



Green Finance Framework

Delta Technologies Nyrt.

2025





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1. FOREWORDS



Zoltán Csontos

Chairman of the Board

Message from our Chairman of the Board

Delta Technologies Public Limited Company (independently referred to as Delta Technologies Plc., Delta) intends to use funds from the issuance of green bonds and the use of green loans to finance and/or refinance green projects meeting the criteria set out in this Green Finance Framework (hereinafter referred to as the "Green Framework").

The Green Framework is based on the requirements of the Green Bond Principles published by the International Capital Markets Association (ICMA) and the Green Loan Principles published by the the Loan Market Association (LMA). The Green Framework aims to provide further transparency to the company's investors regarding Delta Technologies Plc.'s sustainability efforts. Based on the criteria set out in the Green Framework, projects eligible for financing and/or refinancing must fall into one of the categories described below and meet the criteria set out in detail.

- Renewable energy projects
- Energy efficiency projects
- Clean transport projects
- Green building projects

Considering the rules established in the Green Framework, the criteria for refinancing are the same as those for financing. The allocation of resources from green bonds and green loans will be decided by the Green Committee (hereinafter referred to as the "Green Commission" or "Green Committee") on the basis of the criteria set out in the Framework. The Commission is responsible for selecting, evaluating and monitoring the compliance of green projects in the light of the requirements of the Framework, relevant international legislation and the rules of procedure of the Green Committee.



Resources from bonds and loans cannot be used for activities such as gambling, coal-fired power generation, nuclear power generation, pornography, tobacco or the arms industries. Until the funds are fully distributed, amounts not yet allocated or disbursed shall be invested in cash, or equivalent instruments.

The allocation of investments is determined by the financial/economic department of Delta Technologies Plc. in accordance with Delta's investment policy and the criteria set out in the Framework. Resources from green bonds and loans are managed separately by the company.

Delta Technologies Plc. annually prepares an Allocation and Impact Assessment Report in which it reports on the use of resources from green bonds and loans, as well as on the impact of financed or refinanced projects.

A final allocation report shall also be prepared at maturity of the bonds or the loans. The Commission is responsible for discussing and approving the reports, for which the necessary information is provided by the financial reports drawn up by the Directorate of Accounting.

Looking it from the company's perspective, ESG reporting is more than just sticking to guidelines and regulations. An important goal is to provide towards business partners an up-to-date information about our efforts on environmental, social and corporate governance development.

The Framework (in accordance with the ICMA and LMA expectations) presents the following in accordance with ICMA and LMA's expectations:

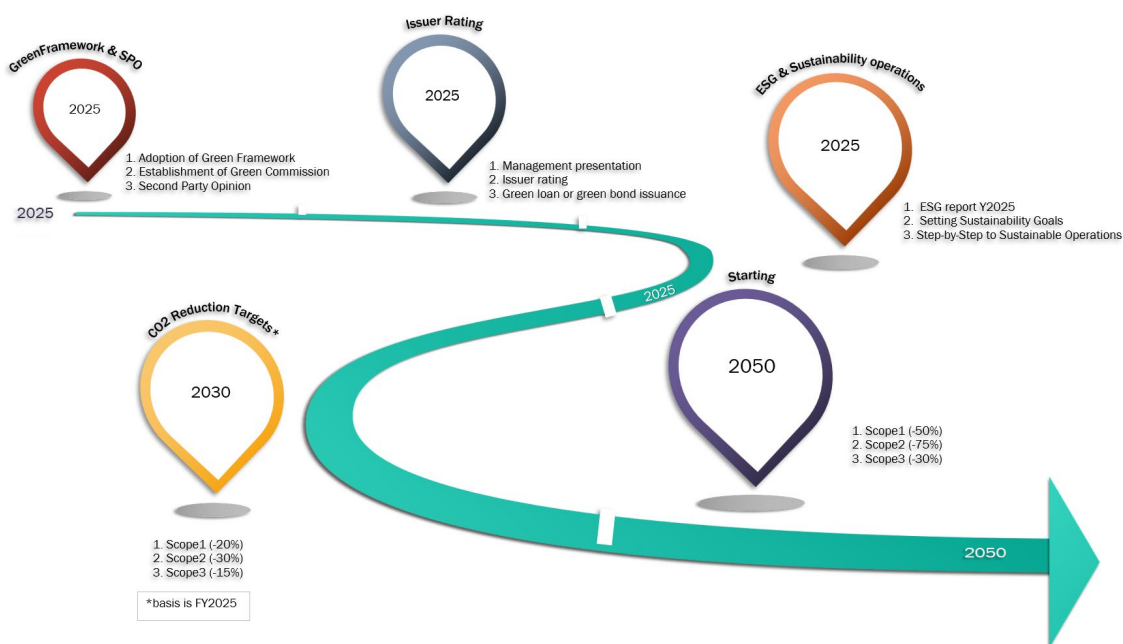
1. the use of resources,
2. the process of evaluating and selecting projects,
3. the management of the resources raised, and
4. reporting.

Our achievements

This year has also been challenging for Delta due to the turbulent economic situation. But we believe that we can meet the challenges of our business environment effectively if we recognize and prepare for changes determined by the market, cybersecurity, or preventing the threats posed by corruption.

We also believe that the future is built on two pillars: sustainable development and the preservation and development of human creativity. Digitalization will take to new dimensions. We are proud that our core business includes technological solutions that not only move our society forward day by day, but also do so in a future-proof, sustainable way. We can confidently say that thanks to the joint work and dedication of our colleagues, we have successfully adapted to the changes of the market this year as well.

Environmental protection and social responsibility have always been at the heart of the Group's corporate governance. Delta recognizes that the business sector is a key player in achieving climate protection and energy efficiency goals, so it strives to contribute to climate change mitigation through its own operations. Delta has a clear ESG vision and strategy and is committed to moving towards sustainability based on the following milestones:



We are committed to the EU's climate objectives and encourage those in our supply chain to do the same. As an IT company, we also contribute to the sustainable operation of our business partners with our innovative services. Environmental protection and social responsibility have always been at the heart of the Group's corporate governance. Delta recognizes that the business sector is a key player in achieving climate protection and energy efficiency goals, so it strives to contribute to climate change mitigation through its own operations. To this end, Delta has a clear ESG vision and strategy and is committed to moving towards sustainability.

We ask all stakeholders to support our efforts to achieve our goals.



2. INTRODUCTION AND MAIN PROJECTS eligible to finance based on ICMA Principles

Delta Technologies Public Limited Company (registered office: 1134 Budapest, Róbert Károly körút 70-74.; company registration number: 01-10-043483, tax number: 11404374-2-41) is a public limited liability company registered in Hungary by the Court of Registry of the Budapest Regional Court. The management of the Company is carried out by a Board of Directors elected by the General Meeting, whose work is assisted by the Audit Committee in certain accounting matters, and the Supervisory Board controls it to protect the interests of the Company. The Board of Directors of the Company is the management body of the Company and acts as a body in matters falling within its competence.

Delta Systems Kft. is a 100% subsidiary of Delta Technologies Plc., listed on the Budapest Stock Exchange, whose legal predecessor was founded in 1987, so it has been one of the leading players of the Hungarian IT sector for nearly 40 years. With around 200 employees at the time of writing, the company's outstanding expertise is recognized year after year by world-renowned technology manufacturers such as APPLE, HP, HPE, DELL, LENOVO, ARUBA, VMWARE, VEEAM, SICK, Canon, IBM or CISCO.





The company focuses on executing infrastructure solutions, its core competencies include system integration. In this field, the company is considered among the domestic market leaders.

Delta provides various services such as complete architecture design, network solutions, hardware component design and deployment, application integration and infrastructure management. Focusing on state-of-the-art technology trends, the company is constantly looking for new areas of innovation and product development, aims to become internationally competitive and to enter the regional market by expanding its current portfolio.

Delta Group systematically monitors business risk through its ERM system, and aims to mitigate any potential negative environmental and social impacts associated with its business activities. Risk management is also taking place in the ISO standards, i.e. in the management systems. (ISO 9001, 14001, 27001, 37001.)



DIN EN ISO/IEC 27001:2017

Technical equivalent to ISO/IEC 27001:2013 including Cor 1:2014 and Cor 2:2015.

DEKRA Certification GmbH ezennel igazolja, hogy a szervezet

DELTA Systems Kft.

Róbert Károly krt. 70-74., 1134 Budapest, Magyarország





Green bonds and the use of green loans in this Green Finance Framework green projects meeting the criteria set out to finance and/or refinance it. An amount equivalent to the net proceeds of any Green Financing Instrument issued or raised within this Framework will be used mainly to finance new green projects, and smaller proportion to refinance part of our already proceeded green investment.

The framework is based on Green Bond published by the **International Capital Markets Association (ICMA) Principles** and the **Credit Market Association (LMA) Green Loan Principles, 2021** has been developed on the basis of specific requirements. The Framework provides transparency to the company's investors through Delta Technologies Nyrt. (Further : Delta or Delta Group) sustainability efforts.

The Company has a **Responsible Corporate Governance Report and Statement** elaborated on the basis of Section 3:289 of the Civil Code and the recommendations of the Budapest Stock Exchange Zrt., which it publishes at the same time as the annual report.

The Board of Directors of Delta Technologies Plc **adopted an ESG Development Roadmap on February 20, 2023**. As a first step, in the financial year ending 30.06.2022 and 30.06.2023 at non-consolidated level, Delta Systems Kft., in cooperation with PricewaterhouseCoopers Auditing Ltd., as an accredited ESG consultant, successfully participated in the ESG Pilot – advisory program organized by the BSE, code number KMR-1.1.7-17-BSE-6-002, and obtained an **ADVANCED LEVEL** qualification, and issued an ESG strategy and a Sustainability Report. In fiscal year 2024, the ESG report, consolidated level, will be issued in a simple, uncertified form after the record date.

Achieving global and European Union sustainability objectives and mitigating climate change requires significant capital and technology investments. Responsible companies, financial market participants and investors are therefore increasingly taking sustainability into account in their financial decisions.

Green bonds and green loans are key assets for a sustainable finance market, allowing capital to flow into sustainable investments and companies, considering its environmental and social impacts. As the use of green bonds and loans funds is limited, the green finance framework ensures an appropriate allocation of resources and helps to measure the impact of funded or refinanced projects.

The management of Delta Technologies Plc. is committed to sustainable development and actively works to promote it at the corporate level. Delta Systems Kft., a 100% owned subsidiary of Delta Technologies Plc., has been publishing its ESG strategy since 2022 and publishing its ESG Sustainability Report annually. Delta Technologies Plc, its main activity is "asset management holding", the number of employees is minimal. The environmental impacts resulting from the activities of the subsidiaries. **A consolidated ESG report** (including all the subsidies) will be issued voluntarily for the first time based on the financial **year ending in 2024, ahead of our legal obligations**.



Delta's goal as a publicly traded company is to provide the necessary transparency to stakeholders. In addition, we are constantly striving to improve our performance as we learn and evolve to become a more environmentally and socially responsible company.

Delta's Green Finance Framework further increases transparency for investors. Green bonds are defined in the framework as the types of bonds defined by GBP, from which funds can only be used for investments or refinancing that meet the criteria of the framework. Similarly, green credit refers to GLP-defined loan instruments, the resources of which can also only be used to finance investments meeting the conditions set out in the green finance framework.

Based on these considerations Delta identified **four main project categories for utilization of the proceeds of the green bond or green loans**. These main projects supported by our sustainability strategy.

The main planned **Green Projects categories** of Delta's green financing, -listed in no specific order:

1. **Renewable energy;**
2. **Energy efficiency;**
3. **Clean transportation;**
4. **Green buildings**

Based on the set of criteria set out in the Framework, **projects eligible for financing and/or refinancing include the following the ICMA Green Bond Principles categories belong to one of them and correspond to:**

2.1. Renewable Energy, projects eligible (including production, transmission, appliances of IT equipment that apply renewable energy solutions)

The projects are financed within our Green Finance Frameworks are both on our end-products, services, **in acquisition**, and on the site developments.

Installation:

- of solar power plants;
- of energy storages that use renewable energy;
- and construction or purchase of solar plants;
- or purchase of wind farms;
- of biomass systems.

2.2. Energy Efficiency projects eligible projects

These projects that are financed via Green Finance Framework include both energy efficiency developments, and energy efficiency achievements on our end-products and smart solutions for customers, and on the site developments:

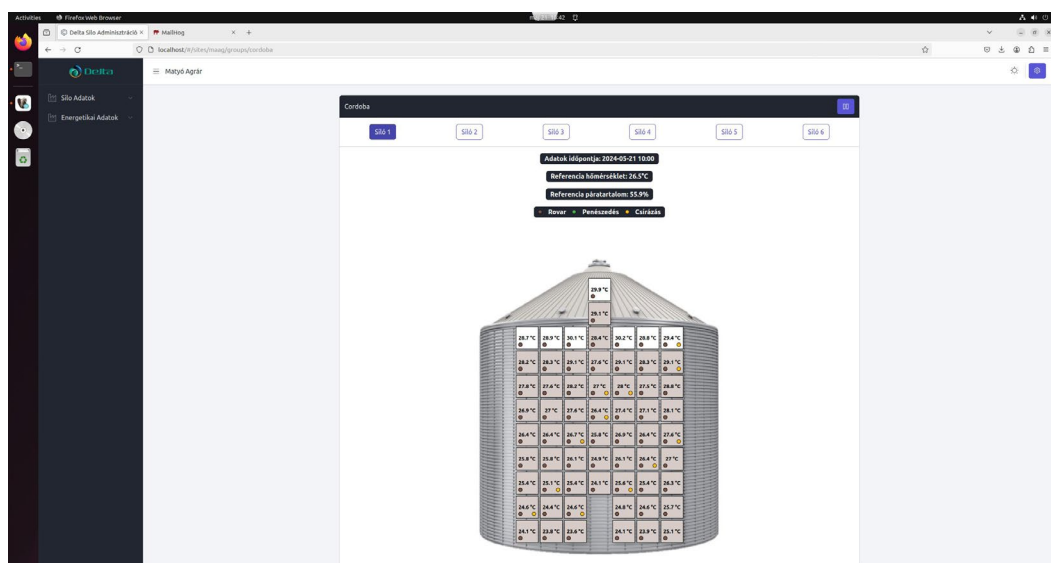
Delta aims to provide high share of highly energy-efficient smart and energy efficient supporting equipment in Hungary. Delta also plans to invest in R&D activities to improve energy efficiency in technologies, energy storage. This may include the purchase of efficient lightning, solar panels, smart and energy efficient supporting equipment and software.

Various projects -in detail- that are planned in this GBP Green Projects Category:



Installation, maintenance, and repair of **instruments and devices, software for measuring, regulation, and controlling energy performance of buildings, factories, and production units.** In this category Delta has successfully **completed several GBP consent projects.** References are presented in the pictures shown. Similar further projects are expected in the pipeline.

- a. **Energy optimization solutions for our customers, optimizing and monitoring of energy use of factories and other buildings.** One of the most important results of the projects is that while previously interventions were largely based on assumptions, data-driven decision-making can now be realized with significant energy efficiency impacts.



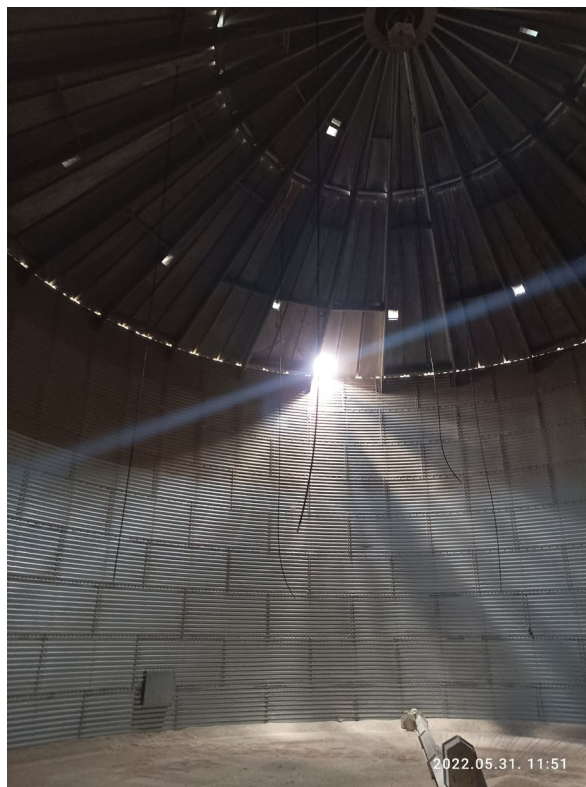
Beállítások ×

Siló Beállítások

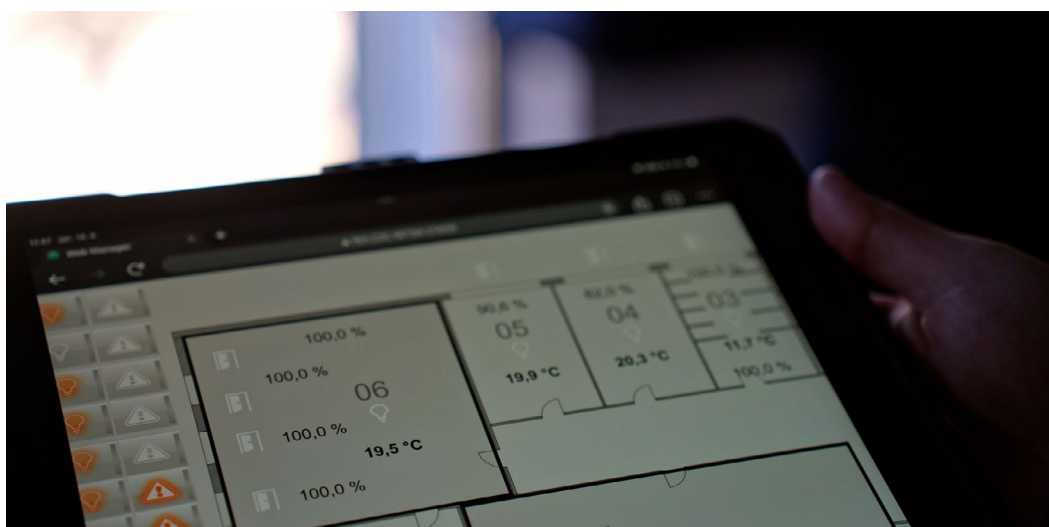
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Figyelmeztetési hőmérséklet	<input type="text" value="16.5"/> <input type="button" value="↑"/> <input type="button" value="↓"/> <input checked="" type="checkbox"/> <input type="button" value="v"/> °C
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Globális Beállítások

Értesítési címek



- b. **Central BMS (Building Monitoring System)** provides intelligent monitoring and control of technical building systems for our customers. Delta has a reference already where the entire network infrastructure and hardware components for the central system supplied by Delta. The system automatically controls the heating, cooling and lighting system according to predefined rules. For example, some events, –such as opening a window – trigger immediate intervention, so the system automatically turns off the heating or air conditioning. The main advantage of the solution is that it minimizes energy waste, thereby significantly contributing to the optimization of the customers’ energy use.



- c. Central city management, Safe City solutions that supports energy-efficiency, smart devices (e.g. smart bench).





New energy efficient smart and energy efficient supporting equipment which is to be developed / purchased by Delta will be among **the 20% most energy-efficient** smart and energy efficient supporting equipment in Hungary and in CEE.

Major renovations or refurbishment of existing properties that result reduction in carbon emissions intensity, and endeavour to improve the energy performance label of the existing properties.

Delta will open a new office in Debrecen, where the aspects of energy savings were taken into account during the selection process of the property.

Purchase of materials that supports energy efficiency.

2.3. Eligible Clean Transportation projects (such as electric, hybrid, and infrastructure for clean energy vehicles and reduction of harmful emissions)

These project to be financed via our Green Finance Framework are:

These projects are

- 1, **Procurement and/or deployment of clean transportation** and
- 2, Construction of Clean **Transport Infrastructure for our customers**
- 3, **Any operation** that reduces the emissions (both GHG and local pollutants) of vehicles or the transport system

Various projects -in detail- that are planned in this GBP Green Projects Category:

Delta successfully **completed in this GBP category several projects.**

Similar further projects are expected in the pipeline.



Construction, extension and/or improvement to core sustainable transport infrastructure:

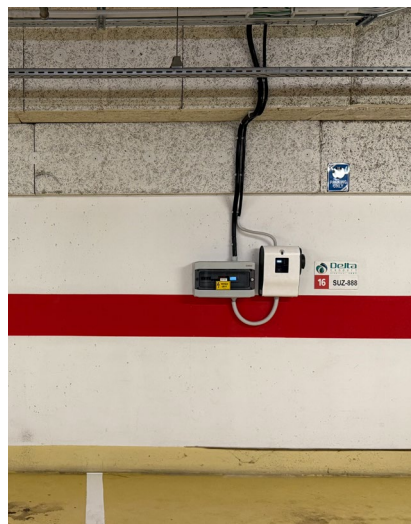
- electrifying train tracks, constructing or improving bicycle lanes, bicycle parking and bicycle sharing schemes.
- IT solutions for electric bus, fuel saving system based on driving habit analysis, smart parking space with sensor occupancy indicator system.
 - Our transport IT solutions delivered to transport companies, provide a higher level of service and make the use of public transport more attractive for the travelling public, who thus use public transport solutions to a greater extent, thereby reducing the emissions emitted by passenger cars.
 - The software generates the most favourable routes based on a predetermined scoring system through continuous iterations, thereby significantly reducing transport costs.



Construction and/or improvement to the auxiliary sustainable transport infrastructure e.g. stations, terminals, electric vehicle charging infrastructure, network and traffic management systems, connected and automated transport technologies, smart mobility systems, and the development and deployment of alternative transport fuels and reducing transportation routes



Investments in supportive infrastructure services (charging stations for electric vehicles on the site) and acquisition of electronic and more sustainable car fleet. (hybrid cars)



- ☑ Investments that enhance commuting to work on sustainable way (bike and e-bike program)
- ☑ Construction, extension and/or improvement to core sustainable transport infrastructure: Public Bike Program: Delta has a reference already in Kaposvár
- ☑ E-bike program



2.4. Eligible Green buildings projects that meet Hungarian national or internationally recognised standards or certifications for environmental performance.

☑ Delta focuses on the criteria for green buildings, aiming to ensure that the buildings it acquires, constructs or refurbishes achieve at least 'Very Good' under the BREEAM certification standard, at least the 'Gold' standard under LEED or perform at least 10% better than the minimum Hungarian EPC (category BB or above), and at least category AA from 2026.

→ Green buildings projects include developments and acquisitions at sites, new offices, where we strive for the best certification standard of buildings.

→ It may include own building developments.

☑ Financing of renovation, acquisition or otherwise completed low-energy properties that have, or will, achieve at least a 30% decrease in overall energy consumption or achieves the required energy efficiency in line with the applicable national building code for newly-built properties.

Compliance with the EU Taxonomy

Delta also intends to be aligned with the recommendations of the EU Taxonomy for sustainable activities. The environmental objective Climate change mitigation is planned to be considered in the use of bond proceeds. **Delta also monitor the relevant Do no significant harm (DNSH) criteria of the sustainable activities.**

The EU Taxonomy is a classification system which lists the environmentally sustainable economic activities.

The EU Taxonomy can help define the activities that are in line with the EU's climate goals. The Taxonomy has 6 environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems



Based on the Company's strategy Delta's use of green bond proceeds (**can contribute to the following EU Taxonomy objectives:**

- Renewable Energy: Climate change mitigation, climate change adaptation
- Energy Efficiency: Climate change mitigation, climate change adaptation, pollution prevention and control
- Clean Transportation: Climate change mitigation, climate change adaptation, circular economy, pollution prevention and control
- Green Buildings: Climate change mitigation, climate change adaptation, circular economy.

3. MANAGEMENT PRINCIPLES TOWARDS SUSTAINABILITY

3.1. Management Principles

- The framework's eligible categories include social and environmental issues.
- Delta has the ambition to minimize risks associated with its green projects. The Green Committee will monitor closely the risks and manage it in an appropriate manner.
- Delta is incorporating it in the company's overall objectives and business strategy and clearly communicate these environmental sustainability objectives to stakeholders and investors.

3.2. The elements of these management approaches:

- expanding renewable energies, and storage capacity **mainly through acquisitions**
- optimizing its office building facilities' energy efficiency including adaptation of renewable energy solutions
- product development and implementation of green and energy efficient products
- pay special attention when implementing green projects (or other projects), we **do not harm the environment** (installation of solar panels with cultivating the green surface, preservation of biodiversity in the areas, etc.).
- The DNSH criteria have been assessed on 1, **an activity and 2, project, and 3, location level.**

3.3. The allocation of funds from the green bond and its green loans in line with Implementation of the management strategy:

- Green Committee is responsible for the allocation of green bond and green loans in accordance with the established set of criteria stated in the Framework.
- The Commission's role is to ensure that the Green selection and evaluation of projects, and their conformity with criteria stated in the Bond Framework.
- International legislation and the rules of procedure of the Green Committee taking into account specific procedures.



- ☑ Should an Eligible Green Project no longer meet the eligibility, the proceeds initially allocated to the ineligible or disposed asset shall be reallocated to another Eligible Green Project held by the Delta Group, based on the same process outlined in section Project Evaluation and Selection.
- ☑ Replacement of the project will be done on a best efforts basis within a reasonable period of time of **2 years**.

3.4. Alignment with SDGs

Delta has identified a number of "Sustainable Development Goals" (**SDGs**), by the United Nations that are particularly relevant for the Company. The contribution to the SDGs can be quantified in our post-issuance impact reporting.

Delta's framework deems the following SDGs relevant:

- ☑ Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all
- ☑ Goal 8: Decent work and economic growth: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- ☑ SDG 9: Industry, innovation and infrastructure
- ☑ Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable
- ☑ Goal 12: Ensure sustainable consumption and production patterns
- ☑ Goal 13: Take urgent action to combat climate change and its impacts

3.5. Targeted objectives to be achieved by 2030 and 2050 used as "Key Sustainability Performance Targets (SPTs) "

Aligning financing to Delta's sustainability performance signals a strong commitment to implement the Group's sustainability agenda. These are the **Sustainability Performance Targets** that stated **in our strategy as well:**



Delta and its objectives in Sustainability Development – **Sustainability Performance Targets:**

Our carbon footprint reduction targets	2030	2050
1 Scope 1*	20%	50%
2 Scope 2*	30%	75%
3 Scope 3**	15%	30%

*compare to base year 2024 ,

** base year: the year in which the company first publishes Scope3 data

- Water risk analysis until 30.06.2026
- Maintaining a "ZERO" LTIF (i.e. number of lost accidents per million hours of work) result for the company's own employees
- Continuous renewal of ISO 27001 standard for information security and information security*¹

Scope of Validity: Sale and servicing of IT and office technology products and peripherals, network devices, office technology equipment, IT accessories, and consumables, along with related services (comprehensive operation, Help Desk, maintenance, ad-hoc repairs, flat-rate services, rental, outsourcing, and consolidation). Design of IT and communication systems, related implementations, and services (including transportation informatics). Software and application development, sales, and operation. Design, manufacturing, and sales of intelligent security and industrial electronic products. IT project management. Planning and development of transportation concepts.)
- NIS 2 compliance from 2025
- Anti-corruption policy and continuous renewal and maintenance*²

Scope of Validity: Sale (hardware and software) and servicing of IT and office technology products; IT system operation and support services, including consulting, consolidation, project management, and development; smart solutions; network solutions; system integration; software development; general contracting activities.

¹ (*This voluntarily adopted standard defines the requirements for establishing, implementing, maintaining, and continuously improving an information security management system within an organization. It enables the organization to preserve the confidentiality, integrity, and availability of information. Our Information Security Management System also provides assurance to stakeholders that Delta Systems Kft. appropriately manages risks.)

² *The management and all employees of Delta Systems Kft. unanimously share the view that corruption is a phenomenon that causes serious social, moral, economic, and political problems. The implementation of the ISO 37001 standard aligns with Delta Systems Kft.'s vision, strategy, and objectives, supporting the introduction of reasonable and proportionate measures for the prevention, detection, and management of corruption. Additionally, it helps Delta avoid or at least reduce the costs, risks, and damages caused by corruption while enhancing Delta's reputation and strengthening trust in its business operations. Our Anti-Corruption Management System also covers corruption-related activities that seriously violate organizational rules and values, such as fraud, cartels, and other anti-trust or anti-competitive violations, as well as money laundering.



- Preparation for CSRD reporting 2026-2027
- Increase the recycling rate of operational waste by a minimum of 50% by 2030
- Paperless* office by 2030 (*up to regulatory compliance level)
- 40% of the vehicle fleet should be electric or hybrid by 2032
- Developing electric car charging infrastructure at our sites by 2030, meeting the power demand arising from the changing fleet
- 2025-2026 possible Investment (M&A) in renewable energy company
- Annual disclosure of total investment in renewable energies and renewables

3.6. Tracking the use of funds targets:

- Until resources are fully allocated, not allocated funds invested in cash, or cash equivalent ,are decided by Delta's finance department, taking into account policy and lenders, in line investment policy and the criteria set out in the Framework.
- The funds from green bonds and loans will be raised by the company **keep a separate account.**

4. OBJECTIVES OF THE GREEN FINANCE FRAMEWORK

Alignment with Voluntary Market Standards:
ICMA Green Bond Principles

4.1. Rationale for establishing a Green Bond Framework

- ☑ This Green Finance Framework has been created to facilitate transparency, disclosure, and integrity of Delta's Green Bond issuances as recommended in the Green Bond Principles.
- ☑ This framework will apply to any Green Bond, issued by Delta and any Green Loan borrowing after its publication. It can be used to finance or refinance investments.
- ☑ Under the Green Financing Framework Delta Group and any of its subsidiaries, will be able to issue Green bonds, loans, to finance its sustainability efforts.
 - Under the concept of green bond, the framework is provided by GBP i.e. green bonds are a type of bond from which resources or an equivalent amount shall be allocated exclusively to meeting the criteria set out in the Green Finance Framework
 - Similarly, green credit under the framework is as defined under GLP understands, i.e. credit instruments from which funds are derived

Delta's instruments under this Framework will be focused on contributing to **SDG 7, 8, 9, 11, 12, 13**. Delta wishes to participate to the development of best market practices and presents a unified and coherent suite of Green Bond and Green Loan instruments to the market. The approach adopted consists in linking Delta's sustainability strategy with its funding policy, by incentivizing the achievement of pre-determined, relevant Sustainability Performance Targets (SPTs). This **Framework provides a high-level approach to Delta's Green Securities and should refer to the relevant documentation of each transaction for further details.**

In alignment with the Green Bond Principles, Delta's Green Bond Framework is presented through four pillars: (i) use of proceeds, (ii) process for project selection, (iii) management of proceeds and (iv) reporting. Information about the external assessment is also provided.



5. GREEN BOND PRINCIPLES

5.1. Use of proceeds–green bonds

The net proceeds of the issuance of each Green Bond, and borrowing each Green Loans will be used to fund the following **Eligible Green Projects**.

The use of green bond, proceeds will be based on the recommendations of the ICMA GBP, which requires that the financed projects and assets provide clear environmental benefits and promote the transition to a low-carbon, climate-resilient and sustainable economy. The net proceeds will finance Green Projects in the following categories.

Eligible Green Projects include:

- a. **Financing of, and investments** in Eligible Renewable Energy Projects, Eligible Energy Efficiency Projects, Eligible Clean Transportation Projects, and Eligible Green Building Projects
- b. majority **acquisitions of companies** and **minority equity participations** in entities specialized in any of the above categories
- c. Research and development (“R&D”) investments which aim at developing new products and solutions in renewable energy, energy efficiency, clean transportation.

Main categories table:

Main Eligible Category,

SDG Objectives,

Main Eligible Projects/Assets,

EU Taxonomy Substantial Contribution

ELIGIBLE CATEGORY	ELIGIBLE PROJECTS/ASSETS	EU TAXONOMY SUBSTANTIAL CONTRIBUTION
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RENEWABLE ENERGY



New or existing investments in or expenditures **on the acquisition, development, construction and/or installation** of the following renewable sources:

- Solar PV
- Wind farms
- Biomass

It also includes the transmission, distribution, and electrical storage infrastructure (solar PVs) related to renewable energy production.



Installation, maintenance, and repair of renewable energy technologies.

ENERGY EFFICIENCY



Expenditures on the R&D, operation, distribution and maintenance of equipment or technology helping reduce energy consumption and increase energy savings for customers or on sites, such as:

- Energy storage,
- IT equipment with solar power
- Building Monitoring System development and operation
- Installation, maintenance, and repair of instruments and devices, software for measuring, regulation, and controlling energy performance of buildings, factories, and production units.
- Safe City solutions, smart devices (e.g. smart bench).
- Elevated thermal insulation
- Other energy efficient equipment

Major renovations or refurbishment of existing properties that result reduction in carbon emissions intensity.



Installation, maintenance, production and repair of energy efficiency equipment.

Installation, maintenance, and repair of instruments and devices for measuring, regulation, and controlling energy performance of buildings.

ELIGIBLE CATEGORY	ELIGIBLE PROJECTS/ASSETS	EU TAXONOMY SUBSTANTIAL CONTRIBUTION
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CLEAN TRANSPORTATION



Investments in or financing of supportive infrastructure (charging stations for electric vehicles, hydrogen fueling infrastructure, or other investments supporting low-carbon transportation methods) and acquisition of electronic and plug in hybrid cars.

Construction of Clean Transport Infrastructure for our customers and any operation that reduces the emissions (both GHG and local pollutants) of vehicles or the transport system.

Investments in or financing of supportive infrastructure for our customers:

- electric bus software and IT solutions
- fuel saving system based on driving habit analysis
- smart parking space with sensor occupancy indicator system
- public bike program, bike
- e bike program



Installation, maintenance of charging stations for EVs in buildings

GREEN BUILDINGS



Acquisition, construction or refurbishment of buildings that meet the following, recognized standards, such as:

- BREEAM (Very good or above), or
- LEED (Gold or above), or
- At least 10% better than the minimum Hungarian energy performance certificate (EPC) for nearly zero energy buildings (category BB or above), and at least category AA from 2026

Financing of renovation, acquisition or otherwise completed low-energy properties that have, or will, achieve at least a 30% decrease in overall energy consumption or achieves the required energy efficiency in line with the applicable national building code for newly-built properties.



Construction, energy efficiency measures and renovations.



Summary of the projects: **The Eligible Green Portfolio list**

5.1.1. Eligible Renewable Energy Projects

Financing of, or investments in, construction and installation of renewable energy capacity **including the M&As.**

5.1.2. Eligible Energy Efficiency Projects

Financing of, or investments in, projects that contribute to a reduction of energy consumption per unit of output, such as:

- optimization of buildings efficiency, including the investment, or acquisition or installation of a new office building where energy efficiency is more effective
- energy storage solutions aiming at promoting the development of renewable energies
- optimization of energy efficiency with 1, IT and other smart equipment, 2, hardware, software solutions, and 3, any energy saving and optimization services that Delta can provide to customers

5.1.3. Eligible Clean Transportation Projects

This includes the financing of, or investments in, projects that contribute directly **or indirectly** to a reduction of CO₂ emissions or harmful emissions, or energy consumption per km-passenger (such as electric, and related infrastructure).

5.1.4. Eligible Green Building Projects

This includes the financing of, or investments in acquisition, construction or refurbishment of buildings that meet the recognized standards.

5.1.5. Other eligible categories determined by the Green Bond Principles

More generally, this includes any investments in, or acquisition of, any other types of projects listed in the present and future updates of the Green Bond Principles' categories (as adaptation projects, eco-efficient or circular economy products, pollution prevention and control, green buildings...).

5.1.6. Excluded projects

Delta will exclude the allocation of bond proceeds to projects and assets that are related to oil & coal, R&D related to weapons and defence industries, potentially environmentally negative resource extraction, gambling or tobacco.



5.2. Process for evaluation and selection of projects–green bonds

Delta shall use funds from green bonds, and green loans exclusively based on the criteria defined by ICMA and LMA in this framework to finance and refinance activities. Selection of projects to be financed and refinanced and assessment of the criteria set out in the chapter on the use of funds. Projects, acquisitions, and R&D investments that are aligned with the Use of Proceeds will be considered eligible for Green Bond proceeds allocation.

The proceeds of the green bonds will be managed by the green finance committee and **listed** in Delta's **green finance register**. The register will list the country, category and nature of the asset to identify each green bond and the eligible projects and assets relating to it.

Delta's Green Commission is responsible: for green investments from green bonds, and loans, including the selection, monitoring and review. Decision-making processes are available in the related internal management documents. The Delta's Green **Commission consists of the following members: Chairman of the Green Committee***, **Chairman of the Supervisory Board, Director of ESG, Compliance Officer.**

(*The chairman of the Green Committee is appointed by the Board of Directors.)

The **Delta's Green Commission** is headed by the Chairman of the Green Committee the allocation of the bond proceeds requires a consensus decision. In addition, all selected Projects and Assets must be compliant with the applicable national laws and regulations, as well as the internal policies of Delta. Green Committee hold on quarterly basis. The Green Committee may convene an extraordinary meeting at any time, subject to prior consultation, or adopt a decision in writing, if there is a need for a review.

- **The Green Committee validates the selection of projects, acquisitions and R&D investments and reviews all allocations.**
- The Board of Delta will be informed on a periodic basis of the progress of the bond proceeds allocation, and the nature of the projects selected.
- At the Green Committee meeting, in addition to the Green Committee members, ad hoc invitees, including an external expert from the Green Committee.

In addition, all selected Projects and Assets must be compliant with the applicable national laws and regulations, as well as the internal policies of Delta. Delta also manages the Environmental and Social (ES) risks emerging during the process for the selection of Eligible Projects and Assets. The Company consults the relevant stakeholders and takes into account the possible environmental and social issues before the selection of a project or asset. The Green Committee is responsible for ES risk management, while it also monitors the status of the relevant sustainability KPIs, with the inclusion of external sustainability experts – when required. The **Green Committee tracks the development of the sustainability strategy** and the **achievement of the goals set**, it is an "advisory body" to the Chairman of the Board, and plays a key role in integrating ESG considerations into corporate decision-making.



The management and availability of data and decision processes related to projects is carried out in accordance with Delta's related internal governance documents.

The Green Committee is responsible for the supervision of these issues:

- The approval of the sustainability strategy and all ESG report
- Supervision of steps to be taken to implement the strategy
- Supervision of green related projects
- Definition of resources needed for green projects
- The Delta Group's ESG and green performance evaluation.



5.3. Management of proceeds

The green bond, proceeds will be earmarked for Eligible Projects and Assets defined in the Use of Proceeds section of the Framework in. If a Project or Asset no longer qualifies as eligible during the life of the bond, the Project/Asset will be replaced by another Eligible Project or Asset according to this Green Bond Framework. The green bond proceeds will **be tracked** by the Delta in the Green Bond Register.

The Green Bond Register will contain relevant information to identify each Green Bond and the Eligible Projects and Assets relating to it, including the country, category, and nature of the Green Bond Assets. The Green Bond Register will be the basis of the allocation and impact reporting. At the end of each calendar year, the net proceeds of the issuance will be reduced by the amounts invested in Eligible Green Projects in such annual period.

Delta will hold the balance of net proceeds not already allocated to Eligible Green Projects, invested in cash, cash equivalent.

The Issuer has established systems to monitor and account for the allocation of the proceeds. The Green Committee monitors that the proceeds should not be temporarily non-green financing or refinancing activities. (Reporting will be on monthly basis to the Management.)

Impact Assessment Report (periodically) will be produced by Green Committee. The report be based on IT systems used by Delta's financial department financial reports based on data provided.

Delta intends to allocate the proceeds of a given Green Fundraising within 24 months period from its issue date when its initial maturity.

In the event of a change in the regulatory environment, the Green Financing Framework is reviewed. If, as a result of such review, the Committee makes changes to the Framework, such changes **only apply to bonds issued and loans taken out after the publication** of the amendment of the Green Financing Framework.



5.4. Reporting of green bonds

The Company will annually provide investors with a report describing the allocation of green bond proceeds and – where data are available – the environmental impact of the Green Projects, until the maturity of the bonds, at least at GBP category level. The report will be made available on our website together with this Green Bond Framework.

Both the Allocation Report and the Impact Assessment Report are verified by an external party. Delta will report on the allocation of net proceeds to the Eligible Green Portfolio and on its associated environmental impact within one year of bond issuance and annually thereafter until full allocation of the Green Financing Instruments.

The allocation report will include:

- a. Total amount of funds from green bonds and green loans.
- b. funding from green bonds and loans total and the used funds (%).
- c. the amount of proceeds allocated to Eligible Green Projects with their related description,
- d. Information on the environmental outcomes of the Eligible Green Projects
- e. Investments in project categories
- f. the part of refinancing (as the case may be: Amount and share of refinanced investments in project categories).

The Impact Assessment Report will include:

The impact assessment indicators aim to capture and illustrate the environmental and **sustainability benefits of projects financed** via Green Bond or Green Loans.

Delta will publish annually these indicators on its website.

ELIGIBLE CATEGORY	IMPACT INDICATORS
RENEWABLE ENERGY	<ul style="list-style-type: none"> → Added renewables capacity MW in each year (detailed list) → Total renewables capacity MW → Avoided emissions p.a. (t CO2e/y)
ENERGY EFFICIENCY	<ul style="list-style-type: none"> → Annual reduction of energy consumption in % or in MWh; (Compared to conventional technology, base year 2024) → Amount of stored energy (kWh) → Energy efficiency components produced or procured (m², m³, tonnes or %) → Number of households served with energy efficiency solutions such as smart meters
CLEAN TRANSPORTATION	<ul style="list-style-type: none"> → New EV charging points in reporting year → Annual reduction or avoidance of CO₂ emissions g CO₂ per passenger-km (passengers activities) or per t-km (freight activity) or harmful emissions (NO_x, SO_x, particles,...) in mgr per km. → % of Electric Vehicle → Estimated reduction in car use in number of kilometres driven or as share of total transport ridership
GREEN BUILDING	<ul style="list-style-type: none"> → Type of certification level and sq meter of Internationally and nationally recognised standards for Green Buildings such as LEED (Leadership in Energy and Environmental Design), BREEAM (Building Research Establishment Environmental Assessment Method) or Energy Performance Certificates (EPCs), or national certification schemes. → Number of LED lighting fixtures with lumen/watt (Lm/W)



6. EXTERNAL REVIEW

- Second Party opinion Delta has **appointed Scope Ratings** to assess the green sustainability of its Green Finance Framework and its alignment with **the Green Bonds Principles**.
- The Second Party Opinion refers to the **whole Green Finance Framework**.
- Delta is engaging with an assurance provider to assess the compliance of bonds against the Green Bond Framework on an annual basis.
- Both the Framework and the SPO will be available on the Delta's website.
- Update the Framework is reviewed and decided by the Green Committee.
- As the green finance market continues to evolve, Delta's Green Finance Framework may be subsequently revised or updated to remain consistent with shifting expectations, best market practices and regulatory landscape such as the EU Taxonomy or EU Green Bond Standard.



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