics *	MVM	Industry average
2024	28,5	32,3
2023	26,5	31,4

CDP	Climate Risk	Water Risk
2025	C	B -
2024	C	C

* Sustainalytics assesses companies on a scale from 0 to 100, where lower scores indicate lower risk. The 2025 Sustainalytics rating is not yet available.



ENVIRONMENTAL ACHIEVEMENTS



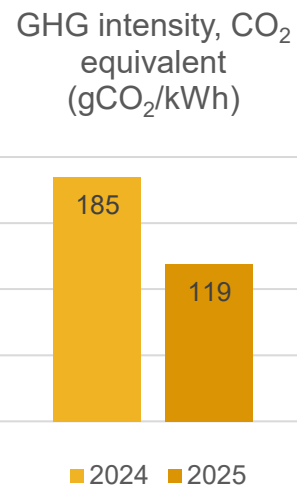
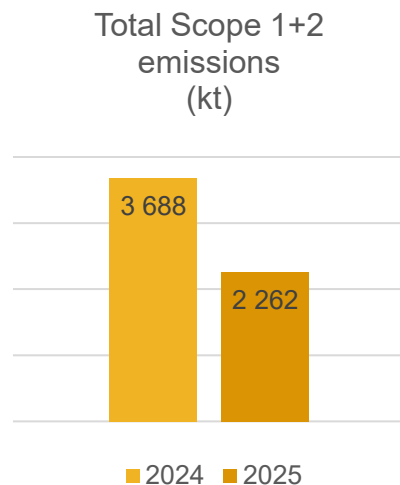
ENVIRONMENT (E)

The first pillar of ESG focuses on environmental considerations, among which greenhouse gas (GHG) emissions are one of the most significant topics. Reducing emissions is therefore at the core of companies' environmental responsibility. A key element of the MVM Group's strategy and ESG framework is a comprehensive decarbonisation plan; in this context, transition plans for the electricity and gas value chains are currently being developed to achieve net zero emissions by 2050.

GHG emission

Greenhouse gases (GHGs)—such as carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O)—occur naturally in the Earth's atmosphere, but human activities, particularly industrial processes and energy production, significantly increase their concentration. These gases trap heat reflected from the Earth's surface, thereby contributing to global warming.

Scope 1 emissions refer to direct emissions of CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃ associated with a company's operations, expressed in CO₂ equivalent. Scope 2 (location-based) emissions refer to the amount of CO₂ released into the atmosphere during the generation of purchased electricity and heat energy.



GHG intensity

GHG intensity (gCO₂e/kWh) indicates how much carbon dioxide is emitted into the atmosphere during the production of one kilowatt-hour of electricity. The metric makes it possible to compare the environmental impacts of different energy generation methods: the lower the value, the cleaner the energy production.

The Group's related objective is to achieve net carbon neutrality by 2050. To this end, the MVM Group has launched a project to develop a group-level transition plan.

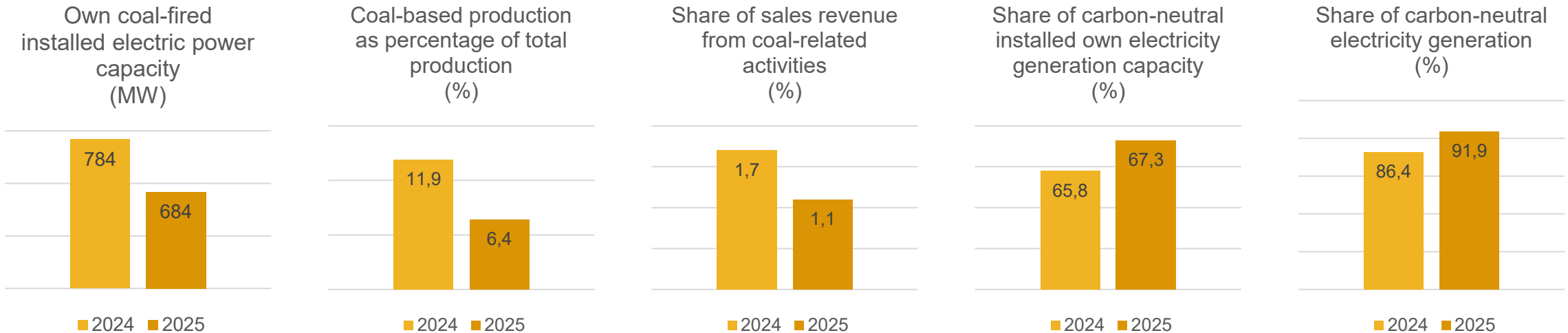
Under the leadership of the Ministry of Energy, a programme co-financed by the European Union (LIFE-IP North-HU Trans) was launched in 2020. Running until 2029, its objective is to design the safe, efficient, and low-carbon transformation of Hungary's last coal region and support its implementation. The total budget of the programme amounts to nearly EUR 15 million (HUF 5 billion).

ENVIRONMENT (E)

Decarbonisation

Energy production is one of the largest sources of GHG emissions, particularly in the case of power plants relying on fossil fuels such as coal and natural gas. **The aim of decarbonisation is to reduce carbon dioxide emissions from energy generation, primarily through the gradual phase-out of fossil fuels.** To support this transition, increasing emphasis is being placed on renewable energy sources—such as solar, wind, and hydropower—as well as on improving energy efficiency. This process is essential for mitigating climate change and for establishing a sustainable energy system.

The Mátra Power Plant is the largest CO₂ emitter in Hungary, as its energy production is currently primarily based on lignite-fired generation. Therefore, one of the most important decarbonisation objectives is to transform the plant by adopting lower carbon-emission technologies. The power plant aims to increase the share of biomass in its fuel mix year by year; in 2025, the thermal share of biomass exceeded 15% during several periods. For 2026, the company intends to continue pursuing this objective and, where production conditions allow, further increase this target.



In 2025, MVM Mátra Energia Zrt. transitioned from operating primarily with two lignite-fired units to predominantly single-unit operation, resulting in a 50% reduction in CO₂ emissions.

ENVIRONMENT (E)

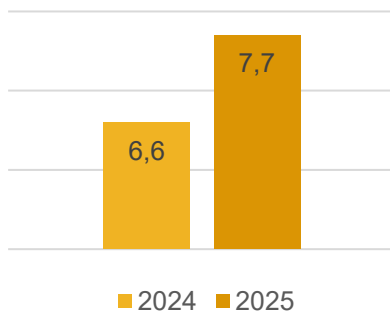
Expansion of the renewable portfolio

According to current plans, renewable energy sources are expected to play an increasingly important role in Hungary's energy mix.

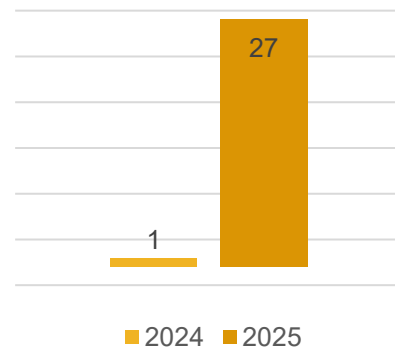
The Group aims to play a key role in the green transition of the domestic energy sector and, to this end, seeks to develop an efficient and diversified portfolio based on clean energy and flexible solutions. By 2025, the MVM Group plans to install an additional 3,000 MW of renewable capacity*, the majority of which will consist of solar power investments, covering both domestic and regional developments.

One of the key enablers for harnessing weather-dependent renewable energy sources is the deployment of energy storage systems. To support this, the Group increased its energy storage capacity by 26 MW in 2025, and additional expansion projects are currently underway.

Renewable production as percentage of total production (%)



Electricity storage capacity (MW)



* Relative to the portfolio at year-end 2022



ENVIRONMENT (E)

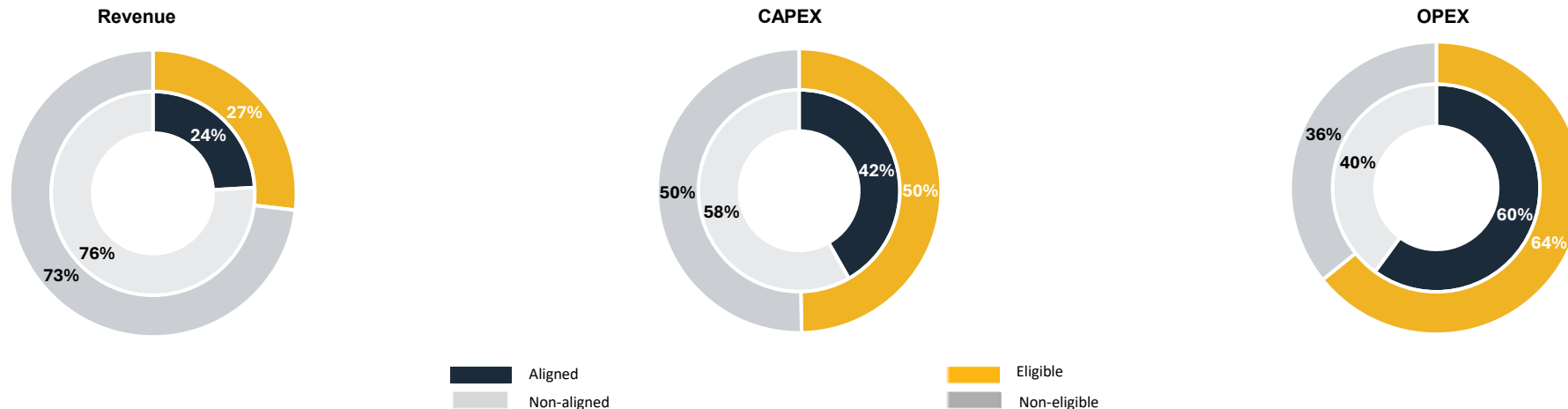
EU Taxonomy

The EU Taxonomy aims to provide a unified framework for identifying environmentally sustainable economic activities. This classification system was established by the European Union to support the achievement of the climate targets set out in the Paris Agreement and to facilitate the financing of sustainable growth.

Companies are required to annually assess their taxonomy-aligned revenue, operating expenditure (OPEX), and capital expenditure (CAPEX). Among these, CAPEX is of particular importance, as it reflects future sustainable development through investments in new assets, technologies, and infrastructure.

Based on the MVM Group's economic activities, the following can be considered taxonomy-aligned:

- Transmission and distribution of electricity
- Electricity storage
- Generation of electricity from nuclear energy in existing facilities
- Infrastructure enabling low-carbon road transport and public transport
- Construction of new buildings



Investments implemented by the subsidiaries in 2025 were 59% related to Taxonomy-aligned activities; however, due to the logic of the KPI calculation, this is not reflected in the CAPEX KPI value (42%). The main reason is that, under the applicable regulation, the KPI also includes the intra-year change in inventories of CO₂ allowances and certified energy savings recorded as intangible assets. In these cases, Taxonomy alignment is not interpretable, thereby increasing the non-aligned portion.

ENVIRONMENT (E)

Resource conservation

The conscious and efficient use of resources is a fundamental element of sustainable operations. The objective is to minimize the use of natural resources in production and operations while reducing environmental impact. This contributes to maintaining long-term economic and environmental balance. The Group places strong emphasis on **reducing waste generation**. In this area, it has established specific targets, against which it continuously monitors and improves its performance.

Waste generation

The MVM Group's waste management objective is to reduce the total amount of conventional (non-radioactive) waste generated across the Group in the given reporting year. The total volume of waste generated by the MVM Group in 2025 met the target set for the year and achieved a significant 56% reduction compared to 2024, continuing the downward trend observed since 2020.



Biodiversity protection

The MVM Group is committed to the preservation of biodiversity and undertakes to reduce negative impacts on biodiversity and minimize associated risks. It takes biodiversity considerations into account—and, where possible, avoids adverse impacts—during the planning of investments and acquisitions, as well as in its operations. The Group makes every effort to prevent negative effects on threatened and protected species.

Avian protection

The MVM Group's network operating subsidiaries place strong emphasis on enhancing their positive impact on various bird populations by creating safe nesting sites on elements of the infrastructure they operate. In addition, the Group applies and installs various bird diverter devices to mitigate the adverse effects caused by power lines.

Through these measures, they support the preservation of different bird species, including strictly protected and protected species.

Total in 2025
718 nesting boxes / artificial nests
19 031 bird diverter devices

SOCIAL ACHIEVEMENTS



SOCIETY (S)

The second pillar of ESG focuses on social considerations, among which employee well-being, safety, and development opportunities are of particular importance. The MVM Group employs more than 20,000 people and has a direct impact on working conditions, the protection of employees' health and safety, and the promotion of equal opportunities.



Diversity

The MVM Group is committed to creating a diverse, equitable, and inclusive environment that fosters innovation, creativity, and a discrimination-free culture.

MVM Group employees (headcount)	2025	2024 ->2025
Men	13 102	↑ 497
Women	7 394	↑ 392
Total	20 496	↑ 889

The difference between the average pay levels of female and male employees, expressed as a percentage of the average pay level of male employees, the **Gender Pay Gap** was **10.8%** in 2025.

The Group continued its preparations for compliance with the Pay Transparency Directive, within the framework of which it carried out a gender pay gap analysis and assessed existing pay disparities, initiated cost and scheduling planning for reducing the pay gap, and reviewed relevant HR processes and policies.

In the diversity sub-topic, the following programmes were implemented:

- Participation in the neurOffice research to raise awareness of neurodiversity

- Women at MVM programmes
- Workshops on Unconscious Bias and Inclusive HR Processes

SOCIETY (S)

Occupational Health and Safety

The risk of workplace accidents exists across all job roles; however, due to the Group's structure and the diversity of its activities, certain positions—particularly those involving manual or physical work—expose employees to higher health and safety risks. To address this, the MVM Group regularly reviews the measures and policies related to employee health and safety.

In the area of safety, the MVM Group measures and strives to ensure employee safety and well-being through the Lost Time Injury Frequency (LTIF) indicator. **The target set for occupational safety** is to keep the annual **LTIF** (incidents per million working hours) **below 3**, a target that the Group has successfully achieved in recent years.

Own employees	2024	2025
Fatal accident rate	0,03	0,00
Lost Time Injury Frequency (LTIF)	1,96	2,27



Measures taken to ensure employee safety:

- Documented occupational health and safety inspections and site visits
- Annual mandatory occupational safety training
- Regular first aid training
- Regular defensive driving training

Measures taken to support employees health and well-being:

- Well-being lectures and programmes
- Programme series for working parents
- Életpálya+ programme (supports long-term professional growth)
- Family-friendly initiatives (e.g. "Mutiholdolgozol" programme)

SOCIETY (S)



Consumers and end-users

Among the MVM Group companies, customer impacts are most significant at those entities that have direct contact with individual consumers, and financial risks also arise in this context. The magnitude of these impacts and risks is proportional to the number of customers, and universal service providers bear a particular responsibility in ensuring high-quality customer information and access to services.

Consumer protection

Within the framework provided by applicable legislation, the Group pays particular attention to vulnerable and marginalised residential customers.

The MVM Group has implemented a business policy concerning protected consumers and protected users, which sets out the principles for the identification, registration, and fair treatment of customer groups requiring special attention—particularly socially disadvantaged and disabled residential consumers, as well as users protected for security-of-supply reasons.

In addition, the Group provides additional allowances to large-family customers (raising three or more children) in the form of increased discounted volumes available for natural gas and electricity services.

Provisions for disadvantaged and disabled consumers:

- Instalment payment options
- Payment deferrals
- Specialised customer service solutions
- On-site cash payment of invoices (at the place of consumption)
- Assistance with bill interpretation
- Installation of specially designed metering points
- Installation of prepayment meters

GOVERNANCE ACHIEVEMENTS

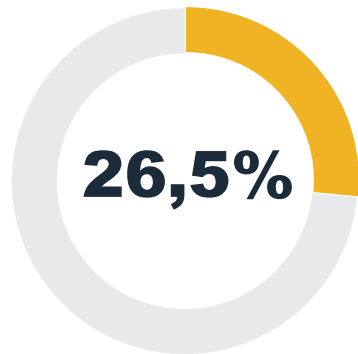


GOVERNANCE (G)

The third pillar of ESG encompasses governance aspects, which ensure transparent, ethical, and responsible operations. In the case of the MVM Group, due to the complexity of the corporate structure, strong emphasis is placed on the consistent and effective application of existing corporate governance principles across all subsidiaries.

Diversity in management

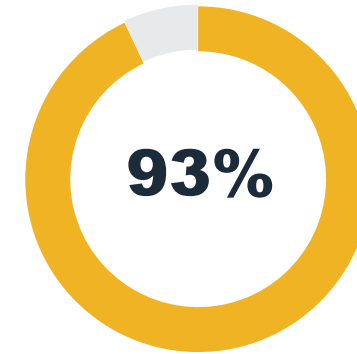
The MVM Group has set the objective of increasing the proportion of women in leadership positions, thereby fostering a more adaptive and diverse corporate group. Increasing the representation of female leaders brings a wider range of perspectives and approaches into decision-making, which can lead to more innovative and effective solutions. In addition, it sets a positive example across all levels of the organisation, encouraging women's career development and contributing to workplace equality and higher satisfaction. The indicator is increasing year by year **2024: 25,4%, 2025: 26,5%**, with the goal of further improving both the ratio and diversity.



Percentage of female managers

Anti-corruption

The MVM Group strictly prohibits and opposes all forms of corruption and takes decisive steps to prevent and combat it. To translate high-level principles and objectives into practice, by the end of 2025 an ISO 37001-certified anti-corruption management system—certified by an independent auditor—was in operation at MVM Zrt. and 25 of its subsidiaries. Employee training also plays a key role in the prevention of corruption: in 2025, a total of 2132 employees in managerial positions participated in anti-corruption training.



Percentage of managers trained in anti-corruption programme