

# The Hungarian Bankholding, for a sustainable future

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# **About** the Hungarian Bankholding

**2.2 million**  
retail customers



**375 thousand**  
corporate customers



**HUF 8,5 bn**  
aggregated  
balance sheet



**HUF 3,8 bn**  
credit volume



**HUF 5,5 bn**  
deposit volume



# Banking sector to support climate change actions

SUPPORT



**New social**  
preferences



**New**  
**financial**  
instruments



**New** legislation,  
guidelines



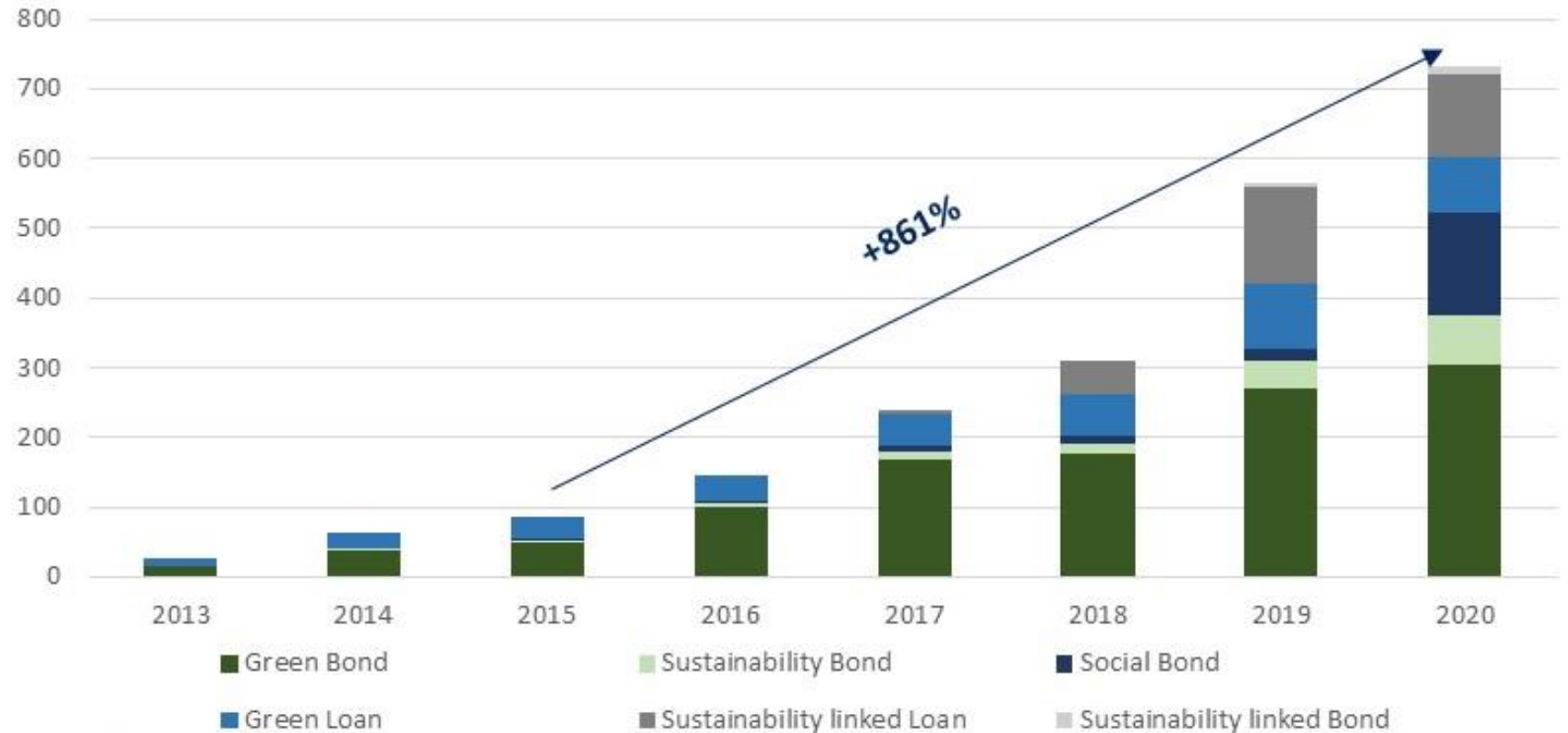
**Sustainable**  
financing

# Sustainable

capital  
market  
trends

TRENDS

Global sustainable instrument issued (bonds and loans, billion USD)



Source: Bloomberg, 2021

# The Hungarian Bankholding's vision for sustainability

VISION

The Hungarian Bankholding  
is committed to be a key financial  
market participant to create a  
sustainable economy  
in Hungary.



# Strategic goal: „Partner in sustainable finances”



# STRATEGIC

## Strategic goal: "Responsible Corporation"



# How to start?

## Launch ESG business strategy

Launching green finance in the corporate and retail markets

## Continuous ESG communication

Constant external and internal ESG communication of the Bank's activities

## ESG risk compliance

Compliance with the Hungarian National Bank's supervisory regulations

## Implementation of Net-Zero Bank

Laying down the foundation for a net-zero vision and ESG rating at an international level



# High level implementation plan

## 6 MONTH ACTION PLAN

- 🎯 *Sustainability-focused product development – pilot project*
- 🎯 *Meeting the targets agreed in the Ecological Footprint Reduction Plan (BB)*

### Detailed strategic implementation plan (action, KPI)

## 1,5 YEAR ACTION PLAN

- 🎯 Update the business strategy with ESG goals, metrics, and objectives
- ☢️ Update the sectoral risk strategies with ESG aspects
- ☢️ Integrating ESG into risk-appetite frameworks, risk models, and stress tests
- 🎯 Extension of remuneration policy with ESG aspects

### Bankholding's sustainability report



## 1 YEAR ACTION PLAN

- 🎯 **Creating the ESG department**
- 🎯 Extending the process for identifying risks from climate change and environmental damage
- ☢️ Extending risk policy with ESG aspects
- ☢️ Development of a unified retail and corporate data taxonomy
- ☢️ Integrating ESG aspects into credit risk processes
- 🎯 Extension of ecological footprint reduction plan
- ☢️ Quantification of operational risks
- 🎯 **ESG education**
- 🎯 **Sustainability report**
- 🎯 **Sign the UN Principles for Responsible Banking**

## 1,5 YEAR ACTION PLAN

- ☢️ Integration of ESG aspects into internal capital requirements calculation
- ☢️ **Implementing ISO 14001 (KIR)**



**Thank you**  
for your attention!



MAGYAR  
BANKHOLDING