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The official Annual Report and the Sustainability Statement therein are prepared in xhtml format as required by the respective laws and was disclosed in the reports folder of the digital file 529900CA1YDA41X76751-2025-12-31-1-en.zip. The official Annual Report and Sustainability Statement, along with the related audit opinions thereto, are available on the following webpage of Magyar Telekom: https://www.telekom.hu/about_us/investor_relations/financial



10 Consolidated sustainability statement

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General information

ESRS 2 – General disclosures

Introduction

Magyar Telekom Group regularly reports on its sustainability initiatives and achievements this year for the second time in the form of a Consolidated sustainability statement in accordance with the requirements of the Act C of 2000 on Accounting implementing the relevant provisions of the CSRD². This Consolidated sustainability statement is divided into the following sections 'General disclosures', 'Environmental topics', 'Social topics' and 'Business conduct'. In order to avoid duplication within the consolidated business/management report, references are made to further information in other chapters at appropriate points. In line with the following ESRS thematic standards, the Group reports on its approach to managing its impact on society and the environment as well as the risks and opportunities identified along its entire value chain:

- E1 – Climate change
- E5 – Resource Use & Circular Economy
- S1 – Own workforce
- S2 – Workforce in the value chain
- S4 – Consumers and end-users
- G1 – Business conduct
- G-Company Specific: Cybersecurity

Section 134/J (1) of the Accounting Act stipulates that the Group must prepare its consolidated business report in the electronic reporting format (XHTML) as specified in Commission Delegated Regulation (EU) 2019/815 (ESEF Regulation). Additionally, the sustainability disclosures defined by the ESEF taxonomy in the consolidated sustainability report are required to be marked up using the XBRL markup language, including the disclosures mandated by Article 8 of Regulation (EU) 2020/852. As the ESEF taxonomy for sustainability reporting has not yet been adopted when preparing the Consolidated sustainability statement, the Company has not been in a position to complete the XBRL tagging for the Consolidated sustainability statement.

The following index reflects the general disclosure requirements of the standard 'ESRS 2 – General Disclosures'.

ESRS-Index according to ESRS 2 IRO-2

Disclosure	Designation	Remarks
ESRS 2 General information		
ESRS 2 BP-1	General basis for preparation of sustainability statements	
ESRS 2 BP-2	Disclosures in relation to specific circumstances	
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	
ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies	
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	
ESRS 2 GOV-4	Statement on due diligence	
ESRS 2 GOV-5	Risk management and internal controls over sustainability reporting	
ESRS 2 SBM-1	Strategy, business model and value chain	
ESRS 2 SBM-2	Interests and views of stakeholders	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Use of phase-in option for ESRS 2 SBM-3 §48e
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	
ESRS 2 IRO-2	Disclosure Requirements in ESRS covered by Magyar Telekom Group's sustainability statement	

² Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022, amending Regulation (EU) No 537/2014 and Directives 2004/109/EC, 2006/43/EC, and 2013/34/EU as regard corporate sustainability reporting.

Basics for preparation of sustainability statements

ESRS 2 BP-1 – General basis for preparation of sustainability statements

This sustainability statement was prepared on a consolidated basis. The Consolidated sustainability statement includes Magyar Telekom Plc. and its subsidiaries, in line with the Group's Consolidated financial statements. If certain data points or descriptions do not cover the whole Group, this is clearly-stated in the relevant part of the Consolidated sustainability statement.

The Consolidated sustainability statement covers both Magyar Telekom Group's own operations and the upstream and downstream value chain. The materiality assessment of impacts, risks and opportunities (IROs) covered the value chain from raw material extraction to end-of-life treatment. The extent to which policies, actions, targets, and data extend to the value chain is specified under the respective disclosures.

The time horizons applied in the Consolidated sustainability statement correspond to the time horizons defined by ESRS (short-, medium-, long-term).

In the preparation process, the option of omitting certain information relating to intellectual property, know-how or the results of innovation has not been taken. Information on upcoming developments or matters currently in the negotiation phases has not been included in this report.

ESRS 2 BP-2 – Disclosures in relation to specific circumstances

Any changes and errors that occurred in the preparation and presentation of sustainability information compared to the previous reporting period are specified in the respective disclosures. Within the Magyar Telekom Group, the calculation methodology for Scope 1, Scope 2, and Scope 3 greenhouse gas emissions has been updated. This new methodology aims to standardize consolidated, group-level data collection and analysis, while also considering local specificities. This harmonized approach supports consistent calculations globally across the Deutsche Telekom Group and enhances the clarity of the reported data.

Sources of estimation and outcome uncertainty identified in case of Scope 3 emissions. Due to lack of primary data, especially in the upstream and downstream value chain, and lack of product-related emission factors, estimates have been used to determine greenhouse gas (GHG) emissions from the use of products and services. Emission factors cannot be determined exactly for each individual product thus an average value has been used in the upstream value chain. The degree of accuracy is supported by the application of emission factors from reliable sources.

Application of information by reference is used in the following cases: information required in ESRS 2 GOV-1 on the expertise and skills of Board of Directors, Management, Supervisory Body and Audit Committee is incorporated by reference.

Governance

ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies

The **Board of Directors** is the management body of Magyar Telekom Plc. and represents the Company with regard to third parties, in court and before other authorities. The members of the Board of Directors shall conduct the management of the Company by giving primacy to the interests of the Company. The Board of Directors is not an operative management body, in other words, the Board of Directors is not involved in the Company's daily business. The Board of Directors is responsible for all matters relating to the Company's management and course of business not otherwise reserved for the General Meeting or to other corporate bodies by the Articles of Association of the Company or by law. The Board of Directors operates based on its Rules of Procedure. The Civil Code does not include requirements with regard to the independence of the members of the Board of Directors if besides the Board of Directors there is also a supervisory board operating at the company. The members of the Board of Directors shall be elected by the General Meeting.

On December 31, 2025, the Board of Directors had 8 members, 2 internal (executive) and 6 external (non-executive) members with 3 independent (all non-executive) (37.5%) and 5 non-independent (62.5%) members among them. Members of the Board of Directors by gender: 7 men (87.5%) and 1 woman (12.5%).

Further information on the Board of Directors is available under Section 2.2. „Board of Directors” of this Consolidated business /management report or under the [Corporate Governance site of Magyar Telekom’s website](#).

The **Management** of the Magyar Telekom Plc. comprises of the Chief Executive Officer and other Chief Officers and operates as a ‘Leadership Squad’ based on agile methodology. The Chief Financial Officer is responsible for providing reports on sustainability activities to the Board of Directors at least once a year.

On December 31, 2025, members of the Management by gender: 5 men and 1 woman.

Further information on the Management is available under Section 2.3. „Management” of this Consolidated business /management report or under the [Corporate Governance site of Magyar Telekom’s website](#).

The **Supervisory Board** of Magyar Telekom Plc. supervises the management of the members (shareholders) of the Company in order to protect the interests of the Company. The members of the Supervisory Board are independent of the management of the Company and cannot be instructed in the course of their activities. The Supervisory Board carries out its activities based on its Rules of Procedure that are established by the Supervisory Board. According to the Articles of Association the Supervisory Board shall be comprised of 5 members. 3 members of the Supervisory Board must be independent from time to time in accordance with the applicable provisions of the Civil Code and 2 members of the Supervisory Board must be employees of the Company. The General Meeting shall elect the members.

On December 31, 2025, the Supervisory Board had 5 members with 3 non-executive and independent (60%) and 2 employee representatives and non-independent (40%), members. Members of the Supervisory Board by gender: 3 men (60%) and 2 women (40%). Further information on the Supervisory Board is available under Section 2.4. „Supervisory Board” of this Consolidated business/management report or under the [Corporate Governance site of Magyar Telekom’s website](#).

The General Meeting elects a 3-member **Audit Committee** from the independent members of the Supervisory Board for the same period as the membership of the relevant members in the Supervisory Board. The purpose of the Audit Committee is to support the Supervisory Board in supervising the financial reporting system, in selecting the Statutory Auditor and in cooperating with the Statutory Auditor (including the activities aimed at providing assurance on the sustainability report). The Audit Committee informs the General Meeting of the Company of the outcome of the statutory audit activity and assurance on the sustainability statement, explaining how the statutory audit activity and the assurance activity on sustainability reporting contributed to the integrity of financial and sustainability reporting respectively, and the role of the Audit Committee in the reporting process. The Audit Committee operates based on its Rules of Procedure. The Audit Committee establishes its own Rules of Procedure, approved by the Supervisory Board.

On December 31, 2025, the Audit Committee had 3 non-executive and independent (100%) members. Members of the Audit Committee by gender: 2 men and 1 woman.

Further information on the Audit Committee is available under Section 2.5. „Audit Committee” of this Consolidated business/Management report or under the [Corporate Governance site of Magyar Telekom’s website](#).

The ESG Center of Expertise (‘ESG CoE’), of which several employees are certified sustainability managers, is responsible for the coordination of governance and environmental topics. The Corporate social responsibility (CSR) and Diversity and Inclusion Experts are responsible for social topics. The ESG Squad is a cross-functional team of experts that serves as a central, operative forum for identifying, solving, and driving ESG-related tasks, facilitating decision-making and coordination across the organization.

To ensure that employees have the appropriate skills and expertise, internal training platforms are available to all employees, offering numerous opportunities related to sustainability matters.

ESRS 2 GOV-2 – Information provided to, and sustainability matters addressed by the administrative, management and supervisory bodies

Responsibilities of governance, control, and monitoring of sustainability matters, along with the detection, assessment and management of associated impacts, risks and opportunities, are not confined to any single role or committee within the Group. Respective obligations of detection, assessment and management of sustainability related impacts, risks and opportunities are being defined along the internal corporate policies, the Organizational and Operational Regulations of the company, the Rules of Procedure of the Board of Directors and the Rules of Procedure of the Audit Committee. Monitoring of risks and opportunities is part of the regular risk management process. A quarterly risk report is prepared under the responsibility of the Chief Financial Officer.

Management controls of certain impacts, risks and opportunities are covered by the Internal Control System (ICS), which is subject to an annual independent audit based on management risk assessment.

The ESG CoE regularly informs ESG Squad about important sustainability indicators and developments in the sustainability area. In 2025, the ESG Squad was notified about the process of double materiality assessment review and as a result, the material impacts, risks and opportunities. The CEO and the CFO are jointly responsible for setting the strategic direction of sustainability operations outlining strategy, goals, performance metrics and internal guidelines. The Management ('Leadership Squad') is informed about sustainability matters on an ad-hoc basis. The Rules of Procedure of the Board of Directors does not include the responsibility for developing, approving, and updating the organization's mission, strategies and policies related to sustainable development. The Board of Directors are informed about the most important sustainability matters once a year according to the relevant internal policy, risks and opportunities.

The Rules of Procedure of the Board of Directors, the Supervisory Board, and the Audit Committee do not include the responsibility of developing, approving and updating the organization's mission, strategies and policies related to sustainable development. The Supervisory Board and the Board of Directors of Magyar Telekom Plc. take impacts, risks and opportunities into account when monitoring the strategy, the Company's decisions on important transactions and the risk management procedures in the risk management area.

ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes

The annual bonus of the Management of Magyar Telekom Plc. is a set percentage of the base wage paid proportionately to the performance targets determined by the Remuneration and Nomination Committee of Magyar Telekom Plc. In 2025, the targets (40% financial, 40% strategic and 20% ESG) derived from the strategic objectives defined for the specific business year.

Such an incentive is not available for the members of the Board of Directors, the Supervisory Board and the Audit Committee, as their fixed-amount remuneration is determined by the General Meeting.

The sustainability indicator is equally composed of energy consumption and CO2 emission (scope 1 + 2) factors. The Remuneration and Nomination Committee adopts the annual targets and their performance levels annually in light of the Company's strategic objectives and corporate responsibility principles.

Further detailed information on Magyar Telekom Plc's Remuneration Policy and Remuneration Report, the members of the Board of Directors, the Supervisory Board and the Management is available under the [Corporate Governance site of Magyar Telekom's website](#).

This incentive is also implemented at certain lower managerial level at Magyar Telekom Plc. and Telekom Rendszerintegráció Zrt. is described in the relevant internal regulation, which is evaluated, recognized and paid based on target achievement (40% financial, 40% strategic and 20% ESG).

Similar incentive schemes and remuneration policies are implemented at Makedonski Telekom AD. Other subsidiaries of Magyar Telekom Plc. have not yet introduced an incentive scheme covering sustainability related KPI-s.

ESRS 2 GOV-4 - Statement on due diligence

The following overview shows how and where the most important aspects and steps of the due diligence process are taken into account in the Consolidated sustainability statement.

Overview of the key aspects and steps of the due diligence process in the Consolidated sustainability statement

Key elements of the due diligence process	Chapters and sub-chapters in the Consolidated sustainability statement	Chapter
Integrating due diligence into governance, strategy and business model	ESRS 2 GOV-2: Information provided to, and sustainability matters addressed by the administrative, management and supervisory bodies ESRS 2 GOV-3: Integration of sustainability-related performance in incentive schemes and ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.	ESRS 2, E1, E5, S1, S2, S4, G1
Involvement of stakeholders in key steps of due diligence procedures	ESRS 2 GOV-2: Information provided to, and sustainability matters addressed by the administrative, management and supervisory bodies, ESRS 2 SBM-2: Interests and views of stakeholders, ESRS 2 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities, ESRS 2 SBM-3 E1 – Material impacts, risks and opportunities and their interaction with strategy and business model ESRS E1-2 – Policies related to climate change mitigation and adaptation ESRS E5-1 – Policies related to resource use and circular economy ESRS S1-1 – Policies related to own workforce ESRS S2-1 – Policies related to value chain workers ESRS S4-1 – Policies related to consumers and end-users ESRS G1-1 – Business conduct policies and corporate culture	ESRS 2, E1, E5, S1, S2, S4, G1
Identification and assessment of negative impacts	ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities (including application requirements in relation to specific sustainability aspects in the relevant ESRS) and ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS 2, E1, E5, S1, S2, S4, G1
Measures against these negative effects	ESRS E1-3 – Actions and resources in relation to climate change policies ESRS E5-2 – Actions and resources related to resource use and circular economy ESRS S1 – 4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions ESRS S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action ESRS S4-4 – Taking action on material impacts on consumers and end-users and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions measures and approaches ESRS G1-3 – Prevention and detection of corruption and bribery	E1, E5, S1, S2, S4, G1
Tracking the effectiveness of these efforts and communication	Goals ESRS E1-4 – Targets related to climate change mitigation and adaptation ESRS E5-3 – Targets related to resource use and circular economy ESRS S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities ESRS S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities ESRS S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities Key figures ESRS E1-5 – Energy consumption and mix ESRS E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions ESRS E1-7 – GHG removals and GHG mitigation projects financed through carbon credits ESRS E1-8 – Internal carbon pricing ESRS E5-4 – Resource Inflows ESRS E5-5 – Resource Outflows ESRS S1-6 – Characteristics of Magyar Telekom Group's employees ESRS S1-8 – Collective bargaining coverage and social dialogue ESRS S1-9 – Diversity metrics ESRS S1-12 – Persons with disabilities ESRS S1-14 – Health and safety metrics ESRS S1-16 – Compensation metrics (pay gap and total compensation) ESRS S1-17 – Incidents, complaints and severe human rights impacts	E1, E5, S1, S2, S4,

ESRS 2 GOV-5 - Risk management and internal controls over sustainability reporting

Internal control system: The Management is committed to establishing and operating an adequate level of internal controls to ensure the reliability of financial reporting and to ensure covering the most relevant financial, operational and compliance risks and to ensure reasonable assurance on financial statements. From 2021 onwards, the internal control system includes Corporate Responsibility as a separate area, with dedicated controls to cover the risks associated with this function, the number of which significantly increased in 2023 and were adjusted in 2024. The controls cover the process of Deutsche Telekom Group wide data collection through a dedicated system, which provides data for the Consolidated sustainability statement. The operation of the internal control system is regularly audited by independent audit functions.

Risk management procedures: Risk factors affecting the operations of Magyar Telekom Group are reviewed regularly. The risk reporting process requires all divisions and subsidiaries to report significant risks identified in the Group's operation. This also includes ESG-related risks together with risks related to the sustainability reporting process. In the year under review, no risks were identified in relation to the CSRD sustainability reporting process.

Following risk evaluation based on a pre-defined threshold and methodology, the results are presented to the Board of Directors and the Audit Committee. Quarterly reporting ensures that management is aware of the risk environment, that risk factors are taken into consideration when establishing strategy, that risks are actively managed, that up-to-date risk mitigation measures are in place and regularly followed up. For a more detailed description of the risk management system, please see Section 8. Internal controls, risks and uncertainties of the Consolidated business/management report.

Consolidated sustainability statement preparation process: Magyar Telekom Group has established an internal process to perform the review of the draft Consolidated sustainability statement prior to publication at expert, management and supervisory body levels. As part of the Consolidated business/management report, the Consolidated sustainability statement is submitted to the Board of Directors, the Audit Committee and the Supervisory Board.

The following circumstances have been identified as key factors affecting sustainability reporting and their mitigation. The report contains estimations which are clearly highlighted in the relevant sections. The applied assumptions and estimation methodologies were assessed by the external auditor. Recommendations and measures received during audits and internal control system testing are considered and implemented into the processes to integrate the findings.

The ESG CoE informs ESG Squad about important sustainability indicators and developments with respect to sustainability area, including the result of the audit of the Consolidated sustainability statement, its key findings and recommendations.

Regular reports ensure that management receives the latest information about key findings of any audit. The Board of Directors, the Audit Committee and the Supervisory Board receive audit report summaries from internal auditors on findings of audits and results of the internal control system testing.

Strategy

ESRS2 SBM-1 – Strategy, business model and value chain

Magyar Telekom Group is the leading information and communication technology provider in Hungary and in North Macedonia, providing a full suite of telecommunications and IT services. Magyar Telekom Group is present in Bulgaria and in Romania serving B2B and wholesale customers on the Group's fixed networks.

The chart below shows the value chain that was assessed across business units, including the inputs used in and outputs derived from the Group's business model. The potential impacts, risks and opportunities of the telecommunications industry were considered as part of a double materiality assessment. The possible relationships with the value chain and business model were examined. The material potential impacts, risks and opportunities are explained under the standards. The content of ESRS Standards was considered as part of the assessment within each section of the value chain.

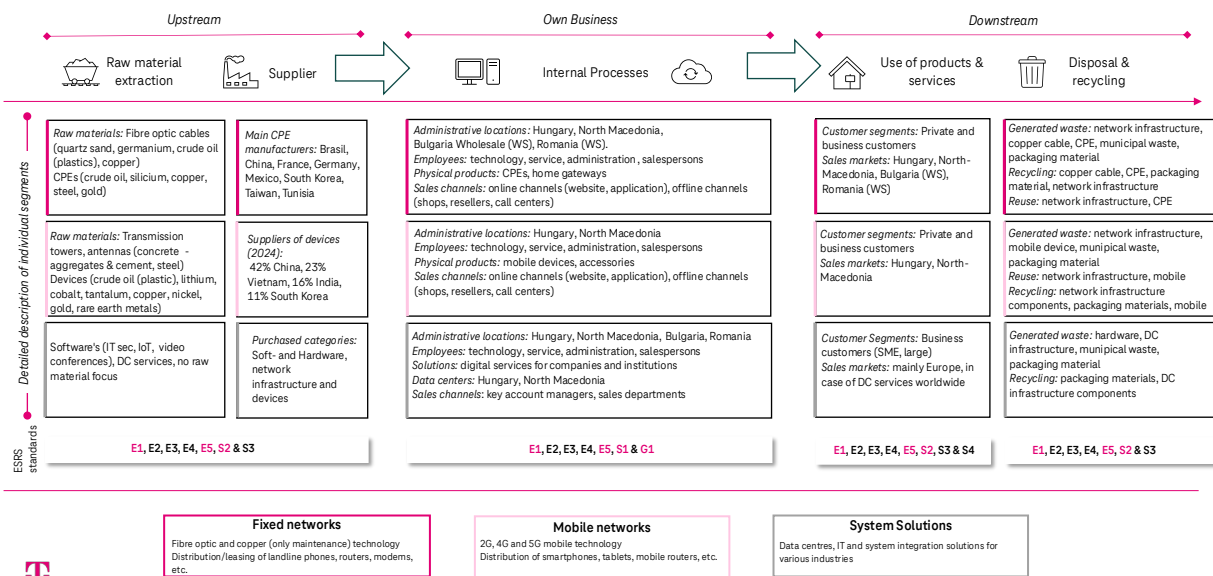
Magyar Telekom Group's supplier network is complex and diverse, as the Group requires many different products and services for its operations. The relationship between the Group and its partners is characterized not only by close cooperation but also by mutual dependency. Both parties work to reach common goals and promote sustainable practices. Generally, suppliers can be categorized as follows:

- Network equipment suppliers: These include companies that supply the equipment needed to build and maintain the network, such as cables, optical devices, antennas, servers, and other hardware. Typically, such suppliers are large international technology companies.
- Software suppliers: Software is essential for Magyar Telekom Group to operate its IT systems and provide its services. Software vendors can be large software companies as well as smaller, specialized software development firms.
- IT service providers: IT service providers are companies that assist in the operation, maintenance, and development of Magyar Telekom Group's IT systems.
- Content providers: Companies that provide the content needed for television and other content services. These can include, for example, television channels, film studios, or online streaming providers.
- End-user device suppliers: This category includes companies that provide mobile phones, tablets, modems, and other customer premises equipment (CPE) to Telekom.
- Other service providers: These include other services necessary for operation, such as logistics, marketing, consulting, or security services.

The full list of Magyar Telekom Group's suppliers is confidential and as such not publicly disclosed.

Magyar Telekom Group's customers can be divided into residential business and wholesale customers. Residential customers are individuals who use fixed and mobile communications services, whereas business customers are small and medium-sized enterprises, large enterprises, institutions, organizations and public sector entities that use specialized business solutions and services. Wholesale customers are other service providers who utilize Telekom's network infrastructure and services to serve their own customers. The products of the Group are split into mobile, fixed and SI/IT services. The customers with mobile services can be split into pre-paid and post-paid based on payment type. The relationship between Magyar Telekom Group and its customers is defined by high service quality standards and customer satisfaction.

MAGYAR TELEKOM GROUP - VALUE CHAIN



An overview of the Group's employee base by country is presented in the Chapter of ESRS S1-6 - Characteristics of the Magyar Telekom Group's employees.

At the time of the preparation of this statement, sector specific ESRS Standards for the telecommunication sector have not yet been published and additional significant ESRS sectors are not relevant for Magyar Telekom Group. The breakdown of total revenue is presented in Notes 18.3.1 Disaggregation of revenue from contracts with customers and 32.2.1 Information regularly provided to the CODM of the Consolidated financial statements.

The main objective of Magyar Telekom Group's 5th sustainability strategy is to remain the leading sustainable company by putting digitalization to the service of the development of people, families and businesses, and the protection of the environment. The main guiding principle of the strategy is to maintain a leading role in sustainability as an ICT service provider. Long-term goals are set up till 2030. These are monitored and will be updated, if necessary, in line with emerging trends or changes in the operating environment.

Magyar Telekom Group's sustainability strategy focuses on climate protection, digitalization, inclusivity and diversity.

Climate protection: Magyar Telekom Plc. and Telekom Rendszerintegráció Zrt. have set a target to reduce emissions - direct (Scope 1) and indirect (Scope 2) - by a total of 80% by 2030 (compared to 2015), furthermore their aim is to reduce other indirect emissions (Scope 3) associated with the companies by a total of 30% by 2030 (compared to 2017). Sub-goals were not defined. Scope 1-2-3 reduction can be reached through many ways, and they can be shaped depending on the external circumstances.

Besides the sustainability strategy, Magyar Telekom Plc. is committed to achieving its Science Based Target Initiative (SBTi) targets to reduce Scope 1-2 emissions by 84% till 2030 (compared to 2015); and Scope 3 emissions by 30% till 2030 (compared to 2017).

The Group's strategic goals are to offset its remaining emissions each year, and to source electricity required for its operations from renewable sources. The latter is achieved by signing long-term power purchase agreements (PPAs) and purchasing renewable certificates (guarantee of origins, GoOs'). Furthermore, Magyar Telekom Plc. aims to increase the capacity of its onsite renewable energy production.

As part of the climate pillar of its sustainability strategy, the Group also strives to lead the way in implementing circular economy by 2030. This includes a volume increase in the mobile phone collection initiative, reducing the amount of technical waste ending up in landfill while also ensuring 100% sustainable packaging of own-brand products.

Digitalization: Magyar Telekom Plc. is committed to building a gigabit-capable fixed network covering additional 1 million homes and businesses in four years, making the fixed gigabit-capable network infrastructure available to 4.5 million Hungarian homes and businesses by the end of 2027. In addition, the Company has also accelerated the rollout of its 5G coverage, resulting in an increase to close to 99% population-based outdoor 5G coverage by 2026. With the development of its fixed and mobile infrastructure, Magyar Telekom Plc. also aims to contribute to the improvement of digital skills, fostering businesses' competitiveness, integrating digital solutions, encouraging greater use of emerging technologies, strengthening research, development and innovation, and increasing the uptake of data-based solutions.

Inclusivity and diversity: As an employer, Magyar Telekom Plc. aims to achieve a 100% accessible and inclusive employee experience by 2030, including the aim of increasing the ratio of female managers, reducing the gender pay gap and focusing on LMBTQI and Roma integration. The European Accessibility Act (EAA) applies to most of the different elements of services and products the Group provides from June 28, 2025 - with a few exceptions from 2030 - so that they must be accessible to customers with disabilities. This includes websites and apps (both with WCAG compliance), the ICT products the Company uses to provide services, the ICT products the Company sells, and the electronic communications services provided.

The sustainability strategy and corporate strategy are inter-linked. Magyar Telekom Plc. has a deep commitment to driving digitalization across Hungary while maintaining its leading position as an integrated service provider. To support these



goals, it prioritizes digitalization and IT transformation. This is evident in the sustainability strategy namely to use the opportunities offered by digitalization for the benefit of society_at large. Magyar Telekom Group also emphasizes its role in transforming customers' digital lives. Efficiency improvement is a key part of the general strategy, which is closely linked to the climate protection pillar of the sustainability strategy. In executing its strategy, Magyar Telekom Plc. strives to be a decisive and timely, responsive and agile service provider. To this end, it has launched a cultural transformation program using new ways of working. Research shows that an inclusive and diverse workplace fosters creativity and efficiency, creating a link between strategies.

ESRS 2 SBM-2 – Interests and views of stakeholders

Magyar Telekom Plc. engages with its stakeholders to understand their interests and views through a variety of channels: direct interviews questionnaires, research conducted by external partners and business events.

The insights gathered from this engagement are a crucial input and influencing the business model, ESG strategy, ESG operation plan, the involvement of stakeholders in the preparation of the Group's materiality assessment has been an important factor in recent years. Stakeholders are those groups that are 1) affected by Magyar Telekom Group or 2) have an impact on Magyar Telekom Group. They are also the primary users of the Consolidated sustainability statement. In alignment with the ESRS standards methodology, functions were allocated to both newly identified and existing stakeholders, aiding in the identification and validation of Magyar Telekom Group's material topics.

The ESG CoE conducted a comprehensive stakeholder review in H1, 2025. Stakeholder engagement is ensuring that sustainability-related disclosures are relevant, complete, and aligned with the principles of transparency and inclusiveness. The stakeholders with validating and input function were involved by questioners and/or interviews. The following table presents the key stakeholder groups, their respective functions in the CSRD reporting process, and the methodology of how they were approached.

Stakeholder	Function in CSRD Reporting Process	Methodology
CEO & CFO	Approval function	Official approval on finalized report
Board of Directors	Approval function	Official approval on finalized report
Supervisory Body	Approval function	Official approval on finalized report
Audit Committee	Approval function	Official approval on finalized report
Shareholders	Validating and providing input function	Direct: questionnaire; Indirect: interview with Magyar Telekom Investor Relations CoE, overview of the investors; evaluation of the questionnaire and strategic direction
Customers (B2C, B2B)	Validating and providing input function	Direct: questionnaire on material topics
Suppliers	Validating and providing input function	Direct: questionnaire; Indirect: questionnaire with MT's suppliers on material topics
Employees	Validating and providing input function	Direct: questionnaire on material topics
Future Generations	Validating and providing input function	Direct: questionnaire on material topics
Media and NGOs	Validating and providing input function	Direct: questionnaire on material topics

The results of the stakeholder review were shared with the CFO and the ESG squad.

ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The main impacts, risks and opportunities of Magyar Telekom Group and their interactions with the strategy and business model are described in the respective topic standards. The ESRS topics identified as material are examined in detail in the respective chapters and corresponding strategies, goals, measures and key figures related to the main impacts, risks and opportunities are reported.

The detected positive and negative environmental, social and governance material impacts are described in the respective standard topic chapters of this Consolidated sustainability statement. The description of each material impact also includes information on whether the Group causes the impact, contributes to the impact or relates to the impact and indicates the specific sections of the value chain which are affected by the particular impact. The description of each potential material impact contains reference to the time horizon of their expected impact based on the ESRS time horizon terminology. The identified material risks and opportunities are described in a qualitative way. The Group omits the information prescribed by ESRS 2 SBM-3 paragraph 48(e) (anticipated financial effects of material risks and opportunities) for the second year of preparation of its Consolidated sustainability statement.

At the start of 2023, sustainability strategy objectives were revised to better align them with the overall strategical directions, reflect the changing external and internal circumstances and to base the objectives on more accurate calculations. Some of the previous strategic sub-objectives were affected by risks related to the price and availability of fossil fuels, as well as the increased energy demand for 5G services and data centers. As a result, amendments have been made to the sustainability strategy to level up its resilience. The ESG CoE oversees the implementation of the group-wide strategy, monitors the Group's sustainability related impacts, risks and opportunities, and has the authority to refine the strategy as needed and secure approval from the appropriate governing bodies. In 2025, due to the resilience of the operations, no IRO-s have been identified that would have required such interventions.

The respective standard topic chapters of this Consolidated sustainability statement declare if the detected impacts, risks and opportunities are covered by ESRS disclosure requirements or covered by entity-specific disclosures. Risks and opportunities are disclosed in a qualitative manner, and the Group uses the phase-in option of quantitative data.

The material risks and opportunities did not have any relevant current financial effects on our financial position, financial performance, and cash flows in the reporting year.

The following table provides an overview of the impacts, risks and opportunities covered by additional entity-specific disclosures instead of standard topic data points.

Company-specific disclosures

Impact, Risks and Opportunities	Company-specific disclosure	Chapter
Magyar Telekom Plc. aims to achieve a positive impact on society. Besides the development of the network, increasing digital maturity of society is also part of the strategy.	ESG KPI "Beneficiaries – Digital Society"	ESRS S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Management of sustainability impacts, risks and opportunities

ESRS 2 IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities

In order to identify impacts, risks, and opportunities (IROs), the Group conducted a comprehensive double materiality analysis in 2024. Numerous expert consultations were held to ensure a bottom-up approach. In addition, in line with a top-down approach, an examination was conducted to determine which IROs are applicable to Magyar Telekom according to ESRS reporting standards. During the mapping of IROs, the entire value chain and all sustainability aspects were examined.

The Consolidated sustainability statement considers Magyar Telekom Group's upstream and downstream value chain. To consider Magyar Telekom Group's business efficiently and realistically at the same time, the following basic assumptions were made when considering the value chain as part of the materiality assessment:

- Magyar Telekom Group's activities are reported under fixed, mobile and SI/IT services.
- Magyar Telekom Group, as a service provider, does not produce itself, but sells the products of its suppliers. These are primarily manufacturers of mobile devices. Given the substantial market power of Magyar Telekom Group's suppliers, the Group has minimal influence on the raw material extraction of its merchandise and does not establish a direct connection between these activities and its own business model.
- Given the centralized nature of procurement decisions and processes, the analysis of Magyar Telekom Group relies on the findings of Deutsche Telekom Group's upstream value chain analysis.

To determine impacts, risks and opportunities, the Group conducted a comprehensive double materiality analysis in 2024. The materiality analysis follows the concept of double materiality and consists of two perspectives: impact materiality and financial materiality. The first perspective examines the company's effects on the environment and society, while the second analyses the financial risks and opportunities arising from environmental and social issues for the company. A sustainability issue becomes material when it has significant negative and/or positive impacts and/or significant financial risks and opportunities. To identify and prioritize key issues, both perspectives need to be taken into account. Magyar Telekom Group has kept the 2024 methodology for identifying, assessing, prioritizing and monitoring the potential and actual impacts of the Group: the due diligence process was based on the ESRS dimensions of severity and probability of occurrence. Based on these criteria, an evaluation scheme was used to assess the relevance of positive and negative, actual and potential impacts. For the assessment of the actual and potential impacts, the following aspects were considered when determining the severity of impact, using a five-point scale based on the recommendations of the European Financial Reporting Advisory Group's (EFRAG) Implementation Guidance of December 2023:

- Extent: how severe is the impact? (1 very low – 5 very high)
- Scope: how widespread is the impact? (1 limited local - 5 global)
- Irreversibility: how difficult is the impact to counteract (only for negative effects)? (1 simple – 5 impossible)

Potential impacts were also assessed according to their probability of occurrence and the time horizon (short, medium or long-term) with the same scoring method. For each impact, the value creation stage at which it occurs or could occur was also determined. The materiality threshold was 70% of the average of the scores for the various criteria above.

In 2025, the double materiality assessment was reviewed to validate the material topics that were identified in 2024 and potentially add new relevant topics. The threshold for the IROs' subject to review was established at 60% of the average scores, in consideration of the parent company's methodology. In addition, updated stakeholder inputs regarding any emerging areas of significance were taken into account.

During the double materiality assessment, 41 material impacts were identified in 2025. For easier manageability, these impacts were grouped under broader thematic categories.

In 2024, the following process was used for identifying, assessing, prioritizing and monitoring the **risks and opportunities** of the Group related to sustainability issues that have or may have financial effects: the scheme of the financial materiality analysis follows the four-stage evaluation logic of established risk and opportunity management. In order to determine financial risks and opportunities, an inventory was created. The opportunities and risks are also assessed in close collaboration with our central Risk Management team. Regular synchronisation meetings and established protocols facilitate the exchange of information and insights where the prioritisation of sustainability-related risks relative to other risks is determined. These risks and opportunities were then assessed, assigned to ESRS sub-topics and correlations were identified with the impacts.

The risks were divided into the following categories:

- Strategic
- Operational
- Regulatory
- Legal and antitrust proceedings (relating to risks only)
- Compliance (with regard to risks only)
- Financial (with regard to risks only)

The affected stages of the value chain were also determined, in which risks and opportunities arise. The time horizon was also assigned in which they can arise (short, medium or long-term).

Sustainability-related risks were prioritized based on two key criteria: likelihood of occurrence and potential financial impact, both scored on a 4-point rating scale. These criteria originated from established processes for Group-wide risk management. Once individual risks or opportunities have already exceeded the internal monitoring thresholds, they are included in Magyar Telekom Group's risk portfolio and are therefore covered by the Group-wide risk management, this was also taken into account in the scoring. The materiality threshold was 70% of the total scores for the various criteria above.

In 2025, the risks and opportunities were also re-analysed as described in the impacts section, following the methodology outlined above. The risks and opportunities arising from impacts and the impacts arising from risks and opportunities have been interlinked in the analysis to consider the connection between them.

A grouped list of impacts, risks, and opportunities was assigned to ESRS sub-topics and topics to define the ESRS chapters present the Group's material topics for 2025. Based on the analysis, Cybersecurity is added as a new material topic.

The IRO inventory is subject to reassessment and update upon the occurrence of significant changes in Magyar Telekom's value chain or operating environment.

The results of the double materiality analysis (see table below) provide a comprehensive picture of the environmental and social impacts of the company's operations, as well as the associated financial risks and opportunities.

CSRD topic	Value Chain	Time Horizon	Description of material impact group	Reference to business model/strategy
E1 - Climate change	Own business activities	Negative (actual/short-term: <1 year)	Other activities that are necessary for operation, such as heating of office buildings, T-shops, other buildings and as well as the operation of the fleet, generate greenhouse gases during the burning of fossil fuels . Furthermore, although Magyar Telekom buys renewable energy (in the form of PPAs and GOOs), energy consumption requires the usage of the national electricity grid, and the operation of the grid is partially based on fossil energy sources. These emissions contribute to the climate change and Magyar Telekom's scope 1-2 emissions are related to mentioned factors.	Based on the business model
E1 - Climate change	Downstream	Negative (actual/short-term: <1 year)	Greenhouse gas is generated during the entire life cycle of all electronic devices - both those used by customers and those used in the company's operations (production, use, after becoming waste/end of lifecycle). Even though emissions for individual devices are small, in aggregate and over time these emissions add up to a measurable quantity. As the number of devices increases, so does the impact. These emissions contribute to climate change. Magyar Telekom's scope 3 emissions are affected by this area.	Based on the business model
E1 - Climate change	Upstream	Negative (actual/short-term: <1 year) while the part pertaining to datacentres is Negative (potential/short-term: <1 year)	The production of the infrastructure and equipment required for Magyar Telekom's services and the construction of these equipment causes the emission of greenhouse gases - and on the one hand, it means process emissions (e.g. the refining of petroleum, which forms the basis of plastics), and on the other hand, all production processes involve energy consumption , which basis is still the burning of fossil energy carriers. This factors are relevant in terms of MT's scope 3 emission . Data centers play an important role in the operation, the energy consumption of which is visible globally, moreover, the cooling equipment currently uses greenhouse gases up to 2,000 times stronger than carbon dioxide , the release of which into the air due to a possible leak or failure can result in significant emissions. This second factor can significantly increase Magyar Telekom's scope 1-2 emissions . Renewable energy purchased in the framework of PPAs has a positive impact on reducing scope 2 market-based emissions. In the climate mitigation efforts of other sectors, digitization can play a major role (enabling), while this increases Magyar Telekom's energy consumption.	Connection with the business model
E1 - Climate change	Own business activities	Positive (actual/short-term: <1 year)	Participation in the JAC (Joint Alliance for CSR) sector initiative and the simultaneous further development of strategically important suppliers can result in a positive impact. JAC members share best practices and their resources to improve long-term international CSR implementation - with a particular focus on climate change mitigation - at different levels of the ICT sector's supply chain. Due to the centralized procurement approach of Deutsche Telekom, this initiative is also important for Magyar Telekom, which helps to achieve the scope 3 emissions targets.	Based on the business model
E5 - Circular economy	Downstream	Negative (actual/short-term: <1 year) while Positive (actual/long-term: 5+ year)	ICT devices have a short product lifecycle , which increases the demand for new devices and increases waste . Worldwide, only a small percentage of electronic waste is recycled. Magyar Telekom can have a positive effect by contributing to a circular economy, thus saving resources.	Connection with the business model
E5 - Circular economy	Upstream	Negative (actual/short-term: <1 year)	The expansion, modernization and maintenance of the fixed and mobile network has an impact on resource usage and, in this connection, on waste generation . At Magyar Telekom, the most significant factor is the high production of E-waste from the operation of the network. Due to modernization developments, the amount of certain types of waste may show outstanding values in a given year. Batteries and UPS equipment that ensure continuous operation need to be replaced regularly, and proper waste management must be ensured.	Based on the business model
S1 - Own workforce	Own business activities	Positive (actual/short-term: <1 year)	Working conditions, frameworks and regulatory environment provided by Magyar Telekom have a direct physical and mental impact on employees . Magyar Telekom as a responsible employer has a number of possibilities to ensure that working conditions are supportive. The company is committed to creating a safe and inclusive workplace, which is also reflected in its strategic objectives. In addition, working conditions are also influenced by representation of interest, of which are several in Magyar Telekom.	Based on the business model
S2-Working conditions in the value chain	Upstream	Negative (actual/short-term: <1 year)	In the upstream value chain of Magyar Telekom (extraction of raw materials, production of electrical equipment) regarding of indirect supplier may occur negative impact of their employees . Due to centralised procurement policy of Deutsche Telekom, Magyar Telekom has no material influence on these circumstances , and therefore Deutsche Telekom's assessment has been taken into account in the impact assessment.	Connection with the business model
S1- Own workforce	Own business activities	Positive (actual/short-term: <1 year)	Magyar Telekom's priority is to ensure non-discrimination, equal opportunities in the workplace, furthermore continuous development of employees. In implementing the current Equal Opportunities Plan of Magyar Telekom, the company plans measures to continuously improve the situation of disadvantaged groups of employees, in particular women, employees with families, employees on parental leave, employees with reduced working capacity or disabilities, young people starting their careers and employees over 50 years of age. The equal opportunities category also includes addressing the gender pay gap and accessible services. Magyar Telekom has a significant impact on all of these.	Based on the business model
S1 - Own workforce	Own business activities	Negative (potential/short-term: <1 year)	The protection of personal data provided by customers, employees, contractors and visitors to Magyar Telekom's websites and their right to information self-determination is a priority for Magyar Telekom . Magyar Telekom handles the personal data of data subjects who contact it confidentially and in accordance with the applicable legal provisions, ensures their security, takes the technical and organizational measures and establishes the procedural rules necessary to enforce the applicable legal provisions and court decisions, official decisions and recommendations relating to data protection.	Based on the business model
S4 - Consumers and end-users	Downstream	Negative (potential/short-term: <1 year)		
S4 - Consumers and end-users	Downstream	Positive (actual/short-term: <1 year)	The development of fixed and mobile infrastructure contributes to increasing digital skills, fostering the competitiveness of businesses, integrating digital solutions, promoting the use of emerging technologies, and strengthening research, development and innovation . Magyar Telekom, as a responsible service provider, plays a role and thus has an impact in creating digital equality in society, and promotes the development of digital skills through its networks and programmes in a number of ways. The company pays special attention to the protection of children in the digital space.	Based on the business model
G1-Business conduct	Own business activities	Positive (actual/short-term: <1 year)	The rules and operational frameworks established by Magyar Telekom and applied guiding principles have an impact on corporate culture. A strong corporate culture has a positive impact on employee well-being.	Based on the business model

CSRD Topic	CSRD Sub-topic	Classification	Description of material risks and opportunities
Climate change	Own Business Activities	Risk	Not achieving the strategic goal related to self-produced renewable energy may affect the fulfilment of the company's strategic objective of green energy component of emission related goals. If the company cannot meet its own green energy production targets, and it must cover its target of using 100% renewable electricity, it can raise additional costs of GOO/PPA purchasing.
	Own Business Activities	Risk	Climate change impacts our operations due to extreme weather events, which can cause service outages and result in repair costs if the network infrastructure is damaged in such event.
	Own Business Activities	Risk	The fleet must be transformed to reduce emissions and mitigate climate change, as the company has the largest fleet in Hungary. The transformation of the fleet involves costs, but at the same time, if the transformation of the fleet does not take place, it contributes to a stronger increase in compensation costs (offsetting).
Own workforce	Own Business Activities	Risk	The general growth and internal processes of the company may be threatened in the long term by the foreseeable labour shortage in certain areas involving the risks of difficulties of replacing experts. The educational pillar of Magyar Telekom's Sustainability Strategy aims to improve the digital competencies of the clients and the wider public. It also aims to contribute to the development of industrial succession, knowing that a potential throwback in the amount of available highly qualified professionals in the industry could mean a serious risk to maintaining, improvement and development of the quality of its services. To provide the highest possible quality of service, the company needs the best professionals. To be able to have them a competitive industrial educational background is necessary.
	Own Business Activities	Risk	Employee satisfaction may decrease if the remuneration does not increase appropriately, therefore an increase in wage-related costs is expected.
Consumers and end-users	Upstream	Risk	The challenges of the macroeconomic environment affect Magyar Telekom on several levels. The current geopolitical crisis, including disruptions in supply chains, could lead to resource shortages and price increases. - The changing political landscape may bring new regulations, sanctions and stricter compliance requirements that can affect our business. - Political conflicts can affect supply chains and may lead to sanctions for impacting certain countries. - Persistent tensions and armed conflicts can delay or cancel strategic initiatives and have a direct impact on logistics and supply chains.
	Downstream	Opportunity	The widespread adoption of 5G and IoT created the opportunity to connect millions of new devices. These devices can provide data that were previously impossible to measure (such as real-time electricity, gas, and water consumption, location, and others). This data allows for more conscious resource management and the early detection of necessary repairs, possibly even in advance. When complemented by various machine learning (AI) methods, companies can achieve significant cost reductions, which also means more careful and conscious use of the Earth's resources. From Telekom's perspective, this translates into a stable, regular income stream, enabling the company to steer customers towards mobile solutions and retain them within this ecosystem.
	Own Business Activities	Opportunity	Digitalization of the work environment leads to significant resource savings, enhanced customer experience, and increased employee efficiency resulting in a better work-life balance. Digitalization shortens existing workflows and enables more flexible and efficient work practices. This creates value for Magyar Telekom and can be easily marketed to our customers, who will experience these benefits daily in their operation.
Business conduct	Own Business Activities	Risk	Cases of bribery, corruption or fraud may result in reputational damage, loss of trust, financial sanctions and a reduction in the Group's shareholder value, as well as additional sanctions. The impact of an individual case may take several years to materialise, and is subject to the prevailing laws applicable when such conviction is final. Business impact depends on several factors, including the market structure and organizational/contractual arrangements when such conviction is final.
Entity specific	Own Business Activities	Risk	Cyberattacks threatening our IT systems carry operational and trust related risks. A malicious attack can impact our own core operation and may expose the sensitive data of our customers as well.

Magyar Telekom Group has identified three topics (pollution, water resources and biodiversity) that are not considered material according to the above-mentioned materiality threshold.

Magyar Telekom Group is not involved in industrial production, and its use of fossil fuels is insignificant, so pollution is not a material issue in terms of impacts from own operation. Minimizing environmental impacts is required in the value chain. Nevertheless, based on the current version of the candidate list for authorization (EC 1907/2006 Regulation, REACH), some telecommunication devices (e.g. mobile phones) contain SVHCs above the disclosure threshold as reported by manufacturers in public platforms. The SVHCs used in these products do not pose a safety risk to customers under normal use conditions.

Magyar Telekom Group does not use water-intensive technologies or have any connection to or use of marine resources. Direct impact could arise from water consumption, which is limited to typical office and building operations such as sanitation at Magyar Telekom Group, because data centers are not cooled with water. The amount of freshwater consumed was 106,412 m³ in 2025, which we considered to be equal to the amount of wastewater discharged according to the applied practice of service provider.

Due to the results of our assessment on impact and dependencies, biodiversity is currently not a material issue for Magyar Telekom Group. Nevertheless, biodiversity is considered a serious environmental topic. Therefore, biodiversity is covered by Magyar Telekom Group's environmental policy [guidelines](#) and by the commitment to [biodiversity conservation](#) and protection from deforestation. The Group's operations are essentially concentrated in residential areas (as it already has the appropriate core network). In cases where work needs to be carried out in non-urban areas, Magyar Telekom Group proactively seeks the opinion of the authorities and comply with legal requirements. During the development of mobile

networks (construction of towers and base stations), three cases required a decision by the competent authority in 2025 for a building permit because the construction affected a Natura 2000 site.

Decision-making process and the related internal control procedures of double materiality assessment

Identification and assessment process were coordinated by the ESG CoE, supported by Risk management. Responsible business areas were involved in the assessment of each topic; the process is closely matched to the existing corporate risk assessment and risk management process.

The materiality assessment of this Consolidated sustainability statement was based on extensive desk research with reference to studies and research, as well as internal and external stakeholder involvement in the form of qualitative interviews, questionnaire and analysis of data. The re-assessment process involved the active participation of internal stakeholders, specifically employees with relevant subject matter expertise, who contributed to the collection and validation of IRO data. Owing to their respective areas of responsibility and regular engagement with external stakeholders, these experts provided information of high relevance and reliability.

Decision-making materials were compiled, and the CFO was asked to approve the results of the double materiality assessment, with support from an extensive range of management members. Internal policies stipulate the decision-making responsibility rests with the CFO.

ESRS 2 IRO-2 – Disclosure Requirements in ESRS covered by Magyar Telekom Group's sustainability statement

The following section presents the material ESRS topical standards as well as the list of non-material ESRS topical standards according to which the Group is obliged to report according to other EU legislation. The list below shows the disclosure requirements complied with when preparing the Consolidated sustainability statement based on the results of the double materiality analysis, as well as the required disclosures under Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation):

- ESRS 2 – General information
- Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)
- ESRS E1 – Climate Change
- ESRS E5 – Resource Use and Circular Economy
- ESRS S1 – Own workforce
- ESRS S2 – Workers in the value chain
- ESRS S4 – Consumers and End Users
- ESRS G1 – Business conduct

There were no material impacts, risks and opportunities identified corresponding to the following list of ESRS topical standards, therefore the Group omits all connected disclosure requirements with regards to corresponding topical ESRS.

- E2: Pollution
- E3: Water and marine resources
- E4: Biodiversity and ecosystems
- S3: Affected communities

The determination of the data points to be reported under the topical standards and thus essential information is based on qualitative mapping at the content level of the identified impacts, risks and opportunities.

List of data points in general and thematic standards resulting from other EU legislation

The table below contains all the data points resulting from other EU legislation, as listed in ESRS 2 Annex B, and indicates where the data points can be found in our report and which data points are assessed as 'non-material'.

Disclosure	Data point	Designation	SFDR Reference	Pillar 3 Reference	Benchmark Reference	Regulation	EU Climate Law Reference	Materiality	Chapter
ESRS 2 GOV-1	21d	Gender diversity in management and control bodies	x		x				ESRS 2 GOV-1 - The role of administrative, management and supervisory bodies
ESRS 2 GOV-1	21e	Percentage of independent board members			x				ESRS 2 GOV-1 - The role of administrative, management and supervisory bodies
ESRS 2 GOV-4	30	Statement on due diligence	x						ESRS 2 GOV-4 - Statement on due diligence
ESRS 2 SBM-1	40d-i	Participation in fossil fuel-related activities	x	x	x			Not relevant	-
ESRS 2 SBM-1	40D-II	Activities related to the production of chemicals	x		x			Not relevant	-
ESRS 2 SBM-1	40d-III	Involvement in activities related to controversial weapons	x		x			Not relevant	-
ESRS 2 SBM-1	40d-iv	Participation in activities related to the cultivation and production of tobacco			x			Not relevant	-
ESRS E1-1	14	Transition plan to achieve climate neutrality by 2050					x		ESRS E1-1 – Transition plan for climate change mitigation
ESRS E1-1	16g	Companies exempted from the Paris-aligned benchmarks		x	x				ESRS E1-1 – Transition plan for climate change mitigation
ESRS E1-4	34	GHG emission reduction targets	x	x	x				ESRS E1-4 – Climate Change Mitigation and Adaptation Objectives
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x						ESRS E1-5 – Energy consumption and mix
ESRS E1-5	37	Energy consumption and mix	x						ESRS E1-5 – Energy consumption and mix
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	x						ESRS E1-5 – Energy consumption and mix
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x				ESRS E1-6 – Gross Scope 1, 2, 3 and Total GHG emissions
ESRS E1-6	53-55	Gross GHG emissions intensity	x	x	x				ESRS E1-6 – Gross Scope 1, 2, 3 and Total GHG emissions
ESRS E1-7	56	GHG removals and carbon credits					x		ESRS E1-7 – GHG removals and GHG mitigation projects financed through carbon credits
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x			Not Reported (Phase-in Option)	-



Disclosure	Data point	Designation	SFDR Reference	Pillar 3 Reference	Benchmark Reference	Regulation	EU Climate Law Reference	Materiality	Chapter
ESRS E1-9	66a 66c	Disaggregation of monetary amounts by acute and chronic physical risk / Location of significant assets at material physical risk		x				Not Reported (Phase-in Option)	-
ESRS E1-9	67c	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x				Not Reported (Phase-in Option)	-
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x			Not Reported (Phase-in Option)	-
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x					Not material	-
ESRS E3-1	9	Water and marine resources	x					Not material	-
ESRS E3-1	13	Dedicated policy	x					Not material	-
ESRS E3-1	14	Sustainable oceans and seas	x					Not material	-
ESRS E3-4	28c	Total water recycled and reused	x					Not material	-
ESRS E3-4	29	Total water consumption in m3 per net revenue on own operations	x					Not material	-
ESRS 2 IRO-1 E4	16a-i		x					Not material	-
ESRS 2 IRO-1 E4	16b		x					Not material	-
ESRS 2 IRO-1 E4	16c		x					Not material	-
ESRS E4-2	24b	Sustainable land / agriculture practices or policies	x					Not material	-
ESRS E4-2	24c	Sustainable oceans / seas practices or policies	x					Not essential	-
ESRS E4-2	24d	Policies to address deforestation	x					Not material	-
ESRS E5-5	37d	Non-recycled waste	x						ESRS E5-5 - Resource Outflows
ESRS E5-5	39	Hazardous and radioactive waste	x						ESRS E5-5 - Resource Outflows
ESRS 2 SBM-3 – S1	14f	Risk of incidents of forced labour	x						ESRS S1-1 – Policies related to own workforce
ESRS 2 SBM-3 – S1	14g	Risk of incidents of child labour	x						ESRS S1-1 – Policies related to own workforce
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8,			x				ESRS S1-1 – Policies related to own workforce
ESRS S1-1	22	processes and measures for preventing trafficking in human beings	x						ESRS S1-1 – Policies related to own workforce
ESRS S1-1	23	workplace accident prevention policy or management system	x						ESRS S1-1 – Policies related to own workforce
ESRS S1-3	32c	grievance/complaints handling mechanisms	x						ESRS S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns.



Disclosure	Data point	Designation	SFDR Reference	Pillar 3 Reference	Benchmark Reference	Regulation	EU Climate Law Reference	Materiality	Chapter
ESRS S1-14	88b 88c	Number of fatalities and number and rate of work- related accidents	x		x				ESRS S1-14 – Health and safety metrics
ESRS S1-14	88e	Number of days lost to injuries, accidents, fatalities or illness	x						ESRS S1-14 – Health and safety metrics
ESRS S1-16	97a	Unadjusted gender pay gap	x		x				ESRS S1-16 – Compensation metrics (pay gap and total compensation)
ESRS S1-16	97b	Excessive CEO pay ratio paragraph	x						ESRS S1-16 – Compensation metrics (pay gap and total compensation)
ESRS S1-17	103a	Incidents of discrimination	x						ESRS S1-17 – Incidents, complaints and severe human rights impacts
ESRS S1-17	104a	Non-respect of UNGPs on Business and Human Rights and OECD	x		x				ESRS S1-17 – Incidents, complaints and severe human rights impacts
ESRS 2 SBM3 – S2	11b	Significant risk of child labour or forced labor in the value chain	x						ESRS 2 SBM-3 S2 – Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS S2-1	17	Human rights policy commitments	x						ESRS S2-1 – Policies related to value chain workers
ESRS S2-1	18	Policies related to value chain workers	x						ESRS S2-1 – Policies related to value chain workers
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x				ESRS S2-1 – Policies related to value chain workers
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8,	x						ESRS S2-1 – Policies related to value chain workers
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x						ESRS S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action
ESRS S3-1	16	Human rights policy commitments	x					Not material	-
ESRS S3-1	17	non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	x		x			Not material	-
ESRS S3-4	36	Human rights issues and incidents	x					Not material	-
ESRS S4-1	16	Policies related to consumers and end-users	x						ESRS S4-1 – Policies related to consumers and end-users



Disclosure	Data point	Designation	SFDR Reference	Pillar 3 Reference	Benchmark Reference	Regulation	EU Climate Law Reference	Materiality	Chapter
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x				ESRS S4-1 – Policies related to consumers and end-users
ESRS S4-4	35	Human rights issues and incidents	x						ESRS S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions
ESRS G1-1	10b	United Nations Convention against Corruption	x						ESRS G1-1 – Corporate culture and business conduct policies
ESRS G1-1	10d	Protection of whistleblowers	x						ESRS G1-1 – Corporate culture and business conduct policies
ESRS G1-4	24a	Fines for violations of corruption and bribery regulations	x		x				ESRS G1-4 – Incidents of corruption or bribery
ESRS G1-4	24b	Standards of anti-corruption and bribery	x						ESRS G1-4 – Incidents of corruption or bribery

Environmental topics

Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

The EU Taxonomy aims to promote investment flows from the financial sector to companies engaged in environmentally sustainable activities. In this way, the EU Taxonomy is intended to help implement the European Green Deal. As a basis for this, the EU Taxonomy establishes a binding definition of the environmental sustainability of activities and investments. The EU Taxonomy Regulation obliges companies to report on these economic activities.

According to the EU Taxonomy Regulation, the first step is to identify the taxonomy-eligible economic activities of a company. These are activities covered by the EU Taxonomy and thus potentially make a significant contribution to achieving environmental objectives. In the second step, these activities must be assessed for their taxonomy alignment. An activity is considered taxonomy-aligned if it meets the technical screening criteria for a substantial contribution to at least one environmental objective, as listed in the annexes of the delegated regulations (EU) 2021/2139, (EU) 2022/1214, (EU) 2023/2485, and (EU) 2023/2486. At the same time, it must not significantly harm any of the other environmental objectives and must comply with the social minimum standards (so-called minimum safeguards) set out in the Taxonomy Regulation (EU) 2020/852. These particularly require compliance with human and labour rights.

Application of facilitation rules to the EU Taxonomy

On 28 January 2026, Commission Delegated Regulation (EU) 2026/73 entered into force; it is to be applied retroactively for the 2025 financial year. Its goal is to simplify the application of the EU taxonomy. According to this, companies can waive the verification of taxonomy eligibility and compliance for financially non-essential economic activities. Economic activities are considered to be financially non-material if taken together account for less than 10% of the denominator of the company's revenue, capital expenditure or operating expenses. It is also possible for companies to completely refrain from analysing the taxonomy-eligibility and compliance of their operating expenses, provided that they are not material to their business model. In addition, the delegated regulation contains simplified tables for the disclosure of taxonomy key figures.

EU Taxonomy Economic Activities at Magyar Telekom Group

Magyar Telekom Group is a company in the information and telecommunications sector. Currently, the EU Taxonomy does not include criteria related to an economic activity "Provision and operation of electronic communications networks and services." Consequently, the essential part of the business model is not covered by the EU Taxonomy. Therefore, the EU Taxonomy does not provide an opportunity to demonstrate Magyar Telekom Group's contribution to climate protection, even though this industry makes an important contribution to achieving European digitalization and climate goals through the expansion and operation of telecommunications networks.

As in previous years, Magyar Telekom Group also identified taxonomy-eligible economic activities in 2025. In total, they each account for less than 10% of the denominator of the Group's sales and capital expenditures. This means that the economic activities are not considered financially material and have not been checked for their taxonomy conformity, taking into account cost-benefit aspects. The financially non-material economic activities are related to the environmental objectives "Climate Change Mitigation" (CCM) and "Transition to a Circular Economy" (CE) and refer, according to the EU Taxonomy activity descriptions, to the following sectors:

- Data processing, hosting, and related activities (CCM 8.1) and data-driven solutions for reducing greenhouse gas emissions (CCM 8.2)
- Product-as-a-service and other circular and result-oriented service models (CE 5.5)
- Transport by motorcycles, passenger cars, and light commercial vehicles (CCM 6.5)



Taxonomy KPIs

The aggregated group figures used as the basis for the calculation according to the EU taxonomy in the reporting year were revenue of HUF 983,939 million, capital expenditure of HUF 135,092 million and indirect costs of HUF 188,611 million.

Since the EU Taxonomy does not adequately capture Magyar Telekom Group's core business so far, the application of the materiality thresholds defined in Commission Delegated Regulation (EU) 2026/73 results in financially non-material economic activities, which together account for 1.9% of Magyar Telekom Group's revenues and 0.1% of its capital expenditures. Due to the immateriality of operating expenses, taxonomy-eligible and taxonomy-aligned operating expenses will no longer be disclosed starting with the 2025 financial year.



EU-Taxonom KPIs

	Total 2025	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non- material	Taxonomy aligned activities 2024	Proportion of Taxonomy aligned activities 2024
					Climate Change mitigation	Climate Change Adaptation	Water	Curricular Economy	Pollution	Biodiversity					
	Millions of HUF	%	Millions of HUF	%	%	%	%	%	%	%	%	%	%	Millions of HUF	%
Turnover	983,939	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.9%	210	0.01
Capex	135,092	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1%	0	0
OpEx	188,611													0	0



ESRS E1 – Climate Change

Introduction

As a responsible market player and one of the leading ICT service providers in Central Europe, Magyar Telekom Group recognizes the risks of climate change and has integrated the mitigation of this environmental issue into its operations for over 20 years. This is demonstrated by the fact that the Group has been publishing data on its main CO₂ emissions since 2002, long before it was required by law. As such, critical actions with respect to both mitigation and adaptation were taken before the present reporting period and prior to the setting of Magyar Telekom Group's science-based commitment.

The following index shows the disclosure requirements identified by the materiality analysis with regard to the topic standard 'Climate Change'.

ESRS index according to ESRS 2 IRO-2

Disclosure	Designation	Remarks
ESRS E1 – Climate Change		
ESRS 2 GOV-3 E1	Integration of sustainability-related performance in incentive schemes	
ESRS E1-1	Transition plan for climate change mitigation	
ESRS 2 SBM-3 E1	Material impacts, risks and opportunities and their interaction with strategy and business model	Use of phase-in option for ESRS 2 SBM-3 §48e
ESRS 2 IRO-1 E1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	
ESRS E1-2	Policies related to climate change mitigation and adaptation	
ESRS E1-3	Actions and resources in relation to climate change policies	
ESRS E1-4	Targets related to climate change mitigation and adaptation	
ESRS E1-5	Energy consumption and mix	
ESRS E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	
ESRS E1-7	GHG removals and GHG mitigation projects financed through carbon credits	
ESRS E1-8	Internal carbon pricing	
ESRS E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Use of phase-in option
MDR-P	Policies adopted to manage material sustainability matters	The Group applies the minimum disclosure requirements regarding policies, actions, metrics and targets together with the corresponding disclosure requirements.
MDR-A	Actions and resources in relation to material sustainability matters	
MDR-M	Metrics in relation to material sustainability matters	
MDR-T	Tracking effectiveness of policies and actions through targets	

Strategy

ESRS E1-1 – Transition plan for climate change mitigation

Magyar Telekom Plc's parent company, Deutsche Telekom, committed to become climate neutral (net-zero) across the entire value chain, by 2040 at the latest. Magyar Telekom Group itself has currently no official net-zero commitment. However, Magyar Telekom Group is committed to the Deutsche Telekom Group target. In addition, the European Union has passed the European Climate Law (Regulation (EU) 2021/1119 of the European Parliament and of the Council) which states that net zero emissions in the European Union shall be achieved at the latest by 2050. As such, Magyar Telekom Group shall contribute to both goals.

Magyar Telekom Group is included in from the EU Paris-aligned Benchmarks.

During 2023, Magyar Telekom Group updated its sustainability strategy to navigate shifting external environments without compromising its established emission reduction targets. To further reinforce this commitment, an alignment phase was initiated in 2025 to define stricter objectives consistent with the parent company's group-level goals, with finalization expected by beginning of 2026. Accordingly, Magyar Telekom Group plans to disclose its comprehensive transition plan for the 2026 financial year.



Magyar Telekom Plc. emission reduction commitments made in 2018 - approved by the Science Based Target Initiative (SBTi) - were replaced by more ambitious targets in 2019 in response to the IPCC's 1.5°C report and became the main focus of the Group's strategy. Magyar Telekom Plc. committed to reducing absolute Scope 1 and 2 GHG emissions 84% by 2030 relative to 2015 (base year). Magyar Telekom Plc. also committed to reducing absolute Scope 3 GHG emissions 30% by 2030 relative to 2017 (base year). These targets are compatible with limiting global warming to 1.5°C in line with the Paris Agreement.

The Group can only maintain its market leadership if it reacts promptly to external market, geopolitical and environmental changes. Due to external factors (fuel price and availability of fossil fuels) and internal transformation processes, as well as detailed mapping of emission sources (e.g. emergency power generation, fugitive emissions from refrigerants), the Scope 1-2 strategy of two largest Hungarian member companies was revised in 2023, with a base year harmonized with the SBTi commitment. A market-based emission reduction of 80% is achievable by 2030 with the extended sources for Magyar Telekom Plc. and Telekom Rendszerintegráció Zrt. In addition, Magyar Telekom Group actively contributes to the achievement of Deutsche Telekom's sustainability targets aimed at achieving climate neutrality by 2040. Deutsche Telekom Group has reached greenhouse gas neutrality in its own operations (Scope 1 & 2) at the end of 2025. Magyar Telekom Group actively contributed to this achievement.

Magyar Telekom Group's key actions of climate change mitigation are as follows:

- Reduction of electric power consumption of fixed network defined in 2023 strategy by 55% until 2030 compared to 2015 base year through fixed network modernization, (on track, 46% reduction until 2025) Green transition of data centres in line with EU Taxonomy recommendations (in progress- ESRS E1-3 – Actions and resources in relation to climate change policies)
- Maintain the coverage of 100% its electric power demand from renewable sources (achieved in 2021 and maintained since then - ESRS E1-5 – Energy consumption and mix)
- Efforts to further increase the share of local renewable energy (achieved through local PPAs - ESRS E1-5 – Energy consumption and mix)
- Energy efficiency investments in MT-Hungary's buildings and infrastructure (modernization of infrastructure is achieved by 2025 - ESRS E1-3 – Actions and resources in relation to climate change policies)
- Gradual green transition of the vehicle fleet (in delay, but plan exists for achieving the internal target)
- Lead the way in implementing a circular economy by 2030 (in progress – ESRS E5-2 – Actions and resources related to resource use and circular economy).

While the ICT sector as a whole is energy intensive, individual sites do not share this characteristic. The ongoing transition away from fossil energy dependency ensures that the lock-in effect does not apply. There are no issues with buildings that would prevent the commitment from being met.

Deutsche Telekom also sets actions (e.g. RE100 requirements since 2021, circularity goals, incentive scheme for climate targets etc.) to contribute to its Group's targets. For any climate neutrality target, it is essential to sustainably decouple the economic growth from the use of resources therefore, companies must significantly increase their energy and resource efficiency and further restrict their absolute energy consumption. This is necessary given that even the production of green electricity has a negative impact on the environment. Despite an extensive build-out of the telecommunications networks in the coming years, the aim is to keep absolute energy consumption stable in the medium-term within the whole Deutsche Telekom Group. The Supervisory Board of Deutsche Telekom considers it important to incentivize top management to ensure that energy consumption that is harmful to the environment is kept at least stable in the medium term. The short-term climate change-related management incentives are linked to a decrease in Scope 1 & 2 emissions and to a reduction in electricity consumption. The CO₂ emission reduction target aims to motivate management to sustainably integrate green electricity use, optimize building energy consumption, and gradually transition the Group's vehicle fleet from fossil fuels to emission-free or low-emission engine types. These targets drive the implementation of energy-saving programs and investments across all energy sources, while also promoting optimization, innovation and the adoption of advanced technological components for future infrastructure. Company procedures related to remuneration are regulated by Magyar Telekom Group's internal policies. Decisions regarding the remuneration of the Chief Executive Officer and other Chief Officers are adopted by the Remuneration and Nomination Committee. However, the climate and energy targets are determined by Deutsche Telekom with 20% of the annual bonus linked to the achievement of sustainability targets.



ESRS 2 SBM-3 E1 – Material impacts, risks and opportunities and their interaction with strategy and business model

During the process of double materiality analysis Magyar Telekom Group identified material impacts and risks related to climate change-related topics. Further information on this process is provided in the Chapter of ESRS 2 IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities during the understanding phase of double materiality analysis, interviews and documentation collection were conducted internally to assess the Group's environmental impact across its value chain.

The summary below shows the material impact groups of Magyar Telekom Group's business activities, which have been identified through the double materiality analysis. Unless marked as "potential", these are actual impacts. Operational activities, such as heating office buildings, shops and other facilities, and as well as vehicle_fleet operation, generate greenhouse gases and negatively impact the environment. Magyar Telekom Group purchases renewable energy via PPAs, which has a positive impact on reducing Scope 2 market-based emissions. However, energy consumption requires the usage of the national electricity grid, and the operation of the grid is partially based on fossil energy sources. While digitalization of the economy as a whole can play a major role in reducing overall energy consumption, this increases Magyar Telekom Group's consumption.

Data centers play an important role in operations, with their energy consumption having a global impact. Additionally, the cooling equipment used in these data centers relies on greenhouse gases that are up to 2,000 times more powerful than carbon dioxide. A leak or failure in the system could lead to significant emissions. The latter would significantly increase Magyar Telekom Group's Scope 1-2 emissions (potential impact).

The production of the infrastructure and equipment required for the provision of Group's services and the construction of these_equipments causes greenhouse gas emissions. On the one hand, this generates process emissions (e.g.: the refining of petroleum, which forms the basis of plastics). On the other hand, all production processes involve energy consumption, which is still primarily based on the burning of fossil fuels. These factors are relevant in terms of Magyar Telekom Group's Scope 3 emission.

The above-mentioned emissions contribute to climate change and Magyar Telekom Group's Scope 1, 2 and 3 emissions. The Group has Strategic goals aimed at addressing these impacts.

Participation in the JAC (Joint Alliance for CSR) sector initiative and the simultaneous further development of strategically important suppliers can result in a positive impact. JAC members share best practices and resources to improve long-term international CSR implementation - with a particular focus on climate change mitigation - at different levels of the ICT sector supply chain. Due to Deutsche Telekom's centralized procurement, this initiative is important for Magyar Telekom Group, which contributes to the achievement of Scope 3 emissions targets.

The following summary outlines Magyar Telekom Group's identified topic-specific risks, with a phase-in option used to report their financial effects. In the value chain section of Magyar Telekom Group's operations, three long-term risks were identified. Climate change causes physical risk in the operations due to extreme weather events, which can cause service outages and result in repair costs in the event the network infrastructure is damaged.

Two transitory risks were identified. Not achieving the strategic goal related to self-produced renewable energy may affect the ability to fulfil green energy component of emission related goals. If Magyar Telekom Group cannot meet its own green energy production targets, and it must fulfil its target of using 100% renewable electricity, this can result in additional costs of GOO/PPA purchasing.

On the other hand, given that Magyar Telekom Group has one of the largest fleets in Hungary, it is critical for this fleet to be transformed to reduce emissions and mitigate climate change. While this transformation requires investment, if the transformation of the fleet does not take place, it contributes to a stronger increase in compensation costs (offsetting).

As the European Union and Hungary undergo an economic transition in line with the 1.5°C vision, experts point to the potential instability of the electricity system. Therefore, it was important to assess the capacity of Magyar Telekom Group's infrastructure to handle the risk of electricity outages. In order to decrease service downtimes, Magyar Telekom Group has already equipped its mobile base stations and critical infrastructure sites with batteries in preparation for shorter periods of power outages. To respond flexibly to a sudden or planned power outage, Magyar Telekom Group has internal capacity



to generate electricity at key facilities using mobile diesel generators, enabling it to restore power within 2 hours at these sites. Although the network has been designed to ensure it can provide a continuous service in the event of a longer-term and national blackout by supplying its own power to priority sites, it is dependent on diesel generators to operate. Makedonski Telekom A.D. is currently also dependent on the use of diesel generators due to local power supply uncertainties, so dependence on fuel supply is already present.

ESRS 2 IRO-1 E1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Assessment of Magyar Telekom Group's resilience has taken into account future economic exposure of the telecommunication sector under different climate and socio-economic scenarios. The assessment also looked at the climate/weather parameters to which the Group is most exposed and the extent to which the strategy developed can reduce exposure. Based on past technical experience, flooding, flash floods, stormy winds, bush/forest fires and extremely hot days are challenges for the network and the future behaviour of these climate-related elements has been analyzed. Vulnerability to physical changes has only been investigated for the two largest Hungarian member companies. The analysis focused on own operations, but due to the dependence on the energy sector, this value chain element was also important.

Magyar Telekom Group has a long track record in analysing its exposure to climate change. The initial focus was on physical resilience, especially the effect of higher temperatures on infrastructure and energy costs. During development of the 2021 sustainability strategy the Group analyzed how to prepare for and respond to economic and social changes under different scenarios. The development of the strategy also raised questions about how to reduce exposure during the 1.5°C transition. According to the sustainability strategy, Magyar Telekom Group started to assess the climate related risk management process based on TCFD in 2022. The initial analysis of the physical risks of climate change on infrastructure of its own operation (more than 10000 sites) was carried out in the case of Magyar Telekom Plc. and Telekom Rendszerintegráció Zrt. Weather/climate risks to the companies' operations have been identified by the Technology Unit. Physical risks were analyzed taking into account publicly available information (model results, analysis) from public administrations - at the best geographical resolution available (e.g. at district level). Climate scenarios were available for RCP4.5 and RCP8.5. It should be noted that the geographical distribution of the data could be improved for flash floods and forest fires, but a more detailed data set is not yet available. The longest useful life in the case of infrastructure in the telecommunication sector is around 35 years, so this timeframe has been considered in the analysis. While for transition risks, we can analyze short-, medium- and long-term risks, for climate risks - according to the climate definition itself and the available model results - only long-term risks can be analyzed. (In the climate models used, the minimum time step is 10 years. The climate average covers a period of 30 years, which is a long-term horizon relative to the company's business plans.)

The risks were assessed based on two climate scenarios from the Intergovernmental Panel on Climate Change (IPCC): a business as-usual scenario (RCP 4.5/SSP2-4.5), which predicts a global temperature rise of more than two degrees, and a four-degree global temperature rise scenario (RCP 8.5/SSP5-8.5). RCP 4.5 was considered as the most likely scenario based on current analysis (UNEP's emission gap report 2023), while RCP 8.5 represents the worst-case scenario. The following table summarizes the key socio-economic assumptions by 2050:

RCP 4.5 - SSP2	RCP 8.5 - SSP5
growing electricity demand while fuel use is decreasing	slow transition to renewable energy use in the world
Hungary is going to produce 90% carbon-free energy by 2030; EU energy efficiency measures exist - mandatory efficiency goals for energy suppliers, which are passed on to the customers	Hungary produces 90% carbon-free electricity, but need a large amount of import electricity with high carbon intensity
EU ETS-like policy for buildings and fuels and low levels of natural gas consumption	usage of natural gas for heating continues
decreasing population in Hungary - medium rate	decreasing population in Hungary - medium rate
high carbon price in voluntary carbon market	no carbon pricing for telecommunication sector



Flash flooding has been identified as the riskiest weather event, and (depending on the scenarios) 19-24% of infrastructure operations could be negatively affected by extreme warm weather in the coming decades. This analysis can help ensure future upgrades to make infrastructure more resilient to the expected changes.

Physical risks in the network in Hungary	as a percentage of sites	value of infrastructure concerned (billion HUF)
flood	42%	200
flash flood	72%	400
wind	22%	100
forest fire	46%	300
hot days >90 (RCP4.5)	19%	100
hot days >180 (RCP8.5)	24%	100

The financial impact of the above risks has been quantified in line with the inventory of assets and buildings. There are different categories of sites within two largest Hungarian member companies, hence the average value of each site category has been used for this estimation. Local damage to the infrastructure as a consequence of extreme weather such as precipitation extremes and storms is possible and has been already experienced. Magyar Telekom Plc. continuously monitors these types of events. Related costs are integrated within asset maintenance costs in the integrated financial planning process. The magnitude of financial impact is low but can be expected to grow over time as extreme weather events and their average impact increase in the medium and especially in long term due to ongoing climate change. Magyar Telekom Group is increasing its energy efficiency in line with the Sustainability Strategy and ISO 50001 certification guidelines. As a responsible company, Magyar Telekom Plc. gives priority to continuously enhancing its energy efficiency. The Group continuously measures, monitors and evaluates energy consumption and the significant factors related to it, both in terms of real estate and technological infrastructure (or technology and related service equipment). Based on these measurements, energy efficiency opportunities are continuously explored, which are implemented in the form of projects in line with the energy management objectives. Magyar Telekom Plc. expects growing investment in the coming years to increase self-sufficiency and reduce exposure to rising energy prices. The aim is to reach 6000 MWh (in 2030) in the use of its own renewable energy sources. The exploitation of climate change-related opportunities drives investments into the network as the expansion of network infrastructure drives future revenues by enabling new carbon reducing products and services, such as self-driving cars, which require low latency and a 5G-Infrastructure.

Climate-related assumptions made in the financial statements are in line with climate scenarios used in preparation of the sustainability statements.

The supply chain is an area of uncertainty in the assessment of resilience, despite Magyar Telekom Plc.'s effort to avoid dependence on a single supplier. For assets exposed to physical risk, in a sector where national coverage is an essential requirement, the only appropriate measures are to improve resilience and to prepare for change/adaptation.

Magyar Telekom Group's business model is able to adjust to climate change, thanks to a sector-wide need to adopt new technologies in a short period of time and the agile operation. Furthermore, connectivity is critical for economic resilience and recovery in the face of disaster. Robust telecommunications enable emergency response, coordination, and economic activities that aid recovery efforts, suggesting that Magyar Telekom Group's service portfolio is not at risk.

Magyar Telekom Group has been collecting GHG emissions data for Scope 1-2 for several decades, and a longer data series is available for Scope 3 emissions for Magyar Telekom Plc. Emissions from different sources and their amount have been taken into account in the impact assessment.



Management of impacts, risks and opportunities

ESRS E1-2 – Guidelines related to climate change mitigation and adaptation/ Policies related to climate change mitigation and adaptation

The [Environmental Policy of Magyar Telekom Group](#) sets out the general principles for environmentally responsible operations, including compliance with SBTi and renewable energy targets, as well as environmental management in operations (according to ISO14001). It also outlines certain minimum sustainability requirements in the supply chain. Accordingly, the Supplier Code of Conduct requires reporting on Scope 1,2,3 and the preparation of a reduction plan if any of the member companies dealing with the individual supplier deems it necessary. The policy is complemented by environmental guidelines which provide further details, including the targets to be achieved. [Magyar Telekom Environment Protection Guidelines](#) include a policy which addresses renewable energy use. The Group is committed to developing and implementing a long-term climate protection strategy and has defined emission reduction and renewable energy use targets for a period through 2030. As of 2021, in line with this policy, the electricity consumption of the companies involved in sustainability activities has been covered by renewable sources every year. The Group's Environmental Policy also sets out the enabling effect of digitalization and the role of information and communication technology in GHG emission reduction. Magyar Telekom Group facilitates this with smart products and services, simplifying and enriching people's lives. By actively communicating with stakeholders, Magyar Telekom Group creates opportunities to improve their environmental awareness. Climate adaptation is not covered by the Group's environmental policy.

The Company has a specific policy on [energy](#) efficiency, which is a legal requirement for the two largest Hungarian member companies. (This policy is only available in Hungarian.)

ESRS E1-3 – Actions and resources in relation to climate change policies

Magyar Telekom Group has taken the following measures to reduce its emissions in 2025: A total of 5 contracts were concluded under power purchase agreements during 2023 and 2024, and the last two solar power plants started operating at the end of January 2025. Thus, this year, more than 28GWh of renewable energy was used to operate Magyar Telekom Plc's telecommunication network, which ensures that Magyar Telekom Group can keep its market-based Scope 2 emissions low.

In 2025, more electric vehicles were leased, which reduces the fleet's fossil fuel consumption (Scope 1 emissions).

Thanks to the mobile network modernization project completed at the end of 2024, in 2025 Magyar Telekom Plc's entire mobile network was built with renewed, lower-consumption devices, and thus this year the full network energy savings became available, further reducing Scope 2 location-based emissions.

In 2025, during the modernization of the infrastructure priority continued to be given to the following technical and technological solutions to enhance network climate change resilience

- installing more heat-resistant batteries
- installing more efficient air conditioning systems
- using free-cooling systems more widely.

By using these three solutions together, Magyar Telekom Plc. significantly reduced the use of air conditioners during the year, which resulted in significant energy savings. In line with previous plans, cooling assets in the network were upgraded/replaced at almost 500 sites, not only to achieve energy saving targets, but also to respond to the challenges caused by weather/climate change at the sites. In case of higher temperatures, all base stations and data centers use more energy to cool the systems. The modernization also reduced refrigerant leaks, resulting in significant emission reductions. In recent years, we have experienced that European energy prices can change significantly from one moment to the next. This can result in financial risks, especially with increasing energy consumption. Long-term renewable energy contracts (PPAs) offer an opportunity to mitigate these risks while supporting the Group's climate goals. Reducing energy consumption is an ongoing goal for Magyar Telekom Plc., not only to mitigate the risk of unpredictable energy price fluctuations (which had a significant impact on European companies in 2023), but also as a necessary step to achieve emission targets. Key initiatives in this area include asset rationalization and the phasing of redundant technologies (e.g.



copper running alongside the existing optical network), considering relevant regulatory requirements. As Magyar Telekom Group does not present its transition plan in this report, the related future measures and their GHG emission reductions are not presented.

Telekom Rendszerintegráció Zrt. implements its modernization efforts in line with the EU Taxonomy requirements for data centres. In 2026, one of the liquid coolers will be replaced at the end of its lifetime with an equipment with a very low GWP, the purchase was made in 2025.

Goals/Targets

ESRS E1-4 – Targets related to climate change mitigation and adaptation

Magyar Telekom Group set its energy consumption targets in 2006 and has since been granted a Certificate of Patented Use by the Hungarian Patent Office for its free air-cooling technical solution. In 2008, a 10% GHG emission target was set for the main emission sources (energy consumption and paper use) by 2011 compared to 2007 emissions. This was followed by a 5% energy reduction target between 2011 and 2015 and a further location-based GHG reduction target of around 10% between 2016 and 2020. Meanwhile Magyar Telekom Group gradually increased its renewable energy purchases. It has also experimented with a number of innovative solutions to implement its own renewable production in the grid. Climate adaptation in the Magyar Telekom Plc.'s network started in the 2000s, with the development of cold corridors, the creation of flood protection and preparation for flooding, and the completion of modernization in 2024, where adaptation was also a factor. In 2025, as part of developing the resilience of operation, we first assessed the extent to which the potential physical risks of climate change affect operations in the fixed network and how we can adapt to these changes. Numerous technical and technological developments have taken place over the past decade, making it easier for this sector to adapt to changing conditions (e.g., higher heat tolerance of newer devices, using fewer underground boxes exposed to flooding). The assessment helped the technology unit to take new requirements into account in subsequent investments for network expansion or modernization.

Magyar Telekom Plc. made emission reduction commitments in 2018, which were approved by the Science Based Target Initiative (SBTi), it became a pioneer in the fight against climate change. The targets were set ahead of the parent Company's net zero commitments. These targets were replaced by more ambitious goals in 2019 in response to the IPCC's 1.5°C report and became the main focus of the Group's sustainability strategy. These targets, which were presented in E1-1, cover market-based Scope 1-2 GHG emissions and Scope 3 GHG emissions, but F-gas emissions were not part of the target validation process. These emission reduction targets are gross targets, meaning that Magyar Telekom Plc. does not include GHG removals or carbon credits. When setting the targets' base year, it was important to be as close as possible in time to the target setting date (max. 3 years is allowed by SBTi), but not to have an extreme year in terms of weather. In 2015, Hungary experienced an average year in terms of weather, marked by a mix of mild and hot conditions, typical of its temperate continental climate. The year saw average temperatures that were generally close to long-term norms. It was also necessary to have the base year data available, therefore the base years are different for Scope 1-2 and Scope 3. Magyar Telekom Plc.'s science-based targets corresponding to a transition of 1.5°C are aligned with the SSP 1-1.9 scenario. During the target setting procedure, the SBTi took into account compliance with the sector-specific 1.5°C pathways. Also, the expected energy consumption path of Magyar Telekom Plc. and possible technological solutions were taken into account. There is no long-term, 2050 net-zero commitment by Magyar Telekom Plc., therefore intermediate milestones were not set.

In 2023, a structural change facilitated the implementation of the new strategy to address challenges centrally and consistently. As a result, the Scope 1-2 target was extended to the two largest Hungarian member companies with all Scope 1-2 GHGs (CO₂, CH₄, N₂O, HFCs) and all sources covered. With this extended scope, these companies aim to achieve an 80% reduction. For the time being, this is only an internal strategic target and has not been externally validated (e.g. by SBTi). Magyar Telekom Group is also involved in achieving the sustainability targets of Deutsche Telekom Group. In addition to its own climate protection targets, it must also contribute to the 2040 net-zero target that the parent company has committed to and updated in 2024. The strategic goals continue to include that Magyar Telekom Group offsets its remaining GHG emissions for the Group each year.



The original SBTi targets were formulated taking into account energy efficiency and renewable energy deployment. In the meantime, a number of transitional risks and parent company expectations have emerged which have led to renewal of the actions in the strategy. As a result, Magyar Telekom Group's primary focus is now on reducing energy consumption while still reliant on fossil fuels, with existing technologies planned to meet its GHG emission reduction targets. Strategic goals also include the expansion of own (onsite) renewable capacity. As Magyar Telekom Group does not present its transition plan in this report, the associated future actions and their GHG emission reductions, as well as the CAPEX and OPEX requirements of these actions, are not presented.

Magyar Telekom Group does not have GHG emission reduction targets in intensity value.

Key Figures

ESRS E1-5 – Energy consumption and mix

To reduce market-based emissions, Magyar Telekom Group purchased 189,889 MWh of renewable energy in 2025, generated by solar, wind and biomass power plants, secured by Guarantees of Origin or a direct contract. In addition, from 2023, a part of this was generated in a solar power plant in Hungary, which was also part of Magyar Telekom Plc.'s electricity purchase under a three-year power purchase agreement (PPA). In 2024, this PPA was extended to 10 years and additional PPAs were signed, by 2025 Magyar Telekom Plc. was powered by a total of 5 Hungarian solar power plants with renewable energy. Under the PPA contracts, 26,729 MWh of GOs were cancelled for Magyar Telekom Plc. for the consumption in 2025. In 2025, the Group was able to cover 77% of its total energy consumption with renewable energy sources from the market.

Total energy consumption*

in MWh	2025	2024
Total consumption of fossil energy	56,811	56,441
Consumption from nuclear power sources	0	0
Total renewable energy consumption	190,111	197,690
of which: fuel consumption for renewable sources, including biomass (including industrial and municipal waste of biological origin), biofuels, biogas, hydrogen from renewable sources, etc.	0	0
of which: consumption from purchased and received electricity, heat, steam and cooling from renewable sources	189,889	197,467
of which: consumption of self-generated renewable energy that is not fuels	222	222
Total energy consumption	246,922	254,131

*Calculation of total final energy consumption complies with the requirements of the EU 2012/27 Directive transposed into national legislation (Government Decree 122/2015 (26.V.) on the implementation of the Energy Efficiency Act).

The share of self-generated renewable energies is 0.1%, generated by solar systems.

ESRS E1-6 – Gross Scope 1, 2, 3 and Total GHG emissions

Emissions are not directly measured but are calculated based on the Greenhouse Gas (GHG) Protocol methodology. Following the GHG Protocol, the Group's indirect (Scope 2) emissions are reported on both location- and market-based methods. Magyar Telekom Group continues to use the carbon dioxide equivalent (CO_{2eq}) as an indicator to quantify GHG emissions (CO₂, CH₄, N₂O, HFCs) from its activities, taking into account the global warming potential according to the IPCC 5th Assessment Report.

In 2025, Magyar Telekom Group decided to fully adopt Deutsche Telekom Group's calculation methodology for all three scopes. The methodological change did not cause any significant changes in scope 1-2. In scope 3, categories 1-3 already followed the Deutsche Telekom Group's methodology in the 2024 report. Methodological harmonization was essential due to Deutsche Telekom Group's plans to achieve net zero emissions by 2040. Further refinement of the methodology is expected in the future.



The IEA factors which are used by Magyar Telekom Group do not allow a breakdown by biogenic emissions, so the location-based Scope 2 values do not include additional biogenic emissions from electricity consumption.

in t CO _{2eq}		
	2025	2024
Scope 1 and 2 "market-based"	13,639	15,357
of which: t CO _{2eq} emissions Scope 1	12,247	13,962
of which: t CO _{2eq} emissions Scope 2 ("market-based")	1,392	1,395
t CO _{2eq} emissions Scope 2 ("location-based")	45,905	73,800
t CO_{2eq} emissions Scope 3 (total)	328,185*	362,298*
of which: t CO _{2eq} emissions Scope 3 (upstream)	170,920*	187,077*
of which: t CO _{2eq} emissions Scope 3 (downstream)	157,265*	175,221*
Total CO_{2eq} emissions (Scope 1-3)	341,824*	377,655*

* The scope 3 calculations in this statement for 2024 and 2025 were not prepared using the same methodology.

Detailed market-based GHG emissions scope 1-2 [t CO _{2eq}]	2015 (base year)	2024	2025
Natural gas	7,103	1,718	1,652
Oil	1,145	451	480
Fuels (total)	14,748	10,186	9,549
<i>diesel</i>	7,731	5,814	5,226
<i>gasoline</i>	7,017	4,372	4,323
Electricity (market-based)	36,212	0	0
District heating	2,994	1,395	1,392
F-gases	1,767	1,607	566
Magyar Telekom Plc.	29,168	11,728	11,151
Telekom Rendszerintegráció Zrt.	8,529	987	684
Hungary		12,771	11,888
North Macedonia	26,273	2,365	1,547
Romania		168	156
Bulgaria		53	48
Total	63,970	15,357	13,639

Scope 3 GHG emission categories include all indirect GHG emissions that occur in a company's value chain, both upstream and downstream. These categories are described in the GHG Protocol and include 15 specific types of emissions, ranging from the production of raw materials to the use and disposal of products. Categories not included are Category 8 "Upstream leased assets", Category 10 "Processing of sold products", Category 14 "Franchises" and Category 15 "Investments", as these are not relevant for Magyar Telekom Group's business model.

The following overview presents the reporting limits, the calculation methods and the calculation tools based on the categories of Scope 3 GHG emissions of the GHG Protocol. Magyar Telekom Group adopted Deutsche Telekom's calculations in 2025 due to the harmonization within Deutsche Telekom Group to ensure that the performance of individual member companies within this large group is comparable. It is important to note here that Deutsche Telekom committed to net-zero by 2040 for the entire Deutsche Telekom Group.



Calculation background of the categories of Scope 3 GHG emissions

Scope 3 GHG Emission category	Description
1. Purchased goods and services	The emission factors per euro, which are based on information provided by our suppliers on their Scope 1-3 emissions divided by their total sales, are taken from CDP questionnaires and multiplied by the order volume in the respective procurement categories. For some suppliers LCA information is used instead to calculate the emissions for the relevant order volume.
2. Capital Goods	Analogous procedure to Scope 3 Category 1.
3. Fuel- and energy-related activities	WTT emission factors mainly from the Ecoinvent database are used to calculate the emissions of the group's consumption of different energy sources.
4. Upstream transportation and distribution	In this category, the calculation approach of the Corporate Carbon Footprint takes into account the GHG emissions caused by the upstream transport of purchased goods and capital goods, including purchased devices. Emissions are calculated on the basis of estimates of the share of product/service costs attributable to transport. The respective share of the procurement volume is multiplied by the weighted average emission factor of our logistics service providers (analogous to the calculation of categories 1 and 2).
5. Waste generated in operations	The calculation takes into account the total waste produced within the year to be reported, as well as the annual generation of wastewater. To calculate the emissions, data sets from Ecoinvent for waste treatment were used.
6. Business travel	The actual data of business travel is tracked. Traffic-specific emission factors are used to calculate GHG emissions. The emission factors used for the different modes of transport are taken from the Ecoinvent database. Emissions from hotel stays are also included in the figure indicated.
7. Employee commuting	The calculation is based on Group-wide queries on the commuting behaviour of employees. In parts of the Group, home office emissions are also included here.
8. Upstream leased assets	Category 8 emissions are not relevant for Magyar Telekom Group.
9. Transportation of products sold to customers	Category 9 reports the emissions from our customers' shop visits. To do this, we multiply the number of shop visits (partly based on projections) by the average distance travelled and on an emission factor for passenger transport based on a study.
10. Processing of sold products	Category 10 emissions are not relevant for Magyar Telekom Group.
11. Use of sold products	The direct emissions in the use phase were calculated by determining the product-specific energy consumption and the average energy mix in the respective countries. The number of devices sold per device category (e.g. smartphones or routers) is multiplied by the average annual power consumption (based on average product usage) for the respective device category per country, and the result is in turn multiplied by the average product lifespan (e.g. 3 years) and the country-specific power grid mix factor.
12. End-of-life treatment of sold products	The emissions calculation includes the average end-of-life emissions for each device sold, mainly from internal and external product carbon footprint studies. The number of devices sold is multiplied by the average end-of-life emissions per device.
13. Downstream leased assets	The number of installations rented to end customers (in particular routers and TV set-top boxes) was multiplied by the corresponding energy consumption of the products used and the average respective country-specific emission factor for electricity. The same energy consumption data was used as in category 11. Only the emissions of the use phase were taken into account. All rented devices leased to end customers in the reporting year were taken into account in the calculation.
14. Franchises	Category 14 emissions are not relevant for Magyar Telekom Group.
15. Investments	Category 15 emissions are not relevant for Magyar Telekom Group.
16. Other Scope 3 emissions in the upstream value chain	All upstream GHG emissions under the GHG Protocol were recorded in the existing eight upstream categories.
17. Other Scope 3 emissions in the downstream value chain	All downstream GHG emissions under the GHG Protocol have been accounted for in the existing seven downstream categories.



Detailed GHG emissions Scope 3 [t CO_{2eq}], Magyar Telekom Group

Category	2025 Magyar Telekom Plc. and Telekom Rendszerintegráció Zrt.	2025 Magyar Telekom Group
1. Purchased goods and services	83,675	93,911
2. Capital goods	39,397	45,008
3. Fuel- and energy-related activities	5,878	7,034
4. Upstream transportation and distribution	18,333	20,101
5. Waste generated in operations	509	569
6. Business travel	281	381
7. Employee commuting	3,421	3,916
8. Upstream leased assets	not relevant	not relevant
9. Downstream transport	2,836	3,343
10. Processing of sold products	not relevant	not relevant
11. Use of sold products	16,398	19,021
12. End-of-life treatment of sold products	783	863
13. Downstream leased assets	98,262	134,038
14. Franchises	not relevant	not relevant
15. Investments	not relevant	not relevant
Sum	269,773	328,185

GHG Intensity based on net revenue

Magyar Telekom Group's GHG intensity was 0.347 tons CO_{2eq} / MHUF in 2025. Net revenue is equal to the amount published in the Consolidated financial statements.

ESRS E1-7 – GHG removals and GHG mitigation projects financed through carbon credits

In line with its strategic goals till 2030, Magyar Telekom Group offsets its remaining emissions each year. This is based on an existing contractual agreement, but not covered only Magyar Telekom Group's emissions, from 2025 onwards. Magyar Telekom Group purchased 13,700 tCO_{2eq} from projects outside the value chain via Deutsche Telekom. Magyar Telekom Group does not intend to use these credits to reduce its emissions.

The following table provides an overview of the cancelled CO₂ certificates and lists, among other things, the various standards that we have selected for our portfolio. These standards ensure the integrity and credibility of emission reductions and ensure that certificates comply with international requirements.

CO₂ certificates cancelled in the reporting year

in %	2025
Share of withdrawal projects	100
Share of reduction projects	0
Recognized quality standard: Biogenic Verra	4.59
Recognized quality standard: Biogenic Climate Action Reserve (CAR)	69.92
Recognized quality standard: Technological Puro.earth	8.54
Recognized quality standard: Technological Carbon Standards International	16.95
Share of projects within the EU	0.54
Share of CO ₂ credits that qualifies as a corresponding adjustment under Article. 6 of the Paris Agreement	0
Total	13,700



ESRS E1-8 – Internal carbon pricing

Magyar Telekom Group does not currently have an internal policy to apply internal carbon pricing, but when planning energy-related investments in Hungary, it takes into account the costs of offsetting (in Scope 1-2 categories) the remaining emissions in the future. Magyar Telekom Group is in its 11th year of purchasing carbon offsets for the Group, but with changing expectations, it is already incurring significant costs, and the Group expects significant costs in the future, so the impact of this can be reflected in financial planning. Deutsche Telekom Group provides its member companies with information on expected future prices based on information from external consultant companies. Avoiding this calculated cost due to any emission reduction in projects can reduce the payback period. This supports the internal decision-making process. Since Magyar Telekom Group focuses on the reduction of fossil fuel use, this scheme covers approx. 90% of its Scope 1 emissions.



ESRS E5 – Resource Use and Circular Economy

Introduction

Magyar Telekom Group is committed to the responsible use of resources across its value chain. In addition to conserving and limiting the use of resources, the goal is to enhance the usability of products and materials for as long as possible and returning them to the cycle. Longer periods of use and reuse facilitate savings in resource and energy use, while contributing to emission-reduction, and thus climate protection.

The following index shows the disclosure requirements identified by the materiality analysis with regard to the topic standard 'Resource Use and Circular Economy'.

ESRS index according to ESRS 2 IRO-2

Disclosure	Designation	Reference/Reference
ESRS E5 – Resource Use and Circular Economy		
ESRS 2 SBM-3 E5	Material impacts, risks and opportunities and their interaction with strategy and business model	Use of phase-in option for ESRS 2 SBM-3 §48e
ESRS 2 IRO-1 E5	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	
ESRS E5-1	Policies related to resource use and circular economy	
ESRS E5-2	Actions and resources related to resource use and circular economy	
ESRS E5-3	Targets related to resource use and circular economy	
ESRS E5-4	Resource inflows	
ESRS E5-5	Resource outflows	
MDR-P	Policies adopted to manage material sustainability matters	The Group applies the minimum disclosure requirements regarding policies, actions, metrics and targets together with the corresponding disclosure requirements.
MDR-A	Actions and resources in relation to material sustainability matters	
MDR-M	Metrics in relation to material sustainability matters	
MDR-T	Tracking effectiveness of policies and actions through targets	

Strategy

ESRS 2 IRO-1 E5 - Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

During the process of double materiality analysis, the whole value chain and all business activities were considered when assessing impacts, risks and opportunities, the process is detailed in the Chapter of ESRS 2 IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities. To safeguard high quality operations, it is essential, especially in view of the rapid technological development, to modernize infrastructure, purchase new equipment and provide equipment to customers, which generates material inflows. The material outflow is generated by the resale without modification of devices (phones, routers, notebooks, etc.) purchased, in addition to the waste generated by the operation. There has been a close assessment of the environmental impacts of waste along the entire value chain. With respect to impacts, the analysis is partly based on available professional literature.

The summary below shows the key impacts identified by the double materiality analysis. Material risks and opportunities related to resource use and the circular economy were not identified. The following overview provides information on where in the value chain the material impacts are and whether they are positive or negative. Unless marked as "potential", all impacts are actual. In addition, the overview contains a description of the effects and whether they affect humans and/or the environment. Since there are also potential impacts in terms of E5 resource use & circular economy, a relevant time horizon has been added. Actual impacts are existing and continuous. Further information on the responses to the consequences of the effects can be found later on in this chapter.



In the upstream value chain, impacts on the environment were identified concerning resource-inflow and resource use. ICT devices have a short product lifecycle, which increases demand for new devices and increases resource outflows. Worldwide, only a small percentage of electronic waste is recycled. Magyar Telekom Group can have both a negative effect in certain aspects and a positive effect by contributing to a circular economy, thus saving resources. There is a negative impact on global resource use due to the procurement of large sums of products and components for the maintenance and expansion of fixed and mobile infrastructure. Every year, large amounts of resource inflows are procured for grid expansion and modernization accompanied by large investment costs. In this case, the Group causes the effect. However, positive effects are also identified in the upstream value chain as new business models such as the rental or sale of refurbished technical equipment can have a positive impact, in which cases the Group's operation is directly linked to the impact. As a result, resource inflows are minimized, and the use of new materials is avoided. With the launch of refurbished mobile devices an alternative has emerged to prevent resource use. However, the scarcity of available refurbished devices may limit its widespread use. The rental model is a common ICT solution for CPE devices, which can also reduce waste while ensuring appropriate reuse or recycling.

In the own operation of Magyar Telekom Group and its downstream value chain, waste-related environmental impacts were identified. The expansion, modernization and maintenance of the fixed and mobile network have an impact on resource usage and, in this perspective, on waste generation. At Magyar Telekom Group, the most significant factor is the high production of E-waste from the operation of the network. Due to modernization developments, the number of certain types of waste may show outstanding values in a given year. Batteries and UPS equipment that ensure continuous operation need to be replaced regularly, and proper waste management must be ensured. Positive effects are also identified by the Group as there are potential positive long-term effects due to Zero Waste targets introduced by Deutsche Telekom Group.

Management of impacts, risks and opportunities

ESRS E5-1 – Policies related to resource use and circular economy

Magyar Telekom Group strives to lead the way to implement a circular economy by 2030, also extended to network technology usage. The Group also pays attention to recyclability at the workplace, in case of own branded devices, in the Telekom shops and in data centers. Magyar Telekom Group operates according to its groupwide Environmental Policy and its Environment Protection Guidelines. The Guidelines include the following measures: if possible, equipment and materials should be reused, and the Group supports recycling of raw materials. It supports the implementation of a circular economy by exploiting the business opportunities offered by digitalization-enabled dematerialization and by promoting the implementation of a sharing economy. In addition to the above, several product-relevant specifications (e.g. "Sustainability by Design", sustainable sourcing and use of renewable resources) are applied in the course of vendor selection for own branded devices to incorporate environmental aspects.

Magyar Telekom Group maintains and continually enhances an environmental management system that complies with the ISO 14001 standard, demonstrating their commitment to strengthening their environmental performance.

Deutsche Telekom plays an important role in fostering sustainable operations through centrally managed procurement processes in several key areas within the Group. The "Sustainability by Design" guideline gives product developers at Deutsche Telekom clear support when it comes to making important decisions so that the circular economy can be factored into products before they go into production. In addition, the requirements for new device developments in Germany and Europe stipulate an increase in the use rate of secondary raw materials.

Magyar Telekom Group reflects its response to significant impacts - material inflow and waste in its [Environmental policy](#), although there are no specific targets in this policy on circular economy and waste, at the moment. Internal stakeholders were involved in policy development, who took into account the expectations of many other stakeholder groups. This policy has been in place for a long time, with the current one being published in 2020. Targets presented in ESRS E5-3 were set after the policy's publication. In addition, suppliers must adopt and operate in accordance with the environmental policy and the sustainability criteria set out in the [Supplier Code of Conduct](#). Deutsche Telekom established its [waste hierarchy policy](#) in 2013, which was implemented by Magyar Telekom Group.



ESRS E5-2 – Actions and resources related to resource use and circular economy

The first step for efficient resource use reduction is the proper management of the Group's upstream operations. The weight of the sustainability factor, with -20% in case of central procurement at Deutsche Telekom and with 10% at Magyar Telekom Group – the latter could only be used until the middle of the year due to changes in Hungarian legal requirements – in the purchasing evaluation, contributes to minimizing the negative impact of resource inflows, while promoting sustainable innovations among the Group's partners.

The production of mobile phones not only uses rare earth metals but also generates significant water usage. Magyar Telekom Group expects its suppliers to share the Group's commitment by responding to challenges posed by climate change and working toward protecting the environment and nature and preserving the natural livelihood of the population. As part of this commitment, all suppliers must, without limitation: Prevent or eliminate waste of all types, including water discharges and energy losses, by implementing appropriate conservation measures at their facilities through (1) the use of conservation-minded maintenance and production processes, and (2) by implementing strategies to reduce, reuse, and recycle materials (in that order), whenever possible and prior to disposal. The Group also aims to reduce this impact by collecting and recycling materials from mobile phones and by marketing refurbished devices. Re-use and recycling are also important for network equipment.

The Deutsche Telekom Group, including Magyar Telekom Group, offers solutions globally that contribute to reducing the impact of resource inflow, e.g. setting an example for mobile phone manufacturers. In addition to high performance, the 2nd and since second half of the business year the 3rd generation of own branded mobile phones (T Phone 2 5G, T Phone 2 Pro 5G, T Phone 3 5G and T Phone 3 Pro 5G) have also seen an increase in sustainability values, namely the sector-specific Eco Rating scores are 88/100, 84/100, 90/100 and 88/100, respectively. (The [Eco Rating score](#) takes into account: durability, reparability, recyclability, resource efficiency, climate efficiency.) In addition, the devices will receive monthly software and security updates for three years and quarterly updates for a further 2 years, helping them to last longer. These mobile phones contribute to climate protection and responsible use of resources according to a third-party verification. These devices are also characterized by above-average recyclability. The optimized use of semiconductors not only reduces greenhouse gas emissions during the production process but reduces resource use.

In addition to sustainable device features, sustainable packaging is equally important for Magyar Telekom Group. The Group expects suppliers to use recyclable and biodegradable packaging materials. In case of some packaging materials, where these properties cannot be achieved by using 100% post-consumer fiber, the least possible amount of added new fiber is used. If new fiber is unavoidable, the source should be only from sustainable cultivation, as certified by FSC or equivalent. Only non-toxic labelling and printing are used such as soy ink or equivalent. The packaging is 100% plastic free, which means that plastic wrappers, plastic display foils, plastic filling material, etc. are prohibited. Shifting to mono-materials is also a key feature of sustainable packaging: laminates and composite packaging from multiple materials constitute one of the biggest hurdles to achieving recyclability. Optimized usage of materials, i.e. lower volume and mass (product to packaging ratio), fewer packaging layers are also mandatory requirements.

Magyar Telekom Plc. continues its 20-year tradition of collecting used mobile devices that contain critical raw materials. As it is a common practice in the ICT sector, many other telecommunication devices (CPEs) are leased assets, that are returned by the user to the service provider, once the contract expires. As a responsible service provider, Magyar Telekom Plc. provides information on its website about the options and ways customers can return their used and waste devices and batteries in accordance with the legal requirements.

To meet its device collection targets, Magyar Telekom Plc. cooperated with its refurbished handset supplier (Recommerce) to provide trade-in service solution for mobile phones, tablets and game consoles, with extra bonus available in campaign periods. Magyar Telekom Plc. also cooperated with business partners (e.g. BSI, UNICEF) and Magyar Telekom Plc.'s own and partner shops, as well as employees to collect recyclable handsets. MOHU MOL Hulladékgazdálkodási Zrt., handles and recycles the collected devices. The importance of device circularity is also widely communicated, with external and internal education on recycling promoted by Telótuning campaigns, as well as prize draws among customers and employees. Magyar Telekom Plc. offered extra discounts to customers handing in their old phones for recycling during Vivicitta. The



Company also offers HUF 500 for each device collected through its logistic channels (maximized in 15 million HUF) for the Jane Goodall Institute – Passzold vissza, tesó! Program. Magyar Telekom Plc. also supported „Együtt az Állatokért” Állatvédő Közhasznú Egyesület during a Regional Model Tuning in Debrecen, where over 1000 handsets were collected after a 3kg dogfood donation was announced after each handset given for recycling at the event. Magyar Telekom Plc. pledges to cover the costs of the whole training of a guide dog if at least 1200 used handsets will be collected for recycling at a week-long event in Miskolc Pláza, Telekom shop.

The refurbished phone portfolio and the trade-in service solution Magyar Telekom Plc. (in partnership with Recommerce) offers won the Green Magenta label this year.

Magyar Telekom Plc. offers A+ premium category refurbished mobile phones (63 models, 25 Samsung, 36 iPhone and 2 Xiaomi with 188 colour and memory capacity variants) with 2 years warranty and on average 24% lower price compared to new devices. Magyar Telekom Plc. sold over 30 thousand refurbished phones since launch in 2023 October.

Sustainability benefits are in savings of 44.622 kg CO_{2e} emissions per 1 sold refurbished smartphone based on the Green Magenta label impact measurement. The refurbished devices are packed in 100% recycled paper, sleeve is 100% PEFC certified paper and printed with 100% plant-based ink. The solution supports SDGs 1, 4, 6, 9, 12, 13, 15, 16.

Magyar Telekom Plc. trade-in is an online-only non-integrated solution available since December 2024.

Clients have the possibility to trade-in/sell their used mobile phones, tablets and game consols directly to refurbisher partner Recommerce, and receive the value of the phone to their bank account.

With the service of Magyar Telekom Plc. and Recommerce, more than 2,800 types of devices can be sold (2,192 phones, 636 tablets, 55 consoles), which provides a unique and extremely wide range in the national context in the refurbishing industry, which is located in the middle of the waste hierarchy. Savings of 36.4 kg CO_{2e} per smartphone and 52.32 kg CO_{2e} per tablet also decreases negative impacts from land-use changes due to reduction of demand for primary metals based on Green Magenta label impact measurement. Trade-in as a key supply pillar providing devices for refurbishment. Improving access to affordable phones for lower income individuals to facilitate their access to education or employment opportunities. The solution supports SDGs 4, 9, 12, and 13.

For example, Magyar Telekom Plc. launched the Telótuning campaign with a Szoboszlai statue prank, which was anchored with numerous educational social contents, even involving influencers. Our offers were also based on our newly developed device sales service to support our customers' decisions. On the occasion of World Recycling Day, Magyar Telekom Plc. held a traditional press event at the Magyar Telekom Aréna Mall store in connection with the circular services we undertook together with Recommerce Group and the Jane Goodall Institute. The journey of mobile devices from the previous owner through the renovation processes to their arrival at the new owner was presented in a workshop format for journalists.

In order to promote device circularity through trade-in and refurbishment Magyar Telekom Plc. participated in the European Waste Reduction Week in November with a social prize draw where Szoboszlai Dominik's refurbished iPhone 16 was the prize.

The Company has not used green bonds, loans or other sustainable financing instruments.

As part of Makedonski Telekom's eco-initiative 'Together for the Protection of the Environment', thousands of mobile devices have been collected and recycled in partnership with Zero Waste since 2022. To encourage customers to join this initiative, for every old device, they get a discount on the purchase of a new smartphone. At the moment, the discount applies to the purchase of a new T Phone. In collaboration with "Zero Waste", an initiative is also being organized for collecting old devices in several schools and kindergartens in Skopje. The purpose of this initiative is educational, while also encouraging a spirit of competition and teamwork among children and young people.



To reduce the environmental waste burden, the following measures have been introduced in Hungary, covering waste prevention and preparation for reuse in the waste hierarchy:

- used assets are reused within Magyar Telekom Group, if possible, sold, rented/leased or donated to employees or external partners.
- Separate waste collection is provided at Group sites where possible.
- Improving efficiency by reviewing contracts and collection points, carrying out inspections, and maintaining communication.
- Strict compliance with DT Group level regulation on cable waste management published in 2015.

Following the amendment in 2023 of the Hungarian waste law, Magyar Telekom Plc. needed to exercise much more care in its waste management in terms of waste sorting and collection. All employees concerned were provided with training material to help them carry out the new tasks, which facilitated collection in compliance with the legislation. This action supported the increase in the recovery of strategic critical raw material ³such as copper and energy-intensive iron and steel.

Goals/Targets

ESRS E5-3 – Targets related to resource use and circular economy

Since 2021, Magyar Telekom Group has had voluntary targets – not validated by an external organization -, which include increasing the collection of mobile phones and CPE units used by customers (downstream, absolute target), keeping technical waste out of landfills (own operation and downstream, relative target) and ensuring 100% sustainable packaging (more details are in ESRS E5-2) of own-brand products (upstream, relative target). The targets relate to the following circular economy themes: increase of circular material use rate; waste management, including preparation for proper treatment; sustainable sourcing and use of renewable resources, respectively. The targets are not set against a base year, but specific targets are included in the strategy. To monitor the targets, the Group requires quarterly reporting on the relevant indicators. In case of take-back, the number of mobile devices taken back is collected, and the amount of technical waste for different treatment methods is also collected as a key indicator. While Deutsche Telekom Group sets the targets, Magyar Telekom Group was involved in quantifying the targets (especially in case of take-back of mobile phones). Targets cover prevention and preparation for reuse in the waste hierarchy.

Magyar Telekom Plc. implemented innovative solutions based on the latest Service Design research, Market Share & Demand Research and Kantar study, to gain better understanding of the used handset potential for circularity and market behaviour based on ownership culture. Based on the main findings Magyar Telekom Plc. modified and finetuned its collection strategy on the long run by focusing on sustainable solutions in education targeting behavioural change, trigger-relevant connected logistics and partnerships for covering more segments of the society. The research and study results show that over 2.7 million handsets are in the Hungarian households and lacking the priority for recycling, soon aging and transforming to e-waste. The priority is mainly dependent on timely and logistical questions; therefore, Magyar Telekom Plc. shifted from subsidizing collection towards educating about e-waste and elaborating on the most suitable and wide range logistical solution to make collection as easy for the population as possible. This transformation promises slow but sure results, therefore the target setting adapted accordingly. In 2025, Deutsche Telekom Group began developing a complex circularity indicator that represents the telecommunications sector well, covering the entire operations. Deutsche Telekom Group plans to present the related 2030 target value later.

Magyar Telekom Group target for take back of mobile phones in kg-s

	2024 target	2024 actual take-back	2025 target	2025 take-back	actual
Mobile phones	4,500	5,693	2x of 2024 target	4,527	(more than 40 thousand pieces)

³ [Critical raw materials act - Consilium \(europa.eu\)](https://eur-lex.europa.eu/legal-content/en/legislation/?uri=CELEX:32023L0191&fromDoc=32023L0191-01&fromUri=32023L0191-01)



The secondary (recycled) material use rate is not measured by the Group - this is a task for the suppliers - and there are expectations for suppliers set out in the Supplier Code of Conduct, but no specific targets are set, as they have to meet other criteria besides sustainability (e.g. safety, durability, etc.).

100% target value for sustainable packaging of own-brand products is achieved by 2024, which will be maintained in the future.

Key Figures

ESRS E5-4 – Resource inflows

Total weight of products and technical and biological materials used in the reporting period:

In kg	2025
Devices for sale with packaging materials	1,558,429
of which refurbished phones with packaging materials	5,663
Take-back of mobile phones, tablets	4,527
Materials and equipment for network modernization	767,204
Total	2,335,823

Reported weight of products and technical material is calculated. The biological materials used are not separately indicated but are included in the calculations as packaging material. In the case of devices for sale, specific weights used for calculations are the same as those in scope 3 cat. 4 of the 2024 report; for other items, calculations are based on information received from suppliers.

Magyar Telekom Group use recycled materials primarily in packaging as well as materials and components of net technology. This latter mainly applies to recycled metals such as iron, aluminium and copper and, to a lesser extent, to recycled plastics. In terms of packaging, this particularly means recycled fibres for (cardboard) packaging for net technology as well as recycled or reused wood for cable drums. The recycled content is estimated at 15% of the total weight. The level of accuracy of the estimate is considered low because no data is disclosed and the estimate is based on assumptions derived from experience from Deutsche Telekom Group.

ESRS E5-5 – Resource outflows

Products and materials

Magyar Telekom Group is a non-manufacturing company, which means that the inflowing products flow out without modification, therefore these issues are addressed at resource inflows.

Waste

Since July 01, 2023, the public waste management tasks of the municipalities and the state have been replaced by a centralized waste management system, with the abolition of the former and the creation of a new public waste management system, where the state's public waste management tasks include the public waste management service and the institutional waste management activities. The Group transfers its waste for treatment to authorized organizations in accordance with the legislation in force.



Amount of waste generated [tons]

	2025	2024
Total waste for recovery	1,584	-
Waste for recovery – preparation for reuse	0	-
of which: non-hazardous waste	0	-
of which: hazardous waste	0	-
Waste for recovery – recycling	1,584	-
of which: non-hazardous waste	1,406	-
of which: hazardous waste	178	-
Waste for recovery – other recovery operations	0	-
of which: non-hazardous waste	0	-
of which: hazardous waste	0	-
Total waste for disposal	1,273	-
Waste for disposal – incineration	0	-
of which: non-hazardous waste	0	-
of which: hazardous waste	0	-
Waste for disposal – landfill	1,273	-
of which: non-hazardous waste	1,256	-
of which: hazardous waste	17	-
Waste for disposal – other types of disposals	0	-
of which: non-hazardous waste	0	-
of which: hazardous waste	0	-
Waste not recycled	1,273	-
Waste not recycled – share of total waste generation	% 45	-
Total E-waste	232	323
Total hazardous waste	195	258
Total radioactive waste	0	0
Total amount of waste generated	2,858	2,823

The amount of waste is measured by the organization responsible for waste collection and processing. In Hungary, Magyar Telekom Group receives the data from the responsible partner in units of mass. Data is also uploaded to a central government database by the different organizations responsible for the waste streams (producers, transporters, treatment operators).

Compared to last year's report, number of indicators presented for waste has been expanded to meet ESRS requirements. In the case of waste data, no precise information is available regarding its final treatment for Magyar Telekom Group in Hungary, so Magyar Telekom Plc. assumed that 100% of each waste type (according to the European Waste Code) sold is recycled, while in cases where the waste transported incurs costs, it is directed to disposal on landfills as the least favourable option, based on a conservative approach. Telekom Rendszerintegráció Zrt. follows the same methodology.

In North Macedonia, Makedonski Telekom A.D. has established procedures according to local legislation. In this market an outsourced company for facility management is used as a facilitator for organization of waste handover and for documentation related to waste management. This data is documented by waste type and quantity, as well as intended waste management operations (e.g. disposal, recycling). These forms and their content are regulated in the Official Gazette of the Republic of Macedonia No. 07/06. Records of the total quantities of waste handed over to waste handling companies are kept by the outsourcing facility company which at least once a year and/or upon request, provides relevant reports.

At Magyar Telekom Group, biomass is mainly generated as organic waste in office buildings. In the field of network technology and IT, metals, rare earths, non-metallic minerals and plastics are produced as waste. These elements can be found both in the waste generated by active technology (transmitting and receiving technology, storage technology, etc.) and in passive technology (e.g. cables, technical housing. The same applies to the customer devices taken back in the fixed network (e.g. routers, TV boxes, etc.) and in mobile communication (e.g. smartphones, tablets).



Magyar Telekom Group fulfils its obligations as a manufacturer and distributor as follows:

- For electronic equipment also subject to the Product Charges Act, it has opted for the payment of the product charge, the state recovery system.
- It pays the Extended Producer Responsibility (EPR) fee for packaging, packaging purchased from abroad, electronic equipment purchased from abroad, batteries and furniture purchased from abroad. Magyar Telekom Plc. informs its customers on its websites about the possibility of returning used and waste devices and batteries in accordance with the legal requirements.
- In North Macedonia, there is a collective waste management organization that operates the local system in line with EU legislation.



Social topics

ESRS S1 – Own workforce

Introduction

Magyar Telekom Group considers its employees to be crucial to its business success. The Group places significant emphasis on participation and fair cooperation and actively promotes diversity and inclusion. The following index shows the disclosure requirements identified by the materiality analysis regarding the topic standard 'Own workforce'.

ESRS index according to ESRS 2 IRO-2

Disclosure	Designation	Reference
ESRS S1 – Own workforce		
ESRS 2 SBM-2	Interests and views of stakeholders	
ESRS 2 SBM-3 S1	Material impacts, risks and opportunities and their interaction with strategy and business model	Use of phase-in option for ESRS 2 SBM-3 §48e
ESRS S1-1	Policies related to own workforce	
ESRS S1-2	Processes for engaging with own workforce and workers' representatives about impacts	
ESRS S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	
ESRS S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	
ESRS S1-5	Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities	
ESRS S1-6	Characteristics of the Magyar Telekom Group's employees	
ESRS S1-8	Collective bargaining coverage and social dialogue	
ESRS S1-9	Diversity metrics	
ESRS S1-12	Persons with disabilities	
ESRS S1-13	Training and skills development metrics	
ESRS S1-14	Health and safety metrics	
ESRS S1-16	Remuneration metrics (pay gap and total remuneration)	
ESRS S1-17	Incidents, complaints and severe human rights impacts	
MDR-P	Policies adopted to manage material sustainability matters	The Group applies the minimum disclosure requirements regarding policies, actions, metrics and targets together with the corresponding disclosure requirements.
MDR-A	Actions and resources in relation to material sustainability matters	
MDR-M	Metrics in relation to material sustainability matters	
MDR-T	Tracking effectiveness of policies and actions through targets	

Strategy

During the process of double materiality assessment Magyar Telekom Group identified material impacts and risks related to its employees. The assessment process is detailed in the Chapter of ESRS 2 IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities. Furthermore, during the understanding phase of double materiality analysis, interviews and documentation collection were conducted internally to gain understanding of the Group's approach regarding its employees and related practices. The summary below shows the material impacts of the Group business activities on its own workforce which were identified through the double materiality assessment. All material negative impacts are systemic. It includes employees affected by material impacts among the Group's own workforce, i.e. those having a direct employment relationship with the Group. Due to their marginal number, non-employees are out of scope of the Consolidated sustainability statement.

The working conditions, frameworks and regulatory environment provided by Magyar Telekom Group have an actual direct physical and mental impact on employees. The Group as a responsible employer has a number of ways to ensure supportive working conditions. The Group is committed to creating a safe and inclusive workplace for all, which is also reflected in its



strategic objectives. In addition, employees have an opportunity to shape working conditions through employee representation.

Magyar Telekom Group's priority is to ensure non-discrimination and equal opportunities in the workplace, fostering an inclusive environment for all, together with providing constant access to learning and development opportunities for employees. By implementing its prevailing Equal Opportunities Plan, covering Magyar Telekom Plc. and Telekom Rendszerintegráció Zrt., it sets measures for the sustained improvement of working conditions for employees coming from disadvantaged social groups such as women, employees with families, employees on parental leave, employees with disabilities or with reduced working capacities, entry level young professionals and senior professionals over 50 years of age. The top-down and bottom-up initiatives of Magyar Telekom Group have an actual positive impact on the workplace inclusion of employees, related to all of these groups.

The equal opportunities category also includes addressing the gender pay gap. From July 2020, the Group conducts a complex gender pay gap analysis twice a year. Along the process of merit increase evaluations, managers rely on information about the necessities of potential salary adjustments, to address any pay gaps, ensuring compensation aligns with performance and market rates.

The protection of personal data provided by customers, employees and other data subjects is a priority for Magyar Telekom Group. The Group handles the personal data of data subjects who contact it or receive its services confidentially and in accordance with applicable legislation, ensures data security, implements the necessary technical and organizational measures, and establishes procedural rules to enforce relevant laws, court decisions, as well as data protection-related decisions and recommendations of authorities. The Group's general principles, approaches and procedures relating to privacy topics are described in the Chapter of ESRS S4 ESRS S4-1 – Policies related to consumers and end-users (Sub-topic: Data Protection at Magyar Telekom Group) and ESRS S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (Sub-topic: Data Protection at Magyar Telekom Group).

The general growth and internal processes of the Group may be threatened in the long term by the foreseeable labour shortage in certain skill areas involving the risks of difficulties of replacing experts. The educational pillar of the Magyar Telekom Group's sustainability strategy puts an emphasis on the development of digital skills of the population and customers. This is to contribute to ensuring the industry's expert replacement, since the difficulties in ensuring the supply of experts can represent a potential risk in terms of the continuous assurance, improvement and development of the quality of the Group's services. To provide the highest possible quality of service, the Group needs the best professionals. This primarily requires a competitive training background. To manage the long-term risk of potential labour shortages in specific knowledge and skill areas, the Company continues its dual training program started in 2021 with the Kandó Kálmán Informatikai Technikum SZC Miskolc. In this context, it provides up-to-date theoretical teaching materials and practical opportunities for the students participating in the training. Furthermore, Magyar Telekom Plc. continues its cooperation with István Széchenyi University, the aim of which is to provide professional training for electrical engineers.

Employee satisfaction may face a mid-term decrease if remuneration does not increase appropriately, therefore there is an anticipated increase in wage-related costs. However, the Group has established a transparent remuneration system, wage-ranges and relevant internal regulations are available to all employees. Furthermore, the welfare and social benefits provided are extremely broad. The Group provides employees with telecommunication discounts, fringe benefits, life and accident insurance, health screenings, and access to Employee Assistance Program (EAP).

Management of impacts, risks and opportunities

ESRS S1-1 – Policies related to own workforce

Sub-theme: Working conditions: collective bargaining and social dialogue

Magyar Telekom Group implemented uniform standards for the management of material impacts in cooperation with social dialog and freedom of association. Magyar Telekom Group respects the right to freedom of association and collective bargaining in accordance with national law, also maintains a trusting dialog with employee representatives and trade unions. These standards are anchored in its guidelines outlined in the [Code of Conduct](#) and in its [Code of Human Rights](#).



The Code of Human Rights contains globally applicable voluntary commitment to uphold freedom of association and the right to collective bargaining (in compliance with national law), occupational health and safety and the prohibition of unequal treatment in employment, among other things.

The Code of Human Rights is part of Deutsche Telekom Group's human rights policy statement and was expanded in December 2023. The Code of Human Rights describes the Group's values and standards, which are substantiated by the internal Group guidelines, instructions and processes and thus form the Group's framework for action. The principles and expectations towards Magyar Telekom Group's employees enshrined in the Code include in particular the prohibition of child labour, forced labour and all forms of slavery, occupational health and safety, freedom of association and the right to collective bargaining, prohibition of unequal treatment in employment, fair pay, zero tolerance of violence and harassment of any kind.

The scope of principles and expectations described in the Code extend to Magyar Telekom Group's employees as well as its suppliers and business partners. The Code declares the Group's commitment to respecting human rights and promoting environmental considerations throughout its operations including its suppliers and business partners. This Code of Human Rights is made available to all employees of the Magyar Telekom Group and their interest groups in an appropriate form. The contents of this policy are communicated to business partners and suppliers of Group companies as an expectation in an appropriate manner.

Deutsche Telekom Group has been operating a Group-level program for several years to comply with human rights and environmental due diligence obligations in accordance with the international reference instruments mentioned under ESRS S1-1 §19/ESRS 2 §65d MDR-P. The scope of people in relation to which potential positive or negative effects of the Group's business operations could be identified was defined based on the aforementioned process and the involvement of internal and external expertise (human rights impact analysis). The same process defined the scope of people, whose interests were taken into account when creating the Code of Human Rights. These include employees of Deutsche Telekom Group companies, including employees of Magyar Telekom Group, employees of direct or indirect suppliers, customers, children and young adults, as well as communities. For many years, the Group has expected its suppliers to also commit to respecting human rights and environmental concerns and comply with the related principles, including the prohibition of child labour, forced labour and all forms of slavery. It also expects its suppliers to commit to establishing appropriate due diligence processes based on their own risk assessment to pass this expectation on to their own suppliers.

Due to the recent changes in the legal requirements and the newly updated and issued Code of Human Rights the clarification and definition of roles and responsibilities are still ongoing locally regarding the review of human rights and environmental issues and associated due diligence obligations.

The Code of Human Rights revised by Deutsche Telekom Group was adopted by the Chief People Officer of Magyar Telekom Plc. in 2024. The adoption of the revised Code by the responsible management bodies of the Group companies was completed in 2024. The Code reaffirms Magyar Telekom Plc's commitment to the internationally recognized human rights and environmental legal standards and law reference instruments, including the United Nations International Bill of Human Rights, the core labour standards of the International Labour Organization (ILO), the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. Through its voluntary commitment, the Group also recognizes the minimum social standards that are necessary conditions for the taxonomy conformity of economic activities in accordance with EU taxonomy regulations. The minimum social standards require a management system that monitors compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the core labour standards of the International Labor Organization and the International Bill of Human Rights. As mentioned above, Magyar Telekom Group has been part of the group-level program of Deutsche Telekom Group for several years to comply with human rights and environmental due diligence obligations in accordance with the international reference instruments.

Sub-topic: Working conditions (health and safety)

Occupational health and safety measures are deeply rooted in Magyar Telekom Group's operation structures assured by certified management systems, following corresponding guidelines and directives. The Group has an internationally



standardized quality, occupational health and safety and environmental protection management system. It is based on the international standards ISO 9001, ISO 45001 and ISO 14001. The Group is also committed to securing occupational health and safety in the workplace as stated in the above-mentioned Code of Human Rights.

The integrated management system for health, safety and the environment (HSE) ensures that considerations of sustainability are embedded in all business processes and are present in the everyday lives of employees.

The management system secures the systemic planning, improvement and implementation of HSE processes. It also helps Magyar Telekom Group to participate in project acquiring tenders, where potential commercial customers require HSE certificates from their suppliers.

The general responsibilities, tasks and measures of health and safety management have been set out in the management system documents for quality, health, safety and environmental protection. It serves to standardize and align management systems across the Group.

The HSE management system promotes employee health management, thus contributing to overall employee well-being and improvement of work performance.

The Group systematically evaluates the effectiveness of these measures. As part of this evaluation process a yearly consolidated business/management report is conducted. For example, the relevant health assessment related data are being yearly reported to the respective management bodies. It also draws on the results of the employee engagement survey, on the findings of the legally required, tri-annual psycho-social risk analysis, on the health insurance reports and competitor assessments, among other things. The Group analyses these data and derives measures from them.

The HSE MS is valid throughout the Magyar Telekom Group and covers all activities, products and services: Fixed Network / Broadband, Mobile Communications, Internet and Internet-based TV products and services as well as ICT solutions for business and corporate customers. The Group's responsibility also extends to the control of outsourced processes.

The Management bears overall responsibility for occupational health and safety and environmental protection. Magyar Telekom Plc's QHSE policy takes into account the Luxembourg Declaration, the United Nations Global Compact and the requirements of the ISO 45001, ISO 14001 and ISO 9001 standards.

In addition, all employees can actively participate in the design of occupational health and safety measures in accordance with the requirements of ISO 45001.

Centralized documented information of Magyar Telekom Group's QHSE management system is available on its website, both in [Hungarian](#) and [English](#).

Magyar Telekom Group uses a management system for occupational health and safety in accordance with ISO 45001 to reduce the number of accidents at work. This certified system allows the entire process relating to occupational health and safety to be mapped in a structured manner. This allows the Group to develop packages of measures that increase the safety of its employees and help to keep them healthy.

Sub-topic: Equal treatment and equal opportunities for all (diversity; employment and inclusion of people with disabilities; gender equality and equal pay for work of equal value)

Magyar Telekom Group is committed to providing equal opportunities for all and actively supporting inclusion along different diversity dimensions. The Group has defined how it intends to fulfil this commitment by laying foundations in its corporate guidelines and policies such as the Group guideline 'Diversity, Equal Opportunities and Inclusion', Diversity, Equity and Inclusion Group Policy, the seven Guiding Principles, the Leadership Anchors serving as leadership practice adaptations of the Guiding Principles and the Code of Human Rights. It ensures transparent and gender-neutral remuneration through its collective agreements and collective bargaining agreements with its social partners.

Diversity, equity and inclusion (DE&I) is also rooted in the culture of Magyar Telekom Group. Based on the possibility provided for in Act CXXV of 2003 on Equal Treatment and the Promotion of Equal Opportunities and the Group's practice introduced since September 2010, an Equal Opportunities Plan has been adopted for the fifth time in cooperation with the



employee representative bodies in order to respect the principles of equal treatment, promote equal opportunities and monitor and improve the employment position of specific disadvantaged groups of employees. The current Equal Opportunities Plan, which covers Magyar Telekom Plc. and Telekom Rendszerintegráció Zrt., covers a five-year period between 2021 and 2025. In implementing the plan, the companies plan measures to continuously improve the working conditions for employees coming from disadvantaged social groups, in particular women, employees with families, employees on parental leave, employees with disabilities or reduced working capacities, entry level young professionals, women in leadership positions, senior professionals over 50 years of age and members of LGBTQ+ community. The progress of each action and the results of the action plan is discussed once a year between the equal opportunities unit and the employee representative bodies.

With this Group policy, Magyar Telekom Group is establishing holistic DE&I management and renewing its commitment and responsibility to it through a strong culture of inclusion and belonging. In addition to an overview of the definitions, strategies, goals and benefits of diversity, equal opportunities and participation, the guideline includes collaborative measures that are taken by different areas under the premise that the benefits of diversity, equal opportunities and participation can only be achieved through joint efforts.

All employees and applicants should be given fair opportunities for access and development - regardless of individual backgrounds such as age, ethnicity and nationality, gender and gender identity, physical and mental abilities, religion and belief, sexual orientation and social background. The goal is to secure equal opportunity participation for all as the Group aims to close access gaps and foster inclusion.

Magyar Telekom Group is responsible for the further implementation of DE&I in its respective organizations and for the conduct of an annual progress analysis along corresponding reporting to the responsible management bodies to review the effectiveness of the strategy.

The Diversity, Equity and Inclusion Group Policy apply to all employees groupwide (board members, management members, as well as all employees and people who are functionally equivalent to employees, such as temporary workers) of Magyar Telekom Group. Implementation of the Group policy on diversity, equal opportunities and inclusion was completed in all countries of the Deutsche Telekom Group in 2024. The interests of employees were taken into account when drawing up or renewing the policy. The policy is publicly available and published on Magyar Telekom Plc's [website](#).

Respecting the individuality of its employees and embracing their diversity as a quality contributing to business success is just as important to Magyar Telekom Group as it is to maintain foster the development of an inclusive corporate culture. This is the key role of the corporate diversity team, that is situated till 31st August 2025 within the Corporate Communications Hub, then from 1st September 2025 within the newly formed Employee Engagement & Culture Centre of Excellence, both at the People Unit of Magyar Telekom Plc.

Magyar Telekom Group is committed to compliance with the fundamental frameworks of DE&I governance. These include the Universal Declaration of Human Rights, the Guidelines and Declaration of Principles for Multinational Enterprises of the International Labor Organization, the Convention of the Organization for Economic Cooperation and Development, the Guidelines for Multinational Enterprises and the ten principles of the United Nations Global Compact. In addition, it observes the requirements of the EU anti-discrimination directives and the respective local regulatory environments.

In 2016, Hungary joined the European Union's Diversity Charter, and Magyar Telekom Plc. was one of the 50 signatory companies to declare its commitment to fostering diversity as a core value. Magyar Telekom Plc. is also member of Employers' Forum for Equity, We Are Open, Equalizer Foundation and the DE&I working group of AmCham Hungary.

In accordance with the core diversity dimensions of the 'Diversity Charter', the Group offers numerous opportunities for development and progress for all employees regardless of age, ethnic origin and nationality, gender and gender identity, physical and mental abilities, religion and ideology, sexual orientation or social background. In order to make it's working environment even more inclusive and implement it's diversity strategy in the business units, the Group is developing and implementing both division-specific and cross-divisional actions.



ESRS S1-2 –Processes for engaging with own workers and workers’ representatives about impacts

The Group fosters dialog-driven relationships with employees, while maintaining a trust-based and constructive cooperation with employee representatives and trade unions. In cases of Magyar Telekom Plc. and Telekom Rendszerintegráció Zrt., the Workers Council and the trade unions – TÁVSZAK, T-Net - represent the interests of employees.

The employee representatives represent the employees in various committees, for example in the Occupational Safety Committees meetings on occupational safety.

To secure inclusion of different employee groups, the Group engages in co-creative collaboration when creating policies, guidelines, and other products, for example with its employee resource groups from various diversity dimensions.

Employees also have opportunity to participate in managing the impact on their own workforce via the ideas management system. Creative ideas from employees help to improve the Group’s processes. Magyar Telekom Group promotes a corporate culture in which it encourages its employees to get actively involved.

Employees are considered as key stakeholders who are invited to actively shape the working environment and workplace culture along with their participation in different employee surveys. The findings of the surveys are the cornerstones of multiple human resource management strategies as their overall development is fundamentally grounded in the proactive and transparent consultation with the employees. Information about the results and the outcomes of these surveys are internally shared and discussed with employees on team, department, company, and group levels alike.

The employee surveys disclosed in this section can be separated into 3 scopes based on the employee scope of their target group:

Deutsche Telekom Group Pulse surveys are employee satisfaction surveys, targeting employees in the entire global Deutsche Telekom Group footprint twice a year, every year. The engagement score is calculated as an average based on the answers to questions on mood, employer attractiveness, brand identity, and inspiration. Every second year one of these global DT Group Pulse surveys is being replaced by an Employee Survey, which has an extended question set. Apart from raising the classic Pulse survey questions on employee satisfaction, they also have additional questions asking for employee feedback from engagement and health to workload, management style, and compensation. In the area of commitment, employees are also asked about the extent to which they identify with the Group’s ecological and social commitments and if they perceive the Group’s performance on its social and environmental commitments to be sufficient.

Magyar Telekom Group, covering Magyar Telekom Plc. and Telekom Rendszerintegráció Zrt. also conducts its own local Pulse survey twice a year, thus allowing more in-depth insight into the local feedback from its employees. As the employees of Magyar Telekom Group are thus within the scope of two Pulse survey cycles, colleagues have the opportunity to provide feedback to the employer 4 times each year. This frequency supports the mature feedback culture of the organization, while it allows the timely identification of weaknesses and the fine tuning of corresponding remedial actions.

In 2025, Deutsche Telekom Group launched a new survey format, VIEWS. VIEWS is a new survey format complementing Pulse Survey. It is intended to provide deeper insights into relevant culture and work-place topics, for example, those identified through the Pulse Survey. The thematic focus of each VIEWS can vary – the first edition run between 17th September 2025 and 1st October 2025 and initiated by the Deutsche Telekom HR Culture & Inclusion (C&I) team focused on topics such as belonging, psychological safety, and mutual respect.

VIEWS reflects Deutsche Telekom’s commitment to a caring and feedback-driven culture where every voice matters.

The survey consists of 16 focused question topics e.g., belonging, psychological safety, authenticity, leadership principles, manager engagement, diverse representation, experiences, equal opportunities, experienced discriminative actions, and their reporting. The additional demographic information like physical and mental ability, caring responsibilities provides opportunity for various analysis options. Magyar Telekom Plc. also invested in the support of its Employee Resource Groups (ERG) along different diversity dimensions: MagentaPride on LGBTQ+ community, Women@Telekom engaged in fostering



gender equity, Accessible Telekom supporting the workplace inclusion of employees with diverse abilities or limited working capacities and Caregivers@Telekom aiming to support families, parents, grandparents, and caregivers of chronically ill relatives. ERGs have members who are either affected or allies supporting the particular diversity dimension. These voluntary employee groups organize events open to their members only to ensure them a private and safe place as well as to all employees, thus contributing to the shared experience of a more diverse and inclusive workplace for all.

ESRS S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

In order to remedy negative impacts on individuals in own workforce or to participate in resolving them, Magyar Telekom Group has set up a complaint handling procedure as part of the Compliance Management System (CMS). As soon as a breach of due diligence is identified, corrective measures are taken.

Magyar Telekom Group offers all employees the possibility to report violations of legislation and internal company regulations, through its whistleblowing and complaint portal 'Tell Me,' also supporting options for anonymous reporting. The scope of 'TellMe' also includes possible references to human rights or environmental risks. Magyar Telekom Group encourages employees to use the whistleblowing portal to report potential misconduct related to company policies, as well as violations of law or any kinds of unethical activities detected. Risks of physical or psychological violence among employees, in customer contact or even in a private context can also be reported. Magyar Telekom Group investigates all complaints in connection with employee matters and initiates appropriate measures depending on the results of the investigation.

Both the central 'TellMe' complaint procedure of Deutsche Telekom Group and the 'TellMe' whistleblowing portal of Magyar Telekom Group are publicly accessible via public websites of the companies. To provide access to partners or third parties in addition to our employees, the Group accepts whistleblowing information on various channels, like telephone, e-mail, letter, or online entries at the respective portal – anonymously if necessary. Information about the availability and use of the above-mentioned channels is available to all employees on the intranet.

Magyar Telekom Group records incoming reports of suspicions and complaints relating to people from own workforce within the subject areas of human rights (including for example the right to freedom of association, occupational health and safety and discrimination). Whistleblowers can provide voluntary feedback after the process has been completed. Magyar Telekom Group has not established any processes to check the effectiveness of the complaint-raising processes. The complaints are tracked and handled according to legal obligations (Act XXV of 2023 on complaints, reports in the public interest, and rules relating to reporting abuse) within the required timeframe.

People in own workforce need to know and trust the structures and procedures described above to communicate concerns or needs and have them examined. The Group also outlines its aim for protecting individuals against retaliation. Further information is published in the Chapter ESRS G1 – Business conduct.

ESRS S1-4 – Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches

Sub-topic: Working conditions: collective bargaining and social dialogue

In 2023, Magyar Telekom Group launched the updated human rights training of Deutsche Telekom Group that was made available in multiple languages to train employees on the topic of human rights and to mitigate the negative impact of the lack of trade union and union-related work in parts of the Deutsche Telekom Group on the representation of employees' interests. As part of its curriculum, the updated training also explains the complaints procedure of the 'TellMe' portal, and shares details about the established whistleblowing process and raises employee awareness of freedom of association.

In addition, updated basic training on compliance was provided for all employees in 2023, which also addresses the complaints procedure. The campaign continued in 2024. The training courses provide all employees with necessary information about the channels where complaints can be reported. Complaints about potential misconduct can also cover grievances relating to freedom of association and this way should be reported via the 'TellMe' whistleblowing portal.



If an internal grievance mechanism is effectively implemented, employees can address violations or risks independently from the legal prosecution bodies. Risks, like human rights violations, or breaches of the right to freedom of association can thus be adequately mitigated.

Between the rollout at the end of August 2025 and the campaign closure at the end of October 2025, 92% of employees of Magyar Telekom Plc. and employees of Telekom Rendszerintegráció Zrt. completed the annual updated basic training on compliance.

Magyar Telekom implemented the updated Code of Human Rights in 2024.

Sub-topic: Working conditions (health and safety)

To improve occupational safety, standards have been defined to apply to the safe and ergonomic equipment of buildings and vehicles. In addition to offers that are available to all employees, there are also target group-specific measures. These include, for example, special safety training for employees who are deployed to work at radio sites. In addition to preventing accidents, the aim is also to promote the health and motivation of employees and thus increase the health rate.

Measures to promote health in companies not only help individual employees and ensure long-term business success but also have a positive impact beyond the boundaries of the Group. With its holistic health management, the Group assumes social responsibility and is committed to a proactive health culture. Magyar Telekom Group supports its employees in maintaining their health and occupational safety with numerous target group-specific measures and a wide range of preventative measures. Legal requirements are the minimum requirements for them.

For example, the Group ensures to have 2 trained first aiders among its employees per site, and 1 person for each 50 employees. First aiders are trained by the contracted occupational health partner and refresher training is offered every 5 years up or on demand.

The Group uses measures to promote health awareness and health literacy among its employees. The annual comprehensive health-screening program provided by, a third-party service provider, gives the flexibility to employees to select the health screening of their choice., Furthermore, it provides flu vaccination for front-end employees, allowing all other employees to receive them upon demand.

In addition to providing the conditions for employees to lead a healthy lifestyle, the Group provides training and coaching sessions, as well as an Employee Assistance Program (EAP) to help them develop effective and successful ways to manage challenging everyday responsibilities. In 2024, the “Healthy & Happy” program continued to provide colleagues with physical, mental, and emotional support, ranging from expert presentations, coaching and thematic webinars to personal training sessions in the TGym at Magyar Telekom Group’s headquarter in Budapest. The program also offered a variety of activities promoting fitness such as the fostering of the Magenta Tour outdoors hiking community. Online training videos are also available for those who work in home office or outside of Budapest.

Magyar Telekom Group is committed to offering health programs for its employees that best fit their needs. In 2024, and all employee corporate health concept survey was conducted to support this mission and to examine the usage ratio and satisfaction with the Employee Assistance Program (EAP) and the satisfaction with the ‘Healthy and Happy’ program. Based on the findings, the health concept was reviewed. As a result, a new health service provider was procured, and the corporate health concept was enriched with new elements from 2025: outpatient care, online medical services.

Two extra benefits were introduced in 2025, such as Physical health support: Exercise Snacks (10-minute short spinal gymnastics in the office area 2x per week) and Mental health support: Let’s be More Resilient Series.

In accordance with the PDCA cycle (Plan-Do-Check-Act), Magyar Telekom Group systematically examines and measures the effectiveness of its measures. It aims to continuously develop its management system. To this end, the Group regularly examines how occupational health and safety is integrated into management and leadership activities and derive strategies for improvement where necessary. In doing so, it draws on the results of its employee survey, evaluations from the collective bargaining stress protection regulations, competitive analyses, and other key figures. The Group analyses this data on an ongoing basis and develops suitable measures to promote the health and well-being of employees.



The relevant indicator for the effectiveness of the measures is the accident rate.

Health & Safety Managers are responsible for specific processes and offerings that consider special requirements and framework conditions right down to the operational level. Internal financial resources are provided in accordance with the external requirements as well as for more in-depth measures and voluntary workplace health promotion offers. The budget for occupational health and safety is based on the hours worked per employee at the individual companies. The data is used to determine the estimated minimum amount required for the coming year. In addition, a budget is provided for more in-depth measures or voluntary offers of workplace health promotion.

Sub-topic: Equal treatment and equal opportunities for all (diversity; employment and inclusion of people with disabilities; gender equality and equal pay for work of equal value)

With its Global Compensation Guideline for senior executives, its collective agreements and other collective agreements, Magyar Telekom Group ensures transparent and gender-neutral remuneration and compensation for its employees. In this way, it wants to counteract the negative impacts on its own workforce in connection with the gender pay gap in the ICT sector. Accordingly, pay is based on the level of difficulty and complexity of the specific tasks and not on the individual. In this way, the Group ensures that remuneration is based on the type and scope of the work performed and the requirements of the function, regardless of diversity characteristics such as age, ethnicity and nationality, gender and gender identity, physical and mental abilities, religion and ideology, sexual orientation and social background. In 2020, Magyar Telekom Plc. pledged to join Amnesty International Hungary's 'One Step Closer' campaign to publish annually the gender pay gap within their companies, thus contributing to raising awareness and reducing the pay gap within companies and society.

Implementation plans to increase the proportion of women have also been agreed with the management. The aim is to increase the proportion of women in line with the EU Directive 2022/2381. The Group is pursuing a clear vision and comprehensive measures to ensure that the corporate culture is characterized by equal opportunities, inclusion, and diversity and that all employees can develop their full potential. Its wide range of measures have enabled it to continuously increase the proportion of women in management positions in recent years.

Magyar Telekom Group also uses various training courses to shed light on unconscious thought patterns to highlight prejudices. As part of their onboarding process, which takes place during the first two months following their entry, employees of Magyar Telekom Group participate in the mandatory Human Rights training and the e-learning on Increasing Awareness about Unconscious Bias. A 'DE&I Baseline eLearning' is also available to all employees. This is a fully accessible training course developed by Deutsche Telekom and co-created in collaboration with internal and external experts as well as employee networks and includes employees' experiences and personal stories, relating to the different diversity dimensions. The eLearning is available in eleven languages, including Hungarian.

To ensure that future work on diversity, equal opportunities, and participation is even better based on data, VIEWS survey was rolled out in 30 countries in 19 languages worldwide within Deutsche Telekom Group. VIEWS complements the Pulse Survey and dives deeper, where it needs a closer look. The very first VIEWS survey rolled out in 2025 focused on topics like belonging, psychological safety, and mutual respect. It's about understanding the lived experiences that shape the workplace – with data that enables the Group to implement more targeted measures.

In 2025, Magyar Telekom Group also placed a special focus on promoting multipliers of diversity, equal opportunities and participation within its own workforce, for example through greater involvement, networking and incentivization of Employee Resource Groups (ERGs). Its ERGs make an important contribution to raising awareness of diversity, equal opportunities and participation. All employees are free to get involved in the ERGs or take part in their activities, e.g. training sessions, workshops, round-table discussions, thematic days, etc. The co-chairs of ERGs meet once a month for community calls, in which they receive updates relevant to their group from DE&I team and share best practices and current challenges, work on collaboration between their groups.

The Group is actively committed to the inclusion of people with disabilities in its workforce with a comprehensive portfolio of measures. The aim is not only to create a professional livelihood, but also to sustainably promote the professional advancement of the affected employees with disabilities. The integration and employment of people with disabilities also contributes to Magyar Telekom Group's DE&I strategy.



Great emphasis is placed on increasing the number of employees living with disabilities and supporting them within the organization. For this reason, from 2022, a rehabilitation mentor also helps the affected colleagues. A manual containing important information about altered working capacity has been developed, which is available to all employees on the intranet. Special support is provided for colleagues with altered working capacity, which includes one day of extra paid leave and one-time financial support to aid in their recovery and improve their health condition in the best possible way. In addition, a related employee resource group – Accessible Telekom - has been also established to support people with disabilities, promoting accessibility, equal rights and the inclusion of people with disabilities.

Magyar Telekom Group regards all people with disabilities as fully-fledged employees and emphasizes their importance as an integral part of the organization's diversity. The Group recognizes that this diversity is not only a valuable asset, but also a source of learning and shared success.

In order to check the effectiveness of the initiatives, the usage figures and ratings (Customer Satisfaction Index) for many products are reviewed on an ongoing basis. These measures are applied, for example, to its learning offerings such as the 'DE&I Baseline eLearning' and glossary. Pulse surveys are conducted among employees twice a year. In connection with diversity, equal opportunities and participation, questions are asked about non-discrimination, a safe and supportive working environment and equal opportunities. As part of the employee survey, regular assessments are conducted to determine how satisfied employees are with their remuneration. To ensure that the initiatives and products have a positive impact, it relies on participatory and co-creative processes in planning and development. There are various feedback loops to ensure satisfaction, relevance and usability.

Magyar Telekom Group always keeps an eye on the increasing demand for qualified employees and is competing for the best talent. Its Employer Value Proposition (EVP) is therefore primarily aimed at positioning it as an international, attractive employer while focusing on human factors which tend to become increasingly important for all. The EVP describes what current, and potential employees can expect from working at Magyar Telekom Group. As an employer, the Group believes that its colleagues can maintain their outstanding performance when their life is in balance. To this end, it provides a stable background in which they can make the most out of themselves and create the balance they need. Another important factor potential employees think about when looking for a new role is the job content: the projects they will work on, the professional challenges they will face, the impact their work will have. This is exactly what our 2025 employer branding campaign was about, we showcased 5 different colleagues with jobs/projects with great impact. The slogan was „At Telekom we have tremendous impact on the world.“

Through training courses and workshops, it promotes cultural change regarding the compatibility of work and family life and thus increase the chances of equal participation of women in the labor market. It considers the increasing demands that employees place on employers as part of its operational risk management: To meet these challenges, it is continuously strengthening the Telekom brand as attractive employer, among others, and proactively seeking out new skilled personnel and talent.

In 2025 the Company began to build a new way of thinking within the organization, called Self-tuning, which focuses on attitudes toward development and career. Self-tuning is not a training or career program, but an internally motivated approach in which employees take responsibility for their own development, professional fulfilment, and career steps, and proactively seek opportunities and strive to always be better. Within this framework, it supported employees' development with several activities, programs, and new tools, such as the Self-tuning plan, which helps them think through exactly what they want to improve, or the 3-6 months exchange program.

To mitigate the risk of staff shortages that could arise in connection with the gender pay gap in the ICT sector, the Group targets female talents through collaborations and at events (e.g. Girls' Day initiative, roundtable discussions in Equalizer Foundation's Annual Conference, WomenUp Conference, etc.), offering 'SHE-Care' career path support program with trainings and mentoring for female colleagues.

To ensure that employees can make the best possible use of their skills in all situations, the Group also supports work-life balance in the interests of equality - for example through flexible working hours, hybrid working models and part-time employment. Through training and workshops, the Group wants to promote cultural change regarding work-life balance and thus increase women's chances of equal participation in the labor market.



Regardless of existing actual impacts, the Group also places a special focus on data protection and privacy in the digital environment due to its business activities. Data processing IT services potentially gives rise to human rights violations regarding the privacy of end users and employees. The Group's general principles, approaches and procedures relating to privacy topics are described in the sub-chapters of ESRS S4 – Consumers and end users.

Goals/Targets

ESRS S1-5 - Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities

Magyar Telekom Group has the ambition to become a 100% inclusive workplace. To fulfill this ambition, the company is implementing measures to continuously increase the proportion of women in management positions. In this way, the company addresses the significant impacts and risks that arise for them in connection with gender equality within its workforce. In 2021, the Board of Management of Magyar Telekom Plc. set itself the goal of increasing the proportion of women in management positions to 40% by 2030.

The interests and viewpoints of workforce were not directly taken into account when the goals were set and when insights or opportunities for improvement resulting from the analysis of the metrics were identified.

In addition, separate time-bound or results-oriented targets have not been set for mitigating the negative impact and promoting the positive impact on the employees.

Key Figures

ESRS S1-6 - Characteristics of Magyar Telekom Group's employees

Overview of the characteristics of the Group's employees

Gender	Number of employees (number of persons)
Male	4 216
Female	2 391
Other	0
Not specified	0
Total number of employees	6 607

Overview of the Group's employees by country

Country	Number of employees (number of persons)
Hungary	5 500
North-Macedonia	915
Bulgaria	49
Romania	143
Total number of employees	6 607

Magyar Telekom Group has personalized locations in 4 countries, of which almost 83% of employees work in Hungary and around 14% in North Macedonia. The employees in the other countries account for less than 3% of the total number of employees.



Overview of employees by type of contract, broken down by gender* (FTE)

Permanent employees are active employees with unlimited contract type; temporary employees are also active employees with limited contract type (fixed-term contract type). Though the Group does not employ employees with non-guaranteed hours, according to the definition they are employed without a guarantee of a minimum or fixed number of working hours. The employee may need to make themselves available for work as required, but the employer is not contractually obliged to offer the employee a minimum or fixed number of working hours per day, week, or month. Casual employees, employees with zero-hour contracts, and on-call employees are examples that fall under this category.

Contract type	Country	Male	Female	Other*	No information	Total
Total number of employees	Total	4 206.9	2 349.4			6 556.3
	Hungary	3 573.9	1 884.9			5 458.8
	North-Macedonia	511.0	395.0			906.0
	Bulgaria	30.0	19.0			49.0
	Romania	92.0	50.5			142.5
Permanent employees	Total	4 173.8	2 305.9			6 479.6
	Hungary	3 559.8	1 869.4			5 429.1
	North-Macedonia	492.0	367.0			859.0
	Bulgaria	30.0	19.0			49.0
	Romania	92.0	50.5			142.5
Temporary employees	Total	33.1	43.5			76.6
	Hungary	14.1	15.5			29.6
	North-Macedonia	19.0	28.0			47.0
	Bulgaria					
	Romania					
Number of employees without guaranteed working hours		N/A	N/A	N/A	N/A	N/A

* Gender according to the employees' own information.

In the reporting year, the fluctuation rate in total was 9.2%, thereof unforced fluctuation was 3.3%, while forced fluctuation was around 5.9%. Total number of leavings in 2025 was 618.

Fluctuation rate is made up of individual characteristics from unforced fluctuation, forced fluctuation in the numerator and in the denominator from the internal active workforce year end previous year. Employee Turnover Rate = Employee Turnover / internal active workforce yearend previous year. Employee turnover:

Parts of the unforced attrition:

- Voluntary termination
- Retirement
- Retirement due to disability

Parts of the forced attrition:

- Terminations with severance payment
- Termination on grounds of conduct
- Early retirement
- Partial retirement
- Termination for operational reasons
- Other downsizing instruments
- Transfer to government/ public authorities



FTE stands for Full Time Equivalent and is a unit of measurement for the size of the workforce. FTE therefore indicates the average number of full-time equivalents of all full-time and part-time employees. The information in the report generally relates to the calendar year 2025 with a reporting date of October 31, 2025. Exceptions are marked accordingly. All figures are based on more detailed data. As some figures are rounded, totals may differ slightly. Annual averages are used to calculate some ratios.

For further information on personnel expenses and on the average number of employees, please refer to Note 20 Employee related expenses in the Consolidated Financial Statements.

ESRS S1-8 - Collective bargaining coverage and social dialog

Collective bargaining policy is important to the Group and has a long tradition, as confirmed by the degree of coverage by collective agreements. The Group-wide coverage rate as of October 31, 2025, was around 97%. In 2025, 4 collective agreements were concluded with trade unions at Magyar Telekom Group - a testament to the intensive cooperation with employee representatives. Deutsche Telekom Group has had an active, negotiated European Works Council (EWC) agreement in place since June 15, 2004. The EWC serves as a forum for informing and consulting employees across the group's international subsidiaries - including Magyar Telekom Group - regarding company-wide decisions.

	Collective bargaining coverage rate		Social dialogue
	Employees - EEA (for countries with >50 employees, which account for >10% of the total)	Employees – non-EEA countries (Estimate for regions with >50 employees, which account for >10 % of the total)	Representation in the workplace (EEA only) (for countries with >50 employees, which account for >10% of the total)
Coverage rate			
0–19 %			
20–39 %			
40–59 %			
60–79 %			
80–100 %	Hungary: 99.1% Romania: 100%	North-Macedonia: 88%	Hungary: 100%



ESRS S1-9 - Diversity metrics

Overview of gender distribution at management level

	Management (executives)	
	Quantity	in %
Male	32	73
Female	12	27
Total	44	100

Overview of distribution of employees by age group

	Employees by age group	
	Quantity	in %
under 30 years old	630	9.5
30-50 years old	3 803	57.6
Over 50 years old	2 174	32.9
Total	6 607	100

S1-12 - Persons with disabilities

In 2025, the proportion of people with disabilities at Magyar Telekom Group was 0.4 %. Proof of disability is based on the formally filed disability certification issued by the National Rehabilitation and Social Authority (NRSZH) to the People Services team within the company.

S1-13 – Training and skills development metrics

Magyar Telekom Group is committed to its strategy to develop employees and create a culture of continuous learning. The company invests in training programs that equip employees with the skills necessary to thrive in a digital world, such as data analytics, cybersecurity, cloud computing, and artificial intelligence. For these skills it offers a wide range of training programs and initiatives which are available in SmartApp.

In 2025, Magyar Telekom continued to place great emphasis on training courses that would meet the needs of the business as comprehensively as possible. In addition, the company continuously strives to promote various digital self-development opportunities (especially Percipio and Smartapp). In addition to the Self-Tuning campaign promoting the importance of self-development, it also placed great emphasis on AI skills development and leadership development.

Average training hours / employee			
Gender	Magyar Telekom Plc.	Telekom Rendszerintegráció Zrt.	Average training hours*
Male	17.7	10.5	17.5
Female	13.1	6.6	13.0
Average training hours*	16.1	9.1	16.0

*The average training hours are not calculated from the Magyar Telekom Plc.-Telekom Rendszerintegráció Zrt. and male-female values shown in the rows and columns here, but from the sum of the values for all individuals.

At Magyar Telekom Plc., due to its agile organizational set-up, competency assessments and reviews are conducted, not performance reviews. The process started with a competency assessment in spring 2025, when line managers evaluated



employees based on the information collected, using the competency model that had been used in previous years. The competency assessments were then reviewed by HR Business Partners, who consulted with line managers where necessary and approved the scores. Line managers had the opportunity to designate optional reviewers who could participate in feedback discussions, compile text-based assessments, and determine performance levels. Employees also had access to self-assessment and peer feedback functions. In addition, they could set development goals together with their line managers.

Ratio of employees participated in regular competency reviews			
Gender	Magyar Telekom Plc.	Telekom Rendszerintegráció Zrt.	Total ratio
Male	58,82%	98,67%	59,66%
Female	55,26%	90,70%	56,07%
Total ratio	57,58%	95,76%	58,41%

S1-14 - Parameters for health and safety

98% of Magyar Telekom Group employees are covered by a health and safety management system.

In 2025, the number of fatalities because of work-related injuries and work-related ill health is 0. The number and rate of recordable accidents at work were 45 respectively 0.7%. The number of reportable work-related illnesses was 0. The number of days lost due to work-related injuries and fatalities due to work-related accidents, work-related ill health and fatalities from ill health was 781.

Within the non-employee category, there were no serious incidents or fatalities reported in connection with activities associated with Magyar Telekom Group in 2025.

S1-16 - Remuneration metrics (pay gap and total remuneration)

The average unadjusted gender pay gap between female and male employees is 18.6% -, the average adjusted gender pay gap is 8.5%.

The ratio of the annual total compensation between the highest-paid person and the median of the annual total compensation of all employees (excluding the highest-paid person) is 4922% or 49.2 to 1.

For these remuneration parameters, the individual total remuneration of the employees was determined as the sum of the gross cash remuneration received in the reporting period and converted into an hourly remuneration for the calculation of the gender pay gap and into a full-time annual equivalent for the ratio of the annual total remuneration.

The average unadjusted gender pay gap was calculated as a weighted average of the unadjusted pay gaps of the Group companies included in the report. For the average adjusted gender pay gap, the pay gaps for each remuneration group (according to the definition applicable in the organization concerned) were first determined for each Group company and the weighted average was then calculated from this.

S1-17 - Incidents, complaints and severe human rights impacts

Magyar Telekom Group 's Group Compliance Hub is responsible for conducting internal investigations and cases of compliance misconduct. As in the previous year, we did not pay any fines, sanctions or damages in connection with the discrimination, including harassment related incidents and complaints. Serious human rights incidents related to our own workforce (e.g. forced labour, human trafficking or child labour) were also again not reported in 2025.

In the Chapter of ESRS S4 the number of data protection investigations and information requests is presented.



ESRS S2 – Workers in the Value Chain

Introduction

Magyar Telekom Group takes responsibility across their entire value chain. The Group is committed to respecting and promoting human rights and requires the same commitment from its business partners and suppliers.

The following index shows the disclosure requirements identified by the materiality analysis regarding the topic standard 'Workers in the value chain'.

ESRS index according to ESRS 2 IRO-2

Disclosure	Designation	Reference
ESRS S2 – Workers in the Value Chain		
ESRS 2 SBM-2	Interests and views of stakeholders	
ESRS 2 SBM-3 S2	Material impacts, risks and opportunities and their interaction with strategy and business model	Use of phase-in option for ESRS 2 SBM-3 §48e
ESRS S2-1	Policies related to workers in the value chain	
ESRS S2-2	Processes for engaging with value chain workers about impacts	
ESRS S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	
ESRS S2-4	Acting on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	
ESRS S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
MDR-P	Policies adopted to manage material sustainability matters	The Group applies the minimum disclosure requirements regarding policies, actions, metrics and targets together with the corresponding disclosure requirements.
MDR-A	Actions and resources in relation to material sustainability matters	
MDR-M	Metrics in relation to material sustainability matters	
MDR-T	Tracking effectiveness of policies and actions through targets	

Strategy

ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

In the upstream value chain of Magyar Telekom Group there may be potential negative impacts on employees of indirect suppliers (e.g. working conditions, equal treatment and equal opportunities). Due to centralized procurement policy of Deutsche Telekom Group, Magyar Telekom Group has no material influence on these circumstances, and therefore Deutsche Telekom Group's assessment has been considered in the impact materiality assessment. Deutsche Telekom Group identified numerous negative impacts on the workforce in the value chain. Magyar Telekom Group contributes to reducing these negative impacts.

Through the procurement of electronic devices and network infrastructure, as well as components thereof, the material negative effects on workers in the value chain are directly linked to Deutsche Telekom Group's strategy and business model.

Magyar Telekom Group has no detailed information about employees in the upstream and in the downstream value chain. Workers in the value chain who are impacted by material impacts include:

- All workers working for direct and indirect suppliers in the upstream value chain
- Workers who are particularly vulnerable to negative impacts due to their intrinsic characteristics or specific circumstances, such as trade union members, migrant workers, homeworkers, women or young workers

All material negative impacts on workers in the value chain identified as part of the materiality analysis are systemic and are not related to individual incidents or specific business relationships of Magyar Telekom Group.

For several years, Deutsche Telekom Group has established processes and structures for compliance with human rights and environmental due diligence obligations. These are based on international reference instruments. Part of its work is to identify groups of people on whom its business activities can potentially have a negative or positive impact. These include employees in the Group companies, employees at direct or indirect suppliers, customers, children and young people, and people in affected communities. In the exercise of Group's due diligence processes, it has been taken into account in



particular the interests of particularly vulnerable groups of people such as children, young people, women, migrant workers and persons belonging to national or ethnic, religious and linguistic minorities. At least once a year, Deutsche Telekom Group reviews whether its identification of vulnerable groups of people within the upstream value chain and in the business continues to apply. Magyar Telekom Group was fully covered in the annual risk analysis for 2025.

Management of impacts, risks and opportunities

ESRS S2-1 Policies related to value chain workers

Due to its size, Magyar Telekom Group has a significant impact on other players of the economy, so its responsibility cannot be limited to the boundaries of the organization. In addition, from a risk management perspective, it is essential that it should do business with supplier partners whose economic, social and environmental performance is appropriate. To this end, the Group also manages its supplier relationships from a sustainability perspective too.

It is important for the Group to maintain a reliable, lawful business relationship with its suppliers and to apply documented supplier evaluation practices that ensure that all its contractual partners comply with this legal requirement. Anti-corruption and ethical conduct in supplier relationships are of paramount importance. In the above spirit, suppliers are required to adopt:

- Magyar Telekom's Anti-Corruption Declaration
- Deutsche Telekom Group's Supplier Code of Conduct, which includes the stipulations set forth by the German law on supplier chain due diligence (LkSG)
- the [Code of Human Rights](#)
- a Confidentiality Statement
- privacy regulation (GDPR)
- the Privacy Information

Deutsche Telekom Group has implemented a Code of Conduct for Suppliers so that its ethical, social and environmental principles and values can be observed along the entire upstream value chain. The principles are laid down in the Code of Conduct and the Code of Human Rights.

The Supplier Code includes, among other things:

the promotion of occupational health and safety at work
the payment of appropriate wages
the protection of freedom of association and the right to collective bargaining
the prohibition of unequal treatment in employment
the prohibition of child labour, forced labour and all forms of slavery, e.g. human trafficking
the prohibition of the use of conflict-prone raw materials

Deutsche Telekom's Supplier Code of Conduct is an integral part of the General Terms and Conditions of Purchasing. It does not replace the laws and regulations that apply in countries where our suppliers operate. Rather, it is intended to promote compliance with them and help to ensure that the legal requirements are conscientiously and effectively enforced. We expect our suppliers to comply with internationally applicable human rights by recognizing the Supply Records Code and, where necessary, to take effective measures to eliminate human rights violations of any kind and violations of fair working conditions. They are also required to disclose information about such occurrences (including potential violations) and to cooperate in the investigation of suspected or actual violations.

With Deutsche Telekom's Code of Human Rights and Supplier Code, we are also committed to the following internationally recognized norms and standards:

International Labour Organization (ILO) Core Labour Standards and Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
United Nations (UN) Universal Declaration of Human Rights
Principles of the UN Global Compact



ILO Tripartite Declaration of Principles for Multinational Enterprises and Social Policy (MNC Declaration)
UN Guiding Principles on Business and Human Rights (Ruggie Principles)

The Supplier Code of Conduct mentioned is Deutsche Telekom's group level policy. During the term of the contractual relationship, the suppliers shall, upon specific request, take the necessary measures to ensure compliance with this Supplier Code of Conduct as required by Deutsche Telekom at any time and shall notify Deutsche Telekom without delay if it becomes aware of any breach of principles set by the Code, either by itself or by any Third Party. The suppliers shall implement the principles of the code throughout their supply chain.

The basic principles of the Supplier Code of Conduct are included in Deutsche Telekom's Procurement Policy, which is part of the Rules of procedure of the procurement of products and services of Magyar Telekom Group. This document was approved by the CEO of Magyar Telekom Plc.

ESRS S2-2 Processes for engaging with value chain workers about impacts

As part of audit programs, Deutsche Telekom Group (excluding T-Mobile US) regularly reviews the working conditions at its suppliers' production sites. Among other things, Deutsche Telekom survey workers in the upstream value chain as part of mobile workers' surveys in order to incorporate their perspectives into due diligence processes. The suppliers are selected on the basis of defined criteria, such as new products, critical media reports or information from non-governmental organizations (NGOs). For example, suppliers' workforce gets the opportunity to provide anonymous information online about the social and environmental situation in their operations, including any cases of discrimination. The surveys are primarily used to gain an impression of the working conditions on site in order to initiate further measures if necessary – such as specific on-site inspections (social audits). The social audits are carried out by external auditors. While formal procedures to include the perspectives of workers in the upstream value chain are not currently in place.

In Deutsche Telekom's audit activities, the focus is on high-risk, strategically important suppliers. These suppliers are regularly audited, including with regard to labour and social standards. In this way, transparency is ensured about the risks in the supply chain. If production facilities are outsourced, these indirect suppliers are also checked.

The social audits take place as part of the Joint Alliance for CSR (JAC) industry initiative, which is made up of 31 globally active telecommunications companies (including Deutsche Telekom). The merger will enable us to cover a larger number of relevant suppliers in our supply chain.

Magyar Telekom Plc. conducted its sustainability web audit in 2023, which consists of environmental, social and business ethics questions. The assessment pays particular attention to whether suppliers expect their own partners to comply with certain sustainability guidelines. The responses received are weighted according to the supplier's industry to provide a final score. In 2023, 69 companies participated directly in the survey, representing 9.75% of the total procurement value. The Sustainability Web Audit assessment is valid for three years.

ESRS S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

Deutsche Telekom Group-wide risk management system implements process steps in all essential business operations, with the aim of identifying and minimizing human rights and environment-related risks. It also aims to prevent, address, and minimize any violations of environment or human rights obligations. This risk management system covers all Deutsche Telekom Group companies over which Deutsche Telekom exercises significant influence; thus, Magyar Telekom Group was covered with this process in 2025. All its suppliers were classified centrally, among high, medium and low priority risk categories, each of the risk categories have their own procedures to follow the classification.

To enable remedy in the event of negative effects in the upstream value chain, Deutsche Telekom immediately contacts Magyar Telekom Group, which contacts its direct suppliers and demands that any infringement be stopped. In the absence of a contractual relationship with indirect supplier companies, it also seeks contact with direct supplier companies who maintain a business relationship with them in the event of violations in their business activities. In this way, Deutsche Telekom Group is also striving to create a concept for preventing, ending or minimizing human rights violations for the



indirect supplier companies that cause them and to implement them in partnership with all parties involved. All identified violations are recorded in a corrective action plan and are prioritized according to severity. The timely implementation of these measures is regularly monitored.

Magyar Telekom Group's suppliers must provide their employees with effective procedures and a safe environment for any complaints and feedback in accordance with the relevant supplier codes. The Group has not yet established any procedures to ensure effectiveness of its complaints system in connection with reports of workers from the upstream value chain. Complaints and comments concerning issues and violations of legal obligations or Magyar Telekom rules and regulations can be submitted to Magyar Telekom Group's 'TellMe' whistleblower portal.

ESRS S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

If a supplier is unable to meet the sustainability requirements set out in the Supplier Code of Conduct, or if there are specific misconducts, Deutsche Telekom Group's risk incident process starts. In the first step, the suspected case is checked for plausibility, and a statement is requested from the supplier. At the same time, the supplier shall determine mitigation or remedial measures and agree on deadlines after which it must confirm the implementation of the measures promised in its statement. The follow-up of the corrective and preventive measures is carried out by various Deutsche Telekom stakeholders. In the event of anomalies, an expert committee consisting of representatives from the Group Corporate Responsibility, Legal, Compliance, Human Resources (HR) and Purchasing functions is involved. If the steps taken prove to be insufficient, escalation will be initiated. If it is foreseeable that the supplier company will not meet the requirements, the expert committee will examine the temporary suspension of business relationships or the removal of the supplier company from procurement lists. If the violation is serious or cannot be terminated, the termination of the business relationship is considered as a last resort.

In addition, Deutsche Telekom Group's involvement in networks and associations such as the 'United Nations Global Compact', 'ecosense' or the industry initiative 'Joint Alliance for CSR' (JAC) contributes to achieving a long-term improvement in the international implementation of sustainability requirements in the supply chain of the information and communication technology (ICT) industry, for example by sharing best practices and combined resources. The annual audits as part of the JAC initiative are also intended to contribute to the mitigation and prevention of negative effects on working conditions in production facilities of suppliers in the industry. In doing so, we also take into account suppliers at lower levels of the supply chain who produce or offer hardware for information and communication technology (ICT). Since many of the suppliers audited in the context of the audits produce in Asia, the audits mainly take place there.

Due to the complexity and ever-changing nature of Magyar Telekom Group's business activities, it is not possible to accurately allocate resources and funds for the management of the measures described above. In principle, all measures are implemented with the budgets of the individual areas and usually do not require significant operating or investment expenditure. The Group has the necessary human resources to contribute to Deutsche Telekom's risk management system.

If specific actions need to be taken, as part of the sustainable supply chain management process, a temporary working group is being set up to support efficient operations, with members who are responsible for and act on supplier incidents, negative environmental, labor, human rights or social impacts. The permanent members of the working group are staff from the procurement, legal and compliance areas, complemented by staff from the unit involved in the incident and experts on the subject matter of the incident.

Goals/Targets

ESRS S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Magyar Telekom Group has not set separate results-oriented targets for reducing the negative impact on workers in the upstream value chain.



ESRS S4 – Consumers and End Users

Introduction

Magyar Telekom Group is committed to ensuring that everyone can participate in the digital world. The development of fixed and mobile infrastructure contributes to increasing digital skills, fostering the competitiveness of businesses, integrating digital solutions, promoting the use of emerging technologies, and strengthening research, development and innovation. Magyar Telekom Group, as a responsible service provider, plays a role and thus has an impact in creating digital equality in society, and promotes the development of digital skills through its networks and programs in several ways. The digitalization pillar of sustainability strategy includes the provision of digital maturity and awareness programs and initiatives.

The following index shows the material disclosure requirements identified by the materiality analysis in relation to the topic standard 'Consumers and End Users'.

ESRS-Index according to ESRS 2 IRO-2

Disclosure	Designation	Reference
ESRS S4 – Consumers and End Users		
ESRS 2 SBM-2	Interests and views of stakeholders	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Use of phase-in option for ESRS 2 SBM-3 §48e
ESRS S4-1	Policies related to consumers and end-users	
ESRS S4-2	Processes for engaging with consumers and end-users about impacts	
ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	
ESRS S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	
ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
MDR-P	Policies adopted to manage material sustainability matters	The Group applies the minimum disclosure requirements regarding policies, actions, metrics and targets together with the corresponding disclosure requirements.
MDR-A	Actions and resources in relation to material sustainability matters	
MDR-M	Metrics in relation to material sustainability matters	
MDR-T	Tracking effectiveness of policies and actions through targets	

Strategy

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

During the process of double materiality analysis, Magyar Telekom Group identified material impacts and risks related to consumers and end-users. The process is detailed in the Chapter of ESRS 2 IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities. Furthermore, during the understanding phase of double materiality analysis, interviews and documentation collection were conducted internally to gain an understanding of the Group's goals, approaches and practices related to its customers. All material negative impacts on consumers and end-users⁴ identified in the double materiality analysis are systemically anchored. As part of the double materiality analysis, no material negative impacts on consumers and end-users related to individual incidents were identified. Based on its business model, Magyar Telekom Group has a positive impact on its downstream value chain, on the society through the development of its network, as this contributes to creating secure and reliable infrastructure for both society and businesses, increasing digital skills of social groups with poor digital skills, fostering the competitiveness and digital transformation of businesses, integrating digital solutions, promoting the use of emerging technologies, and strengthening research, development and innovation. Opportunities arise from the impacts on consumers and end users along with the efforts to promote digitalization. Digitalization gives the opportunity to the Group to identify stable and regular income streams.

Customers who use Magyar Telekom Group's services or purchase products with which they access its services are considered as beneficiaries of 1) the Group's digitalization activities, 2) initiatives that boost digital skills and 3) offered

⁴ Consumer and end user terminology used to base on ESRS definition, not by the definition of Act C of 2003 on Electronic Communications



digital products, while they are also the ones who may experience negative impacts in privacy related topics. Considering the products and services offered to different customer sub-groups, it is apparent that privacy related and internet safety related impacts, risks and opportunities in the digital world affect all consumers and end-users. However, certain social groups were identified as groups at greater risks of harm, primarily children and elderly people, who lack sufficient digital skills and could be exposed to threats in the digital environment. Magyar Telekom Plc. provides educational programs aiming to improve the digital skills of affected groups and their caregivers, thus contributing to a safer digital world.

ESRS S4-2 – Processes for engaging with consumers and end-users about impacts and ESRS S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

To identify sustainability matters related to the topical standard of ESRS S4, an online stakeholder survey was conducted to collect and identify the perspectives of customers as stakeholders about the key impacts of the Group in 2025. The process is detailed in the Chapter of ESRS 2 SBM-2 – Interests and views of stakeholders. During the understanding phase of double materiality analysis, interviews and documentation collection were conducted internally to gain understanding of the Group's products and services and customer groups. The function which has the highest operational responsibility for conducting such engagements is the Capital Market Relations Hub Lead. The Group plans to continue such engagement activities during the next reporting period. The Group has not implemented a procedure to assess the effectiveness of the engagements mentioned above.

The Group established complaints handling processes that ensure customer satisfaction, as feedback from customers allows and supports the continued development of services and processes. Magyar Telekom Group puts high emphasis on informing customers about the available complaint management procedures through customer service channels and online. Customers are informed about the definition of complaints that should be managed in accordance with the published complaint-management procedure. In line with the Consumer Protection Act (Act CLV of 1997) and as stated in the General Terms and Conditions, there is an obligation to carry out the investigation and send written information to the complainant about the results within 30 days. Based on the commitment to quality principles and customer experience, the following issues are understood as complaints:

- a complaint about the Group's products or services,
- any case where it may be alleged that the Group has failed to meet its contractual or legal obligations,
- if the information the customer has received from the Group's colleagues is incorrect or inaccurate and the customers are adversely affected by it,
- if the customer experienced inadequate administration or communication from the Group's colleagues.

Customers can raise complaints through all available channels: in person at the shops and partner shops, in voice calls contacting the call center or in a written form via e-mailing or web channels.

During opening hours, the front-line channel will transfer the case to the complaint hotline team who, after communicating with the customer on call, will either handle the case in a call or, if more time-consuming, in a background E2E activity.

The channel receiving the complaint, records the complaint workflow in the respective system (in any case, in written case, it is recorded and acknowledged) and through the automated process it is sent to the processing team, where the E2E approach is also the basis for handling, who receives the case, takes it through and responds to the customer.

The General terms and conditions on the website contain all contact details of Magyar Telekom Plc. and the contact details of the competent authorities to whom complaints can be made against the Company.

Magyar Telekom Group implemented other processes and platforms to receive and manage concerns from stakeholders. Chapter ESRS G1 – Business conduct details the related information. In addition to that, this current Chapter of ESRS S4 Consumers and end-users also provides information on relevant channels and procedures, along which consumers, end-users and other data subjects can ask questions or raise concerns regarding privacy related topics.



Management of impacts, risks and opportunities

ESRS S4-1 – Policies related to consumers and end-users

Sub-topic: Data Protection at Magyar Telekom Group

The protection of the personal data of customers, employees, contractors, visitors of Magyar Telekom Group's websites and users of its applications is a priority. The Group applies procedural rules for data processing necessary to enforce the applicable legislation, court decisions and recommendations. It also ensures a high level of data security by taking appropriate technical and organizational measures, by establishing group-wide employee awareness of the importance of data protection, and by handling personal data lawfully and accountably.

The Group promotes an active data protection and compliance culture built up over many years to protect the personal data of everyone associated with the Group (not only employees, but other stakeholders such as customers or business partner representatives) as well as to address the material risks arising from any data processing activities. The Group's data protection management system describes technical and organizational measures, processes and audits. The responsibility for data protection lies with the executive management, while the Data Protection Officer (DPO) and the Privacy CoE of Group Legal Hub advise on and monitor compliance with data protection regulations and with the relevant internal policies.

With the Binding Corporate Rules Privacy (BCRP) Deutsche Telekom Group has a group-wide regulation since 2014, for a uniform level of data protection and handling of personal data in the member companies. BCRP is a continuation of the Privacy Code of Conduct, which was replaced in 2014. Magyar Telekom Group has committed itself to these Group guidelines: its internal policies, rules, privacy governance, protective measurements and data processing practices are based on these guidelines. The current version of the BCRP and the list of companies which have adopted them on a legally binding basis is [published](#).

For many years Magyar Telekom Group has been continuously improving its information security systems, which comply with the ISO 27001 standard.

The Group is committed to the fundamental rights of data protection and privacy. The new Group-level Code of Human Rights was adopted in 2024. With regards to universal human rights, the Group's aim is to ensure the lawful processing of personal data, which is anchored in the prevailing Code of Human Rights of the Group. Along with the legal requirements, the Group is further committed to observing numerous international human rights and environment-related reference tools, stated in the Code of Human Rights. The internal policies are aligned with internationally recognized instruments, including UN Guiding Principles on Business and Human Rights and ILO Declaration on Fundamental Principles and Rights at Work.

Privacy is not only important in the case of its own operations, but also if Magyar Telekom Group uses data processors for certain data processing activities. It is defined in the Supplier Code of Conduct that contractors are obliged to commit to Deutsche Telekom Group level principles regarding ethics, human rights, and environmental values, to comply with all relevant data protection legislation, as well as the data protection and security requirements stated in the individual contracts with Magyar Telekom Group. The Supplier Code of Conduct was also renewed in 2024. Both Codes are publicly available on respective websites.

If Magyar Telekom Group uses data processors who operate outside of the EU, it requires them to treat customers' personal data confidentially and to ensure a high level of protection of personal data in accordance with the Group's requirements. Since 2021 processes and agreements for data transfers outside the EU have been aligned with the updated standard contractual clauses of the European Commission, relevant data protection decisions of CJEU and European Data Protection Board (EDPB) recommendations.



ESRS S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Sub-topic: Data Protection at Magyar Telekom Group

The Group received requests for information from the National Authority for Data Protection and Freedom of Information (NAIH) and requests and complaints from customers and other data subjects in 2024, all of which were duly investigated. Findings and information on action taken on these requests were provided to the data subject or to the Authority respectively. Based on the results and conclusions of these investigations and complaints, internal processes were reviewed, adjusted, if necessary, furthermore, followed and monitored.

Three data protection investigations related to handling of personal data were initiated in 2024, and one in 2025, none of these investigations have yet been concluded. The Group has not been fined by the data protection authority in 2024 and 2025. In 2024 and 2025 the Group received three information requests from the data protection authority. One of these requests concerned Magyar Telekom Plc.'s practice of handling data subjects' access rights as part of the 2024 coordinated enforcement framework action of EDPB. Due to confidentiality, the Group does not disclose further information.

Magyar Telekom Group has robust breach detection, investigation, and internal reporting procedures in place to detect, evaluate the risks of, mitigate, keep records of and report data breaches to the relevant supervisory authority and notify the affected data subjects according to the rules of GDPR and the Electronic Communication Act. Employees and contractors are aware of the escalation process of potential security or data protection incidents, informing the appropriate team in the organization, which has the responsibility to determine if a breach has occurred and should be reported. Magyar Telekom Group provides advice to customers on how to prevent unlawful access to their personal data by unauthorized third parties and implements new protective measures based on the findings of the occurred incidents. The Group implemented a specific policy to ensure that information security incidents (including data breaches) are detected, reported, and managed.

Magyar Telekom Group has different channels for consumers, end-users and other data subjects to ask questions or raise concerns regarding privacy related topics and issues, furthermore, it appointed a DPO, who can be contacted via dpo@telekom.hu.

Magyar Telekom Group has sufficient staff and financial resources to carry out its tasks under the GDPR and the respective internal regulations, and to ensure that processing of personal data is compliant with GDPR and the applicable legislation, guidelines of the EDPB and NAIH. The Group continuously monitors changes in the legal environment to prepare for the implementation of new and forthcoming legislation affecting data protection.

The Group continuously trains its employees and subcontractors to ensure the proper processing and security of personal data and to keep up with relevant regulations, guidelines, and internal policies. In 2023 all employees were required to participate in the „Our Commitment to Data and Information Privacy” training, developed jointly with Deutsche Telekom Group. In 2024 the data privacy SPOCs appointed in each organizational unit received tailored data privacy training. Based on the company-wide review of the mandatory data protection trainings in 2024, a new, tailored privacy training program has been implemented to ensure that all employees receive data protection knowledge which is relevant and suited for their work tasks. In 2025, Magyar Telekom Group employees once again participated in the mandatory training program entitled Privacy Commitment Training 2025, developed jointly with the Deutsche Telekom Group's data protection department, in order to keep their data protection knowledge up to date.

DPO conducts audits each year on areas where issues or gaps have been identified during the previous year based on customer complaints, data breaches or other observations of monitoring compliance with the data protection regulations. These audit reports list several action points to improve compliance with the applicable legislation, court decisions and recommendations relating to data protection.

The Group shall conduct a structured and documented data protection impact assessment for the processing of personal data. Deutsche Telekom Group provides a centrally available process called Privacy and Security Assessment (PSA) platform which was implemented uniformly in all Deutsche Telekom Group companies in 2025.



ESRS S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions

Sub-topic: Digitalization of Hungary

In order to achieve the goals of the Digital Decade 2030 Policy Program (hereinafter: Digital Decade), set out by the European Parliament and the Council in December 2022, Hungary's National Strategic Roadmap has been prepared, which contains detailed measures to promote digital development and strengthen the digital economy. The Policy Program aims to create new opportunities for citizens and businesses in terms of a reliable and secure digital infrastructure, digital transformation of businesses and access to digital skills by 2030, including through the following objectives:

- every household in Europe should be covered by a gigabit network and 5G coverage should reach all populated areas
- 75% of European businesses should use cloud services, big data and AI and at least 90% of European SMBs should achieve at least basic digital intensity
- 20 million employed ICT professionals, with a convergence of the share of women and men
- 100% of key public services should be available to European citizens and businesses online

The strategic objectives of Magyar Telekom Plc. contribute to the fulfilment of the Policy Program and the National Strategic Roadmap of Hungary, and to the achievement of the objectives of the digital transformation of the country. In the long term, state-of-the-art infrastructure is essential to enable homes and businesses to be successful players in digital transformation. In this context, on September 15, 2023, the Government of Hungary and Magyar Telekom Plc. signed a Memorandum of Understanding confirming that the Company is deeply committed to support digital transformation of Hungary. The development of fixed and mobile infrastructure contributes to the improvement of digital skills, fostering businesses' competitiveness, integrating digital solutions, encouraging greater use of emerging technologies, strengthening research, development and innovation, and increasing the uptake of data-based solutions. Under the Memorandum of Understanding, Magyar Telekom Plc. commits to build a gigabit-capable fixed network covering an additional 1 million households and businesses by 2027. By that, Magyar Telekom Plc. will provide 4.5 million Hungarian homes and businesses with access to a fixed gigabit-capable network infrastructure. The Company has also accelerated that the nationwide 5G outdoor population coverage will approach to 99% by 2026.

Strategic goals originate from the Digital Decade policy program and the Company's general business strategy. Social participation in the Digital Decade is an EU institutional issue/Member State obligation, while the formation of business strategy is indirectly influenced by consumers and their representatives: Magyar Telekom Group always strives to meet the needs of its customers at the highest possible level and formulates its business strategy in line with these objectives but without direct involvement of these stakeholders.

In 2025, Magyar Telekom Plc. added 250 318 new gigabit-capable access points to its existing fixed network, bringing the total number of gigabit-capable access points to more than 4 million. A total of 73% of the fixed network is gigabit capable. The unwavering commitment is to deliver stable connectivity and outstanding customer experience.

This commitment is to be fulfilled by the end of 2027. Yearly targets are integrated into company level Objectives and Key results (OKRs), ensuring the highest focus on meeting the targets. Progress is reported to the Chief Technology and IT Officer (CTIO) every month.

Magyar Telekom Plc. continued to roll out 5G coverage in 2025. Magyar Telekom's 5G technology is available at 700 MHz, 2100 MHz and 3600 MHz. By the end of 2025, resulting in outdoor residential 5G coverage reaching 86%. Current coverage is available on the following [website](#).

The demand for faster, universally available data services is growing steadily. Information is presented on the capital expenditures relating to network expansion in the Notes 9.2 Property, plant and equipment, 10.2 Intangible assets and 10.5 Frequencies and licenses of the Consolidated financial statements.



Related risks

To achieve the set goals in the digitalization of Hungary, the Group monitors the status of macroeconomic environment as its challenges affect Magyar Telekom Group on several levels. The current geopolitical situation, including disruptions in supply chains, could lead to resource shortages and price increases. The changes in the geopolitical framework and the challenges faced by the world's economy can affect Magyar Telekom Group businesses, supply chains and may lead to sanctions for impacting certain countries and stricter compliance requirements. Persistent tensions and armed conflicts can delay or cancel strategic initiatives and have a direct impact on logistics and supply chains.

The Group performs several risk management activities to reduce exposure. The Group continuously monitors geopolitical events, identifies alternative suppliers and, if necessary, enters procurement contracts. Magyar Telekom Group works with existing suppliers, engages regional partners and relies on diversified global supply chains to ensure stability and lower exposure to geopolitical risks. Magyar Telekom Group works closely with Deutsche Telekom to identify group-wide risk mitigation measures.

Sub-topic: Product development and digital solutions

The Group aims to contribute to the digital transformation of companies, including helping medium and large enterprises to digitally transform, enabling them to respond faster to change and use human resources more efficiently, taking advantage of the opportunities offered by technology. The Group also encourages cost-effectiveness as it promotes the idea that becoming a digital transformation winner is not about large one-off investments, but about scalable solutions that can be used by customers as and when they need them, furthermore, it encourages exploiting the potential of 5G networks, capable of high-speed transmission with low latency and taking advantage of low energy consumption of IOT devices. The advanced technological solutions provided by the Group optimize, simplify and speed up processes, thus ensuring an ever-increasing degree of efficiency, which saves resources.

In the framework of end-to-end product development, which ensures an ownership approach throughout, the development of ideas is supported by incubation, and the creation of pilots and product prototypes is supported by startup-based operations. The approach is that the project is based on a specific market need at the start of product development, validated by continuous customer feedback and sales commitment. The prototypes affect the process of identifying customer needs as precisely as possible, so that a specific sales target can be defined at the end of product development. This method helps to optimize costs and resource use.

The responsible teams established goals and KPIs for each offered product to assess the effectiveness of the solutions, such as the time-to-market indicator, customer satisfaction and cost optimization. Details of such goals and KPIs are not disclosable due to confidentiality reasons. Existence of efficient internal processes for sales is ensured, furthermore, continuous search for, and exploration of new customers and innovative opportunities are conducted, while the Group pays special attention to the acquisition of the necessary human competencies to develop such products.

5G and IoT

The widespread adoption of 5G and IoT created the opportunity to connect millions of new devices. These devices can provide data that were previously impossible to measure (such as real-time electricity, gas, and water consumption, location, and others). This data allows for more conscious resource management and the early detection of necessary repairs. When complemented by various machine learning (AI) methods, companies can achieve significant cost reductions, which also means more careful and conscious use of the Earth's resources. From Magyar Telekom Group's perspective, this translates into a stable, regular income stream, enabling the Group to steer customers towards mobile solutions and retain them within this ecosystem. The following innovative solutions aim resource savings and utilization of 5G network in alignment with the Group's digital strategy.

Energy management in its most efficient form: NRG MAP



The Smart Energy software offered by the Group combines a smart approach to energy consumption and production with real-time data collection and efficient forecasting, can also make a significant contribution to the sustainability and climate goals of companies. The software does not only provide data on equipment, but also collects real-time consumption and production information, enabling customers to understand their accurate energy usage. In addition to passive data collection, it also performs an active prediction of electricity consumption and production based on previously recorded data and information gathered by the software. Thus, it serves as a powerful optimization tool, helping customers improve their energy use and reduce their costs. The solution also plays a prominent role in supporting financial decisions by accurately calculating energy costs based on the data collected and the customer's electricity tariffs, enabling decision makers to make informed, data-driven decisions in financial planning and energy strategy. The reporting feature allows detailed financial and energy reports to be generated, giving customers an overview of their costs and consumption, enabling them to use energy more efficiently and develop more sustainable business strategies.

Campus Network

In parallel with the roll-out of the 5G network, the demand for fast and secure private mobile network access in the corporate environment is also steadily increasing. The Group also offers its business customers a Campus Network private (non-public) mobile network as a commercial service, which provides fast and flexible network connectivity disconnected from the public network. This helps to avoid unwanted interference between commercial and residential activities. The Campus Network solution is a mobile data communications service for a well-defined geographic area – e.g.: exclusive mobile networks for industrial sites that provides a suitable basis for Industry 4.0 solutions.

Digitalization of the work environment

Digitalization of the work environment leads to significant resource savings, enhanced customer experience, and increased employee efficiency resulting in a better work-life balance. While reducing existing workflows and enabling more flexible and efficient work practices, it also creates value for the Group and can be easily marketed to customers, who will experience these benefits as well in their daily operations. The following innovative solutions aim to simplify internal processes of companies focusing on human resources, time optimization and exploit opportunities provided by the digital world, in line with the Group's digital strategy.

Dronify

The solution encourages the digitalization of inventory processes and operation of warehouses to increase accuracy and save resources. Dronify is an automatic inventory solution that can create a perfect inventory record without human intervention, while also being able to prevent situations that are dangerous to human life.

Qualified Time Stamping

The solution of qualified time stamping complies with current industry standards and plays an outstanding role in ensuring the authenticity of data, preventing fraud and establishing a clear chronology of events. The solution combines the principles of accuracy, security, invariability, reliability and integrity as the solution is designed to be seamlessly integrated into existing systems, making them accessible to a wide range of users and industries.

CoMind

In 2025 Magyar Telekom launched its AI-based chatbot service, Comind, which supports the digitalization processes in several aspects. Resource optimization and supporting the paperless operation: several HR, IT and administrative processes can be automated and digitalized. In this way, it becomes faster, supports optimized working hours, because it helps to speed up the information seeking processes. Workplace wellbeing: the product helps to reduce monotony by taking over the routine based tasks, like answering questions, seeking for information or data analysis, so in this way the employees can use their time and energy to focus on more creative and professional tasks. In addition, with Comind colleagues learn how to work with artificial intelligence, which is essential in the workplace of the future.

Sub-topic: Digital skill development

Magyar Telekom Plc. aims to achieve a positive impact on society. Besides the network development, increasing digital maturity of society is also part of our strategy. It addresses social problems not only by engaging people in the offline space,



but also by guiding them to see the opportunities and the threats of the digital world. Its initiatives pay particular attention to the development of digital skills of certain social groups and the online and physical safety of children. The effort to improve digital literacy also aims to promote the digital transformation of businesses and encourage the development and take-up of digital solutions and technologies. The goal is to make digital knowledge accessible for everyone by improving digital skills and digital literacy. In 2025, the following initiatives were in place and continuously carried out to contribute to the digital skill development of social groups. The highest level of leadership of customers' initiatives lies with the Chief Commercial Officer.

Hello Parent

Magyar Telekom Plc. aims to make the benefits of digitalization available to everyone, and to support people with its solutions in the challenges of everyday life, therefore it works to build bridges, strengthen communities and create a more livable future for all through digitalization. Recognizing that many questions about families remain unanswered and that there is often a lack of a reliable, authoritative source of help and support for families, Magyar Telekom Plc. launched the Hello Parent family platform. The platform offers articles, interviews, podcasts, relevant business offers, videos, downloads, tips and expert answers for parents, all of which can be easily integrated into everyday life. Hello Parent groups its content around four main themes: staying safe online, smarter every day, learning, growing and happy families. The site also addresses important social issues by promoting digital awareness, education and open dialogue often on taboo subjects.

Since its launch in October 2023, the Hello Parent platform has achieved outstanding results. In 2025, it successfully met all its key performance indicators and, in some months, almost doubled its targets. The platform has a newsletter with 4702 subscribed members as of December 2025. The platform also supported business objectives this year with a dedicated campaign (Unspotted Spots) for boosting the usage of Telekom Health service through the message of (in)melanoma visibility, which was internationally recognized and awarded.

The Hello Parent roadshow also had sessions country-wide in 2025 where several topics were covered (e.g. adoption or children moving abroad) and discussed with the help of professionals working with children, young people and families. In addition, the Netrevalók initiative has become a key element of raising digital awareness and child protection, complementing Hello Parent content. The platform also integrates artificial intelligence tools for content highlighting and emphasizes cybersecurity as one of its central themes.

The platform's social impact is further amplified by the Szülők közt 8 episode-video series, which presents diverse parental perspectives and aims to spark dialogue around family-related issues. Its mission goes beyond education to fostering open conversations at a societal level.

Netrevalók

It is important that social groups with less digital skills also learn about and have access to the opportunities offered by technology. The strategic goal is to support social groups with poor digital skills, such as the elderly people, to experience the digital world and access the opportunities offered by technology: social experiences, networking, knowledge, information, entertainment. The aim is to give elderly the right skills, self-confidence, and motivation to go online, and to be socially integrated. The program provides mental health benefits by helping elderly people stay in touch with relatives and friends using ICT, thus reducing feelings of loneliness. However, many of them need support and guidance, and it is obvious that they will get this help from those who are most familiar with the technology: young people. Not only do young people pass on knowledge to their elders, but they also learn a lot by working together: empathy, communication and cooperation skills can be developed, as well as skills such as critical thinking, complex problem solving and creativity. The Netrevalók program reduces the digital divide and promotes communication and acceptance between generations. Netrevalók project was launched in October 2023 and expanded significantly in April 2024.

The main goal for 2025 was to involve five more cities and libraries in the program and increase the number of people participating in face-to-face sessions to 600 students/year and 1,200 retired persons/year.

Telekom Hello Business

Supporting the digital development of small and medium-sized enterprises is an important pillar of Hungarian Telekom's strategy. The Telekom Hello Business platform launched 8 years ago also serves this goal. With the help of this platform, the SME sector is not only supported with products and services, but also with a wide range of digital knowledge and expert



advice. The initiative provides practical news and information in video and written formats on the Hello Business website (hellobiznisz.telekom.hu). The program's Facebook page already has 37,500 followers thanks to the continuous production of content. In addition, a dedicated Facebook group with experts helps SMBs with their tax, legal, marketing and other questions. Furthermore, our 'Plan D' initiative provides entrepreneurs with a downloadable template across various topics to help them develop their own digitalization strategies. Since the renewed site launch on November 7, 2024, various 'Plan D' downloadable have recorded 10381 downloads from 6859 users.

The primary goal for this year has been to successfully introduce our users to the new platform and its enhanced functionalities. The aim is not only maintaining the current performance metrics but also to complete all still in progress technical developments to a seamless user experience. The registered user number for the platform as of December 2025 is 2030 users.

Kraftlab

Magyar Telekom Plc. believes that young people play a key role in digital advancement and transformation, shaping the digital world of the future with their understanding of the digital world, creativity and innovative ideas. This belief is reinforced by KraftLab, which has been a creative space for the young generation since its opening in Debrecen in September 2021. KraftLab's four themed rooms - the fully equipped Video Studio, the four-person Podcast Studio, the Workshop Room for training and meetings, and the Music Lab with DJ booth, which debuted in March 2023 - offer opportunities for creative expression and co-creation, strengthening young people's connection to the Telekom brand. From video creation and streaming to podcasts and workshops to cutting-edge music creation, KraftLab gives young talent a space to express themselves in all areas of digital expression.

The initial average of 234 visitors per month increased by 9% in 2023 and by a further 33% in 2024, reaching 13000 visitors in total by December 2025. This dynamic growth demonstrates the growing popularity of KraftLab and its important role in the life of Debrecen.

Teachtoday

In order to tap into the potential of information technologies for the benefit of society, Deutsche Telekom Group promotes the media literacy of consumers and end users with a wide range of offerings available throughout the Group – always with the aim of enabling everyone to move safely and confidently in the digital world. The "Teachtoday International" platform provides an overview of all of the Group's global media literacy initiatives. This also includes measures that are explicitly intended to raise awareness of how to deal with disinformation.

ESRS S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Feedback on Hello Parent content, access and time spent on the site is measured together with the visitor activities and access duration at the relevant Facebook sites, but specific measurements, such as those measuring the experience of Hello Parent Roadshow or Netrevalók participants, are still under development.

Digitalization and digital skill development is a part of the Group's strategy and sustainability strategy. ESG CoE regularly meets and monitors the actions and initiatives, furthermore, the effectiveness of the activities mentioned are monitored via a Deutsche Telekom Group level ESG KPI called "Beneficiaries". This indicates the number of people who have benefited directly or indirectly (assuming-based) from the commitment to promoting a digital society. Magyar Telekom Plc. contributes to Deutsche Telekom Group's goal to more than 80 million people across the entire Deutsche Telekom Group footprint with the ESG KPI "Beneficiaries" between 2024 and 2027. In 2025, around 3,4 million people benefited from the initiatives and measures of the digital society provided by Magyar Telekom Plc. The KPI is not validated by an external party and is partially derived from statistical data, which means that the number of indirect beneficiaries is considered an estimate.

Other goals and targets related to consumers and end-users are presented separately in the previous chapters in ESRS S4: Data protection at Magyar Telekom Group, Digitalization of Hungary, Product development and digital solutions.



Governance topics

ESRS G1 – Business conduct

Introduction

Magyar Telekom Group stands for lawful and fair entrepreneurial action. Compliance is a key component of the Group's business conduct, which is oriented towards integrity and appreciation. The following index shows the material disclosure requirements identified through the materiality analysis in relation to the corporate governance topic standard.

ESRS-Index according to ESRS 2 IRO-2

Disclosure Requirement	Description	Remarks
ESRS G1 – Business conduct		
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	
ESRS 2 SBM-3 G1	Material impacts, risks and opportunities and their interaction with strategy and business model	
ESRS 2 IRO-1 G1	Description of the processes to identify and assess material impacts, risks and opportunities	
ESRS G1-1	Corporate culture and business conduct policies	
ESRS G1-3	Prevention and detection of corruption and bribery	
ESRS G1-4	Incidents of corruption or bribery	
MDR-P MDR-A MDR-M MDR-T	Policies adopted to manage material sustainability matters Actions and resources in relation to material sustainability matters Metrics in relation to material sustainability matters Tracking effectiveness of policies and actions through targets	The Group applies the minimum disclosure requirements regarding policies, actions, metrics and targets together with the corresponding disclosure requirements.

Strategy

ESRS 2 SBM-3 G1 – Material impacts, risks and opportunities and their interaction with strategy and business model

During the process of double materiality analysis Magyar Telekom Group identified material impacts and risks related to business conduct, the process is detailed in the Chapter of ESRS 2 IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities. Furthermore, during the understanding phase of double materiality analysis, interviews and documentation collection were conducted internally to gain understanding of the Group's approach on corporate culture and compliance practices. Magyar Telekom Group has a positive impact on corporate culture with the established rules and operational frameworks and applied guiding principles, furthermore, a strong corporate culture has a positive impact on employee well-being. This actual impact is related to the Group's own business activities.

Magyar Telekom Group does not tolerate corruption or attempted corruption, and has introduced several internal policies and procedures, through which it has a positive impact on prevention and detection of corruption cases. This actual impact is related to the Group's own business activities.

Cases of bribery, corruption or fraud may result in reputational damage, loss of trust, financial sanctions and a reduction in the Group's shareholder value, as well as additional sanctions. The impact of an individual case may take several years to materialize and is subject to the prevailing laws applicable when such conviction is final. Business impact depends on several factors, including the market structure and organizational/contractual arrangements when such a conviction is final. During the double materiality analysis this risk was determined in the upstream and own business activities for the medium term.



Management of impacts, risks and opportunities

ESRS G1-1 – Business conduct policies and corporate culture

Magyar Telekom Group's culture is characterized by entrepreneurial thinking and cooperative work as well as mutual respect and trust.

The Group's culture is based on our values, which are enshrined in seven Guiding Principles. The guidelines form the basis for cooperation with each other, but also with the customers, shareholders and the public. The Guiding Principles are:

1. Delight our customers: We try to find out what makes our customers (external or internal) happier and more satisfied. We look at each interaction as a new opportunity to improve customer experience (everyone is a customer or potential customer). We do not exist without our customers - it is inevitable that they choose us again and again
2. Get things done: We know exactly where we create value - we focus on it. We can say no, discontinue things, realize redundancies and recognize low value for money situations.
3. Act with respect and integrity: We respect each other, our customers and our partners. We care about society and our environment. We are an inclusive workplace. Everything we do and represent is ethical.
4. Team together - team apart: We do not feel success is complete until the other team is successful. We can only succeed together. We belong together, we help each other, we can count on each other.
5. I am T –Count on me: We take our responsibilities and do not rest until we fulfil them, from start to end. We are empowered and we are trusted. We do not create extra work for others, and we do not get scared of new tasks.
6. Stay curious and grow: We are brave enough to try new things, to change ourselves and the things around us. We are not afraid to question, and we do not accept "because we have been doing it like this so far" as an answer.
7. Failure or success – we learn from everything: We celebrate individual and team success. Errors are acceptable, we learn from them. We escalate problems in time, while they can be corrected. The agile ceremonies (retro) make learning from our mistakes a part of our lives.

The goal with the values was to determine the conduct that is accepted by everyone in addition to being important and tangible in our daily operation.

ESRS G1-3 – Prevention and detection of corruption and bribery

Magyar Telekom Group does not tolerate corruption or attempted corruption, and has introduced several internal policies and procedures, through which it has a positive impact on prevention and detection of corruption cases. Cases of bribery, corruption or fraud may result in reputational damage, loss of trust, financial sanctions and a reduction in the Group's shareholder value, as well as additional sanctions. The impact of an individual case may take several years to materialize and is subject to the prevailing laws applicable when such a conviction is final. Business impact depends on several factors, including the market structure and organizational/contractual arrangements when such a conviction is final.

Magyar Telekom Group implemented a Corporate Compliance Program, which applies to all bodies, organizations, directors, officers and employees of Magyar Telekom Group, as well as to consultants, agents, representatives, and all other people or bodies who carry out work on behalf of any member companies of Magyar Telekom Group. Additionally, the Group expects its business partners, suppliers and customers to aid in this effort by acting in a similarly ethical manner. As such, certain aspects of the Magyar Telekom Corporate Compliance Program apply not just to Magyar Telekom Group employees, but also to third parties with whom do business. If employees, partners, or third parties have concerns that behaviours contradict laws, corporate culture, or internal guidelines, they can report these via the whistleblower portals – anonymously if desired. This also includes reports on human rights or environmental risks as well as legal violations along our global supply chain. This may concern the actions of the employees in their own business area of group companies or those of the suppliers or business partners. For the investigation of internally or externally reported suspicions, Magyar Telekom Group has implemented internal processes according to which suspected violations are initially substantiated and if necessary, further clarified in accordance with legal requirements. The Group has defined internal guidelines to ensure that matters are reported to internal committees and supervisory bodies depending on defined relevance thresholds.



Magyar Telekom's Compliance Management System and certified through the German IDW AsS 980 process. This ensures that all the anti-bribery, anti-corruption and other compliance related issues are prevented, detected and handled accordingly. The Compliance Management System of Deutsche Telekom is regularly subject to external audits (such as the German Institute of Auditors' Standard 980 (IDW PS 980) or ISO 37001). Magyar Telekom Group is regularly included in these independent audits and system audits; the latest external audit (IDW AaS980) was conducted in March 2025.

Based on the different areas of the CMS there is dedicated Askme! Channel for prevention activities. Employees can ask for guidance and opinions on sponsorship, donations, acceptance and providing benefits, contractual conditions, requirements, due diligence topics, conflicts of interest, etc. Compliance concerns can be raised through this channel.

The whistleblowing channel of Magyar Telekom Group is also available internally and externally. Employees receive messages about the existence of the portal, whistleblowing options and the importance of Speak up! culture via in-person trainings, tone from the top messages and through different communication campaigns in the Compliance area.

In accordance with applicable regulations, including in line with Directive (EU) 2019/1937 of the European Parliament and of the Council, Magyar Telekom Group has established a whistleblower portal through those employees, partners, or third parties can report suspicions and misconduct - anonymously, if desired. The whistle blowing portal is available internally as well as externally.

The Code of Conduct of Magyar Telekom Group is built on the United Nations Convention against Corruption. As a Deutsche Telekom Group Member Magyar Telekom Group joins the UN International Anti-Corruption Day each year on the 9th of December, followed by a communication campaign. The protection of whistleblowers is carried out in accordance with applicable regulations, including in line with Directive (EU) 2019/1937 of the European Parliament and of the Council. The Code of Conduct of Magyar Telekom Group clearly states that the whistleblower cannot suffer from negative consequences resulting from speaking up or reporting a potential misconduct. The Group ensures that the reports received are processed by sufficiently qualified personnel.

Magyar Telekom Group has procedures in place to investigate any incidents related to its business activities – including cases of corruption and bribery – promptly, independently, objectively, and lawfully. The compliance area of the Group performs monitoring activities defined through a risk-based approach, while also conducting an annual compliance risk assessment process and have a significant focus on prevention activities.

In conducting anti-corruption training sessions, Magyar Telekom Group pursues a risk-oriented approach: The frequency and content of the training sessions depend on how many employees are exposed to compliance risks – including corruption and bribery. There is an annual compliance e-learning mandatory for all employees of Magyar Telekom Group. The training focuses on the messages of the Code of Conduct and the compliance- relevant risks. New joiners receive a general compliance e-learning as part of their onboarding after joining the Group.

In addition, there is a mandatory in-person training session for members of executive bodies of operationally active companies every three years. If there is a new member within the given body, an ad hoc compliance training is organized. On the other hand, Magyar Telekom Group does not conduct training for the Supervisory Board.

Additionally, deeper dives into certain compliance topics are assigned to individuals or specific business units based on potential risk exposure for the roles. These training courses are reviewed and updated on a regular basis.

In the case of e-learning the participation rate is aimed to be above 90%, for the annual mandatory e-learning 95%. In the case of risk-based in-person training additional occasions are organized if the original training has not reached the 80% participation rate. The participation rate of risk-based in-person trainings was 95% in 2025. The scope of the risk-based in person training varies on different factors (activity of the given area, the last year when colleagues received in person trainings, changes in the organizational structure, responsibilities, and lessons learnt about last year's tip offs, cases). In 2025, the focus was on the colleagues working in Telekom shops owned by not just Magyar Telekom but partners in smaller, rural cities. As usual, the Enterprise Unit colleagues were also in scope in 2025.



E-learning and in person training cover the topics of anti-corruption and anti-bribery and provide information about the consultation as well as the whistleblowing channel.

The Group also communicates the principles of corporate strategy and culture in all internal media, including intranet, mailings, and meetings. New employees receive dedicated new joiner training that covers the topic of the Magyar Telekom Group's Code of Conduct and general compliance messages. Additionally, deeper dives into certain Code topics are assigned to individuals or specific business units based on potential risk exposure for the roles. These trainings are reviewed and updated on a regular cadence.

The strategies of Magyar Telekom Group against corruption and bribery particularly relate to functions within the Group that are most at risk in terms of corruption and bribery. These primarily include executive bodies as well as the operational areas of the Group. In addition, deeper dives into certain compliance topics are assigned to individuals or specific business units based on potential risk exposure for the roles (e.g. procurement or sales areas).

The Compliance area of Magyar Telekom Group, namely the Group Compliance Hub is the guard of the Compliance Program. Group Compliance Hub as well as the Compliance Officer is a direct report to the CEO, this means that the compliance department is organized independently of other units. Additionally, the Audit Committee has the right to the supervision of the compliance Officer. Compliance reports are sent to the Audit Committee, the Supervisory Board and the Board of Directors on a regular basis. The Compliance Officer has the right to escalate compliance issues towards the Audit Committee or Deutsche Telekom Group Compliance Management if necessary.

The Compliance Officer is responsible for the Compliance Program and has the right to escalate compliance issues towards Magyar Telekom Plc. Audit Committee or Deutsche Telekom Group Compliance Management if necessary. Group-relevant cases above a threshold are reported within regular compliance reporting processes.

Magyar Telekom Group informs employees through various channels about strategies and processes of the Group with which we prevent, detect, investigate, and prosecute allegations or incidents related to corruption and bribery. These channels include intranet postings, mailings, and compliance training sessions. Also, different dedicated Group directives cover these topics. If a Group directive has been refreshed, the relevant colleagues receive an automated message about the refreshment. Additionally, in case of significant or important changes there are additional compliance communication campaigns emphasizing the topic.

ESRS G1-4 – Incidents of corruption or bribery

Magyar Telekom Group 's Group Compliance Hub is responsible for conducting internal investigations on cases of compliance misconduct. However, the exact statistics of these cases are handled with confidentiality and Magyar Telekom Group does not share this kind of information about the incidents.



G - Entity-specific: Cybersecurity

Introduction

Geopolitical tensions, advancing interconnectedness, and new threats from AI are creating complex challenges for cybersecurity. In response, Magyar Telekom Group pursues a holistic corporate security strategy that includes key areas of action such as workforce, technology, and regulation. From this, concrete measures to counter various risks have been derived – be it fake news, cyberattacks, supply failures, or targeted attacks on critical infrastructures.

The following index shows the main disclosure requirements for the company-specific topic "cybersecurity" identified by the materiality analysis.

M ESRS index according to ESRS 2 IRO-2

Disclosure Requirement	Description	Remarks
G-Entity-specific: Cybersecurity		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	
MDR-P MDR-A MDR-T	Guidelines for dealing with material sustainability aspects Measures and resources related to material sustainability aspects Tracking effectiveness of policies and actions through targets	The Group applies the minimum disclosure requirements regarding policies, actions, metrics and targets together with the corresponding disclosure requirements.

Strategy

ESRS 2 SBM-3 Key impacts, risks and opportunities and their interaction with strategy and business model

As part of the double materiality analysis, no significant impacts and opportunities related to cybersecurity on society and the environment were identified. The relevant risk can be found under the - ESRS 2 IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities – part of the report.

Management of impacts, risks and opportunities

ESRS 2 MDR-P – Guidelines for dealing with material sustainability aspects

Magyar Telekom Group has established a security organization centrally and in all units of the Group. The approach to cybersecurity is integrated into the risk management system and processes; supervision lies with the Group Security and Asset Protection Directorate and the board of management.

To ensure a high level of security for our customers, employees, services, and products, the "Information Security Policy" has been implemented. This policy is based on the requirements of the ISO/IEC 27001 international standard and the ISO/IEC 27005 guidelines for risk management. The policy sets out Magyar Telekom Group basic requirements regarding the security dimensions of people, information, technology, buildings, and business continuity, strictly adhering to the C-I-A criteria: Confidentiality, Integrity, and Availability. In addition to the local policy, the Deutsche Telekom Group Security Policy principles are also applied.

The policy is communicated to all employees via internal databases and education platforms. Furthermore, public commitments regarding quality and information security are available on the website ([Irányelveink - Magyar Telekom csoport](#)). The requirements of the policy are implemented by the management of the business units, with the overarching responsibility for cybersecurity lying with the management of the Magyar Telekom Group.



ESRS 2 MDR-A – Measures and means related to material sustainability aspects

To fend off attacks and protect our infrastructure and our customers' data, Magyar Telekom Group is constantly developing new methods and continuously improving the sensor technology.

A robust Information Security Incident Management process is continuously being maintained, which ensures that security events are detected, analysed, and managed effectively. Lessons learned from incidents are incorporated into our defence mechanisms to proactively reduce future risks. Security Operations Centre (SOC) and Incident Response Team continuously monitor the security situation and manages critical incidents centrally. This resulted in zero incidents in the 2025 reporting year, proving the effectiveness of these methods.

In software development and system changes, security requirements are integrated from the very beginning ("Security by Design"). New systems are built according to specifications that include security requirements consistent with their classification, and systems are only put into operation after appropriate testing.

Magyar Telekom Group employees are provided with various tools to protect our systems and data. Internal security measures such as multi-factor authentication and access management are continuously optimized. Security awareness is a key pillar of our strategy; adherence to information security regulations is mandatory for all employees and partners. Necessary training levels have been defined to ensure awareness through regular mandatory education and testing, supported by the "Quality Champions" network within the organization.

All cybersecurity risk mitigation measures outlined in this thematic standard are ongoing and do not have a set end date. Furthermore, the material risks and opportunities did not have any relevant current financial effects on our financial position, financial performance, and cash flows in the reporting year.

Targets

ESRS 2 MDR-T – Tracking the effectiveness of guidelines and measures through targets

The effectiveness of our cybersecurity-related policies and measures is monitored, through the security systems and facilities described in detail in this thematic standard. Magyar Telekom Group does not disclose the number of attacks due to reasons related to confidentiality.

Compliance with security measures is examined through independent audits and internal controls. These controls cover the examination of the adequacy, compliance, and operation of information security regulations. The effectiveness of information security risk management measures is measured by analysing occurred events to determine if the risk assessment identified their potential occurrence, and by evaluating whether audits reveal assets or risks not included in the asset inventory.

In addition, no separate time-bound or results-oriented targets has been set that apply to the entire Group.



General information and independent auditor's report

The Annual report of the Magyar Telekom Telecommunication Public Limited Company (hereinafter: Magyar Telekom Plc. or Magyar Telekom or the Company) includes the Separate financial statements and the Separate business / management report.

Preparation of the Sustainability Statement is required by Act C of 2000, Directive (EU) 2022/2464 (CSRD), and Regulation (EU) 2020/852, and must be disclosed in a dedicated section of the Business/Management Report. In 2024, Magyar Telekom Plc. used the consolidated sustainability statement content for both consolidated and separate reporting in its annual reports, as considering the Group's interrelated services, value chains and conceptual framework of impacts, risks and opportunities separate examination regarding Magyar Telekom Plc. as parent company was not feasible.

From 2025, in accordance with Section 95/F (11) of the Act C of 2000, the Company is exempted from preparing separate sustainability statement and fulfills its obligation through the Consolidated Sustainability Statement only, as the parent company preparing a consolidated sustainability statement shall be deemed to have fulfilled its sustainability reporting obligations under Sections 95/E (1)-(11) and (13) and the requirement of Paragraph 95(3).

The Consolidated Sustainability Statement, included in the Consolidated Business/Management Report, and the auditor's limited assurance report thereto is published and available at the Company's website:

https://www.telekom.hu/about_us/investor_relations/financial

Disclosure of the Annual report (in XHTML format – ESEF)

Magyar Telekom Plc. complies with the requirements of the Act C of 2000 and the European Securities and Markets Authority (ESMA), of the Article 3 of Commission Delegated Regulation (EU) 2019/815 (ESEF regulation) on disclosure in European single electronic format (ESEF) by publishing its Annual report in XHTML format from January 1, 2021.

Independent auditor's report

Deloitte Könyvvizsgáló és Tanácsadó Kft. (Deloitte) audited the Separate financial statements.

The independent auditor's report on the Separate financial statements is prepared in a separate document.



10 Sustainability and environment protection

For information about sustainability and environment protection, see the Consolidated sustainability statement. The Consolidated sustainability statement, included in the Consolidated business/management report, and the auditor's limited assurance report thereto is published and available at the Company's website:

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