

Session 12:
Finance for Sustainable Investing

Finance for Sustainable Investing

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**2026 ASIAN REGIONAL FORUM
ON INVESTMENT MANAGEMENT
OF FOREIGN EXCHANGE RESERVES**

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2026 Asian Regional Forum on
Investment Management of Foreign
Exchange Reserves

FINANCE FOR SUSTAINABLE INVESTING

OUTLINE



- Summer of 26
- Sustainability initiatives
- Green bond portfolio
- Reporting
- Future directions



POLITICO

[crisis](#) [War in Ukraine](#) | [Newsletters](#) [NEW: Canberra Playbook](#) [NEW: Surge](#) [Podcasts](#) [Poll of Polls](#) [Policy new](#)

[NEWS](#) > [ENERGY AND CLIMATE](#)

Hungary faces energy crunch as drought shuts down Paks nuclear plant, PM says

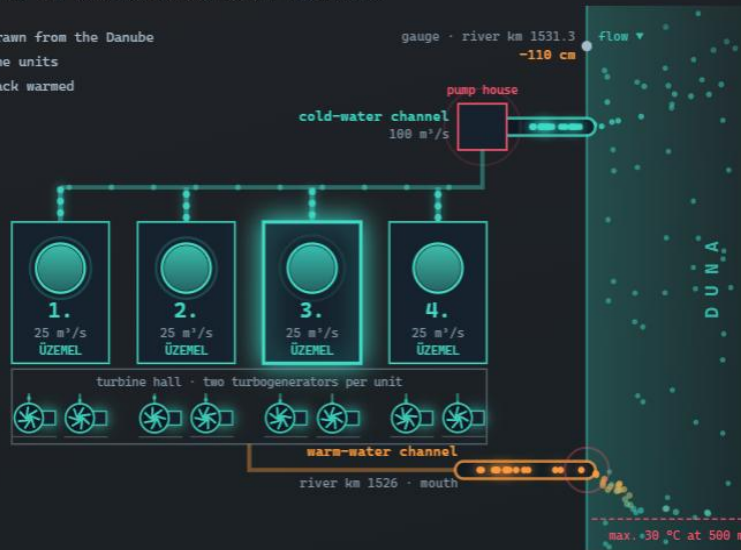
Budapest loses 40 percent of the country's electricity generation as water levels continue to drop.

SUMMER OF 26 II.

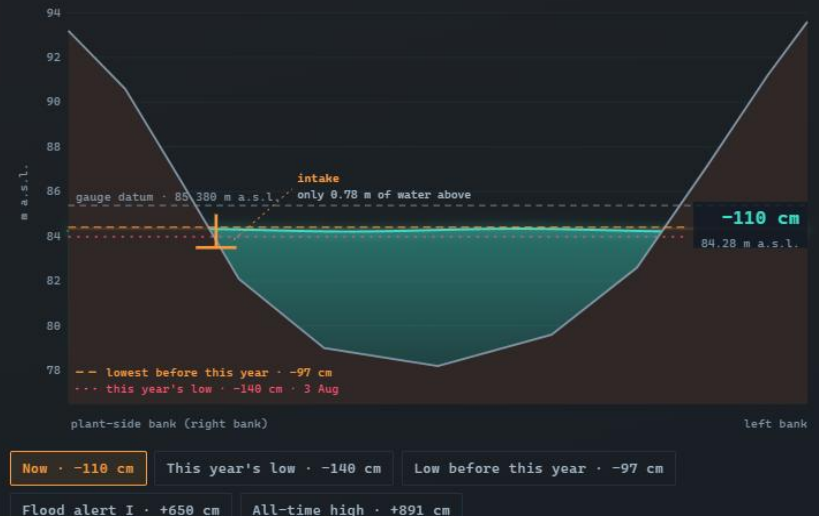


THE PLANT AND THE COOLING-WATER PATH - SCHEMATIC

- ① water drawn from the Danube
- ② cools the units
- ③ flows back warmed



CROSS-SECTION OF THE DANUBE AT PAKS



THE 2026 SHUTDOWN - DANUBE LEVEL AND PAKS OUTPUT

CLOSED PERIOD 25 Jul - 5 Aug 2026



MILESTONES OF THE GREEN INITIATIVES



- Green Program
- Central bank's green mandate
- Charter of Sustainable and Responsible Investments

GREEN PROGRAM - 2019



Objective: support the sustainable convergence of Hungary



- Financial sector
- Social and international relations
- Green transition of the operations of the Bank

Network for Greening the finance Initiative (NGFS)

THE BANK'S GREEN MANDATE



➤ Central Bank Act – 2021 Amendment

Article 3 (1) The primary objective of the MNB shall be to achieve and maintain price stability.

(2) Without prejudice to its primary objective, the MNB shall support the maintenance of the stability of the system of financial intermediation, the enhancement of its resilience, its sustainable contribution to economic growth; furthermore, the MNB shall support the government's economic policy and **its policy related to environmental sustainability**, using instruments at its disposal.

GREEN CHARTER - 2023



➤ Charter of Sustainable and Responsible Investments

Aim: set out objectives and guidelines for the Bank's foreign reserves investment strategy

➤ Main Pillars:

- Measurement
- Investment strategy
- Transparency
- Monitoring

GREENING THE FX RESERVE MANAGEMENT



- 2019 Separated Green Bond Portfolio
- 2023 AUM increase
- 2026 Management style change

SETTING UP A GREEN BOND PORTFOLIO IN 2019



- Separated Green Bond Portfolio
- AUM: EUR 250 million
- Management style: Enhanced passive
- Benchmark: Bloomberg MSCI Euro Green Bond Index
- Criteria: Use of Proceeds:
 - Green Bond/Loan
 - Sustainability Bond/Loan
- Duration target: 5 year (index duration)
- Duration limit: +/-0.25y
- Rating limit: A-/A3/A-
- Focus on the primary market

CHANGES IN 2023 AND 2026

➤ 2023

- AUM increased to EUR 500 million
- Transition: 1 year

➤ 2026

- AUM: EUR 500 million
- Management Style: active
- Duration target: 4 year
- Duration limit: +/-0.5 year (in line with other internally managed books)
- Rating limit: BBB-/Baa3/BBB-

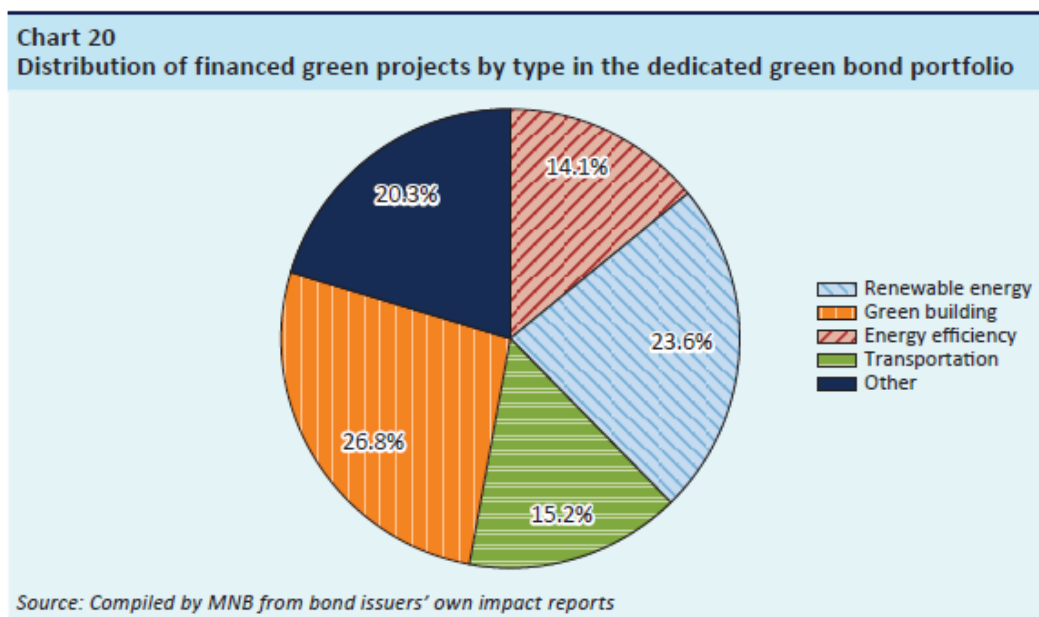
GUIDELINE CHANGES

- 2026 Guideline
- AUM: EUR 500 million
- Management Style: active
- Duration target: 4 year
- Duration limit: +/-0.5 year (in line with other internally managed books)
- Rating limit: BBB-/Baa3/BBB-

REPORTING



- Green Finance Report
- Climate-Related Financial Disclosures

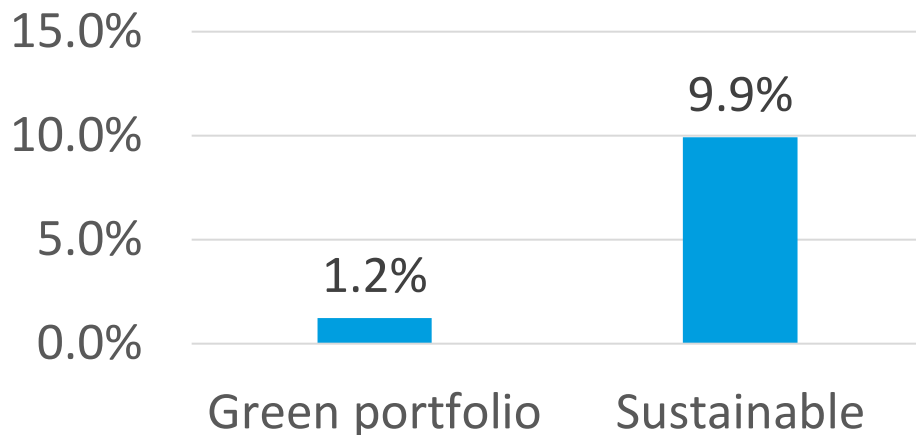


In 2025, the green bond portfolio contributed to the avoidance of approximately 123.000 tCO₂ emissions, which is roughly equivalent to the annual carbon footprint of a Hungarian settlement with a population of 20.000.

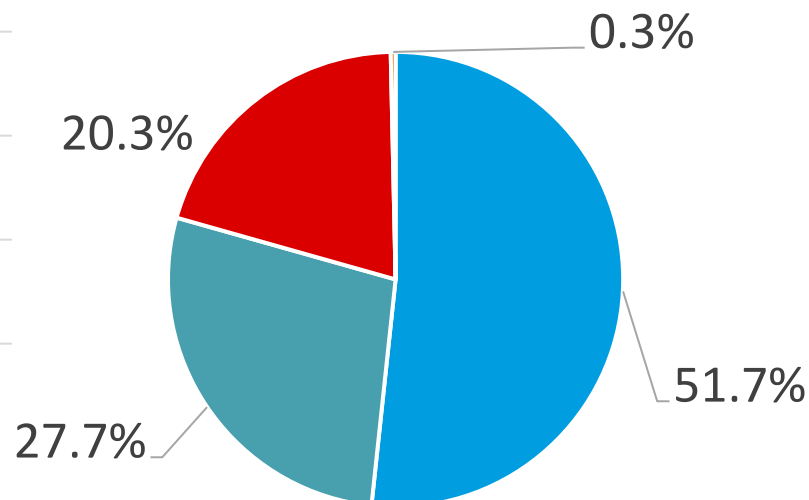
FULL EXPOSURE



All FX reserves

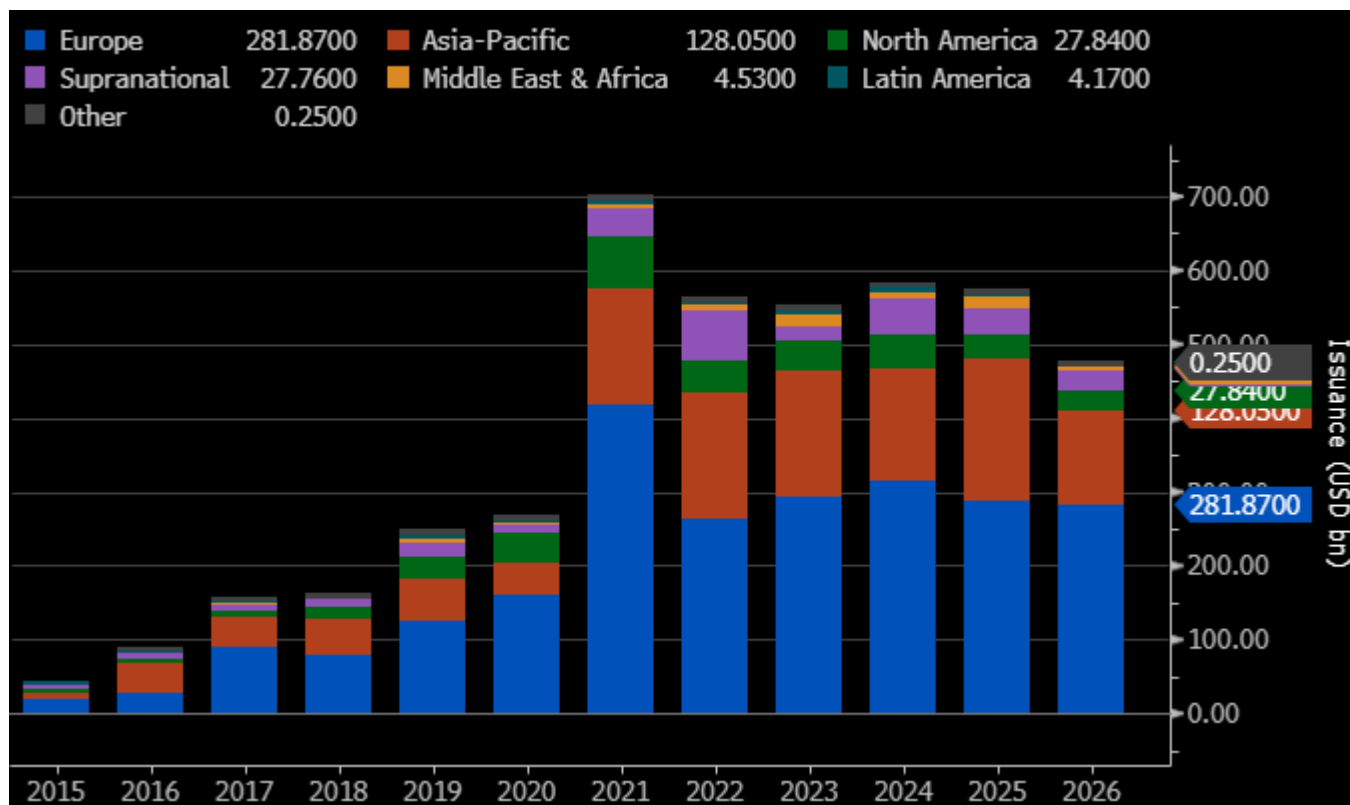


Sustainable distribution



Do we really need a separated portfolio?

CHANGING INTERNATIONAL ENVIRONMENT



Thank you for you attention!