

REMUNERATION REPORT 2022

1. INTRODUCTION

The Board of Directors of Magyar Telekom Telecommunications Public Limited Company (hereinafter “Magyar Telekom” or “Company”) based on the provisions of Act LXVII of 2019 on the encouragement of long-term shareholder engagement and the amendment of certain Acts for EU harmonization purposes (“SRD Act”) and the Remuneration Policy adopted with resolution no 41/2022 (IV.12.) of the General Meeting approves and submits to the Annual General Meeting the below Remuneration Report for the 2022 business year (“Remuneration Report” or “Report”).

This Remuneration Report is prepared in accordance with the SRD Act. The Remuneration Policy on which the Report is based was approved by the Company in 2022. The Remuneration Policy is available on the website of the Company: <https://www.telekom.hu/static-tr/sw/file/20220412-remuneration-policy.pdf>

The Remuneration Report is providing a comprehensive overview of the remuneration, including all benefits in whatever form, awarded or due during the 2022 business year in accordance with the Remuneration Policy to the members of the Board of Directors, the Supervisory Board, the Chief Executive Officer and Chief Officers of Magyar Telekom (together, based on the SRD Act, “Directors”; the Chief Executive Officer and the Chief Officers together “Executives” or “Management”). The Remuneration Report contains the incomes presented in the Financial Statements as cost independently from its financial performance (payment).

Personal changes regarding the Directors of the Company in 2022 were as follows:

- the General Meeting of the Company held on April 12, 2022 elected the members of the Board of Directors¹ and the Supervisory Board².
- Melinda Szabó Chief Commercial Officer was member of the Management until September 14, 2022, while her membership in the Board of Directors remained unchanged.
- The Board of Directors appointed Zoltán Pereszlényi as Chief Commercial Officer as of December 1, 2022.³

Remuneration of the current and former Directors complying with their assignment is presented on pro-rata basis.

In this Remuneration Report „group” shall have the meaning of the Magyar Telekom Group. All monetary amounts in the Report are presented in gross without duties or taxes levied on the Company.

In the 2022 business year the Company paid remuneration based on the Remuneration Policy, no deviations from the procedure for the implementation of the Remuneration Policy or the possibility to reclaim variable remuneration applied.

Magyar Telekom aims to achieve leadership position in terms of customer experience, as well as technological and business productivity alike, which it is indispensable to have efficient bodies and top executives in place with long-term engagement. Therefore, Magyar Telekom elaborated a competitive remuneration structure that supports, recognizes and provides motivation for the Directors to implement the Company’s aim. The remuneration structure promotes the Company’s business strategy, long-term interests and sustainability through its short and long-term incentive systems. The relative value and composition of the components are determined on the basis of market benchmarks. The Remuneration Policy is prepared by the Company’s People Unit upon discussion with all other affected areas and submits it to the Company’s Remuneration and Nomination Committee.

On April 12, 2022 the General Meeting of the Company with its resolution no. 43/2022 (IV.12.) approved the previous Remuneration Report for the business year of 2021 with 90.10% of the votes cast in favor. The Company, also having considered the result of the advisory voting regarding the previous Remuneration Report, prepared this Remuneration Report based on the form and structure of the previous Remuneration Report.

¹ Resolution Nos 21-28/2022 (IV.12.) of the General Meeting.

² Resolution Nos 32-36/2022 (IV.12.) of the General Meeting.

³ https://www.telekom.hu/static-tr/sw/file/management_change_22Aug2022_eng.pdf

The Company complies with its obligation under Section 19(2) of the SRD Act (i.e. the annual change of remuneration, the performance of the company, and of average remuneration of employees of the company other than directors presented in a comparative method) in accordance with Section 29(4) of the SRD Act, therefore this information will be presented in this Remuneration Report for the first time.

2. REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

Pursuant to the Articles of Association the Board of Directors of the Company shall be comprised of a minimum of five (5), and a maximum of eleven (11) members. The members of the Board of Directors shall be elected by the General Meeting. On December 31, 2022, the Board of Directors had eight members.

Members of the Board of Directors of Magyar Telekom, for being in this position at the Company, are paid fixed-amount remuneration on a monthly basis. Their remuneration contains no variable components (therefore, it is not influenced by the Company's operating results in a given part of past or future period and reclaiming variable remuneration is not applicable). The amount of the remuneration is resolved by the General Meeting⁴ based on the proposal of the Remuneration and Nomination Committee. Their remuneration reflects the responsibilities and professional experiences commensurate with the position in corporate governance, so enhancing the implementation of the Company's strategic goals.

The Company has a Remuneration and Nomination Committee established by the Board of Directors. The Remuneration and Nomination Committee is comprised of three members elected by the Board of Directors from among its members. The assignment of the members is the same period as their assignment as members of the Board of Directors. Members of the Board of Directors having membership in the Remuneration and Nomination Committee are not entitled to remuneration therefor.

Certain members of the Board of Directors have waived their remuneration. Tibor Rékasi, and Melinda Szabó for her membership in the Management, offered their remuneration for their activity as member of the Board of Directors for charity, the net amount thereof was directly transferred by the Company to Magenta Összefogás Alapítvány.

Melinda Szabó Board of Directors member was member of the Company's Management until September 14, 2022. Board of Directors members, Tibor Rékasi and Dodonova Daria Aleksandrovna, are also members of the Company's Management, whose remuneration to be paid for their Management position is presented in Section 4 of this Remuneration Report. There is no other member of the Board of Directors who receives remuneration from Magyar Telekom or any companies belonging to the Magyar Telekom Group. No shares have been granted by the Company to the members of the Board of Directors and currently there is no share option program at the Company. Remuneration of the current and former Board of Directors complying with their assignment is presented on pro-rata basis in the below table.

The members of the Board of Directors are entitled to infocommunication services and to the reimbursement of the reasonable costs arising in connection with their participation at the meetings, or directly connected to their membership (e.g. cross-border travel) in accordance with the applicable internal regulations of the Company effective from time to time. Furthermore, they are entitled to insurance (liability, travel) in accordance with the applicable insurance conditions of the Company effective from time to time. Benefits provided to the Board of Directors are aimed to support and advance the effective and smooth performance of their tasks.

Comparative information on the annual change of Directors' remuneration is presented in Section 5.

Remuneration payment and related cost reimbursement connected to their membership is based on the Remuneration Policy and in accordance with the Company's internal regulations effective from time to time. The Company paid remuneration to the members of the Board of Directors in the business year 2022 in accordance with the Remuneration Policy.

⁵ Resolution no. 31/2022 (IV.12.) of the General Meeting.

Remuneration of the individual members of the Board of Directors for 2022

in gross HUF		
members of the Board of Directors	Fixed remuneration (per month)	Total remuneration
Dodonova Daria Aleksandrovna ⁱⁱ	450,000 ^{iv} 500,000 ^v	0
Gábor Fekete, independent	450,000 ^{iv} 500,000 ^v	5 831 578
Elvira Gonzalez ^{i ii} (member from 04.12.2022)	500,000	0
Dr. Robert Hauber ^{i ii} , Chairperson ^{vi}	600,000	0
Ralf Nejedl ^{i ii} (member until 04.12.2022)	450,000	0
Frank Odzuck ⁱ , Deputy-Chairperson, independent	450,000 500,000	5 831 578
Péter Ratatics, independent	450,000 500,000	5 831 578
Tibor Rékasi ⁱⁱⁱ	450,000 500,000	0
Szabó Melinda ^{ii iii} (member from 04.12.2022)	500,000	0
Éva Somorjai-Tamássy ⁱⁱ (member until 04.12.2022)	450,000	0
total		17 494 734

ⁱ Members of the Remuneration and Nomination Committee.

ⁱⁱ Waived their remuneration.

ⁱⁱⁱ Offered the remuneration for charity.

^{iv-v} Based on resolution no. 31/2022 (IV.12.) of the General Meeting, the amount of the remuneration for the members of the Board of Directors is HUF 500,000/month from 04.12.2022.

^{vi} Dr. Robert Hauber following his re-election on 04.12.2022 was elected as Chairperson of the Board of Directors on 05.24.2022, his remuneration is presented accordingly.

3. REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD

According to the Articles of Association the Supervisory Board shall be comprised of five (5) members. Three members of the Supervisory Board must be independent from time to time in accordance with the provisions of the Civil Code and two members of the Supervisory Board must be employees of the Company. The members of the Supervisory Board shall be elected by the General Meeting.

Members of the Supervisory Board of Magyar Telekom, for being in this position at the Company, are paid fixed-amount remuneration on a monthly basis. Their remuneration contains no variable components (therefore, it is not influenced by the Company's operating results in a given part of past or future period and reclaiming variable remuneration is not applicable). Those independent members of the Supervisory Board who are also members of the Audit Committee of the Company are entitled to remuneration too as members of the Audit Committee. The amount of the remuneration is resolved by the General Meeting⁵ based on the proposal of the Remuneration and Nomination Committee. Their remuneration reflects the responsibilities and professional experiences commensurate with the position in corporate governance, so enhancing the implementation of the Company's strategic goals.

Remuneration of the employee representatives of the Supervisory Board, Gyula Bereznai and Endre Szepesi, related to their employment with the Company is not part of this Remuneration Report as they shall be deemed Directors for the activity as members of the Supervisory Board in accordance with the SRD Act. There is no other member of the Supervisory Board beside the employee representatives who receive remuneration from Magyar Telekom or any companies belonging to the Magyar Telekom Group. No shares have been granted by the Company to the members of the Supervisory Board, currently there is no share option program at the Company. Remuneration of the current and former Supervisory Board members complying with their assignment is presented on pro-rata basis in the below table.

⁵ Resolution no 4/25 (04.24.2020) of the Board of Directors (based on the authorization set out in Section 9 (2) of Government Decree no. 102/2020. (IV. 10.) the Board of Directors decided set on the agenda of the AGM).

The members of the Supervisory Board are entitled to infocommunication services and to the reimbursement of the reasonable costs arising in connection with their participation at the meetings, or directly connected to their membership (e.g. cross-border travel) in accordance with the applicable internal regulations of the Company effective from time to time. Furthermore, they are entitled to insurance (liability, travel) in accordance with the applicable insurance conditions of the Company effective from time to time. Benefits provided to the Supervisory Board are aimed to support and advance the effective and smooth performance of their tasks.

Comparative information on the annual change of Directors' remuneration is presented in Section 5.

Remuneration payment and related cost reimbursement connected to their membership is based on the Remuneration Policy and in accordance with the Company's internal regulations effective from time to time. The Company paid remuneration to the members of the Supervisory Board in the business year 2022 in accordance with the Remuneration Policy.

Remuneration of the individual members of the Supervisory Board for 2022

members of the Supervisory Board	Fixed remuneration (per month)	Total remuneration
Prof. Dr. Attila Borbélyⁱ , Chairperson ^{iv} , independent	600,000	12 982 206
Gyula Bereznai , employee representative (member from 04.12.2022)	350,000	3 021 053
Krisztina Dorogháziⁱⁱ , independent	350,000	7 560 000
Tamás Lichnovszky , employee representative (member until 04.12.2022)	350,000	1 178 947
András Szakonyiⁱⁱⁱ , independent	350,000	7 560 000
Endre Szepesi , employee representative (member from 04.12.2022)	350,000	3 021 053
Zsoltné Varga , employee representative (member until 04.12.2022)	350,000	1 178 947
total		36 502 206

ⁱ Prof. Dr. Attila Borbély, in addition to remuneration for this activity as a member of the Supervisory Board of Magyar Telekom, also received remuneration as Chairperson of the Audit Committee amounting to HUF 560,000 per month, totally HUF 6,720,000 in 2022.

ⁱⁱ Krisztina Dorogházi, in addition to remuneration for this activity as a member of the Supervisory Board of Magyar Telekom, also received remuneration as member of the Audit Committee amounting to HUF 280,000 per month, totally HUF 3,360,000 in 2022.

ⁱⁱⁱ András Szakonyi, in addition to remuneration for this activity as a member of the Supervisory Board of Magyar Telekom, also received remuneration as member of the Audit Committee amounting to HUF 280,000 per month, totally HUF 3,360,000 in 2022.

^{iv} Prof. Dr. Attila Borbély following his re-election on 04.12.2022 was elected as Chairperson of the Supervisory Board and the Audit Committee on 06.08.2022, his remuneration is presented accordingly.

4. REMUNERATION OF THE CHIEF EXECUTIVE OFFICER AND OTHER CHIEF OFFICERS

The Management of the Company comprises of the Chief Executive Officer and other Chief Officers. On December 31, 2022, the Management had six members.

Procedures of the Company related to remuneration is regulated by internal regulations.

The Chief Executive Officer and the other Chief Officers perform this activity based on employment contract, while Dodonova Daria Aleksandrovna performs it based on an intra-group expatriate contract.

Chief Executive Officer, Tibor Rékasi, and Chief Financial Officer, Dodonova Daria Aleksandrovna, are also members of the Company's Board of Directors, whose remuneration to be paid for their position in the Board of Directors is presented in Section 2 of this Remuneration Report. Melinda Szabó Chief Commercial Officer was member of the Management until September 14, 2022 and is a member of the Board of Directors as well. The Board of Directors appointed Zoltán Pereszlényi as Chief Commercial Officer as of December 1, 2022.

Executives may (have) receive(d) remuneration for holding a position in Magyar Telekom Group companies, in 2022 the affected Executives were:

- Tibor Rékasi in addition to the remuneration for this activity as Chief Executive Officer of Magyar Telekom, received no remuneration as member of the Board of Directors (Chairperson) of T-Systems Magyarország Zrt.
- Gábor Gonda, has a two-employer employment relationship with Magyar Telekom as Chief Commercial Officer Enterprise and with T-Systems Magyarország Zrt. as Chief Executive Officer, based on which his salary is paid by Magyar Telekom.
- Lubor Zatko in addition to the remuneration for this activity as Chief Technology and IT Officer of Magyar Telekom, received remuneration as non-executive member of the Board of Directors of Makedonski Telekom AD amounting to MKD 62,000 (appr. HUF 397,000) per month which of he has waived.

There is no other member of the Management who receive remuneration from any companies belonging to the Magyar Telekom Group. Currently there is no share option program at the Company.

Decision about the remuneration of the Chief Executive Officer and other Chief Officers is adopted by the Company's Remuneration and Nomination Committee (incl. performance management target setting and evaluation, awarding bonuses and other incentives to the Executives, including any stock options and other equity-based compensation plans or determination of the size of the components included in the remuneration package upon consideration of the Hungarian remuneration benchmarks). The remuneration package consists of fixed and variable components.

Executives are entitled to annual on-target earnings, extraordinary, per-case bonus, long-term incentive programs and different additional benefits based on their contracts and the respective internal regulations of the Company, in accordance with the Remuneration Policy. The Executives' remuneration package and based on this the amount of their remuneration may be different depending on their assignment and remuneration elements. Terms and conditions for supplementary retirement or early retirement schemes are not included in the contracts.

Annual On-Target Earnings

The annual on-target earnings consist of the (fixed) monthly base wage defined in the employment contract and the bonus determined as a percentage of the base wage the amount of which varies subject to the annual performance. The ratio of the base wage and the bonus within the annual on-target earnings is 57%/43% for the CEO, 55%/45% for other Chief Officers, and 70%/30% in case an agreement is included in the employment contract regarding the different ratio.

a) Annual base wage

The annual base wage is a (fixed) annual amount determined for individual that differs in different positions and is paid in identical allotments on a monthly basis.

b) Annual bonus

The bonus is a set percentage of the base wage paid proportionately to the performance targets determined by the Remuneration and Nomination Committee in 2022 (40% financial, 40% strategic and 20% sustainability) derived from the strategic objectives defined for the specific business year. The Remuneration and Nomination Committee adopts the annual targets and their performance levels annually considering the Company's strategic objectives and corporate responsibility principles (our corporate responsibility programs focus on digital education and volunteer work, but we also put emphasis on supporting NGOs by means of tariff packages designed specifically for them). Bonus advance payments are not made, bonus is paid on a scale of 0-150% subject to the evaluation of the performance of the relevant targets when the financials of the closed business year are final. After payment is made, the bonus may not be reclaimed.

For the 2021 business year, the amount of the Executives' bonuses was presented on the presumption of 137.07% target performance, which was fulfilled at 136.7%.

The amount of the Executives' bonuses presented in this Remuneration Report is based on the presumption of 130.15% target performance in accordance with the 2022 Financial Statements.

Extraordinary, per-case bonus

In case of outstanding performance of targets set forth by the Remuneration Policy, the extra performance demonstrated by individuals may be recognized by per-case bonus. The amount of the reward shall be fixed by the Remuneration and Nomination Committee.

Currently, there is no mid-term incentive plan in place at the Company.

Long-term incentive programs

Long-term Incentive Plan (LTI) is a long-term incentive program paid in cash that is linked to the performance of four indicators (ROCE (Return on Capital Employed), Adjusted Earnings per Share, Customer satisfaction and Employee satisfaction) of the mother company considered of special strategic priority. Performance criteria may not be changed

during the term of the program. Participation in the program is subject to the performance of the central indicators determined for the previous year, and the achievable amount is 30% of the annual on-target earnings.

The 2022 LTI program is a global, Deutsche Telekom Group-wide incentive program.

At the beginning of the program, the relevant incentive amount is converted into a number of virtual shares of DT AG and awarded to the plan participant in the form of virtual shares (basic number). The annual level of target achievement is determined at the end of each year. This target achievement level is multiplied on a pro rata basis by the basic number of virtual shares awarded. The number of virtual shares calculated using this method shall then be "fixed" for the plan participant as the binding result for that specific year ("annual result"). At the end of the plan term, the four binding annual results shall be added together. The resulting total number of virtual shares shall be converted into cash applying the prevailing price of DT AG shares at that time, which is paid to the plan participants. For dividend payments during the plan term, the virtual shares shall be treated as real shares. The dividends shall be taken into account as follows: The first/second/third dividend payments shall be "reinvested" into virtual shares when the actual dividends are paid on real shares. The fourth (and last) dividend payment shall not be reinvested but paid in cash together with the plan payment following the DTAG shareholders' meeting at which a decision is made regarding this dividend payment. The plan currency is euro.

As part of the program launched in 2015, a four-year program is introduced each year. Payment is always made after the program's expiry and the evaluation of the targets' performance levels on a scale of 0-150%. The detailed rules, the amount that may be utilized for the specific incentive and the actual performance levels at the end of the programs' duration are determined by the Remuneration and Nomination Committee.

Currently LTI 2019, 2020, 2021 and 2022 are available. After payment is made, the LTI may not be reclaimed.

For the 2021 business year, the amount of the Executives' LTI was presented was presented on the presumption of 100% (estimate), which was fulfilled at 118.75%.

The amount of the Executives' LTIs presented in this Remuneration Report with respect to the 2022 business year is based on the presumption of 135% target performance in accordance with the 2022 Financial Statements.

Share Matching Plan (SMP)

Participation in the program is mandatory for the Company's Chief Executive Officer, and voluntary for other members of the management. The program may be launched if the previous year's DT Group Free Cash-Flow target is achieved. Participants must spend a part, minimum of 10%, of their gross annual bonus on Deutsche Telekom shares. The investment must not exceed 1/2 of their annual bonus ("personal investment") (assuming 100% achievement of the previous year's bonus in case of the CEO and that of the specific year in case of other Chief Officers). Participants must hold their shares for at least 4 years (freeze) and may freely use them upon the expiry of the freeze. As part of the program Deutsche Telekom grants a certain number of shares free of charge to the participants based on the number of Deutsche Telekom shares they purchased. The proportion of the number of additional shares thus granted depends on the individual's management level: CEO: 1:1, other Chief Officers: 1:2. The program is launched subject to the relevant decision adopted by the Board of Directors. The detailed rules of the program are determined by the Remuneration and Nomination Committee.

Currently SMP 2019, 2020, 2021 and 2022 are available. After payment is made, the SMP may not be reclaimed.

The amount of the Executives' SMPs presented in this Remuneration Report with respect to the 2022 business year is based on the presumption of 100% target performance in accordance with the 2022 Financial Statements.

Recurring Performance Incentive (RPI)

The RPI was running from 2018 to 2021 and at the end of 2021 the RPI ended. For 2021 business year the amount of the Executives' RPI was presented on the presumption of 140% target performance and fulfilled at the same percentage. Terms of the program are available in the Remuneration Report for the business year of 2021 available at the website of the Company: https://www.telekom.hu/about_us/investor_relations/corporate_governance/compensation

Game Changer Incentive

Game Changer Incentive is a long-term incentive program paid in cash that is linked to the performance of two equally weighted indicators (Magyar Telekom Group's Net Margin with the KPI net margin excl roaming and Customer Centricity with the KPI TRI*M).

The 2022 program is a global, Deutsche Telekom Group-wide incentive program, resolved the launch thereon by the Remuneration and Nomination Committee in the course of 2022.

The program is a four-year program, from January 1, 2022 to December 31, 2025. For each program-year different base amount, rising in sequence, has been determined. Payment condition for the given program-year is that the target achievement level of the two performance indicators are each at least 50%. The base amount payable for the program-years depend on how many times in uninterrupted succession the necessary condition has been met (sequence of payment). If the necessary condition for payment is not met in a program-year, the payment sequence will recommence with the base amount determined for the first program year. The program currency is euro. Payment is always made after

the program-year's expiry and the evaluation of the targets' performance levels on a scale of 0-150%. The detailed rules are determined by the Remuneration and Nomination Committee. The rules of participation in the program are included in the regulation adopted by the Remuneration and Nomination Committee. After payment is made, the incentive may not be reclaimed.

The amount of the Executives' relevant incentive programs presented in this Remuneration Report is based on the presumption of 141.25% target performance in accordance with the 2022 Financial Statements.

The Company's 2022 Financial Statements contains information on the accounting policy of the short- and long-term remuneration under Note 20 „Employee-related expenses”. The Financial Statements is available at the website of the Company: https://www.telekom.hu/about_us/investor_relations/financial

The interest of the Magyar Telekom is, to develop a fair, performance-based and consistent remuneration package, which provides competitive remuneration for the Executives to carry out the Company's strategy and reward them for the achievement of strategic goals through a combination of short-term and long-term incentives. Through the design of its incentive programs, the Company wishes to ensure that Executive remuneration is aligned with and supports the Company's strategic objectives within a framework that closely aligns the interests of Executives to those of the shareholders.

Comparative information on the annual change of Directors' remuneration is presented in Section 5.

Executives' remuneration payment and related cost reimbursement connected to their membership is based on the Remuneration Policy and in accordance with the Company's internal regulations effective from time to time. The Company paid remuneration to the members of the Management in 2022 in accordance with the Remuneration Policy. The performance targets of the annual bonus and the Game Changer incentive presented in this Remuneration Report was implemented for 2022 for the first time based on the Remuneration and Nomination Committee's decision.

Remuneration of the current and former Executives is presented on a pro-rata basis complying with their assignment as follows:

Remuneration of the Chief Executive Officer and other Chief Officers for 2022

Name of Director, position	Reported financial year	1 Fixed remuneration		2 Variable remuneration		3 Extraordin ary items	4 Any remuneration from undertakings of the same group ⁱⁱ	5 Total remuneration	6 Relative proportion of fixed and variable remuneration (xx%/yy%)
		Base salary	Fringe benefits ⁱ	One-year variable	Multi-year variable				
Dodonova Daria Aleksandrovna Chief Financial Officer	2022	44 723 407	23 093 213	28 636 759	79 460 856	-	-	175 914 235	38.6%/61.4%
Friedl Zsuzsanna Chief People Officer	2022	47 999 999	6 780 284	51 114 588	85 795 004	-	-	191 689 875	28.6%/71.4%
Gonda Gábor Chief Commercial Officer Enterprise	2022	48 000 000	7 676 008	51 114 588	53 898 249	-	-	160 688 845	34.6%/65.4%
Rékasi Tibor Chief Executive Officer	2022	102 715 707	13 696 419	100 263 370	217 281 788	-	-	433 957 284	26.8%/73.2%
Szabó Melinda Chief Commercial Officer (until 09.14.2022)	2022	33 818 181	8 122 609	36 012 553	65 856 729	-	-	143 810 071	29.2%/70.8%
Lubor Zatko Chief Technology and IT Officer	2022	47 999 999	19 587 810	51 114 588	59 840 629	-	-	178 543 026	37.9%/62.1%
Zoltán Pereszlényi Chief Commercial Officer (from 12.01.2022)	2022	3 700 000	814 541	3 940 083	2 822 063	-	-	11 276 687	40%/60%

ⁱ The amount of fringe benefits include, among others, the cost of company car usage, health insurance, accommodation and expatriate in accordance with the Remuneration Policy.

ⁱⁱ In line with the narrative information.

5. ANNUAL CHANGE IN DIRECTORS' REMUNERATION

The annual change in Directors' remuneration is presented in this Remuneration Report for the first time and will be extended annually in the respective remuneration reports for the consecutive business years in a way that finally at least five business years data will be comparable. The annual change in remuneration, the development of the Company's performance and the average remuneration of the Company's employees other than Directors during this period - expressed in full-time equivalents and presented in a way that allows comparison.

Change in the Company's financial performance, in the annual remuneration of the current and former Directors and in the average remuneration of employees other than Directors for the business year of 2022 is presented in the below table. Change in the annual remuneration of the current and former Directors is presented on a pro-rata basis complying with their assignment both in absolute numbers and in percentage. With respect those newly elected Directors to whom no data are available for 2021, "n/a" is shown in the below table's percentage column.

The change in the annual operational performance of the Company is illustrated by presenting the development of the following financial figures: Revenues of the Magyar Telekom Group, EBITDA AL of the Magyar Telekom Group and profit after tax of Magyar Telekom Plc.

Change in the average remuneration of employees other than Directors can be calculated based on Magyar Telekom's "Employee-related expenses" per capita. The Company's 2022 Financial Statements contains data and information under Note 20 „Employee-related expenses”. The Financial Statements is available at the website of the Company: https://www.telekom.hu/about_us/investor_relations/financial

Employee-related expenses has been adjusted with the following items: termination benefits, employee-related expenses of Directors and costs expensed in relation to defined contribution plans (including social security contribution).

Change in average employee remuneration can be calculated as follows: Employee-related expenses adjusted with above mentioned items divided by the average number of employees other than Directors.

Annual change of remuneration, of performance of company and of average compensation of other employees

	change 2021/2022		change 2022/2023		change 2023/2024		change 2024/2025		change 2025/2026	
	absolute number (Ft)	(%)	absolute number (Ft)	(%)	absolute number (Ft)	(%)	absolute number (Ft)	(%)	absolute number (Ft)	(%)
Members of the Board of Directors										
Dodonova Daria Aleksandrovna	0	0%								
Gábor Fekete	431 578	8%								
Elvira Gonzalez (from 04.12.2022)	0	0%								
dr. Robert Hauber	0	0%								
Frank Odzuck	431 578	8%								
Péter Ratatics	431 578	8%								
Tibor Rékasi	0	0%								
Melinda Szabó (from 04.12.2022)	0	0%								
Ralf Nejedl (until 04.12.2022)	0	0%								
Éva Somorjai-Tamássy (until 04.12.2022)	0	0%								
Members of the Supervisory Board										
Gyula Bereznai (2022.04.12-től)	3 021 053	n/a								
Attila dr. Borbély	-937 794	-7%								
Krisztina Dorogházi	0	0%								
András Szakonyi	0	0%								
Endre Szepesi (2022.04.12-től)	3 021 053	n/a								
Tamás Lichnovszky (2022.04.12-ig)	-3 021 053	-72%								
Zsoltné Varga (2022.04.12-ig)	-3 021 053	-72%								
Members of the Management										
Dodonova Daria Aleksandrovna	1 752 313	1%								
Zsuzsanna Friedl	19 380 070	11%								
Gábor Gonda	-886 262	-1%								
Tibor Rékasi	108 825 661	33%								
Melinda Szabó (2022.09.14-ig)	-34 387 524	-19%								
Lubor Zatko	18 212 359	11%								
Zoltán Pereszlényi (2022.12.01-től)	11 276 687	n/a								
Company's financial performance (mHUF)										
Revenues of Magyar Telekom Group	53 820	7.8%								
EBITDA AL of Magyar Telekom Group	5 250	2.4%								
profit after tax of Magyar Telekom Plc.	4 985	9.1%								
Company's employee average remuneration (other than Directors) (full time equivalent)										
	469 445	4.8%								