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KOMETA 99 ZRT

GREEN BOND REPORT

2026

1. ABOUT OUR CORPORATION

We, **KOMETA 99 Zrt.** (hereinafter: KOMETA or Company) is **an ambitious meat processing corporation, based in Kaposvár, Hungary.** We started our journey following a corporate transformation in 2006, and to present days we have become **one of the three largest pork producers of Hungary,** and also one of the most modern and innovative market players in the region. Our manufacturing activity mainly focuses on pork products, but our higher added-value poultry products are also dynamically growing in popularity.

While **we are already a significant market player in several regional countries, we are making efforts to expand our activity on the key European markets** (Germany) as well. Currently KOMETA exports to a total of 30 countries, and we work together with more than 260 partners internationally. Our company intends to expand its activity to further international markets in the future.

We want **innovation and sustainability to be the core elements of our future strategy.** Our *'Everything under one roof'* concept is driven by the intention to cover the value chain from livestock processing to food product manufacturing processes and consequently minimize the need for packaging and transportation. **Our continuous investments serve the improvement of our operation both from a social and an environmental perspective.**

KOMETA is committed to continue its journey of advancement and evolution, while also serving socially and environmentally beneficial purposes. In **April 2025 we launched our new campaign with a new slogan *(KOMETA – Buona Vita! – "a good life"),*** which has since become an iconic identifying mark of our company. The results of our representative survey, carried out on the occasion of the International Day of Happiness, have clearly emphasized the social importance of shared meals. We believe that **one of the key pillars of a good life is good food.** Hence, KOMETA is dedicated to become the symbol of healthy and quality food. As part of this aim, we reduce the salt content of our products by 30 per cent (compared to 2018 levels).

2. ABOUT THE GREEN BOND OF KOMETA

Driven by its dedication to be the global leader of sustainability-related efforts, the **European Union** has set ambitious milestones to be the **first continent to achieve a net-zero climate neutrality by 2050.** Progressing on this path, the EU aims at **cutting back GHG emissions by 55 per cent (compared to the 1990 levels) by the end of the current decade.** In February 2024, the European Commission (EC) has presented its recommendation for a 2040 climate target as well – in order to reaffirm Europe's commitment in tackling climate change, the EC recommends a **90 per cent GHG emissions reduction by 2040** (relative to 1990).

Agriculture is one of the key contributors to climate change. According to Eurostat's latest (Q3 2025) Greenhouse Gas Emissions Statistics, Agriculture, Forestry and Fishing accounted for 14 per cent of the total greenhouse gas (GHG) emissions of the economy of the EU member states. Moreover, the Food and Agriculture Organization of the United Nations estimates, that 14.5 per cent of global anthropogenic greenhouse gas emissions can be attributed to the livestock supply chain. The European Commission's 8th Environment Action Programme (EAP), entered into force on the 2nd of May 2022, prioritizes the reduction of environmental and climate pressures related to consumption and production, with a special recognition to the food system. **As one of the largest pork-processing companies in Hungary, we devote ourselves to contribute to the aforementioned international climate goals with high-quality environmental protection, extensive corporate social responsibility and production of exceptional quality.**

On the 21st of February 2022, KOMETA became the very first Hungarian meat-processing company ever to issue green corporate bonds. Our green bonds, which were issued in the framework of the Central Bank of Hungary's Bond Funding for Growth Scheme, **had a total amount of HUF 12 billion, and a maturity of 10 years** ***(Table 1).*** In 2026 we publish our fourth Green Bond Report to brief about the advancement of our environmental achievements.

Table 1 – The main parameters of KOMETA'S 2022 green corporate bond[1]

International Securities Identification Number (ISIN)	HU0000361464
Issued amount (HUF million)	12 000
Coupon (per cent)	5 (fixed rate)
Date of issuance	21/02/2022
Maturity	21/02/2032
Tenor (years)	10
Bond rating	Scope: B+ (latest review as of 12/11/2025)[2]
Second Party Opinion	Cicero Green (issued on 27/01/2022)

As an environmentally conscious company, we are committed to organize our activity and investments on the basis of an environmentally sustainable mindset:

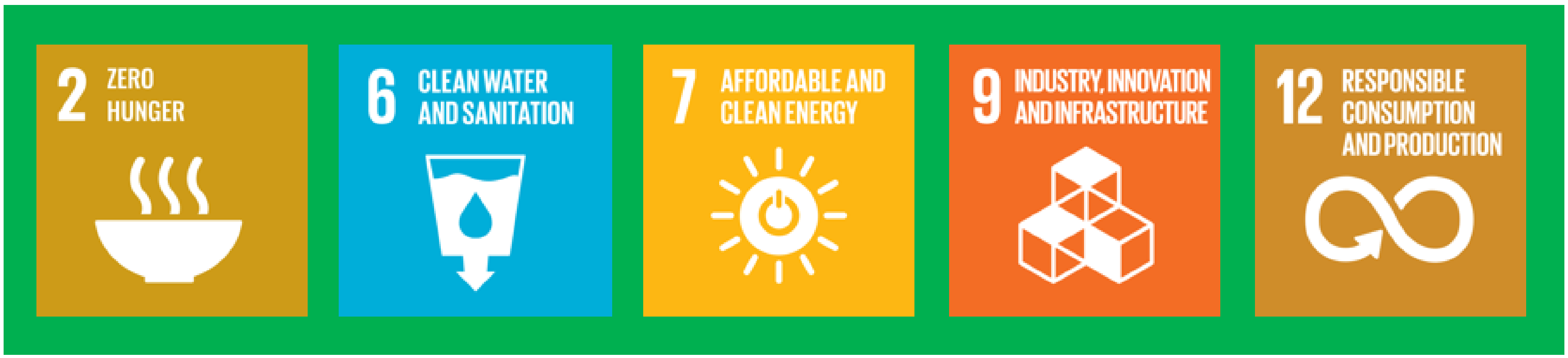
- **Water usage and management.** The meat industry traditionally has an excessive water consumption, but KOMETA is dedicated to minimize its water usage, and manage its wastewater in an environmentally friendly way. To pursue these ambitions, we utilize our own water withdrawal and treatment facilities.
- **Waste management.** We collect our non-hazardous waste to enable recycling, and we collect and manage hazardous waste in line with the relevant environmental and safety standards.

[1] In June 2022, the Appendix 1 of the Green Bond Principles (GBP) 2021 was updated to make a distinction between „Standard Green Use of Proceeds Bonds" (unsecured debt obligation) and „Secured Green Bonds" and to provide further guidance on green covered bonds, securitisations, asset-backed commercial paper, secured notes and other secured structures. Based on Appendix's classification, KOMETA's green bond (ISIN: HU0000361464) can be labelled as "Standard Green Use of Proceeds Bonds".
[2] On the 12th of November 2025, credit rating agency Scope Ratings had affirmed the B+/Stable issuer rating of KOMETA, and likewise affirmed its B+ senior unsecured debt rating.

- **Protection of air quality.** Most air pollutant materials are emitted via our natural gas fueled furnaces. Their modernization and replacement to more efficient ones large contribute to our efforts regarding the reduction of air pollutants.
- **Energy related investments**. In order to be more self-reliant and greener, we carry out larger scale PV (photovoltaics) and related infrastructure installments.

We are strongly committed to endorse all seventeen of the United Nations' (UN) Sustainable Development Goals (SDGs), but the issuance of our green bond specifically contributes to the following five SDGs:

- **SDG2:** End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.
- **SDG6:** Ensure availability and sustainable management of water and sanitation for all.
- **SDG7:** Ensure access to affordable, reliable, sustainable and modern energy for all
- **SDG9:** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- **SDG12:** Ensure sustainable consumption and production patterns.



3. SECOND PARTY OPINION OF KOMETA'S GREEN BOND FRAMEWORK

The Second Party Opinion (SPO) of our Green Bond Framework was provided by Cicero Green, an internationally recognized, leading provider of independent reviews for green bonds. According to the green finance experts of Cicero Green, KOMETA's green bond framework is in line with the four components of the International Capital Market Association's (ICMA) 2021 Green Bond Principles (GBP). Based on the review, our Green Bond Framework received the 'Cicero Light Green' grade.

I. USE OF PROCEEDS	**The use of KOMETA's green bond proceeds issued under the Green Bond Framework have to be in line with the International Capital Market Association's (ICMA) Green Bond Principles and provide clear environmental benefits. Our frameworks contain the following eligible project and asset categories:** • **Green buildings;**

	• **Environmentally sustainable food production;** • **Renewable energy;** • **Sustainable management of water and wastewater;** • **Pollution prevention and control.** **CICERO'S EVALUATION:** the proceeds of the green bond will be allocated for projects and assets with clear environmental benefits and hence will help to achieve the shift towards the UN SDGs, mentioned in the previous section.
II. PROJECT EVALUATION AND SELECTION	**The Company's project evaluation and selection process ensures that the green bond proceeds are allocated only to eligible projects and assets. KOMETA's Restricted Board (RB), which holds its meetings on a monthly basis, monitors the sustainable finance processes of the Company, and oversees the relevant green KPIs and sustainability targets, furthermore it is responsible for the annual green reporting. The RB has the following 6 members:** • **Chief Executive Officer (CEO);** • **Chief Operating Officer (COO);** • **Deputy Chief Executive Officer;** • **Chief Financial Officer (CFO)** • **Two independent Board Members.** **CICERO'S EVALUATION:** KOMETA's governance structure and processes are rated as 'Good'. The selection process is well defined and includes veto power by an environmental expert.
III. MANAGEMENT OF PROCEEDS	**The green bond proceeds are credited to the dedicated Green Portfolio of the Company, and they are tracked in a spreadsheet, which is maintained by the RB. The Green Portfolio serves as the basis for the related annual reporting. Regarding temporary holdings, unallocated funds may be invested in short-term, liquid interest-bearing securities or cash/cash equivalents.** **CICERO'S EVALUATION:** KOMETA's governance structure and processes are rated as 'Good'. The selection process is well defined and includes veto power by an environmental expert.
IV. REPORTING	**To enhance transparency, KOMETA publishes an annual report until full allocation of green bond proceeds. The report contains an Allocation Report and an Impact Report based on the availability of relevant measurable data and KPIs.** **CICERO'S EVALUATION:** Reporting metrics are reasonably well defined, and the issuer provides transparency on methodological.

3. ALLOCATION OF BOND PROCEEDS

As mentioned above, KOMETA is determined to allocate green bond proceeds for projects and assets that have significant environmental benefits. As of the end of 2025, we used the funds raised by green bonds as follows:

Name of the project	Green Bond Principles category	Green bond proceeds used (HUF million)	Status	Location
Expansion of meat product production capacity	Green buildings	*36 000**	under process	Kaposvár, HU
Construction of new water and wastewater networks	Sustainable water and wastewater management	2 000	under process	Kaposvár, HU
Solar power plant	Renewable energy	1 715	under process	Kaposvár, HU
Energy storage and energy management system	Environmentally sustainable food production	2 515	under process	Kaposvár, HU
Expansion of solar power plant	Renewable energy	1 000	under process	Kaposvár, HU

**Partially used*

Regarding the geographical distribution of our projects, 100 per cent of the allocated bond proceeds have financed Kometa 99 Zrt. investment operations in Kaposvar, Hungary.

4. IMPACT INDICATORS

We intend to present our projects' environmental benefits in each relevant GBP categories, by using the impact metrics detailed in our Green Bond Framework.

As the projects are not finished yet, the positive environmental effects of the use of the green bond proceeds can be expected later. Once the solar power plant becomes operational, it is expected to supply approximately 23% of the Company's current electricity demand from renewable energy sources.

APPENDIX – ABBREVATIONS

EAP: Environment Action Programme

EC: European Commission

EU: European Union

GBP: Green Bond Principles

GHG: greenhouse gas

ICMA: International Capital Market Assocation

ISIN: International Securities Identification Number

PV: Photovoltaics

SPO: Second Party Opinion