Green Finance Framework update for activities in Hungary

September 9, 2026

WING

Introduction

WINGHOLDING Zrt. (hereinafter referred to as the Company, WING, WING Group or Group) is a privately held leading Central-Eastern European real estate developer and investor. WING's primary activities are the construction, acquisition and refurbishment of real-estate assets, as well as property management and real-estate portfolio management. WING operates in a range of real-estate segments, though is mainly focused on offices, industrial and commercial buildings.

WINGHOLDING Zrt. has been committed to ESG for more than a decade, when our Company recognized the need to continuously prioritize transparency, quantifiability, and comparability in order to make our sustainability and green goals an integral part of our corporate strategy and practice.

Although the company is based in Hungary, with most of its projects located in its home country, WING is actively looking for development and investment opportunities within the CEE region, particularly in Poland. In late 2019 WING acquired a majority interest in the leading Polish developer ECHO Investment, thus becoming a major regional player. WING continue its expansion across the region, Bauwert AG (Germany) was successfully acquired in 2023.

Commitment to environmental and social values

WING believes in its role in creating a liveable and sustainable social and constructed environment for future generations. Therefore, the company actively participates in initiatives helping shape the future of the younger generations.

WING is one of the main sponsors of the SOS Children's Villages Foundation and has been a recurring gold sponsor of the National Conference of Science Students. In its internal operation the company places great emphasis on the well-being and professional support of talented junior employees.

As a part of its commitment to the well-being of future generations, WING is also strongly committed to environmental sustainability. WING intends to increase its contribution to climate change mitigation and adaptation.

Sustainability goals were defined by WING in 2023 in its ESG Strategy. The strategy will be reviewed in 2026, and its current form is available at WING's website. The core goals of the ESG strategy are summarized below for minimizing negative environmental impacts:

Category	Area	Goals
Products and clients	Environmental	- By 2025 - reduce the average energy consumption (kWh/m^2) by 10% in the existing portfolio - By 2027 - ensure the energy consumption from 100% renewable sources in WING's own buildings - By 2027 - provide the heating and cooling systems energy consumption from 100% renewable sources in residential buildings - Making available selective waste collection and disposal, to reach the rate of 80% in reuse or recycling from 2028 - From 2028 - implement only brownfield investments in residential and office building developments
Stakeholder relations	Social	- From 2024 – improving the corporate employment framework: making available employment policies - Maintaining health insurance for all employees - Providing safe and secure working environment for employees and workers at construction sites: Strengthen health and safety prevention measures – Ensure and maintain 0 serious accidents for own employees
Stakeholder relations	Governance	- Between 2023-2026 – introducing new policies and guidelines in relation to business conduct - From 2024 - providing biannual ESG test/training for employees, and also ethical conduct training with 100% employee participation - Between 2023-2026 - defining sustainability performance standards and requirements for the external partners and subcontractors

As a leading Central-European real estate corporation, WING has prepared its 2024 Sustainability Report in compliance with the relevant provisions of the CSRD Directive and the Hungarian Accounting Act. The report forms an integral part of the company's Financial Statements.

WING is also committed to contributing to the following UN SDGs:

Project Category	UN Sustainable Development Target Contributed To	
Green Buildings	7 AFFORDABLE AND CLEAN ENERGY	7.3 By 2030, double the global rate of improvement in energy efficiency
Energy Efficiency	7 AFFORDABLE AND CLEAN ENERGY	7.3 By 2030, double the global rate of improvement in energy efficiency
Renewable energy	7 AFFORDABLE AND CLEAN ENERGY	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Promotion of ecological value, biodiversity and organic agriculture	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2 By 2030, achieve the sustainable management and efficient use of natural resources

Property development and sustainability

WING has started to explore what the EU Taxonomy will mean for the company's activities. At this stage, the company is committed to the Taxonomy's environmental objectives and to align its policies and activities with those objectives – as stated in the Sustainability Report as well.

In 2009 WING handed over its first BREEAM Very Good certified office building, the Allianz (HU) headquarters. In 2012 the company launched the first BREEAM Very Good certified sustainable shopping center in Hungary, Hegyvidék Shopping Centre. Since then, half of our buildings have been certified. In the latest certification, TRIBE Hotel Stadium received a BIU Outstanding rating.

Since 2017 all the company's newly developed office buildings are BREEAM and/or LEED certified, the minimum requirement level is BREEAM Good and/or LEED Silver certification. WING is strongly committed to request its business partners to document their environmental protection measurements along their data service. In the selection process of partners, WING prefers those that are ISO 50 001 or ISO 14 001 certified. The company is committed to ensuring that the energy purchased for its new property developments and future refurbishments originates from certified green sources.

In line with the national regulation – which is based on the EU regulation – it is required that all buildings must be able to withstand extreme weather such as flooding and earthquake. In the fall of 2023, the related legal regulations changed and became stricter. (https://njt.hu/jogszabaly/2023-9-20-8X)

Besides green buildings, WING is continuously developing the infrastructure of older buildings to comply with higher energy efficiency standards, while it is playing a role in e-transportation infrastructure development. WING aims to provide electric-vehicle chargers at new property developments or refurbishments. The proximity to public transport is a vital aspect in the Company's investment decisions.

WING increases the number of EV-chargers every year and installs for 2% of parking lots in commercial buildings. Since its commencement, it has been measured that users have carried out approximately 200 charging sessions per charger per year, and they have drawn 3.4 kWh per charging session on average.

To safeguard sustainability, environmental and social protection, WING has established its Green Committee. The Committee overviews the life and utilization of the green bonds and loans and green investments. The Committee also plays a key role in respect of the preparation, coordination, and governance of WING's green strategy and initiatives. From 2022 onwards, WING reports on environmental issues. The Green Committee will set medium and long-term sustainability targets and those will be monitored and tracked in the sustainability report. Starting in 2022, WING published its first ESG report which provides information on the company's sustainability efforts. Since then, Wingholding has prepared a similar report every year. The reports for 2024 and 2025 were audited consolidated reports prepared in accordance with ESRS.

The main objective of issuing Green Bonds or obtaining Green Loans is to increase WING's investment in green and sustainable projects, primarily in developing new buildings with improved energy efficiency and refurbishing existing buildings also to improve their energy efficiency.

To ensure alignment with market best practices, the current framework has been prepared in accordance with the guidelines of the ICMA Green Bond Principles June 2025, and Green Loan Principles March 2025, which include the following sections:

1. **Use of Proceeds**
2. **Process for Project Evaluation and Selection**
3. **Management of Proceeds**
4. **Reporting**
5. **External review**

This Framework will apply to any Green Bond issued or any Green Loan obtained by WING and will be applied if any such instrument is outstanding. This Framework may be updated in the future to ensure continued alignment with the Green Bond Principles, Green Loan Principles or EU Taxonomy. Any updated version of this Framework will either keep or improve the current levels of transparency and reporting disclosures.

At the current stage, WING is able to maintain partial EU Taxonomy alignment with respect to selected projects in the activities of 'Construction of new buildings' and 'Acquisition and ownership of buildings'. These activities fall under the eligibility categories of 'Green Buildings' and 'Energy Efficiency'.

1. Use of Proceeds

An amount equivalent to the net proceeds of the Green Bonds and Loans will be used to finance, in whole or in part, existing and future eligible projects that meet the Eligibility Criteria as defined below.

GBP 2025 Eligible Project Category	Eligible Projects	Eligibility Criteria
Green Buildings Climate Change Mitigation Climate Change Adaptation	Investments for new projects	**Residential property** Preparation, design, and construction, or acquisition of buildings which meet recognized standards: • Up to 68 kWh/m^2/year Primary Energy Demand (Hungarian EPC rating of at least A+A+)
		Office building Preparation, design, and construction, or acquisition of buildings which meet recognized standards: • BREEAM (Excellent or above) or • PED 80% of the reference building

		Commercial property
		Preparation, design, and construction, or acquisition of buildings which meet recognized standards:
		• Logistic park
		    ○ PED 80% of the reference building or
		    ○ BREEAM (Excellent or above)

Energy Efficiency Climate Change Mitigation Climate Change Adaptation	Investments for refurbishment projects	**All kinds of property** • EPC at least 2 levels above pre-renovation status unless pre-renovation is EPC B or • Refurbishment of existing buildings to also achieve higher efficiency, lower energy consumption by 30% (solar panels and heat pumps) and lower GHG emissions (new heating system, thermal insulation) and BREEAM Excellent or above

		• Design and installation of building management systems based on renewable energy sources
Clean Transportation Pollution Prevention Climate Change Mitigation	Investments for the development of e-mobility	• Design and construction of electric vehicle charging stations related to real estate developments. • E-carsharing availability and support for real estate projects
Biodiversity Biodiversity conservation Climate Change Adaptation	Investments for new or refurbishment projects	• Natural landscape restoration through the establishment of green roofs, green façades and roof gardens

For the new development projects, WING will rely on district heating as the main source of heating and it will install equipment for renewable energy, such as solar collector panels, photovoltaic panels, heat pumps and heat recovery devices wherever it is allowed by applicable regulations and is economically feasible.

In every refurbishment process WING aims to reduce energy consumption with LED lighting fixtures, highly energy efficient mechanical systems (HVAC), by automated building management system with sensors and by using heat pumps and free cooling devices to save energy usage. Ultimately, WING aims to reach the best possible Hungarian EPC rating for refurbishment activities, where and when feasible.

WING always considers the access to transportation infrastructure with respect to its property projects. Therefore, the proximity of public transport, the prioritization of cyclist and pedestrian facilities are important considerations in the investment decisions.

2. Process for Project Evaluation and Selection

Within the context of the Green Bonds and Loans, the company has established a Green Committee with responsibility for governing selection and monitoring of the eligible projects. The Committee also plays a key role in respect of the preparation, coordination, and governance of WING's green strategy and investment decisions. The project selection process is based solely on the set of Eligibility Criteria in the section of Use of Proceeds.

The detailed tasks, responsibilities, members and mandates, status, organisation, and operation protocols are set in the Order of Business of the Green Committee, which are available on the website of WING. The decisions of the Committee will be summarized and published as part of its green financial reporting. The selection processes and decisions will be subject to external audit by an energy specialist.

The company undertakes that all evaluated and selected projects comply with official national and international environmental and social standards and local laws and regulations. Finance and Development members of the Green Committee have received sustainability training since 2022 several times.

An external sustainability expert with environmental competence will support the selection process, who won't be a permanent member of the Committee, however, will provide external professional advisory service for all eligible green investments. No eligible green investments will be carried out without the review of the expert. The expert won't hold a voting right in the Green Committee.

Members of the Green Committee

- Chairman – leadership of the meetings. Chairman's vote decides in the case of vote equality.
- Secretary of the Committee – convening and administering the meetings.
- Permanent members – representation, proposal, voting right for each person (1 vote p.p.) Members can be delegated from the following departments:
    - Representative of finance / controlling
    - Representative of the risk management
    - Representative of technical engineering/design
    - Representative of development
    - Representative of legal
- Invited members to support the work of the Committee can be internal or external experts, without any voting rights.

The Chairman will be elected by the members of the Committee. The Green Committee meets on a pre-determined basis, but at least four times a year.

Decisions are made by open voting, by a simple majority of those present. In the event of a tie, the Chairman is permitted to break the tie by a casting vote.

3. Management of Proceeds

WING intends to allocate the proceeds from the Green Financing Instruments to the Eligible Green Project portfolio, selected in accordance with the Use of Proceeds set of criteria detailed above.

The allocation of the proceeds will be executed and managed by the WING Finance Team, controlled by the CFO. The Finance Team incorporates financial experts of the company.

The allocation of the proceeds and such specific investment decisions are particularly based on the green strategy and green investment proposals contributed by the Green Committee.

All expenditures allocated to the Use of Proceeds shall be identified in the Green Register. WING is the ultimate owner of the project companies, where the individual building developments occur. WING will allocate proceeds from the green bonds and loans. Through the financial and accounting processes, the CFO of WING ensures that proceeds will be allocated to individual disbursements.

The Green Register will contain relevant information to identify each Green Bond and Loan and the Eligible Green Projects relating to it, including the project category and country as well as relevant information of the financial instruments. The Green Register will contain such key information of the instruments as the following:

Green Bond	Green Loans
• ISIN number • Coupon • Maturity date • Principal amount of proceeds • Aggregated net amount of outstanding Green Bonds	• Interest rate • Maturity date • Principal amount of proceeds • Aggregated net amount of outstanding Green Loans • Pledged assets

The Green Register will be supervised by the Green Committee and will be reviewed on an annual basis by the Board of Directors. Nevertheless, such reviews shall be audited by an independent auditor annually.

The company will strive, over time, to achieve a level of allocation for the Green Project portfolio which, after certain adjustments, matches or exceeds the balance of net proceeds from its outstanding green instruments.

It is WING's objective to allocate the proceeds of any Green Bond and Loans within 24 months after issuance/borrowing.

However, there may be periods when certain proceeds cannot be fully allocated to an eligible green project. Such cases could arise in the event of either the issuance of additional green bonds or borrowing green loans or the result of changes (project sold or divested) in the Eligible Green Project portfolio. In such cases, at the own discretion of the company, net proceeds will be allocated to temporary investments such as cash, cash equivalents or other liquid marketable investments.

Exclusions

The proceeds of Green Bond or Loan Instruments will not be used to finance standalone projects connected to highly polluting activities, nuclear energy generation, weapons and defence purposes, gambling or tobacco uses, and potentially environmentally negative resource extraction. Also, WING will not finance standalone projects connected to activities that would cause a significant harm to the environmental objectives of the EU Taxonomy.

4. Reporting

WING commits to publishing a Green Finance Report on its website no later than one year after issuance or borrowing of the financial instruments and annually thereafter or until full allocation of green finance instruments proceeds, as well as in the event of any material changes of the allocation since the Green Bond and Green Loan is outstanding. The Green Committee will be responsible for the reporting process. The Green Finance Report intends to be harmonized with the financial reporting process of the company. The company intends to have the report externally audited. Under its green mandate, the Hungarian National Bank may exercise supervisory authority over green financial instruments, including allocation and environmental reports. During 2025, the Bank has already commenced data collection related to the allocation and environmental reports issued to date.

The company will provide, on a best effort basis, a list of the green projects to which Green Bond or Green Loan proceeds have been allocated as well as a brief description of the projects and the amounts allocated. However, it may occur that confidentiality agreements, competitive considerations or the large number of underlying projects limit the amount of detail that can be made available. In such a case, information may be presented on an aggregated portfolio basis.

The company will align, on a best effort basis, the reporting with the portfolio approach described in the "GBP – Harmonized Framework for Impact Reporting, June 2025."

Allocation Reporting

WING will provide information on the allocation of the net proceeds of its Green Bonds or Loans. The information will contain relevant details as the following:

- Amount of net proceeds allocated to Eligible Project Categories as defined in the section of Use of Proceeds compared to the green proceeds amount, preferably in terms of percentage
- A list of Eligible Projects related to the proceeds; the number of projects accompanied with the net allocated amounts
- The remaining balance of unallocated net proceeds, if any
- The proportional allocation of net proceeds to existing projects and new projects
- The geographical distribution of Green Projects
- Other industry-specific details of the allocation of the proceeds (e.g., status of the green project constructions).

WING will link each project to individual bond issues or loan borrowings and will report on the share of each eligible project's financing which has come from green sources.

Impact Reporting for projects issued under this version

The company will provide impact reporting at the level of each Eligible Project Category which has been defined at the section of Use of Proceeds. Impact reporting, where feasible, may contain metrics recommended in the Harmonized Framework for Impact Reporting.

GBP Project Category	Eligible Projects	KPI's
Green Buildings	Investments for new projects	**Residential building** Number of buildings compared to the total real estate portfolio, which have met the following standards:

		• Up to 68 kWh annual consumption (Hungarian EPC rating of at least A+A+)
		Office building Number of buildings compared to the total real estate portfolio, which have met the following standards: • BREEAM (Excellent or above) or • PED 80% of the reference building

		Commercial property
		Number of buildings compared to the total real estate portfolio, which have met the following standards:
		• Retail building
		  ○ BREEAM (Excellent or above) or
		  ○ PED 80% of the reference building
		• Logistic park
		  ○ PED 80% of the reference building or
		  ○ BREEAM (Excellent or above)

Energy Efficiency	Investments for retrofitting projects	• BREEAM Excellent On an annual basis • CO^2 emissions reduced/avoided in tCO^2 • Energy saving in kWh/m^2 • Water saving/reused in m^3/m^2 • Amount of waste minimized, reused, or recycled in tons
Clean Transportation	Investments for the development of e-mobility	On an annual basis • CO^2 emissions reduced/avoided in tCO^2 • Number of EV charging stations • Geographical coverage of the EV charging stations in km^2
Biodiversity	Investments for new or retrofitting projects	On an annual basis • Developed natural surface in m^2

5. External review

WING has appointed S&P Global to provide a Second-Party Opinion on the Green Finance Framework, evaluating the environmental added value of WING Green Bonds and Loans and their alignment with the ICMA Green Bond Principles June 2025 and Green Loan Principles March 2025.

The External Review will be publicly available on WING's website.

WING may request on an annual basis, starting one year after issuance or borrowing and until maturity, a limited assurance report of the allocation of the green instruments' proceeds to eligible green projects, provided by an external auditor.