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Annual General Meeting of Magyar Telekom Telecommunications Public Limited Company

April 16, 2024 at 11.00 a.m.
Headquarters of Magyar Telekom,
Budapest IX., Könyves Kálmán krt. 36.

Unofficial English translation



Submission
to the General Meeting of Magyar Telekom Plc.

**Report of the Board of Directors on the
management of Magyar Telekom Plc., on the
business operation, on the business policy and on
the financial situation of the Company and
Magyar Telekom Group in 2023**

Budapest, April 16, 2024



According to Section 3:284 (1) of the Civil Code and Section 6.4.f) of the Articles of Association the Board of Directors draws up, at the end of each business year, a report for the General Meeting on the management of the Company, the assets of the Company, the financial situation of the Company and the business policy of the Company.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board examined the report of the Board of Directors on the management of the Company, on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2023, which the Supervisory Board agreed with and proposed it to the General Meeting for adoption.

Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2023

Annual General Meeting
April 16, 2024



Disclaimer

This investor presentation contains forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore should not have undue reliance placed upon them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors are described in, among other things, our Annual Reports for the year ended December 31, 2022 available on our website at <http://www.telekom.hu>.

In addition to figures prepared in accordance with IFRS, Magyar Telekom also presents non-GAAP financial performance measures, including, among others, EBITDA, EBITDA AL, EBITDA margin, and net debt. These non-GAAP measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Non-GAAP financial performance measures are not subject to IFRS or any other generally accepted accounting principles. Other companies may define these terms in different ways. For further information relevant to the interpretation of these terms, please refer to the chapter "Financial and operational data set", which is posted on Magyar Telekom's Investor Relations webpage at www.telekom.hu/investor_relations.



Progress against strategic priorities

Continued commitment to seamless connectivity

(G) 80% readiness of Hungarian mobile network modernization

3.6 million gigabit access points across Hungarian fixed network

Signed Memorandum of Understanding with the Government of Hungary for the Digital Transformation of Hungary

5G 65% population-based outdoor coverage in Hungary
99% population-based outdoor coverage by 2026

+1 million new gigabit access across Hungary by 2027

Monetization of technology leadership


50% of customers opting for gigabit broadband speed

+32% YoY growth in mobile data load

Ensuring outstanding customer experience



External recognitions in 2023

 Constituent of FTSE4Good Index Series
AAA ESG rating from MSCI

 MSCI ESG RATINGS AAA

BBB+ Corporate credit rating with positive outlook from Scope Ratings 



PwC Hungary – Most Attractive Workplace (Telecommunication category)

Randstad Employer Brand Research



HRKOMM Award

Aranypenge



Sabre Awards



CMA Content and Marketing Award

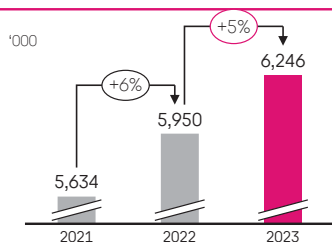


Wolters Kluwer Lawyer Award

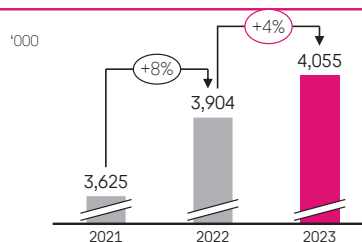


Hungarian subscriber trends

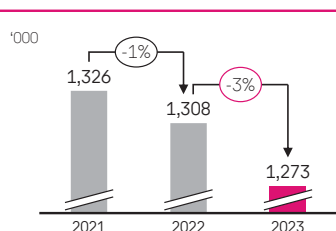
Total mobile SIMs



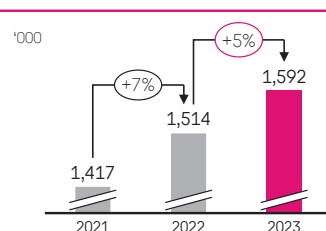
Mobile broadband subscribers



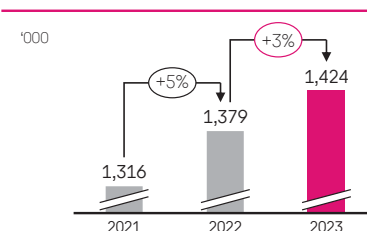
Fixed voice subscribers



Fixed broadband subscribers

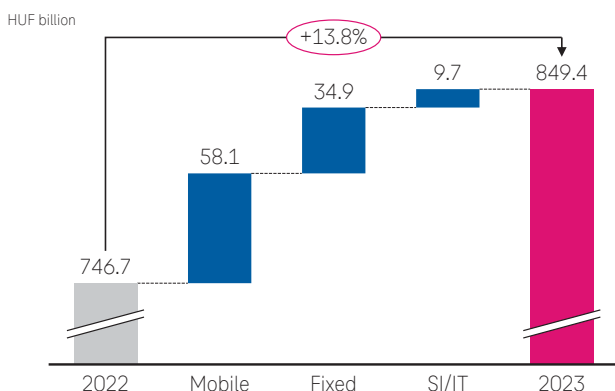


Pay TV subscribers

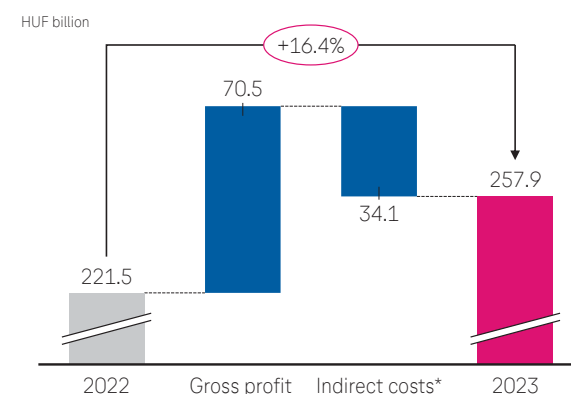


Financial performance: Revenue and EBITDA AL

Revenue



EBITDA AL



- Implementation of 14.5% inflation-based fee adjustment in Hungary supported revenue growth
- Continued strong demand for connectivity drove mobile data and fixed broadband revenue increases
- SI/IT revenue increase reflects contribution from some major, high value projects in Hungary

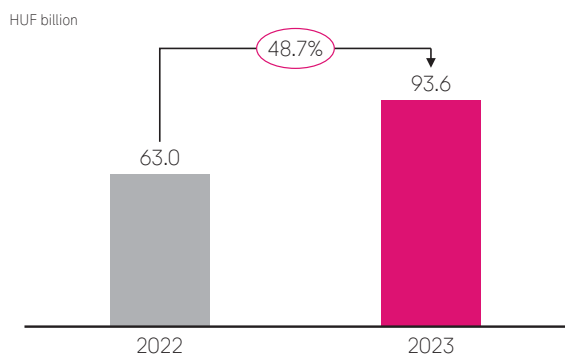
- Increase in gross profit thanks to mobile and fixed service growth
- Pressure on indirect costs from cost inflation and supplementary telecommunication tax



* Including IFRS16 changes

Financial performance: Adjusted net income and FCF

Adjusted net income*

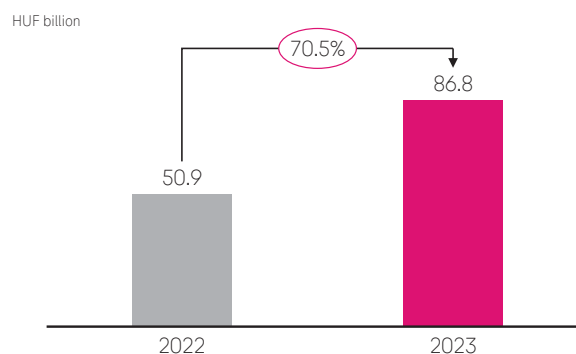


- Improvements in adjusted net income thanks to strong operational results
- Pressure on indirect costs and financial results partly offset underlying growth
- Adjustments vs reported net income due to derivative fair value changes

* Unaudited



Free cash flow (excluding spectrum licenses)



- Increase in operational results reflected in free cash flow development
- Capital expenditures related to fiber network roll-out were lower in 2023
- Financial costs and working capital needs negatively impacted free cash flow

7

Delivery against 2023 financial targets

	2022 results	2023 guidance	2023 results (change y-o-y)
REVENUE	HUF 746.7 billion	10%-15% growth	HUF 849.4 billion (+13.8%)
EBITDA AL	HUF 221.5 billion	10%-15% growth	HUF 257.9 billion (+16.4%)
ADJUSTED NET INCOME	HUF 63.0 billion	double-digit growth	HUF 93.6 billion (+48.7%)
FCF ¹	HUF 50.9 billion	ca HUF 60 billion	HUF 86.8 billion (+70.5%)

¹ EXCLUDING SPECTRUM LICENSES

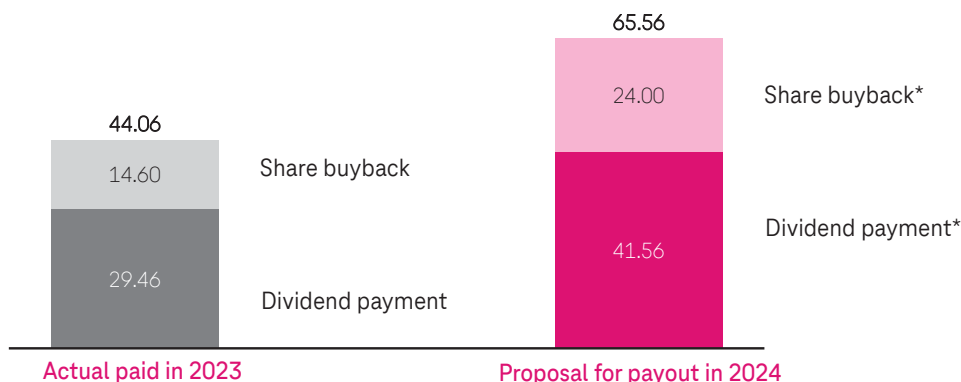


8

Total shareholder remuneration

Total shareholder remuneration is proposed to be equal to ca 70% of the 2023 adjusted net income:

- 1) cash dividend of HUF 41.56 billion* (corresponding to HUF 44.7 dividend per share)
- 2) share buyback up to HUF 24.0 billion*



*subject to the necessary AGM approvals



Thank you!





Submission
to the General Meeting of Magyar Telekom Plc.

Approval of the 2023 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Audit Committee, the Supervisory Board and the Auditor

Budapest, April 16, 2024



According to Section 3:109(2) of the Civil Code and Section 5.2. (i) of the Articles of Association, approving the financial statements prepared according to the Accounting Act belongs to the exclusive authority of the General Meeting.

Resolution proposal:

The General Meeting approves the 2023 Consolidated Financial Statements of the Company, prepared according to International Financial Reporting Standards (IFRS), including Statements of Financial Position Total Assets of HUF 1,463,831 million and Profit for the period 2023 of HUF 84,404 million.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2023 Consolidated Financial Statements prepared according to International Financial Reporting Standards (IFRS), to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their approval.

In the opinion of the Supervisory Board, the Consolidated Financial Statements are in compliance with the prescriptions of the law, the Supervisory Board agreed with their content. The Supervisory Board proposed to the General Meeting for approval the 2023 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS) including Statements of Financial Position Total Assets and Profit for the period in accordance with the proposal of the Board of Directors and the Audit Committee.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Magyar Telekom Plc.

Report on the Audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Magyar Telekom Plc. and its subsidiaries (the „Group”) for the year 2023 included in the digital files 529900CA1YDA41X76751-2023-12-31-en.zip¹, which comprise the consolidated statement of financial position as at December 31, 2023 – which shows a total assets of mHUF 1,463,831 –, and the related consolidated statement of profit or loss and other comprehensive income – which shows a total comprehensive income for the year of mHUF 79,435 profit –, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (the „EU IFRS”), and the consolidated financial statements were prepared in all material respects in accordance with the provisions of the effective Hungarian Act C of 2000 on Accounting (the „Accounting Act”) relevant to the entities preparing consolidated financial statements in accordance with EU IFRS.

Basis for Opinion

We conducted our audit in accordance with the Hungarian National Standards on Auditing and the effective Hungarian laws and other regulations on audits. Our responsibilities under these standards are further described in the "*The Auditor's Responsibilities for the Audit of the consolidated financial statements*" section of our report.

We are independent of the Group in compliance with the relevant effective Hungarian regulations and the “Rules of conduct (ethical rules) of the auditor profession and the disciplinary process” of the Chamber of Hungarian Auditors and, in respect of matters not regulated therein, the Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the same ethical requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

¹ Digital identification of filename.zip digital file with SHA 256 HASH algorithm:
A54F959708AB1BDDFBEFCA61863A2C61242E98BD53E72435FEE88893EF22EC52

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the matter
Valuation of goodwill	
<p>(See notes 3.2 and 10.4. to the consolidated financial statements for the details)</p> <p>As described in the notes to the consolidated financial statements, the Group reported goodwill in the amount of mHUF 212,713 as at December 31, 2023.</p> <p>As required by the applicable accounting standards, management conducts regular impairment test to assess whether there is a need to record impairment with respect to the goodwill. Management applies the discounted cash flows (DCF) method to determine the recoverable amount. The assumptions used in the DCF method (such as the discount rates applied) require the application of professional judgement and use of subjective assumptions by management.</p> <p>Accordingly, the valuation of goodwill is considered a key audit matter.</p>	<p>Our response as auditors included:</p> <ul style="list-style-type: none"> - assessing the adequacy of relevant accounting policy, related journal entries and disclosures in the consolidated financial statements, - obtaining understanding and evaluating the design and implementation of key controls related to the process of goodwill impairment testing, including management’s controls over the significant assumptions in determining the recoverable amount, - comparing the cash flow projections used in the DCF model to the information approved by the Board of Directors, and evaluating the historical accuracy of management’s business plans, which underpin the DCF model, by comparing prior year forecasts to actual results, - performing sensitivity analysis on the assumptions in the DCF model to evaluate the parameters that, should they arise, would cause an impairment of the goodwill, and, - involving valuation experts to assist us in re-performing the calculation of weighted average cost of capital (WACC) and independently assessing the appropriateness of the assumptions and methodologies applied.

Revenue from contracts with customers	
<p>(See notes 3.4, 18.3.1 and 18.4. to the consolidated financial statements for the details)</p> <p>As described in the notes to the consolidated financial statements, the reported revenue from contracts with customers is mHUF 840,187, whereby the net position of contract assets and liabilities is mHUF 6,879 for the year ended December 31, 2023.</p> <p>Management records revenue according to the principles of IFRS 15, Revenue from Contracts with Customers, including following the five-step model therein. Under IFRS 15, management must allocate transaction price to each performance obligation – generally each distinct good or service – to depict the amount of consideration to which a Group expects to be entitled in exchange for transferring the promised goods or services to the customer.</p> <p>The accuracy of revenue recognition from contracts with customers is considered a key audit matter, as it requires the application of professional judgement and use of subjective assumptions by management.</p>	<p>The relevant audit procedures performed by us included the following:</p> <ul style="list-style-type: none"> - assessing the adequacy of the relevant accounting policy, the recognition, and disclosures in the consolidated financial statements, - obtaining an understanding of and evaluating the design and implementation and testing the operating effectiveness of internal controls over accuracy of revenue from contracts with customers, - evaluating the design and testing the operating effectiveness of controls over the appropriate flows of transactional data through the IT systems with the support of our IT specialists, - evaluating management’s accounting policies and the methodology applied by management to allocate the standalone selling price, where relevant, as per the requirements of IFRS 15, - performing substantive analytical procedures over the relevant revenue accounts, - performing sample-based detailed testing and recalculating the contract assets and liabilities on portfolio basis.

Other Information

Other information comprises the information included in the consolidated business / management report of the Group for 2023, but does not include the consolidated financial statements and our auditor’s report thereon. Management is responsible for the other information and for the preparation of the consolidated business report in accordance with the relevant provisions of the Accounting Act and other regulations. Our opinion on the consolidated financial statements provided in the section of our independent auditor’s report entitled “*Opinion*” does not apply to the other information.

Our responsibility in connection with our audit of the consolidated financial statements is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Furthermore, in accordance with the Accounting Act, our responsibilities regarding the consolidated business report also include reviewing the consolidated business report to assess whether the consolidated business report was prepared in accordance with the relevant provisions of the Accounting Act and other regulations, if any, including the assessment whether the consolidated business report complies with the requirements of Section 95/B. (2) e) and f) of the Accounting Act, and to express an opinion on the above and on whether the consolidated business report is consistent with the consolidated financial statements. Furthermore, in accordance with the Accounting Act we shall make a statement whether the information referred to in Section 95/B. (2) a)-d), g) and h) has been provided in the consolidated business report and whether the consolidated business report contains the non-financial statement provided for in Section 134 (5).

In fulfilling this obligation, for the purpose of formulating our opinion on the consolidated business report we considered Commission Regulation (EU) 2019/815 of 17 December 2018 ("ESEF Regulation") as other regulation stipulating additional requirements pertaining to consolidated business reports.

In our opinion, the consolidated business report of the Group for 2023 corresponds to the consolidated financial statements of the Group for 2023 and the relevant provisions of the Accounting Act and other relevant regulation listed above in all material respects. The information referred to in Section 95/B. (2) a)-d), g) and h) of the Accounting Act has been provided and the consolidated business report contains the non-financial statement provided for in Section 134 (5).

In addition to the above, based on the information obtained about the Group and its environment, we must report on whether we became aware of any material misstatements in the other information and, if so, on the nature of such material misstatements. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with EU IFRSs and for the preparation of the consolidated financial statements in accordance with provisions of the Accounting Act relevant to entities preparing financial statements in accordance with EU IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

The auditor's responsibilities for the audit of the consolidated financial statements

Our objectives during the audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue, on the basis of the above, an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Hungarian National Standards on Auditing and the effective Hungarian laws and other regulations on audits will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and they are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Hungarian National Standards on Auditing and the effective Hungarian laws and other regulations on audits, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the Group's internal control that we identify during the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In compliance with Article 10 (2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

Appointment of the Auditor and the Period of Engagement

We were appointed as the auditors of the Magyar Telekom Plc. by the General Meeting of Shareholders on April 19, 2023, and our uninterrupted engagement has lasted for 2 years.

Consistence with the Additional Report to the Audit Committee

We confirm that our audit opinion on the consolidated financial statements expressed herein is consistent with the additional report to the Audit Committee of the Magyar Telekom Plc., which we issued on March 6, 2024, in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Group. In addition, there are no other non-audit services which were provided by us to the Magyar Telekom Plc. and its controlled undertakings, and which have not been disclosed in the consolidated financial statements.

The engagement partner on the audit resulting in this independent auditor's report is the signatory of the report.

Report on compliance of the presentation of consolidated financial statements with the requirements set out in the regulation on the single electronic reporting format

We have undertaken a reasonable assurance engagement on compliance of the presentation of consolidated financial statements of the Group included in the digital file 529900CA1YDA41X76751-2023-12-31-en.zip („ESEF format consolidated financial statements”) with the requirements set out in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format. („ESEF Regulation”).

Responsibilities of management and those charged with governance for ESEF format consolidated financial statements

The management is responsible for the presentation of the ESEF format consolidated financial statements in accordance with the ESEF Regulation. This responsibility includes:

- the preparation of the consolidated financial statements in XHTML format;
- the selection and application of appropriate iXBRL tags using judgement where necessary; including full application of relevant tags and proper creation and anchoring of extension elements; and
- the design, implementation and maintenance of internal controls relevant to the application of the ESEF Regulation.

Those charged with governance are responsible for overseeing the Group's financial reporting process, including compliance with the ESEF Regulation.

Our responsibility and summary of the work performed

Our responsibility is to express an opinion on whether, in all material respects, the presentation of ESEF format consolidated financial statements complies with the ESEF Regulation, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the Hungarian National Standard on Assurance Engagements (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000).

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with the ESEF Regulation. The nature, timing and extent of procedures selected depend on the practitioner's judgment, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulations, whether due to fraud or error. Our reasonable assurance engagement included obtaining an understanding of tagging, obtaining an understanding of the internal controls relevant for the application of the ESEF Regulation, checking the appropriateness of Group's use of the XHTML format, evaluating the completeness of Group's tagging of the consolidated financial statements using the XBRL markup language, evaluating the appropriateness of Group's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements and evaluating the use of anchoring in relation to the extension elements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the ESEF format consolidated financial statements of the Group for the year ended December 31, 2023 included in the digital file 529900CA1YDA41X76751-2023-12-31-en.zip is presented, in all material respects, in compliance with the requirements of the ESEF Regulation.

Budapest, March 6, 2024



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Bodor Kornél
on behalf of Deloitte Auditing and Consulting Ltd.
and as a statutory registered auditor

Deloitte Auditing and Consulting Ltd.
1068 Budapest, Dózsa György út 84/C.
Registration number: 000083

Registration number of statutory registered auditor: 005343



Submission
to the General Meeting of Magyar Telekom Plc.

Approval of the 2023 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Audit Committee, the Supervisory Board and the Auditor

Budapest, April 16, 2024



According to Section 3:109(2) of the Civil Code and Section 5.2. (i) of the Articles of Association, approving the financial statements prepared according to the Accounting Act belongs to the exclusive authority of the General Meeting.

Resolution proposal:

The General Meeting approves the 2023 Separate Financial Statements of the Company, prepared according to International Financial Reporting Standards (IFRS), including Statements of Financial Position Total Assets of HUF 1,365,365 million and Profit for the period 2023 of HUF 74,439 million.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2023 Separate Financial Statements prepared according to International Financial Reporting Standards (IFRS), to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their approval.

In the opinion of the Supervisory Board, the Separate Financial Statements are in compliance with the prescriptions of the law, the Supervisory Board agreed with their content. The Supervisory Board proposed to the General Meeting for approval the 2023 Separate Financial Statements prepared according to International Financial Reporting Standards (IFRS) including Statements of Financial Position Total Assets and Profit for the period in accordance with the proposal of the Board of Directors and the Audit Committee.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Magyar Telekom Plc.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Magyar Telekom Plc. (the „Company”) for the year 2023 included in the digital files 529900CA1YDA41X76751-2023-12-31-en.zip¹, which comprise the statement of financial position as at December 31, 2023 – which shows a total assets of mHUF 1,365,365 –, and the related statement of profit or loss and other comprehensive income – which shows total comprehensive income for the year of mHUF 74,439 profit –, statement of changes in equity and statement of cash flows for the year then ended and notes to the separate financial statements including material accounting policy information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at December 31, 2023 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (the „EU IFRS”), and the financial statements were prepared in all material respects in accordance with the provisions of the effective Hungarian Act C of 2000 on Accounting (the „Accounting Act”) relevant to the entities preparing financial statements in accordance with EU IFRS.

Basis for Opinion

We conducted our audit in accordance with the Hungarian National Standards on Auditing and the effective Hungarian laws and other regulations on audits. Our responsibilities under these standards are further described in the "*The Auditor's Responsibilities for the audit of the separate financial statements*" section of our report.

We are independent of the Company in compliance with the relevant effective Hungarian regulations and the “Rules of conduct (ethical rules) of the auditor profession and the disciplinary process” of the Chamber of Hungarian Auditors and, in respect of matters not regulated therein, the Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the same ethical requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

¹ Digital identification of digital file with SHA 256 HASH algorithm
A54F959708AB1BDDFBEFCA61863A2C61242E98BD53E72435FEE88893EF22EC52

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the matter
Valuation of goodwill	
<p>(See notes 3.2.1 and 10.4. to the separate financial statements for the details)</p> <p>As described in the notes to the separate financial statements, the Entity reported goodwill in the amount of mHUF 173,572 as at December 31, 2023.</p> <p>As required by the applicable accounting standards, management conducts regular impairment test to assess whether there is a need to record impairment with respect to the goodwill. Management applies the discounted cash flows (DCF) method to determine the recoverable amount. The assumptions used in the DCF method (such as the discount rates applied) require the application of professional judgement and use of subjective assumptions by management.</p> <p>Accordingly, the valuation of goodwill is considered a key audit matter.</p>	<p>Our response as auditors included:</p> <ul style="list-style-type: none"> - assessing the adequacy of the relevant accounting policy, the recognition, and disclosures in the separate financial statements, - obtaining understanding and evaluating the design and implementation of key controls related to the process of goodwill impairment testing, including management’s controls over the significant assumptions in determining the recoverable amount, - comparing the cash flow projections used in the DCF model to the information approved by the board of directors, and evaluating the historical accuracy of management’s business plans, which underpin the DCF model, by comparing prior year forecasts to actual results, - performing sensitivity analysis on the assumptions in the DCF model to evaluate the parameters that, should they arise, would cause an impairment of the goodwill, and, - involving valuation experts to assist us in re-performing the calculation of weighted average cost of capital (WACC) and independently assessing the appropriateness of the assumptions and methodologies applied.

Revenue from contracts with customers	
<p>(See notes 3.4, 18.3.1 and 18.4. to the separate financial statements for the details)</p> <p>As described in the notes to the separate financial statements, the reported revenue from contracts with customers is mHUF 684,097, whereby the net position of contract assets and liabilities is mHUF 7,173 for the year ended December 31, 2023.</p> <p>Management records revenue according to the principles of IFRS 15, Revenue from Contracts with Customers, including following the five-step model therein. Under IFRS 15, management must allocate transaction price to each performance obligation – generally each distinct good or service – to depict the amount of consideration to which an Company expects to be entitled in exchange for transferring the promised goods or services to the customer.</p> <p>The accuracy of revenue recognition from contracts with customers is considered a key audit matter, as it requires the application of professional judgement and use of subjective assumptions by management.</p>	<p>The relevant audit procedures performed by us included the following:</p> <ul style="list-style-type: none"> - assessing the adequacy of the relevant accounting policy, the recognition, and disclosures in the separate financial statements, - obtaining an understanding of and evaluating the design and implementation and testing the operating effectiveness of internal controls over accuracy of revenue from contracts with customers, - evaluating the design and testing the operating effectiveness of controls over the appropriate flows of transactional data through the IT systems with the support of our IT specialists, - evaluating management’s accounting policies and the methodology applied by management to allocate the standalone selling price, where relevant, as per the requirements of IFRS 15, - performing substantive analytical procedures over the relevant revenue accounts, - performing sample-based detailed testing and recalculating the contract assets and liabilities on portfolio basis.

Other Information

Other information comprises the information included in the business / management report of the Company for 2023, but does not include the separate financial statements and our auditor’s report thereon. Management is responsible for the other information and for the preparation of the business report in accordance with the relevant provisions of the Accounting Act and other regulations. Our opinion on the financial statements provided in the section of our independent auditor’s report entitled “*Opinion*” does not apply to the other information.

Our responsibility in connection with our audit of the separate financial statements is to read the other information identified above and, in doing so, consider whether the other information is materially

inconsistent with the separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Furthermore, in accordance with the Accounting Act, our responsibilities regarding the business report also include reviewing the business report to assess whether the business report was prepared in accordance with the relevant provisions of the Accounting Act and other regulations, if any, including the assessment whether the business report complies with the requirements of Section 95/B. (2) e) and f) of the Accounting Act, and to express an opinion on the above and on whether the business report is consistent with the separate financial statements. Furthermore, in accordance with the Accounting Act we shall make a statement whether the information referred to in Section 95/B. (2) a)-d), g) and h) has been provided in the business report and whether the business report contains the non-financial statement provided for in Section 95/C.

In fulfilling this obligation, for the purpose of formulating our opinion on the business report we considered Commission Regulation (EU) 2019/815 of 17 December 2018 ("ESEF Regulation") as other regulation stipulating additional requirements pertaining to business reports.

In our opinion, the business report of the Company for 2023 corresponds to the separate financial statements of the Company for 2023 and the relevant provisions of the Accounting Act and other relevant regulation listed above in all material respects. The information referred to in Section 95/B. (2) a)-d), g) and h) of the Accounting Act has been provided and the business report contains the non-financial statement provided for in Section 95/C.

In addition to the above, based on the information obtained about the Company and its environment, we must report on whether we became aware of any material misstatements in the other information and, if so, on the nature of such material misstatements. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the separate financial statements

Management is responsible for the preparation of separate financial statements that give a true and fair view in accordance with EU IFRSs and for the preparation of the financial statements in accordance with provisions of the Accounting Act relevant to entities preparing financial statements in accordance EU IFRSs, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

The Auditor's Responsibilities for the audit of the separate financial statements

Our objectives during the audit are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue, on the basis of the above, an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Hungarian National Standards on Auditing and the effective Hungarian laws and other regulations on audits will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and they are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Hungarian National Standards on Auditing and the effective Hungarian laws and other regulations on audits, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the Company's internal control that we identify during the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In compliance with Article 10 (2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

Appointment of the Auditor and the Period of Engagement

We were appointed as the auditors of the Company by the General Meeting of Shareholders on April 19, 2023 and our uninterrupted engagement has lasted for 2 years.

Consistence with the Additional Report to the Audit Committee

We confirm that our audit opinion on the financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on March 6, 2024 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Company. In addition, there are no other non-audit services which were provided by us to the Company and its controlled undertakings and which have not been disclosed in the separate financial statements.

The engagement partner on the audit resulting in this independent auditor's report is the signatory of the report.

Report on compliance of the presentation of financial statements with the requirements set out in the regulation on the single electronic reporting format

We have undertaken a reasonable assurance engagement on compliance of the presentation of separate financial statements of the Company included in the digital files 529900CA1YDA41X76751-2023-12-31-en.zip („ESEF format financial statements”) with the requirements set out in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format. („ESEF Regulation”).

Responsibilities of Management and Those Charged with Governance for the ESEF format financial statements

The management is responsible for the presentation of ESEF format financial statements in accordance with the ESEF Regulation. This responsibility includes:

- the preparation of the financial statements in XHTML format;
- the design, implementation and maintenance of internal controls relevant to the application of the ESEF Regulation.

Those charged with governance are responsible for overseeing the Company's financial reporting process, including compliance with the ESEF Regulation.

Our responsibility and summary of the work performed

Our responsibility is to express an opinion on whether, in all material respects, the presentation of ESEF format financial statements complies with the ESEF Regulation, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the Hungarian National Standard on Assurance Engagements (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000).

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with the ESEF Regulation. The nature, timing and extent of procedures selected depend on the practitioner's judgment, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulations, whether due to fraud or error. Our reasonable assurance engagement included obtaining an understanding of the internal controls relevant for the application of the ESEF Regulation and checking the appropriateness of Company's use of the XHTML format.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the ESEF format financial statements of the „Company” for the year ended December 31, 2023 included in the digital file 529900CA1YDA41X76751-2023-12-31-en.zip, is presented, in all material respects, in compliance with the requirements of the ESEF Regulation.

Budapest, March 6, 2024



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Bodor Kornél
on behalf of Deloitte Auditing and Consulting Ltd.
and as a statutory registered auditor

Deloitte Auditing and Consulting Ltd.
1068 Budapest, Dózsa György út 84/C.
Registration number: 000083

Registration number of statutory registered auditor: 005343



The 2023 Consolidated Financial Statements of the Company prepared according to the International Financial Reporting Standards (IFRS) and the 2023 Separate Financial Statements of the Company prepared according to the International Financial Reporting Standards (IFRS) are available in the reports folder of the digital file 529900CA1YDA41X76751-2023-12-31-en.zip disclosed separately.



REPORT OF THE AUDIT COMMITTEE OF MAGYAR TELEKOM PLC. FOR THE SUPERVISORY BOARD AND THE GENERAL MEETING OF THE COMPANY IN RELATION TO THE APPROVAL OF THE 2023 CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS OF THE COMPANY PREPARED ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In 2023, the Audit Committee of Magyar Telekom Plc. (the “Company”) has performed its work in accordance with the Articles of Association of the Company and the Rules of Procedure of the Audit Committee, based on its accepted Working Schedule, and in case of the occurrence of an extraordinary case, with a focus on its review without delay and on the interest of making the appropriate decision. In 2023, the Audit Committee held four (4) meetings and adopted resolutions without holding a meeting in writing on four (4) occasions.

The Audit Committee kept in continuous contact with the Company’s Chief Financial Officer, the Chief Legal Counsel, the head of the Internal Audit organization, the head of the Compliance organization, and the Statutory Auditor (the “Auditor”).

The Audit Committee adequately supported the Supervisory Board in supervising the financial reporting system, in selecting the Auditor and in cooperating with the Auditor.

The Audit Committee supported the Supervisory Board – inter alia - in the following tasks in 2023:

The Audit Committee regularly monitored the services provided by the Auditor and their fees. The Auditor, with the general or specific pre-approval of the Audit Committee, provided audit of the financial statements and other audit related services for the Company in 2023.

The Audit Committee quarterly reviewed and evaluated the reports on the activities of Internal Audit, furthermore, reviewed the Annual Audit Plan of the Internal Audit organization.

The Audit Committee quarterly reviewed and evaluated the Group Compliance Officer’s reports on

- the progress of the implementation of the Compliance program;
- the reported comments and complaints, the status of the investigations initiated with respect to them, and the proposed remedial actions.

The Audit Committee provided an assistance to the Supervisory Board in supervising the operation of the Internal Control System (“ICS”).

The Audit Committee reviewed and evaluated the financial reports pertaining to those of regular information provision as prescribed by the Capital Markets Act.

The Audit Committee regularly monitored the risk management system of the Magyar Telekom Group, and the quarterly risk management reports which effectively ensure the supervision of the risks and the status, control and monitoring of up-to-date risk mitigation measures.



There was no shareholder notification to the Audit Committee in 2023.

In relation with the 2024 Annual General Meeting the Audit Committee performed the following tasks:

- The Audit Committee reviewed and evaluated the 2023 Consolidated Financial Statements prepared according to International Financial Reporting Standards (IFRS) to be submitted to the Supervisory Board and the General Meeting by the Board of Directors, the proposal of the Board of Directors for their approval and listened to the relevant report of the Auditor.

The Audit Committee, based on its activities performed during the year and the report of the Auditor, agreed with the content of the Consolidated Financial Statements and the proposal, and submitted it to the Supervisory Board. The Audit Committee proposed to the Supervisory Board for agreement of the content of the 2023 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS), and to the General Meeting for approval the Consolidated Financial Statements including Statements of Financial Position Total Assets of HUF 1,463,831 million and Profit for the period 2023 of HUF 84,404 million.

- The Audit Committee reviewed and evaluated the 2023 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS) to be submitted to the Supervisory Board and the General Meeting by the Board of Directors, the proposal of the Board of Directors for their approval and listened to the relevant report of the Auditor.

The Audit Committee, based on its activities performed during the year and the report of the Auditor, agreed with the content of the Separate Financial Statements and the proposal, and submitted it to the Supervisory Board. The Audit Committee proposed to the Supervisory Board for agreement of the content of the 2023 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS), and to the General Meeting for approval the Separate Financial Statements including Statements of Financial Position Total Assets of HUF 1,365,365 million and Profit for the period 2023 of HUF 74,439 million.

Budapest, March 6, 2024

In representation of the Audit Committee of Magyar Telekom Plc.:

Prof. Dr. Attila Borbély, Chairperson of the Audit Committee



REPORT OF THE SUPERVISORY BOARD OF MAGYAR TELEKOM PLC. FOR THE GENERAL MEETING OF THE COMPANY

In 2023, the Supervisory Board of Magyar Telekom Plc. (the “Company”) has performed its work in accordance with the Articles of Association of the Company and the Rules of Procedure of the Supervisory Board, based on its accepted Working Schedule. In 2023, the Supervisory Board held meetings on four (4) occasions.

The Supervisory Board kept in regular contact with the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, the Chief Legal Counsel and the head of the Company's Internal Audit organization (the “Internal Audit organization”).

The Supervisory Board regularly discussed the reports made by the Board of Directors on the management, financial status and the business policy of the Company and reviewed the activities of the Internal Audit organization and the Compliance program.

The Supervisory Board reviewed and approved the 2023 Audit Plan of the Internal Audit organization, requested and received regular information on the major findings of all audits, as well as the internal audit measures and the status of their implementation. The questions further occurring in relation to the particular audits were adequately answered by the head of the Internal Audit organization at the Supervisory Board meetings.

In 2023, the Internal Audit organization has completed audits:

- primarily on the integrity of financial reports (e.g.: Documentation of transfer prices; Procurement process review - IT/NT; Stock management for Telekom System Integration Ltd. (TRI) assets);
- primarily to improve operational processes (e.g.: Physical status of infrastructure and real estate of MT; Review of the User Access Management; Privacy and security assessment; Status review of Sustainability Strategy - ESG data collection and reporting practices; Spot check of mobile balance renewal process /re-activation process of post-paid contracts;/ Brand communication activities);
- primarily to strengthen compliance and conformity with regulations (e.g.: Inventory and control of hardware assets; Employee awareness – from digital security aspect; HR data integrity; Spot check of mandatory trainings; Control over Magenta1 discount application at MT; Contract review process).

Internal Audit organization supported MakTel Internal Audit with performing 5G Network rollout review in Q2 and participating in two speedboat audits¹ (partner management model) initiated by Deutsche Telekom Group Audit in the second half of the year in addition to the Annual Audit Plan 2023 in order to support the mitigation of risks arising during the year.

As a result of the audits, Internal Audit organization has recommended corrective measures and monitored the implementation of them at the areas concerned. The implemented measures have improved the control environment, and, in addition, several efficiency improving opportunities have been identified.

The Internal Audit organization allocated extra resource for completing ICS audit testing to support the effective operation and compliance of control environment.

The Supervisory Board reviewed the report of the Audit Committee on its activities.

During 2023, there was no shareholder notification submitted to the Supervisory Board, and the Chairperson of the Supervisory Board has had other requests regarding the operations of the Company investigated in all cases.

¹ Quick snapshot and 360 ° assessment of a dedicated risk (governance, processes, tools).



The Supervisory Board has not discovered anything to disapprove in the Company's activities in 2023, with regard to the Company's compliance with statutory operation.

The Supervisory Board examined the submissions to be submitted to the General Meeting, or, with respect to certain agenda items, ensured their preparation and submission to the General Meeting.

- The Supervisory Board examined the report of the Board of Directors on the management of the Company, on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2023, which the Supervisory Board agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2023 Consolidated Financial Statements prepared according to International Financial Reporting Standards (IFRS), to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their approval.

In the opinion of the Supervisory Board, the Consolidated Financial Statements are in compliance with the prescriptions of the law, the Supervisory Board agreed with their content. The Supervisory Board proposed to the General Meeting for approval the 2023 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS) including Statements of Financial Position Total Assets and Profit for the period in accordance with the proposal of the Board of Directors and the Audit Committee.

- The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2023 Separate Financial Statements prepared according to International Financial Reporting Standards (IFRS), to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their approval.

In the opinion of the Supervisory Board, the Separate Financial Statements are in compliance with the prescriptions of the law, the Supervisory Board agreed with their content. The Supervisory Board proposed to the General Meeting for approval the 2023 Separate Financial Statements prepared according to International Financial Reporting Standards (IFRS) including Statements of Financial Position Total Assets and Profit for the period in accordance with the proposal of the Board of Directors and the Audit Committee.

- The Supervisory Board discussed the proposal of the Board of Directors, according to which the Company shall pay a total dividend of HUF 41,561,217,360.3 to the shareholders from the profit of 2023. The Supervisory Board agreed with the proposal of the Board of Directors and proposed the proposal to the General Meeting for adoption.
- The Supervisory Board examined the information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2023 and the proposal of the Board of Directors regarding the authorization to purchase ordinary Magyar Telekom shares, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board examined the Corporate Governance and Management Report of the Company for the 2023 business year, and with its approval proposed it to the General Meeting for adoption.
- The Supervisory Board examined the submission of the Board of Directors on discharging the members of the Board of Directors from liability and agreed that the General Meeting should discharge the members of the Board of Directors from liability for the business year of 2023.
- The Supervisory Board examined the submission of the Remuneration and Nomination Committee on the remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board examined the submission of the Board of Directors on the capital decrease of the Company and related modification of the Articles of Association, agreed with and proposed it to the General Meeting for adoption.



- The Supervisory Board examined the submission prepared by the Remuneration and Nomination Committee submitted to the General Meeting with the agreement of the Board of Directors on the approval of the amended Remuneration Policy, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board examined the submission prepared by the Board of Directors submitted to the General Meeting with the agreement of the Remuneration and Nomination Committee on the approval of the Remuneration Report, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board adopted its proposal on the election and determination of the remuneration of the Company's Statutory Auditor, and determination of the contents of the material elements of the contract to be concluded with the Statutory Auditor and proposed it to the General Meeting for adoption.

Budapest, March 6, 2024

In representation of the Supervisory Board of Magyar Telekom Plc.:

Prof. dr. Attila Borbély, Chairperson of the Supervisory Board



Submission
to the General Meeting of Magyar Telekom Plc.

**Proposal of the Board of Directors for the use of
the profit for the year earned in 2023;
presentation of the relevant report of the
Supervisory Board and the Auditor; use of the
profit for the year earned in 2023**

Budapest, April 16, 2024



According to Section 3:109 (2) of the Civil Code and Section 5.2. (i) of the Articles of Association, deciding on the utilization of after-tax earnings belongs to the exclusive scope of authority of the General Meeting. Those shareholders who are registered in the Share Register at the record date of the dividend payment identification process ordered by the Company shall be entitled to the dividend.

Resolution proposal:

A total dividend of HUF 41,561,217,360.3 shall be paid by the Company to the shareholders from the profit of 2023, the dividend on treasury shares will be distributed by the Company among the shareholders who are entitled to dividends. The HUF 41,561,217,360.3 to be disbursed as dividends shall be paid from the profit after tax of HUF 74,438,667,405 based on the Separate Financial Statements figures.

The remaining amount of HUF 32,877,450,044.7 of the profit after tax based on the Separate Financial Statements figures shall be allocated to retained earnings.

May 8, 2024 shall be the first day of dividend disbursement. The record date of the dividend payment shall be April 26, 2024. On April 19, 2024, the Board of Directors of the Company shall publish a detailed announcement on the order of the dividend disbursement on the homepage of the Company and the Budapest Stock Exchange.

The dividends shall be paid by KELER Ltd., in compliance with the instructions of the Company.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board discussed the proposal of the Board of Directors, according to which the Company shall pay a total dividend of HUF 41,561,217,360.3 to the shareholders from the profit of 2023. The Supervisory Board agreed with the proposal of the Board of Directors and proposed the proposal to the General Meeting for adoption.



REPORT OF THE SUPERVISORY BOARD OF MAGYAR TELEKOM PLC. FOR THE GENERAL MEETING OF THE COMPANY

In 2023, the Supervisory Board of Magyar Telekom Plc. (the “Company”) has performed its work in accordance with the Articles of Association of the Company and the Rules of Procedure of the Supervisory Board, based on its accepted Working Schedule. In 2023, the Supervisory Board held meetings on four (4) occasions.

The Supervisory Board kept in regular contact with the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, the Chief Legal Counsel and the head of the Company's Internal Audit organization (the “Internal Audit organization”).

The Supervisory Board regularly discussed the reports made by the Board of Directors on the management, financial status and the business policy of the Company and reviewed the activities of the Internal Audit organization and the Compliance program.

The Supervisory Board reviewed and approved the 2023 Audit Plan of the Internal Audit organization, requested and received regular information on the major findings of all audits, as well as the internal audit measures and the status of their implementation. The questions further occurring in relation to the particular audits were adequately answered by the head of the Internal Audit organization at the Supervisory Board meetings.

In 2023, the Internal Audit organization has completed audits:

- primarily on the integrity of financial reports (e.g.: Documentation of transfer prices; Procurement process review - IT/NT; Stock management for Telekom System Integration Ltd. (TRI) assets);
- primarily to improve operational processes (e.g.: Physical status of infrastructure and real estate of MT; Review of the User Access Management; Privacy and security assessment; Status review of Sustainability Strategy - ESG data collection and reporting practices; Spot check of mobile balance renewal process /re-activation process of post-paid contracts;/ Brand communication activities);
- primarily to strengthen compliance and conformity with regulations (e.g.: Inventory and control of hardware assets; Employee awareness – from digital security aspect; HR data integrity; Spot check of mandatory trainings; Control over Magenta1 discount application at MT; Contract review process).

Internal Audit organization supported MakTel Internal Audit with performing 5G Network rollout review in Q2 and participating in two speedboat audits¹ (partner management model) initiated by Deutsche Telekom Group Audit in the second half of the year in addition to the Annual Audit Plan 2023 in order to support the mitigation of risks arising during the year.

As a result of the audits, Internal Audit organization has recommended corrective measures and monitored the implementation of them at the areas concerned. The implemented measures have improved the control environment, and, in addition, several efficiency improving opportunities have been identified.

The Internal Audit organization allocated extra resource for completing ICS audit testing to support the effective operation and compliance of control environment.

The Supervisory Board reviewed the report of the Audit Committee on its activities.

During 2023, there was no shareholder notification submitted to the Supervisory Board, and the Chairperson of the Supervisory Board has had other requests regarding the operations of the Company investigated in all cases.

¹ Quick snapshot and 360 ° assessment of a dedicated risk (governance, processes, tools).



The Supervisory Board has not discovered anything to disapprove in the Company's activities in 2023, with regard to the Company's compliance with statutory operation.

The Supervisory Board examined the submissions to be submitted to the General Meeting, or, with respect to certain agenda items, ensured their preparation and submission to the General Meeting.

- The Supervisory Board examined the report of the Board of Directors on the management of the Company, on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2023, which the Supervisory Board agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2023 Consolidated Financial Statements prepared according to International Financial Reporting Standards (IFRS), to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their approval.

In the opinion of the Supervisory Board, the Consolidated Financial Statements are in compliance with the prescriptions of the law, the Supervisory Board agreed with their content. The Supervisory Board proposed to the General Meeting for approval the 2023 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS) including Statements of Financial Position Total Assets and Profit for the period in accordance with the proposal of the Board of Directors and the Audit Committee.

- The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2023 Separate Financial Statements prepared according to International Financial Reporting Standards (IFRS), to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their approval.

In the opinion of the Supervisory Board, the Separate Financial Statements are in compliance with the prescriptions of the law, the Supervisory Board agreed with their content. The Supervisory Board proposed to the General Meeting for approval the 2023 Separate Financial Statements prepared according to International Financial Reporting Standards (IFRS) including Statements of Financial Position Total Assets and Profit for the period in accordance with the proposal of the Board of Directors and the Audit Committee.

- The Supervisory Board discussed the proposal of the Board of Directors, according to which the Company shall pay a total dividend of HUF 41,561,217,360.3 to the shareholders from the profit of 2023. The Supervisory Board agreed with the proposal of the Board of Directors and proposed the proposal to the General Meeting for adoption.
- The Supervisory Board examined the information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2023 and the proposal of the Board of Directors regarding the authorization to purchase ordinary Magyar Telekom shares, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board examined the Corporate Governance and Management Report of the Company for the 2023 business year, and with its approval proposed it to the General Meeting for adoption.
- The Supervisory Board examined the submission of the Board of Directors on discharging the members of the Board of Directors from liability and agreed that the General Meeting should discharge the members of the Board of Directors from liability for the business year of 2023.
- The Supervisory Board examined the submission of the Remuneration and Nomination Committee on the remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board examined the submission of the Board of Directors on the capital decrease of the Company and related modification of the Articles of Association, agreed with and proposed it to the General Meeting for adoption.



- The Supervisory Board examined the submission prepared by the Remuneration and Nomination Committee submitted to the General Meeting with the agreement of the Board of Directors on the approval of the amended Remuneration Policy, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board examined the submission prepared by the Board of Directors submitted to the General Meeting with the agreement of the Remuneration and Nomination Committee on the approval of the Remuneration Report, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board adopted its proposal on the election and determination of the remuneration of the Company's Statutory Auditor, and determination of the contents of the material elements of the contract to be concluded with the Statutory Auditor and proposed it to the General Meeting for adoption.

Budapest, March 6, 2024

In representation of the Supervisory Board of Magyar Telekom Plc.:

Prof. dr. Attila Borbély, Chairperson of the Supervisory Board



Submission
to the General Meeting of Magyar Telekom Plc.

Information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2023; authorization of the Board of Directors to purchase ordinary Magyar Telekom shares

Budapest, April 16, 2024



1. INFORMATION OF THE BOARD OF DIRECTORS ON THE PURCHASE OF TREASURY SHARES FOLLOWING THE ANNUAL GENERAL MEETING IN 2023

The General Meeting of Magyar Telekom Plc. held on April 19, 2023 authorized the Board of Directors with its resolution no. 8/2023 (IV.19.) to purchase ordinary Magyar Telekom shares for a term of 18 months following the decision of the General Meeting.

According to Section 3:223(4) of the Civil Code the Board of Directors shall provide information at the next general meeting about the reasons and type of the treasury share purchase, the total number, the aggregate face value and the proportion of these shares to the Company's share capital, and also the total price paid of the acquired shares.

On April 19, 2023, upon granting the authorization, Magyar Telekom Plc. owned 43,078,833 series "A" ordinary Magyar Telekom shares.

In accordance with the authorization, until February 22, 2024, the Company purchased a total number of 32,941,370 Magyar Telekom ordinary shares with the aggregate face value of HUF 3,294,137,000, which constitute a 3.4% proportion of the share capital, for a total purchase price of HUF 14,599,984,127. The buyback was executed via an auction for the purpose of 2023 shareholder remuneration.

Magyar Telekom Plc. provides written information via extraordinary announcements on a case-by-case basis, as required by the capital market rules on the websites of Magyar Telekom Plc. and the Budapest Stock Exchange, on any potential treasury share purchases based on the authorization, following the disclosure of this submission.



2. AUTHORIZATION FOR THE BOARD OF DIRECTORS TO PURCHASE TREASURY SHARES

According to Section 3:223(1) of the Civil Code and Section 5.2.(p) of the Articles of Association, the General Meeting may authorize the Board of Directors to purchase treasury shares.

The authorization granted by the General Meeting of Magyar Telekom Plc. with its Resolution No. 8/2023 (IV.19.) for the Board of Directors to purchase ordinary shares shall expire on October 19, 2024. The Board of Directors hereby requests new authorization from the General Meeting to purchase ordinary Magyar Telekom shares for 18 months following the approval date.

Upon the approval of the new authorization, the authorization granted by Resolution No. 8/2023 (IV.19.) of the General Meeting shall be repealed.

Resolution proposal:

The General Meeting authorizes the Board of Directors to purchase Magyar Telekom ordinary shares, the purpose of which could be the following:

- **to execute shareholder remuneration for 2024 through decrease of the share capital;**
- **to operate share-based incentive plans.**

The authorization will be valid for 18 months starting from the date of approval of this General Meeting resolution. The shares to be purchased on the basis of this authorization together with the treasury shares already held by Magyar Telekom shall not at any time exceed more than 25% of the share capital effective from time to time or the corresponding number of shares (at the date of granting this authorization up to 242,889,716 ordinary shares with a face value of HUF 100) of Magyar Telekom Plc.

The shares can be purchased through the stock exchange or on the OTC market. The equivalent value per share paid by Magyar Telekom Plc. may not be more than 10% above the market price of the share determined by the closing price of the previous trading day at the Budapest Stock Exchange whereas the minimum value to be paid for one share is HUF 1.

The authorization may be exercised in full or in part, and the purchase can be carried out in partial tranches spread over various purchase dates within the authorization period until the maximum purchase volume has been reached.

Authorization granted to the Board of Directors by Resolution No. 8/2023 (IV.19.) of the General Meeting is hereby repealed.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board examined the information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2023 and the proposal of the Board of Directors regarding the authorization to purchase ordinary Magyar Telekom shares, agreed with and proposed it to the General Meeting for adoption.



Submission
to the General Meeting of Magyar Telekom Plc.

Approval of the Corporate Governance and Management Report

Budapest, April 16, 2024



Pursuant to Section 3:289 of the Civil Code, the board of directors of public limited companies must submit the corporate governance and management report to the Annual General Meeting of the company with the approval of the Supervisory Board, prepared according to the rules applicable to the persons of the given stock exchange. According to Section 5.2 (j) of the Articles of Association, the approval of the corporate governance and management report is within the exclusive authority of the General Meeting. The report and the declaration attached thereto were prepared on the basis of the provisions of the Civil Code and the Corporate Governance Recommendations of the Budapest Stock Exchange (BSE) (www.bet.hu).

Resolution proposal:

The General Meeting approves the Corporate Governance and Management Report of the Company for the 2023 business year.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board examined the Corporate Governance and Management Report of the Company for the 2023 business year, and with its approval proposed it to the General Meeting for adoption.



CORPORATE GOVERNANCE AND MANAGEMENT REPORT OF MAGYAR TELEKOM PLC. FOR THE 2023 BUSINESS YEAR

Submitted to the General Meeting by the Board of Directors of Magyar Telekom Plc. on February 22, 2024 with Resolution No. 2/14 (02.22.2024) and approved by the Supervisory Board on March 6, 2024 with Resolution No. 1/6 (03.06.2024).
The Corporate Governance and Management Report was approved with Resolution No. [•]/2024 (IV.16.) by the Annual General Meeting of the Company held on April 16, 2024.



INTRODUCTION

The Board of Directors of Magyar Telekom Telecommunications Public Limited Company (hereinafter “Magyar Telekom” or “Company”) based on the Corporate Governance Recommendations (“CGR”) of the Budapest Stock Exchange Zrt. (“BSE”), and the provisions of Act V of 2013 on the Civil Code (“Civil Code”), submits to the Annual General Meeting with the approval of the Supervisory Board the below Corporate Governance and Management Report for the 2023 business year.

1. A BRIEF PRESENTATION OF THE OPERATION OF THE BOARD OF DIRECTORS, AND A DESCRIPTION OF THE DIVISION OF RESPONSIBILITY AND DUTIES BETWEEN THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT

Magyar Telekom’s Board of Directors (“Board” or “Board of Directors”) shall be the management body of the Company and shall represent the Company with regard to third parties, in court and before other authorities. The Board of Directors exercises its rights and performs its obligations as an independent body.

The members of the Board of Directors shall conduct the management of the Company by giving primacy of the interests of the Company. The members of the Board of Directors shall be held liable for damages caused to the Company resulting from their management activities in accordance with the rules pertaining to damages for loss caused by breach of contract. The Company shall be held liable for damages caused to a third party by the members of the Board of Directors in connection with their conduct in such capacity. The Board of Directors and the Company shall be held jointly and severally liable, if the damage was caused intentionally by the members of the Board of Directors.

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 to the General Meeting (“General Meeting”) or to other corporate bodies by the Articles of Association of the Company (“Articles of Association”) or by the law. Among other responsibilities, it approves the Company’s strategy, business plan, major organizational changes and key transactions, concludes employment agreements with and removes the Chief Executive Officer (“CEO”) and the Chief Officers.

2. THE INTRODUCTION OF THE MEMBERS OF THE BOARD OF DIRECTORS, THE SUPERVISORY BOARD AND THE EXECUTIVE MANAGEMENT (IN THE CASE OF BOARD MEMBERS, INCLUDING THE STATUS OF INDEPENDENCE OF THE DIFFERENT MEMBERS), A DESCRIPTION OF THE STRUCTURE OF COMMITTEES

Introduction of the members of the Board of Directors, the Supervisory Board of Magyar Telekom (“Supervisory Board”) and the management is available at the website of Magyar Telekom:

http://www.telekom.hu/about_us/investor_relations/corporate_governance/board_of_directors

http://www.telekom.hu/about_us/investor_relations/corporate_governance/supervisory_board

https://www.telekom.hu/about_us/investor_relations/corporate_governance/management

The Board of Directors 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, 2023, the Board of Directors had eight (8) members. The assignment of the members of the Board of Directors, unless otherwise provided by the General Meeting, lasts for a term of three years until May, 31 of the third year subsequent to the date of the said General Meeting with the exception, that if the General Meeting in the third year is held prior to May 31 than their assignment lasts until the date thereof. The members of the Board of Directors can be removed or re-elected at any time by the General Meeting. Unless otherwise provided by a separate arrangement, the removal of, or failure to re-elect, a member of the Board of Directors shall not affect the employment rights of such person in respect of the Company where such member of the Board of Directors is also an employee of the Company.

The Board of Directors operates based on its Rules of Procedure.

The Civil Code does not include requirements with regard to the independency of the members of the Board of Directors if besides the Board of Directors there is also a supervisory board operating at the company. Independent members of the Board of Directors: Gábor Fekete, Frank Odzuck and Péter Raticics.



According to the Articles of Association the Supervisory Board shall be comprised of five (5) members. The members shall be elected by the General Meeting. The assignment of the members of the Supervisory Board, unless otherwise provided by the General Meeting, lasts for a term of three years until May, 31 of the third year subsequent to the date of the said General Meeting with the exception, that if the General Meeting in the third year is held prior to May 31 then their assignment lasts until the date thereof. Three members of the Supervisory Board must be independent from time to time in accordance with the applicable provisions of the Civil Code and two members of the Supervisory Board must be employees of the Company. The Supervisory Board carries out its activities based on its Rules of Procedure that is established by the Supervisory Board.

Independent members of the Supervisory Board according to the Civil Code: Prof. dr. Attila Borbély, Krisztina Dorogházi and András Szakonyi.

The detailed rules on the tasks, competences and operation of the Board of Directors and the Supervisory Board are contained in their Rules of Procedures:

https://www.telekom.hu/static-tr/sw/file/20230919_MT_BoD_RoP_ENG.pdf

https://www.telekom.hu/static-tr/sw/file/20210608_MT_SB_RoP.pdf

3. THE NUMBER OF MEETINGS HELD IN THE RELEVANT PERIOD BY THE BOARD OF DIRECTORS, SUPERVISORY BOARD AND COMMITTEES, INCLUDING THE NUMBER OF MEMBERS ATTENDING

Section 5 discusses the work of the individual committees in detail, therefore, we describe here the above parameters with regard to the Board of Directors and the Supervisory Board.

In business year 2023 the Board of Directors held four (4) meetings in accordance with its Preliminary Meeting Schedule at which the overall rate of attendance of the members (either personally or by means of any electronic communication) was 100%. The Board of Directors adopted resolutions without holding a meeting in writing in two (2) cases.

The most important issues discussed by the Board of Directors in year 2023 were as follows:

- Magyar Telekom Group strategy, Objectives and Key results of the Company;
- business planning for years 2024-2027;
- monitoring financial performance;
- proposals to the General Meeting, including proposal on the approval of the year 2022 financial statements, the use of the profit for the year earned in 2022 and the dividend;
- shareholder remuneration policy implementation for the profit earned in 2022;
- cooperation with Deutsche Telekom AG;
- risk management of Magyar Telekom Group;
- review of the Compliance program and the results of compliance risk assessment;
- review of the activities of the Company's Internal Audit organization including the Annual Audit Plan;
- decision on the amendment and the termination of the employment contract of a Top Executive.

The Supervisory Board held four (4) meetings in business year 2023 at which the average rate of participation (either personally or by means of any electronic communication) was 95%.

The most important issues discussed by the Supervisory Board in 2023 were as follows:

- submissions on the agenda of the General Meeting, including the proposal to the General Meeting regarding the election and remuneration of the Statutory Auditor;
- Magyar Telekom Group strategy, Objectives and Key results of the Company
- Business Plan of the Magyar Telekom Group 2023-2026 and 2024-2027;
- report of the Board of Directors on the management, financial status and the business policy of the Company;
- reports on the activity of the Company's Internal Audit organization;
- Annual Audit Plan of the Company's Internal Audit organization;
- review of the Compliance program and the results of compliance risk assessment;
- the annual self-evaluation of the Board of Directors;
- report on the activities performed by the Audit Committee in 2022.



4. THE PRESENTATION OF VIEWPOINTS CONSIDERED WHEN EVALUATING THE WORK OF THE BOARD OF DIRECTORS, THE SUPERVISORY BOARD, THE EXECUTIVE MANAGEMENT, AS WELL AS OF THE DIFFERENT MEMBERS. REFERENCE TO WHETHER EVALUATION CARRIED OUT IN THE RELEVANT PERIOD HAS RESULTED IN ANY CHANGES

The year 2023 self-assessment of the Board of Directors is published on the web site of the Company. The self-assessment primarily focused on:

- the performance of tasks belonging to the scope of authority according to the Articles of Association and the Rules of Procedure of the Board of Directors;
- the shareholder relations;
- the enforcement of the strategic and business plans of the Company;
- compliance; and
- the assessment of the legal and ethical requirements.

The following aspects were considered in assessing the Board of Directors members:

- Daniel Daub: Master's degree in business administration. Over 15 years of experience in various management positions in the international telecommunication sector. Chairperson of the Board of Directors.
- Daria Dodonova: Master degree in International Finance. Over 15 years of experience in various management positions. Chief Financial Officer of the Company.
- Gábor Fekete: Holds a Mechanical Engineer degree. Thorough his career, he has gained experience in several managerial positions. Independent member of the Board of the Directors.
- Elvira Gonzalez: University degree in Telecommunication Engineering and Business Administration. Over 15 years of experience in telecommunications in various management positions.
- Frank Odzuck: Degree in economics. Many years of professional experience in the position of managing director of the Hungarian subsidiaries of international corporations. Independent member of the Board of Directors.
- Péter Ratatics: Graduated in economics. Over 10 years of management experience in various positions. Independent member of the Board of Directors.
- Tibor Rékasi: Graduated from the Budapest Foreign Trade College. Over 20 years of experience in various managerial positions. Directed Magyar Telekom's Enterprise and Residential businesses as a Chief Officer. Chief Executive Officer of the Company.
- Melinda Szabó: Holds a degree in Marketing Economics and Business Administration. Over 15 years of experience in the telecommunications industry in various management positions.

Within the framework of the year 2023 performance evaluation of the Supervisory Board the following viewpoints – among others - were taken into account:

- whether the organization and members of the Supervisory Board, the operation of the Supervisory Board was ensured in business year 2023 as prescribed in the Rules of Procedure of the Supervisory Board;
- whether the Supervisory Board, based on its legal status, scope of authorities and responsibilities as included in its Rules of Procedure, properly fulfilled its tasks in business year 2023;
- whether the Supervisory Board deems it necessary to take further actions or follow-up steps in the individually assessed cases.

Within the framework of the evaluation of the year 2023 performance of the Supervisory Board the following viewpoints were taken into account at the assessment of the individual members and also whether based on these viewpoints their relevant competence was ensured:

- Prof. Dr. Attila Borbély: Expertise in finance, experience in sales and marketing field, as well as in higher education. Over 20 years of experience in various management positions and as chairman and member of Supervisory Board of many companies. Independent member and chairperson of the Supervisory Board.
- Gyula Bereznai: Experience in customer care, marketing and process management area, as official of the Workers' Council, as vice-chairman of T-Net Trade Union and as chairman of the Central Workers' Council.



- Krisztina Dorogházi: Expertise in finance, experience as audit manager. In her current position at a global company, listed on the New York Stock Exchange, she is leading a global organization of 500+ finance professionals responsible for internal controls, SOX compliance and closing the books according to USGAAP and several high impact transformational projects. Over 20 years of experience in various management positions. Independent member of the Supervisory Board.
- András Szakonyi: Expertise in corporate finance, experience as CFO and financial management positions. Over 20 years of experience in various senior management positions. Independent member of the Supervisory Board.
- Endre Szepesi: Expertise in information technology area, experience in technical field, as member of Telecommunication Trade Union (TÁVSZAK) and as member of the Workers' Council.

5. REPORT ON THE OPERATION OF DIFFERENT COMMITTEES, INCLUDING THE INTRODUCTION OF THE MEMBERS OF THE COMMITTEES (PROFESSIONAL BACKGROUND), THE NUMBER OF MEETINGS HELD, THE NUMBER OF MEMBERS ATTENDING THE MEETINGS, AS WELL AS THE MOST IMPORTANT ISSUES DISCUSSED AT THE MEETINGS AND THE GENERAL OPERATION OF THE COMMITTEE. IF THE BOARD OF DIRECTORS HAS PASSED A RESOLUTION ON AN ISSUE CONTRARY TO THE RECOMMENDATIONS OF THE AUDIT COMMITTEE, THE PRESENTATION OF THE OPERATIONS OF THE AUDIT COMMITTEE SHALL INCLUDE THAT FACT (AS WELL AS THE REASONS OF THE BOARD OF DIRECTORS FOR DOING SO). IT IS RECOMMENDED THAT REFERENCE BE MADE TO THE COMPANY'S WEBSITE, WHERE THE TASKS DELEGATED TO THE COMMITTEES, THE RULES OF PROCEDURE OF THE COMMITTEES AND THE DATE OF APPOINTING THE MEMBERS SHOULD BE DISCLOSED.

Audit Committee of Magyar Telekom ("Audit Committee")

Members of the Audit Committee:

- Prof. Dr. Attila Borbély
- Krisztina Dorogházi
- András Szakonyi

Introduction of the members of the Audit Committee is available at the web site of Magyar Telekom: http://www.telekom.hu/about_us/investor_relations/corporate_governance/audit_committee

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.

The Audit Committee operates based on its Rules of Procedure. The Audit Committee establishes its own Rules of Procedure which is approved by the Supervisory Board.

The Audit Committee held four (4) meetings in accordance with its Preliminary Meeting Schedule in business year of 2023, with 92% average participation rate, and made further written resolutions without holding a meeting on four (4) occasions.

The Chief Financial Officer, the chief legal counsel of the Company, the head of the Company's Internal Audit organization, the head of the Company's Compliance organization and the representatives of the statutory Auditor, Deloitte Consulting and Auditing Ltd. participated at the meetings of the Audit Committee – except for the discussion of agenda items discussed within the framework of closed meetings by the decision of the Audit Committee.

The Audit Committee, during the cooperation with the statutory Auditor - inter alia - discussed the below subject matters with the statutory Auditor:



- formal written statement of the Auditor specifying its relationship with the Company in accordance with the respective law;
- Y2022 financial statements audit;
- independent auditor's report on the Y2022 Consolidated Financial Statements of the Company prepared according to the International Financial Reporting Standards ("IFRS") and the Y2022 Separate Financial Statements of the Company prepared according to the IFRS;
- proposal on the election and, determining the remuneration of the statutory Auditor;
- enforcement of the professional requirements and conflict of interest stipulations towards the Auditor;
- Y2022 Recommendation Letter and the response of the management of the Company;
- planning report of the statutory Auditor for Y2023, including Y2023 financial statements audit.

The Audit Committee – inter alia – discussed the below important issues at its meetings:

- the services provided by the statutory Auditor and their fees;
- audit contract to be entered with the Statutory Auditor for Y2023;
- reports on the activities of the Company's Internal Audit organization;
- Annual Audit Plan of the Company's Internal Audit organization;
- review of the Compliance program and the results of compliance risk assessment;
- Y2022 Consolidated Financial Statements of the Company prepared according to the IFRS and the Y2022 Separate Financial Statements of the Company prepared according to the IFRS, and the proposals for the acceptance of these financial statements;
- the proposal for the use of the profit for the year earned in 2022;
- Internal Control System ("ICS") compliance;
- risk management of Magyar Telekom Group.

The detailed rules on the tasks, competences and operation of the Audit Committee are contained in its Rules of Procedure: https://www.telekom.hu/static-tr/sw/file/20221214_MT_AC_RoP.pdf

Remuneration and Nomination Committee of Magyar Telekom ("Remuneration and Nomination Committee")

Members of the Remuneration and Nomination Committee:

- Daniel Daub
- Elvira Gonzalez
- Frank Odzuck

Introduction of the members of the Remuneration and Nomination Committee is available at the web site of Magyar Telekom:

https://www.telekom.hu/about_us/investor_relations/corporate_governance/compensation

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.

The purpose of the Remuneration and Nomination Committee to function as supporting body of the Board of Directors of the Company regarding the remuneration and certain nomination related issues of the members of the corporate bodies and the top executives of the Company in accordance with its Rules of Procedure.

In 2023 the Remuneration and Nomination Committee held three (3) meetings with 100% participation rate and adopted resolutions in writing without holding a meeting in two (2) cases.

The issues discussed were as follows:

- proposal on the evaluation of the year 2022 bonus targets of Magyar Telekom Group's Top Executives;
- target setting of the year 2023 for Magyar Telekom Nyrt.'s Top Executives;
- proposal on the evaluation of the year 2022 EU Game Changer Incentive (GCI) target of Magyar Telekom Nyrt.'s Top Executives;
- proposal on the approval of the EU Game Changer Incentive 2023 of Magyar Telekom Nyrt.'s Top Executives;
- proposal on KPI Realizations and Payment of the 2019 Long-Term Incentive (LTI) program of Magyar Telekom Nyrt.'s Top Executives;



- amendment of the Terms & Conditions of Long-term Incentive program and Share Matching Plan (SMP); reviewing and opening the nomination proposal to the Board of Directors;
- proposal on the Remuneration report 2022;
- proposal on the amendment of the Remuneration Policy;
- proposal on the termination and modification of the employment contract of certain Executives;
- report to the Board of Directors of Magyar Telekom Plc. on the operation of the Remuneration and Nomination Committee in 2022;

The detailed rules on the tasks, competences and operation of the Remuneration and Nomination Committee are contained in its Rules of Procedure:

https://www.telekom.hu/static-tr/sw/file/20200101_MT_RNC_RoP_ENG.pdf

6. THE PRESENTATION OF THE SYSTEM OF INTERNAL CONTROLS AND THE EVALUATION OF THE ACTIVITY IN THE RELEVANT PERIOD. REPORT ON THE EFFICIENCY AND EFFECTIVENESS OF RISK MANAGEMENT PROCEDURES. (INFORMATION ON WHERE THE REPORT ON INTERNAL CONTROLS BY THE BOARD OF DIRECTORS MAY BE VIEWED BY SHAREHOLDERS.)

The presentation of the system of **internal controls**, evaluation of the activity in the relevant period.

Magyar Telekom's management is committed to establish and maintain an adequate internal control system to ensure the reliability of the financial reports, and minimize operating and compliance risks. Magyar Telekom's internal control system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in conformity with International Financial Reporting Standards (IFRS) as adopted by the European Union.

For the business year 2023 control documentation and evaluation were accomplished in the IT supported ICS-Tool system. Transaction Level Controls describe the controls built into the business processes of Magyar Telekom that have been designed and operated to ensure that material misstatements in each significant financial account and disclosure within the financial statements of the Company are prevented or detected in a timely manner.

Complete evaluation of the internal control system of Magyar Telekom is based on the method established in "Internal Control—Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The operation of the internal control system is supported also by the independent internal audit function. It contributes to the improvement of the internal control processes and the reduction of existing risks by performing audits according to the risk based internal audit work plan and by testing ICS controls. The Internal Audit area follows up the implementation of the measures defined based on the audits. The Supervisory Board and the Audit Committee inter alia also receive regular reports on the findings of the audits and related measures, and on measure fulfilment.

In line with the criteria of the adopted internal control framework, management evaluates the effectiveness of internal control system within each financial year. Management's assessment for 2023 is finished and based on the collected information internal control system has been operating effectively to prevent potential material misstatements in the financial statements, and minimize operating and compliance risks.

The Company's shareholders are being informed about the operation of the internal control system through its public reports.

The management and Board of Directors of Magyar Telekom are committed to conduct all business activities of Magyar Telekom Group according to the highest legal and ethical standards. Based on this commitment the Board of Directors established the Corporate compliance program of Magyar Telekom.

The Corporate compliance program is applicable to all bodies, organizations, employees of Magyar Telekom Group, and advisors, agents, representatives as well as to all persons and organizations that work on behalf of the Company or its subsidiary.

The Corporate compliance program of Magyar Telekom ensures that the business activities of the Group are conducted with observing and in compliance with the relevant laws to the outmost extent, according to the highest standards of training and commitment. It requires the realization of guidelines and processes that manage potential compliance risks and implement specific processes in order to report, investigate, monitor and correct suspected or actual lack of compliance.



RISK MANAGEMENT GUIDELINES

Introduction

As Hungary's leading telecommunications provider, Magyar Telekom is subject to uncertainties and changes of the telecommunications and IT industry. To operate successfully in this continuously changing environment risks have to be systematically identified, assessed and managed. Risk management system is not only needed from a business point of view, but as a company listed in the stock market, Magyar Telekom is obliged to operate a risk management system and prepare a risk report to inform its investors.

Upon the establishment of the comprehensive risk management system the Company acts in line with the relevant requirements of the Budapest Stock Exchange, as well as the rules laid down in the applicable international standards.

The Group level risk management system covers strategic, operational, financial, compliance and legal risks, which is also applicable to the consolidated subsidiaries of the Company. The objective is to identify, monitor and manage these risks in an early phase.

Risk management guidelines

It is Magyar Telekom Plc.'s policy that disclosures to its shareholders and market participants should give an accurate and complete picture of Magyar Telekom Group and fairly present the financial and operational results of the Company in all material respects. Such disclosures are made on a timely basis as required by the applicable laws, rules and regulations.

The risk management organization and process

To meet these objectives, the Company continuously improves and regularly reviews the functionality and effectiveness of the elements of its risk management system. The risk management of Magyar Telekom includes identification, assessment and evaluation of risks, development of necessary action plans, as well as monitoring of performance and results.

Magyar Telekom performs its risk management activities in accordance with the risk management guidelines developed by the Group level risk management organization and approved by the Board of Directors.

The risk owners of the individual organizations are responsible for identifying, reporting, assessing and monitoring risks on a continuous basis, in line with the framework of the risk management process, under the governance of the central risk management organization

During the annual planning process the management takes into account potential risks.

The established risk management standard provides a process framework:

- The identification of risks through the involvement of all organizations.
- Following the identification of risks, they are analyzed, assessed and quantified in details (by estimating their probability of occurrence and potential impact) according to a predefined methodology. Risk assessment allows management to focus more effectively on those risks that have significant impact on the Group's strategic objectives.
- A decision is then taken on the specific course of action to be taken to reduce the risks.
- The relevant risk owner implements, monitors, and evaluates the relevant actions.

These steps are repeated as necessary to reflect current developments and decisions.

To operate the risk management system effectively, Magyar Telekom needs to ensure that management makes business decisions based on knowledge of all relevant risks, supported by regular Magyar Telekom Group-wide risk reporting. At the same time, risks related to the business plans are continuously assessed and managed and considered in the risk management process.

Risk factors that impact the operations of Magyar Telekom are reviewed regularly. All the subsidiaries and organisations are required to identify and report the risks to their operations.



Once these risks have been evaluated, the results are communicated to the Board of Directors, the Audit Committee and Deutsche Telekom's Risk management area in form of a group-level risk report. This regular reporting ensures that the most significant risks are monitored, that up-to-date risk mitigation measures are in place and that they are regularly followed up.

Risk items affecting the operations of the Company are reviewed regularly and proactively throughout the Group. In this context, all the organisations and subsidiaries must immediately report any new facts, information or risks that come to their attention that meet the criteria for mandatory reporting. The risk management function evaluates the information communicated and notifies the Chief Financial Officer if significant new risks or information emerge. Responsibilities of employees on monitoring and managing risks are governed by internal regulations.

The risk assessment is carried out for a three-year period by Magyar Telekom Group. If there are significant risks beyond the forecast period, such risks are monitored on a continuous basis.

Besides the systematic management of risks the identification of opportunities and their strategic and financial assessment are also essential part of the annual planning process of Magyar Telekom Group. This allows the Company to take these opportunities into account in its forecasts.

7. INFORMATION ON WHETHER THE AUDITOR HAS CARRIED OUT ANY ACTIVITIES NOT RELATED TO AUDITING

Based on the effective Pre-approval Policy of the Audit Committee the statutory Auditor – upon the general pre-approval or the specific pre-approval of the Audit Committee – provided the below services for the Company in business year 2023 besides the audit of the financial statements type of services:

- other audit related services.

8. A DETAILED PRESENTATION OF THE COMPANY'S DISCLOSURE POLICY, AND ITS POLICY ON TRADING BY INSIDERS

Disclosure policy of the Company

The Company is committed that the financial statements disclosed by the Company to its shareholders or the investors should be accurate and complete, and provide a true and fair view of the Company's assets, financial position and results of operations in all important aspects, and such disclosures should be made in time to meet the requirements of the applicable laws and requirements of BSE.

The controls and procedures currently used by the Company are designed to ensure that: regular information required by the laws to be disclosed by the Company as well as any and all other written information that the Company discloses from time to time to the investment community and to the public is recorded, processed, summarized, and reported accurately and on a timely basis as well as that the information is collected and transferred to the management to ensure that timely decisions are made on the disclosure.

Within the framework of the ICS (Internal Control System) the Company reviews its disclosure processes each year.

Material information to the investors and to the public is available at the web site of Magyar Telekom:

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

Policy in connection with the prohibition of insider trading

With the aim of ensuring enforcement of all relevant regulations Magyar Telekom created its internal regulation which applies to all organizations of Magyar Telekom, to persons having access to inside information, as well as to persons discharging managerial responsibilities at Magyar Telekom and persons closely associated with them. The regulation prohibits: insider dealing, and the unlawful disclosure of inside information.



The internal regulation of Magyar Telekom defines the scope of inside information, the definition of insider dealing. It also draws up general principles of classification of inside information, handling the information in accordance with the respective security level, the disclosure / delaying of the inside information, as well as specific limitations for trading in securities. It gives advice on the announcement of transactions concluded by persons discharging managerial responsibilities or persons closely associated with them, and determines the fundamental rules of keeping the registry of persons with access to inside information (insider list).

Magyar Telekom basically encourages investment in Magyar Telekom shares by members of the Board of Directors, members of the Supervisory Board and its employees. However, in addition to the aforementioned trading guidelines, in accordance with the provisions of relevant regulations, Magyar Telekom's internal regulation defines certain limitations for the timing of transactions of persons discharging managerial responsibilities (30 days closed periods before the announcement of annual and quarterly financial reports).

Persons whose names are listed in the insider list may not trade in Magyar Telekom shares from the date of their entry into the list until their deletion from the list or until the list is closed due to any other reason.

In certain cases transactions must be announced to the authority and to the public by the person discharging managerial responsibilities, by persons closely associated with them and by Magyar Telekom in accordance with the relevant laws. In order to support compliance with the announcement obligations persons discharging managerial responsibilities and persons closely associated with them shall, without delay, fill in and send the form specified in the internal regulation to Magyar Telekom, if they concluded a transaction with Magyar Telekom shares and Magyar Telekom shall file the necessary announcements and disclosures required to be made by it. In addition to the above, persons discharging managerial responsibilities and persons closely associated with them shall, without delay, directly inform the authority on transactions concluded by them.

Every person having access to inside information has the individual responsibility to comply with the internal regulation of Magyar Telekom. A person having access to inside information may, from time to time, have to forego a proposed transaction in Magyar Telekom securities even if he or she planned to make the transaction before learning of the inside information and even though the insider person believes he or she may suffer an economic loss or forego anticipated profit by waiting.

9. A DETAILED DEMONSTRATION OF THE METHODS OF EXERCISING SHAREHOLDERS' RIGHTS

Shareholders shall be entitled to exercise shareholders' rights in dealing with the Company based on a certificate of ownership, following their entry into the Share Register. Shareholders whose names have not been entered into the Share Register and shareholders who acquired their shares in violation of the restrictions to the transfer and the acquisition of shares shall not be allowed to exercise their rights attached to such shares vis-à-vis the Company.

The keeper of the Share Register is the Board of Directors of the Company or its agent appointed to be the keeper of the Share Register. The keeper of the Share Register maintains the Share Register of the shareholders, including holders of interim shares, and the nominees, in which the name and the address or registered seat of shareholders, and the nominees, or in the case of jointly owned shares the joint representative, the number of shares or interim shares, and the ownership ratio of shareholders for each series of shares.

Shareholders shall have the right to participate at the General Meeting, and if holding shares with voting rights, to vote. The holder of each Series "A" ordinary share shall be entitled to one vote at the General Meeting of the Company. The names of shareholders and nominees who intend to participate at the General Meeting shall be registered in the Share Register on the second working day prior to the starting date of the General Meeting. Shareholders' rights may be exercised at the General Meeting only by the persons whose names are contained in the Share Register at the time it was closed. Transfer of shares prior to the starting date of the General Meeting does not affect the right of persons registered in the Share Register to participate at the General Meeting and to exercise their shareholders' rights thereat.

Shareholders shall have the right to request information, make remarks and motions at the General Meeting. The Board of Directors shall provide the necessary information, at the latest three days before the date of the General Meeting, to all shareholders with respect to the agenda items of the General Meeting, upon written request submitted at least eight days prior to the date of the General Meeting. If shareholders together controlling at least one per cent of the votes in the Company notify the Board of Directors - in accordance with the provisions on setting the items of the agenda - of the supplementation of the agenda, or the resolution proposal with respect to the items on or to be added to the agenda within eight days following the publication of the notice for the convocation of the General Meeting, the Board of Directors



publishes a notice on the supplemented agenda and the resolution proposals submitted by shareholders following the receipt of such proposal. The matter published in the notice shall be construed to have been placed on the agenda.

Shareholders shall be entitled to receive a share from the Company's taxed profit that is available and has been ordered for distribution by the General Meeting in proportion with the nominal value of their shares. Shareholders shall be entitled to dividend who are registered in the Share Register at the record date of the dividend payment identification process ordered by the Company.

A group of shareholders together controlling at least one per cent of the votes in the Company shall have entitlement to exercise minority rights.

The detailed rules of exercising shareholder's rights are contained in the Articles of Association:

https://www.telekom.hu/static-tr/sw/file/20231207_Articles_of_Association.pdf

10. A BRIEF PRESENTATION OF RULES ON THE CONDUCTING OF THE GENERAL MEETING

The General Meeting is the highest decision-making body of the Company. The decisions of the General Meeting, which are referred to as resolutions, are binding upon the shareholders, the other organs and the officers of the Company.

The Company shall hold a General Meeting at least once each year (the Annual General Meeting) where the financial statements prepared according to the Accounting Act of the Company are approved. The Annual General Meeting shall be held no later than April 30 of the year immediately subsequent to the business year in question. In addition to the Annual General Meeting, the Company may hold extraordinary General Meetings at any time, if necessary.

Notice of the General Meeting of the Company shall be published in the manner stipulated by the applicable law and these Articles of Association for the publication of the Company's notices and advertisements thirty days prior to the date of the General Meeting, unless otherwise provided by law. The public notice of the General Meeting of the Company shall be published by the body responsible for or entitled to the convocation of the General Meeting either by law or by the Articles of Association.

The General Meeting shall have a quorum if shareholders representing more than half of the shares carrying voting rights are present in person or by proxy at the time stipulated in the public notice convening the General Meeting.

If the General Meeting fails to have a quorum, the reconvened General Meeting shall have a quorum for the issues of the original agenda irrespective of the voting rights represented by those present. Such reconvened General Meeting may also be convened for the same day as the General Meeting fails to have a quorum, however, the period between the two general meetings shall not exceed twenty-one days.

The General Meeting shall adopt its resolutions by a simple majority vote except for resolutions on issues listed in Sections 5.2. (a), (c)-(f), (l), (m) of the Articles of Association which shall require at least a three-quarters majority of the votes of the shareholders present.

The detailed rules of conducting the General Meeting are contained in the Articles of Association:

https://www.telekom.hu/static-tr/sw/file/20231207_Articles_of_Association.pdf

11. REMUNERATION POLICY

Compensation of Members of the Board of Directors, Supervisory Board and the Chief Executive Officer and other Chief Officers of the Company

The remuneration and evaluation of the work performed by members of the Board of Directors, the Supervisory Board, and the Chief Executive Officer and other Chief Officers of Magyar Telekom Plc. (hereinafter Magyar Telekom or the Company) focusing on the Company's continuous development and growth are conducted along the Remuneration Policy adopted by the Company's General Meeting.

The Remuneration Policy is available at the website of Magyar Telekom:

<https://www.telekom.hu/static-tr/sw/file/20230419-remuneration-policy.pdf>

Magyar Telekom aims to achieve leadership position in terms of customer experience, as well as technological and business productivity alike. The Company's Strategy rests upon four pillars:



1. Undisruptable Telekom
2. Digitally native business
3. #1 choice of customers
4. Most admired community

The pillars serving the purpose of retaining the market leadership position call for continuous transformation and organizational innovation, for which it is indispensable to have efficient bodies and top executives in place with long-term engagement.

The objective of the Remuneration Policy is that a competitive remuneration structure be elaborated for those who fall within the personal scope of the Policy that supports, recognizes and provides motivation for their decisions and measures adopted with the aim to implement the four pillars of the Strategy, and also takes into account the responsibilities commensurate with the position. The Remuneration Policy promotes the Company's Business Strategy, long-term interests and sustainability through its short and long-term incentive systems. Remuneration paid under the Remuneration Policy may not jeopardize the sustainability of the financial status and the effective operation of Magyar Telekom.

The remuneration paid to members of the Board of Directors and the Supervisory Board is determined by the General Meeting, while the decision about the remuneration of the Chief Executive Officer and other Chief Officers is adopted by the Company's Remuneration and Nomination Committee.

The introduction of a remuneration element not included in this Remuneration Policy or the modification of existing elements may be carried out solely for the purpose of the long-term interests and sustainable operation of the Company upon the proposal by the Remuneration and Nominating Committee of the Company. The amendment should not jeopardise the objectives and principles set out in the Remuneration Policy.

REMUNERATION PACKAGE COMPONENTS

1. Board of Directors

- Members of the Board of Directors are paid remuneration.
- The amount of the remuneration is determined by the General Meeting based on the proposal of the Remuneration and Nomination Committee.
- The amount of the remuneration is determined in line with the Hungarian benchmark.
- The amount of the remuneration can be revised upon the initiative of the Remuneration and Nomination Committee.
- The Board of Directors evaluates its performance along principles determined in advance (strategy, business performance, compliance, efficiency, dividend policy, information flow) each year. As part of the evaluation, the self-evaluation conducted by the specific members of the Board of Directors along predetermined aspects are also reviewed.
- 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.
- Insurance (liability, travel) in accordance with the applicable insurance conditions of the Company effective from time to time.

2. Supervisory Board

- Members of the Supervisory Board are paid remuneration.
- The amount of the remuneration is determined by the General Meeting based on the proposal of the Remuneration and Nomination Committee.
- The amount of the remuneration is determined in line with the Hungarian benchmark.
- The amount of the remuneration can be revised upon the initiative of the Remuneration and Nomination Committee.
- Upon the itemized review of the tasks defined as part of its Rules of Procedures, the Supervisory Board evaluates the work performed in the specific year aimed at fulfilling the different tasks and determines the performance of which activity/activities must be improved. In the framework of the above, it evaluates the skills and experience of the specific members of the Supervisory Board that are necessary for the performance of the Supervisory Board's work.
- The members of the Supervisory Board are entitled to infocommunication equipments and services and to the reimbursement of the reasonable costs arising in connection with their participation at the meetings, or directly



connected to their membership in accordance with the applicable internal regulations of the Company effective from time to time.

- Insurance (liability, travel) in accordance with the applicable insurance conditions of the Company effective from time to time.
- Those independent members of the Supervisory Board who are member of the Audit Committee of the Company are entitled to remuneration too as members of the Audit Committee, in the amount resolved by the General Meeting of the Company.
-

Remuneration of Members of the Board of Directors the Supervisory Board and the Audit Committee as of December 31, 2023 are as follows:

The Chairman of the Board of Directors:	HUF 600 000 per month
The Members of the Board of Directors:	HUF 500 000 per month
The Chairman of the Supervisory Board:	HUF 600 000 per month
The Members of the Supervisory Board:	HUF 350 000 per month
The Chairman of the Audit Committee:	HUF 560 000 per month
The Members of the Audit Committee:	HUF 280 000 per month

3. Chief Executive Officer and other Chief Officers

- The size of the components included in the remuneration package are determined by the Remuneration and Nomination Committee upon consideration of the Hungarian remuneration benchmarks.
- The remuneration package is revised as required and needed but at least in every three year. The Company's relevant internal policies are revised once a year by the Company's People Unit.
- The remuneration package consists of the following:

3.1. 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 51%/49% for the CEO, 52%/48% 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 levels of strategic, financial and sustainability targets 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 in light of 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.



3.2. 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.

3.3. Mid-term and long-term incentive programs

Magyar Telekom launches / may launch mid-term and long-term incentive programs, the purpose of which is to provide incentive to management for the long-term and sustainable value increase of the Company, thus bringing the interests of the management and the shareholders into closer harmony.

Such programs may include share purchase (option call) matched/provided by the Company

- dependent on / independent of the share price and/or
- cash-based / share-based and/or
- one-time / recurring and/or
- frozen for a period / not frozen for a period and/or
- based on utilizing a portion of the bonus or
- at a predetermined share price / from a predetermined date.

Program components may include incentive elements offered, sold or granted by an affiliate company of Magyar Telekom (i.e. Deutsche Telekom AG).

a) Mid-term incentive plans

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

b) Long-term Incentive Plan (LTI)

The LTI is a cash-based long-term incentive program that is linked to the performance of four indicators 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.

As part of the program launched in 2015, a four-year program is introduced each year.

Commencing on January 1, 2023 the prerequisite of participating in LTI is the participation in the Share Matching Plan (SMP) and making a personal investment accordingly.

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.

c) Share Matching Plan (SMP)

Participation in the program is mandatory for the Company's Chief Executive Officer and for the Chief Officers considering their participation in LTI. The program may be launched, if the previous year's DT Group Free Cash-Flow target is achieved. Participants must spend a part (minimum 5%) 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 detailed rules of the program are determined by the Remuneration and Nomination Committee.

d) Game Changer Incentive program

Game Changer Incentive is a long-term incentive program paid in cash that is linked to the performance of two equally weighted indicators (50% financial and 50% customer centricity).



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.

3.4. Additional benefits

The additional benefits are elaborated upon consideration of Hungarian benchmarks and in light of cost efficiency reasons, taking into account the form and structure of the benefits granted to employees. Such benefits include the provision of fringe benefits, work-related means, reimbursements and other remuneration (e.g. benefit cars; telecommunication services; business travel costs; insurances such as life and accident-, health-, travel-, liability insurance; education/trainings; business credit card; housing subsidies to expatriates; other expatriate costs etc.).

The additional benefits constitute 5-7% of the annual on-target earning, which may alter in case of foreign employees.

The additional benefits are provided by Magyar Telekom as set forth by the relevant employment contracts and the Company's applicable internal policies (e.g. car policy, work-related infocommunication services directive, car policy, travel policy, credit card regulation) effective from time to time.

In case of foreign employees employed under expatriate contract the Global Mobility Policy and the Global Compensation Guideline effective from time to time are to be applied.



CORPORATE GOVERNANCE DECLARATION ON THE COMPLIANCE WITH THE CORPORATE GOVERNANCE RECOMMENDATIONS

Level of compliance with the Recommendations

1.1.1. Does the Company have an organisational unit dealing with investor relationship management, or a designated person to perform these tasks?

Yes No
Explanation:

1.1.2. Are the Company's Articles of Association available on the Company's website?

Yes No
Explanation:

1.1.4. If the Company's Articles of Association allow shareholders to exercise their rights in their absence, did the Company publish the methods and conditions of doing so, including all necessary documents?

Yes No
Explanation: The Articles of Association currently does not allow shareholders to exercise their rights in their absence (per mail or electronically). If the Articles of Association was amended in a way that it would allow shareholders to exercise their rights in their absence, then the Company will act in accordance with the recommendation.

1.2.1. Did the Company publish on its website a summary document containing the rules applicable to the conduct of its General Meetings and to the exercise of voting rights by shareholders?

Yes No
Explanation:

1.2.2. Did the Company publish the exact date when the range of those eligible to participate in a given company event is set (record date), and also the last day when the shares granting eligibility for participating in a given company event are traded?

Yes No
Explanation:

1.2.3. Did the Company hold its General Meetings in a manner providing for maximum shareholder participation?

Yes No
Explanation:

1.2.6. The Company did not restrict the shareholders' right to designate a different representative for each of their securities accounts to represent them at any General Meeting. (Answer Yes, if not)

Yes No
Explanation:

1.2.7. For proposals for the agenda items, were the Board of Directors' draft resolution and also the Supervisory Board's opinion disclosed to the shareholders?

Yes No
Explanation:

1.3.3. The Company did not restrict the right of its shareholders attending a General Meeting to request information, add comments and submit proposals, or set any preconditions for these with the exception of some measures taken to conduct the General Meeting in a correct manner and as intended. (Answer Yes, if not)

Yes No
Explanation:

1.3.4. By answering the questions raised at the General Meeting, did the Company ensure compliance with the information provision and disclosure principles set out in legal and stock exchange requirements?

Yes No



Explanation:

1.3.5. Did the Company publish on its website the answers to the questions that the representatives of the Company's boards or its auditor present at the General Meeting could not satisfactorily answer at the meeting within 3 working days following the General Meeting, or an official statement explaining why it refrained from giving answers?

Yes

No

Explanation:

1.3.7. Did the Chairman of the General Meeting order a recess or suggest that the General Meeting be postponed when a proposal or proposal relating to a particular issue on the agenda was submitted which the shareholders hadn't had a chance to become familiar with before the General Meeting?

Yes

No

Explanation:

1.3.8.1. The Chairman of the General Meeting did not use a combined voting procedure for a decision related to electing and recalling executive officers and Supervisory Board members. (Answer Yes, if not)

Yes

No

Explanation:

1.3.8.2. For executive officers or Supervisory Board members, whose nominations were supported by shareholders, did the Company disclose the identity of the supporting shareholder(s)?

Yes

No

Explanation:

1.3.9. Prior to discussing agenda items concerning the amendment of the Articles of Association, did the General Meeting pass a separate resolution to determine whether to decide on each amendment of the Articles of Association by individual votes, joint votes, or votes combined in a specific way?

Yes

No

Explanation:

1.3.10. Did the Company publish the minutes of the General Meeting containing the resolutions, the description of the draft resolutions and any important questions and answers related to the draft resolutions within 30 days following the General Meeting?

Yes

No

Explanation:

1.6.1.1. Do the Company's publication guidelines cover the procedures for electronic, online disclosure?

Yes

No

Explanation:

1.6.1.2. Does the Company design its by considering the aspects of disclosure and the information of investors?

Yes

No

Explanation:

1.6.2.1. Does the Company have an internal publication policy in place which covers the processing the information listed in Section 1.6.2 of the Recommendations document?

Yes

No

Explanation:

1.6.2.2. Do the internal regulations of the Company cover the methods for the assessment of events judged to be important for publication?

Yes

No

Explanation:

1.6.2.3. Did the Board of Directors/Governing Board assess the efficiency of the publication processes?

Yes

No

Explanation:



1.6.2.4. Did the Company publish the findings of the efficiency assessment of the publication process?

Yes

No

Explanation:

1.6.3. Did the Company publish its annual company event calendar?

Yes

No

Explanation:

1.6.4. Did the Company publish its strategy, business ethics and policies regarding other stakeholders?

Yes

No

Explanation:

1.6.5. Did the Company publish the career information of Board of Directors / Governing Board, Supervisory Board and management members in its annual report or on the company website?

Yes

No

Explanation:

1.6.6. Did the Company publish all relevant information about the internal organisation and the operation of the Board of Directors / Governing Board and the Supervisory Board, about the work of the management, the assessments of these and the changes in the current year?

Yes

No

Explanation:

1.6.8. Did the Company publish its risk management guidelines and information about its system of internal controls, the main risks and the principles for their management?

Yes

No

Explanation:

1.6.9.1. Did the Company publish its guidelines relating to the trading of its shares by insiders?

Yes

No

Explanation:

1.6.9.2. Did the Company disclose the share of the Board of Directors / Governing Board, Supervisory Board and management members in the securities issued by the Company in the annual report or in some other way?

Yes

No

Explanation:

1.6.10. Did the Company publish the relationship of Board of Directors / Governing Board, Supervisory Board and management members may have with third parties which could affect the operation of the Company?

Yes

No

Explanation:

2.1.1. Does the Company's Articles of Association contain clear provisions regarding the responsibilities and competences of the General Meeting and the Board of Directors / Governing Board?

Yes

No

Explanation:

2.2.1. Does the Board of Directors / Governing Board have a rules of procedure in place defining the organisational structure, the actions for arranging for and conducting the meetings, and the tasks regarding the adopted resolutions, as well as other issues related to the operation of the Board of Directors / Governing Board?

Yes

No

Explanation:

2.2.2. Does the Company publish the procedure used for nominating Board of Directors / Governing Board members?

Yes

No

Explanation:



2.3.1. Does the Supervisory Board provide a detailed description of its operation and duties, as well as the administrative procedures and processes followed by it, in its rules of procedure and work plan?

Yes No

Explanation:

2.4.1.1. Did the Board of Directors / Governing Board and the Supervisory Board hold meetings periodically at a predefined interval?

Yes No

Explanation:

2.4.1.2. Did the rules of procedure of the Board of Directors / Governing Board and the Supervisory Board provide rules for the conduct of meetings that cannot be planned in advance, and for decision-making using electronic telecommunications means?

Yes No

Explanation:

2.4.2.1. Did board members have access to the proposals to be presented at the meeting of the respective board at least five days prior to the meeting?

Yes No

Explanation:

2.4.2.2. Did the Company arrange the proper conduct of the meetings, the drawing up of the meeting minutes and management of the resolutions made by the Board of Directors / Governing Board and the Supervisory Board?

Yes No

Explanation:

2.4.3. Do the rules of procedure provide for the regular or ad hoc participation of non-board members at respective board's meetings?

Yes No

Explanation:

2.5.1. Were the members of the Board of Directors / Governing Board and the Supervisory Board nominated and elected in a transparent process, and was the information about the candidates made public in due time before the General Meeting?

Yes No

Explanation:

2.5.2. Does the composition and size of the boards comply with the principles set out in Section 2.5.2 of the Recommendations?

Yes No

Explanation:

2.5.3. Did the Company ensure that the newly elected Board of Directors / Governing Board and Supervisory Board members became familiar with the structure and operation of the Company and their tasks were carried out as members of the respective boards?

Yes No

Explanation:

2.6.1. Did the Governing Board / Supervisory Board request (in the context of preparing the annual corporate governance report) its members considered to be independent to confirm their independence at regular intervals?

Yes No

Explanation:

2.6.2. Does the Company provide information about the tools which ensure that the Board of Directors / Governing Board assesses objectively the management's activities?

Yes No

Explanation:



2.6.3. Did the Company publish its guidelines concerning the independence of its Governing Board / Supervisory Board members and the applied independence criteria on its website?

Yes No

Explanation:

2.6.4. Does the Supervisory Board of the Company have any members who has held any position in the Board of Directors or in the management of the Company in the previous five years, not including cases when they were involved to ensure employee participation?

Yes No

Explanation:

2.7.1. Did members of the Board of Directors / Governing Board inform the Board of Directors / Governing Board and (if applicable) the Supervisory Board (or the Audit Committee if a uniform governance system is in place) if they, or individuals they have business relations with, or their relatives have interest in any business transactions of the Company (or any subsidiaries thereof) which excludes their independence?

Yes No

Explanation:

2.7.2. Were transactions and assignments between members of boards/ members of the management/individuals closely associated with them and the Company/subsidiaries of the Company carried out in accordance with the Company's general business practice but applying more stringent transparency rules compared to general business practice, and were they approved?

Yes No

Explanation:

2.7.3. Did board members inform the Supervisory Board / Audit Committee (Nominating Committee) if they had received an appointment for board membership or management position of a company not belonging to the Company Group?

Yes No

Explanation:

2.7.4. Did the Board of Directors / Governing Board develop guidelines for the flow of information and the management of insider information within the Company, and monitor compliance with them?

Yes No

Explanation:

2.8.1. Did the Company create an independent internal audit function that reports directly to the Audit Committee / Supervisory Board?

Yes No

Explanation:

2.8.2. Does Internal Audit have unrestricted access to all information necessary for carrying out audits?

Yes No

Explanation:

2.8.3. Did shareholders receive information about the operation of the system of internal controls?

Yes No

Explanation:

2.8.4. Does the Company have a function ensuring compliance (compliance function)?

Yes No

Explanation:

2.8.5.1. Is the Board of Directors / Governing Board or a committee operated by it responsible for the supervision and management of the entire risk management of the Company?

Yes No

Explanation:



2.8.5.2. Did the relevant organisation of the Company and the General Meeting received information about the efficiency of the risk management procedures?

Yes No

Explanation:

2.8.6. With the involvement of the relevant areas, did the Board of Directors / Governing Board develop the basic principles of risk management taking into account the special idiosyncrasies of the industry and the Company?

Yes No

Explanation:

2.8.7. Did the Board of Directors / Governing Board define the principles for the system of internal controls to ensure the management and control of the risks affecting the Company's activities as well as the achievement of its performance and profit objectives?

Yes No

Explanation:

2.8.8. Did internal control systems functions report about the operation of internal control mechanisms and corporate governance functions to the competent board at least once a year?

Yes No

Explanation:

2.9.2. Did the Board of Directors / Governing Board invite the Company's auditor in an advisory capacity to the meetings on financial reports?

Yes No

Explanation:

Level of compliance with the Proposals

1.1.3. Does the Company's Articles of Association provide an opportunity for shareholders to exercise their voting rights also when they are not present in person?

Yes No

(Explanation:)

1.2.4. Did the Company determine the place and time of General Meetings initiated by shareholders by taking the initiating shareholders' proposal into account?

Yes No

(Explanation:)

1.2.5. Does the voting procedure used by the Company ensure a clear, unambiguous and fast determination of voting results, and in the case of electronic voting, also the validity and reliability of the results?

Yes No

(Explanation:)

1.3.1.1. Were the Board of Directors/Governing Board and the Supervisory Board represented at the General Meeting?

Yes No

(Explanation:)

1.3.1.2. In the event the Board of Directors/Governing Board and the Supervisory Board was absent, was it disclosed by the Chairman of the General Meeting before discussion of the agenda began?

Yes No

(Explanation:)



1.3.2.1. The Articles of Association of the Company did not preclude any individuals from receiving an invitation to the General Meetings of the Company at the initiative of the Chairman of the Board of Directors/Governing Board and being granted the right to express their opinion and to add comments there if that person's presence and expert opinion is presumed to be necessary or help provide information to the shareholders and help the General Meeting make decisions. (Answer Yes, if not)

Yes No
(Explanation:)

1.3.2.2. The Articles of Association of the Company did not preclude any individual from receiving an invitation to the General Meetings of the Company at the initiative of shareholders requesting to supplement the agenda items of the General Meeting and from being granted the right to express their opinion and to add comments there. (Answer Yes, if not)

Yes No
(Explanation:)

1.3.6. Does the annual report of the Company prepared as specified in the Accounting Act contain a brief, easy-to-understand and illustrative summary for shareholders, including all material information related to the Company's annual operation?

Yes No
(Explanation:)

1.4.1. In line with Section 1.4.1, did the Company pay dividend within 10 working days to those of its shareholders who had submitted all the necessary information and documents?

Yes No
(Explanation:)

1.6.11. Did the Company publish its information in English as well, in line with the provisions of Section 1.6.11?

Yes No
(Explanation:)

1.6.12. Did the Company inform its investors about its operation, financial situation and assets on a regular basis, but at least quarterly?

Yes No
(Explanation:)

2.9.1. Does the Company have in place internal procedures regarding the use of external advisors and outsourced activities?

Yes No
(Explanation:)



Submission
to the General Meeting of Magyar Telekom Plc.

Discharging the members of the Board of Directors from liability

Budapest, April 16, 2024



Pursuant to Section 3:117(1) of the Civil Code, a company's general meeting, simultaneously with the approval of the financial statements, upon request of any corporate law executive officer (i.e., Board member), may discharge such officer from liability and declare that the management activities were carried out in an appropriate manner during the previous business year. According to Section 5.2 (n) of the Articles of Association, the decision on discharging the members of the Board of Directors from liability is within the exclusive scope of authority of the General Meeting.

Resolution proposal:

The General Meeting declares that the management activities of the Board of Directors members of the Company were carried out in an appropriate manner in the previous business year and decides to discharge the members of the Board of Directors of the Company from liability with respect to the 2023 business year. By discharging them from liability, the General Meeting confirms that the members of the Board of Directors have performed the management of the Company in 2023 by giving primacy to the interests of the Company.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board examined the submission of the Board of Directors on discharging the members of the Board of Directors from liability and agreed that the General Meeting should discharge the members of the Board of Directors from liability for the business year of 2023.



Submission
to the General Meeting of Magyar Telekom Plc.

Remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee

Budapest, April 16, 2024



The remuneration of the members of corporate bodies of Magyar Telekom Plc. was adjusted last time in 2014 (Chairperson of the Board of Directors), in 2020 (members of the Supervisory Board and the Audit Committee) and in 2022 (members of the Board of Directors, other than the Chairperson of the Board of Directors).¹

According to Section 2 of the Rules of Procedure of the Remuneration and Nomination Committee of Magyar Telekom Plc., the Remuneration and Nomination Committee makes a proposal to the General Meeting on the compensation of the members of the Board, the Supervisory Board and the Audit Committee.

The Remuneration and Nomination Committee proposes to change the remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee, and proposes the following resolution proposal to the General Meeting for adoption:

Resolution proposal:

The General Meeting determines the remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee as follows:

- **Chairperson of the Board of Directors:** HUF 690,000 / month,
- **member of the Board of Directors:** HUF 575,000 / month,
- **Chairperson of the Supervisory Board:** HUF 690,000 / month,
- **member of the Supervisory Board:** HUF 402,500 / month,
- **Chairperson of the Audit Committee:** HUF 644,000 / month,
- **member of the Audit Committee:** HUF 322,000 / month.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board examined the submission of the Remuneration and Nomination Committee on the remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee, agreed with and proposed it to the General Meeting for adoption.

¹ Resolutions no. 11/2014 (IV.11.) of the Annual General Meeting, 4/25 (04.24.2020) of the Board of Directors and 31/2022 (IV.12.) of the Annual General Meeting.



Submission
to the General Meeting of Magyar Telekom Plc.

Decreasing the Company's share capital and related modification of the Articles of Association

Budapest, April 16, 2024



Pursuant to Section 3:309(1) of the Civil Code and the Articles of Association, resolution on the decrease of the share capital shall be adopted by the General Meeting. Pursuant to Section 3:309(4) of the Civil Code, the resolution on the decrease of share capital shall also provide for the amendment of the articles of association required by the share capital decrease. Resolution of the General Meeting related to this shall be effective upon compliance with the conditions of the share capital decrease.

According to the Section 3:309(5) of the Civil Code, the General Meeting's resolution on the decrease of share capital shall be considered effective if the holders of the types or classes of shares which are considered affected under the articles of association grant their explicit consent to the decrease of the share capital by way of the means specified in the articles of association.

Magyar Telekom purchased 32,941,370 own shares during share buy-back transaction in 2023. The aim of this transaction was to execute shareholder remuneration. In line with prevailing capital market practice following such own share transaction, purchased shares held in treasury are cancelled and the share capital is decreased.

Resolution proposals:

[1] The holders of dematerialized series "A" ordinary shares each with the face value of HUF 100 present at the General Meeting grant their approval to the proposed share capital decrease in compliance with Section 3:309(5) of the Civil Code and Section 11 of the Articles of Association.

[2] The General Meeting decreases the share capital of the Company as follows:

Reason of decreasing the share capital: withdrawal of equity.

Amount of which the share capital is being decreased:

By cancellation of 32,941,370 pieces dematerialized series "A" ordinary shares, each with the face value of HUF 100 owned by the Company (treasury shares), decrease of the share capital with HUF 3,294,137,000 to HUF 93,861,749,700.

Method of implementing the share capital decrease:

Decrease the number of 971,558,867 pieces of dematerialized series "A" ordinary shares, each with the face value of HUF 100 with 32,941,370 pieces of ordinary shares owned by the Company (treasury shares). Decrease of the share capital shall not affect the shareholders' shareholdings in the sense that the number of shares of the shareholders remain unchanged, while the ownership proportionally increases. There is no compensation to be paid to the shareholders upon cancellation.

Amendment of the Company's Articles of Association is required by decreasing the share capital. The effective date of change is the date of registration by the Court of Registration on the decrease of the share capital. The General Meeting approves the amendment of Section 2.1. of the Articles of Association as follows:

2.1. Share capital and shares

The share capital of the Company is HUF ~~97,155,886,700~~ 93,861,749,700 (that is ~~ninety-seven billion one hundred and fifty-five million eight hundred and eighty-six thousand seven hundred~~ ninety-three billion eight hundred and sixty-one million seven hundred and forty-nine thousand seven hundred Hungarian forints), comprised of ~~971,558,867~~ 938,617,497 series "A" ordinary shares, each with the face value of HUF 100.

The shares of the Company are dematerialized shares.

The General Meeting authorizes the Board of Directors to complete the tasks in connection with the implementation of the share capital decrease (share cancellation), particularly the tasks defined in the Civil Code and the Company Registration Act.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board examined the submission of the Board of Directors on the capital decrease of the Company and related modification of the Articles of Association, agreed with and proposed it to the General Meeting for adoption.



Submission
to the General Meeting of Magyar Telekom Plc.

Advisory vote on the amended Remuneration Policy

Budapest, April 16, 2024



The Remuneration Policy of Magyar Telekom Nyrt. approved by resolution No. 14/2023 (IV.19.) of the Annual General Meeting, shall be amended due to the following reasons:

- the wording of the Company's strategic pillars have changed,
- explaining how the vote of the shareholders was taken into account re the Remuneration Policy,
- minor amendments to enhance clarity of the Remuneration Policy.

Pursuant to the Civil Code and the Articles of Association, advisory voting on the Remuneration Policy belongs to the exclusive scope of competence of the General Meeting. The Remuneration Policy shall be put on the agenda of the General Meeting in the case of material changes therein or at least every four years.

After the advisory vote (or in case of its rejection, after the repeated vote) on the Remuneration Policy at the General Meeting, the Remuneration Policy, together with the date and the results of the vote, shall be made public without delay on the website of the Company.

The Remuneration and Nomination Committee has prepared the amended Remuneration Policy of Magyar Telekom Nyrt. pursuant to Act LXVII of 2019, and with the agreement of the Board of Directors, submits it to the General Meeting for an advisory vote.

Annex: amended Remuneration Policy

Resolution proposal:

The General Meeting approves the amended Remuneration Policy of Magyar Telekom Nyrt. in line with the submission.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board examined the submission prepared by the Remuneration and Nomination Committee submitted to the General Meeting with the agreement of the Board of Directors on the approval of the amended Remuneration Policy, agreed with and proposed it to the General Meeting for adoption.



REMUNERATION POLICY

PURSUANT TO ACT LXVII OF 2019 ON THE ON THE ENCOURAGEMENT OF LONG-TERM SHAREHOLDER ENGAGEMENT AND THE AMENDMENT OF CERTAIN ACTS FOR EU HARMONIZATION PURPOSES

The remuneration and evaluation of the work performed by members of the Board of Directors, the Supervisory Board, and the Chief Executive Officer and other Chief Officers of Magyar Telekom Plc. (hereinafter Magyar Telekom or the Company) focusing on the Company's continuous development and growth are conducted along the Remuneration Policy adopted by the Company's General Meeting.

Magyar Telekom aims to achieve leadership position in terms of customer experience, as well as technological and business productivity alike. The Company's Strategy rests upon four pillars:

1. ~~Undisruptable Telekom~~ [Lead in Digital Life and Business](#)
2. ~~Digitally native business~~ [Compete on value](#)
3. ~~#1 choice of customers~~ [Undisruptable Telekom](#)
4. ~~Most admired community~~ [Experience is a differentiator](#)

The pillars serving the purpose of retaining ~~our~~ [the Company's](#) market leadership position call for continuous transformation and organizational innovation, for which it is indispensable to have efficient bodies and top executives in place with long-term engagement.

The objective of the Remuneration Policy is that a competitive remuneration structure be elaborated for those who fall within the personal scope of the Policy that supports, recognizes and provides motivation for their decisions and measures adopted with the aim to implement the four pillars of the Strategy, and also takes into account the responsibilities commensurate with the position. The Remuneration Policy promotes the Company's Business Strategy, long-term interests and sustainability through its short and long-term incentive systems. Remuneration paid under the Remuneration Policy may not jeopardize the sustainability of the financial status and the effective operation of Magyar Telekom.

The relative value and composition of the components included in the Remuneration Policy are determined on the basis of market benchmarks, which is an identical methodology to the one applied in determining the compensation system for the employees in general.

The Remuneration Policy is prepared, upon discussion with all other affected areas, and submitted to the Company's Remuneration and Nomination Committee by the Company's People Unit.

The Remuneration and Nomination Committee, with the agreement of the Board of Directors, submits the Remuneration Policy to the General Meeting of the Company for an advisory vote (in Hungarian: *véleménynyilvánító szavazás*).

If the General Meeting rejects the proposed Remuneration Policy, the Company must submit a revised Remuneration Policy at the following General Meeting for an advisory vote.

After the advisory vote (or after the repeated vote due to a potential rejection of a previous proposal) on the Remuneration Policy by the General Meeting, the Remuneration Policy together with the date and the results of the vote must be published on the Company's website without delay.

The remuneration paid to members of the Board of Directors and the Supervisory Board is determined by the General Meeting, while the decision about the remuneration of the Chief Executive Officer and other Chief Officers is adopted by the Company's Remuneration and Nomination Committee.

Potential conflicts of interest situations in connection with the Remuneration Policy shall be handled in accordance with the relevant provisions of the applicable laws, stock exchange recommendations, and internal policies of the Company (Code of Conduct, directive on the regulation of conflicts of interest) effective from time to time.



The Remuneration Policy may be revised upon the initiative of the Remuneration and Nomination Committee. A revised version of the Remuneration Policy must include descriptions of all the material modifications that took place since the last time the General Meeting voted on the Remuneration Policy and their explanation, as well as demonstrate how the revised version incorporates the opinion and votes of the shareholders about the Remuneration Policy and the reports.

The introduction of a remuneration element not included in this Remuneration Policy or the modification of existing elements may be carried out solely for the purpose of the long-term interests and sustainable operation of the Company upon the proposal by the Remuneration and Nominating Committee of the Company. The amendment should not jeopardise the objectives and principles set out in the Remuneration Policy.

The benefits and payments to be made pursuant to the application of the Remuneration Policy are made by Magyar Telekom along its relevant internal policies (e.g. bonus directive, work related infocommunication services directive, car policy, travel policy) effective from time to time. Evaluating the performance of measurable criteria, the Company considers the target performance percentage as fulfillment. The Company considers the fulfillment of non-measurable criteria if the given criteria is fully met. The Company may use other reasonable or valuation methods otherwise known or accepted in the market to determine the above conditions. The Company applies no deferral period in respect of the variable remuneration elements.

Derogation from the Remuneration Policy is possible only in exceptional circumstances on a temporary basis. Exceptional circumstances include situations in which the derogation from the Remuneration Policy is necessary to serve the long-term interests and sustainability of the Company as a whole or to assure its viability. Deviation from Section III of this Remuneration Policy is possible with the decision of the Remuneration and Nomination Committee, however, the amendment of the Remuneration Policy must be submitted to the following General Meeting with the agreement of the Board of Directors. Such deviation may be for example, change in the applicable laws, deviation from the remuneration system or its components or the terms governing the remuneration elements or the possibility to introduce new remuneration elements. In such case payment of remuneration is possible. The submission shall include the detailed description and reason of the change.

The Remuneration Policy must be included in the agenda of the General Meeting upon its material amendment, but at least in every four year.

On ~~April 12, 2022~~ [April 19, 2023](#) the General Meeting of the Company with its Resolution no. ~~41/2022 (IV.12.)-14/2023 (IV.19.)~~ approved the previous remuneration policy containing the amendments of ~~2022-2023~~ proposed by the Company's Board of Directors with ~~89.9893.55%~~ of the votes cast in favor. ~~The General Meeting did not approve the shareholder proposal altering to that of the Board of Directors. Respective General Meeting's submissions and resolutions are available at the website of the Company:~~

~~https://www.telekom.hu/about_us/investor_relations/corporate_governance/general_meeting~~

The Company, also having considered the result of the advisory voting regarding the previous remuneration policy, prepared this amended Remuneration Policy based on the form and structure of the previous Remuneration Policy.

I. PERSONAL SCOPE

1. Members of the Board of Directors
2. Members of the Supervisory Board
3. Chief Executive Officer and other Chief Officers



II. CONTRACTS GOVERNING REMUNERATION

	Form	Duration	Applicable notice period	Contract termination conditions	Benefits due upon termination
Members of the Board of Directors	Resolution of the General Meeting and Mandate Agreement	Mandate duration as defined by the General Meeting resolution on election	-	As defined in the Civil Code (expiry of mandate, date of recall, resignation, death, incapacity, conflict of interest, cause for exclusion)	-
Member of the Supervisory Board	Resolution of the General Meeting	Mandate duration as defined by the General Meeting resolution on election	-	As defined in the Civil Code (expiry of mandate, date of recall, resignation, death, incapacity, conflict of interest, cause for exclusion)	-
Chief Executive Officer and Chief Officers (a)	Employment contract	1-3 years fixed-term or open-ended <u>indefinite</u> employment contract as agreed	1-6 months and/or fixed amount in case of employee or employer's termination	Upon expiry of fixed term or emergence of facts or circumstances constituting cause for termination	Non-compete compensation with option to waive. Severance payment: in accordance with the Labour Code in case of a <u>indefinite employment or in accordance with the fixed-term contract in case of fixed-term employment.</u>
Chief Officers (b)	Intra-group expatriate contract	1-5 years fixed-term contract as agreed	3 months in case of employee or employer's termination	Upon expiry of fixed term or emergence of facts or circumstances constituting cause for termination as agreed	

* Terms and conditions for supplementary retirement or early retirement schemes are not included in the contracts.

III. REMUNERATION PACKAGE COMPONENTS

1. BOARD OF DIRECTORS

- Members of the Board of Directors are paid remuneration.
- The amount of the remuneration is determined by the General Meeting based on the proposal of the Remuneration and Nomination Committee.
- The amount of the remuneration is determined in line with the Hungarian benchmark.
- The amount of the remuneration can be revised upon the initiative of the Remuneration and Nomination Committee.
- The Board of Directors evaluates its performance along principles determined in advance (strategy, business performance, compliance, efficiency, dividend policy, information flow) each year. As part of the evaluation, the self-evaluation conducted by the specific members of the Board of Directors along predetermined aspects are also reviewed.
- The members of the Board of Directors are entitled to infocommunication equipment and 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.

- Insurance (liability, travel) in accordance with the applicable insurance conditions of the Company effective from time to time.

2. SUPERVISORY BOARD

- Members of the Supervisory Board are paid remuneration.
- The amount of the remuneration is determined by the General Meeting based on the proposal of the Remuneration and Nomination Committee.
- The amount of the remuneration is determined in line with the Hungarian benchmark.
- The amount of the remuneration can be revised upon the initiative of the Remuneration and Nomination Committee.
- Upon the itemized review of the tasks defined as part of its Rules of Procedures, the Supervisory Board evaluates the work performed in the specific year aimed at fulfilling the different tasks and determines the performance of which activity/activities must be improved. In the framework of the above, it evaluates the skills and experience of the specific members of the Supervisory Board that are necessary for the performance of the Supervisory Board's work.
- The members of the Supervisory Board are entitled to infocommunication equipment and services and to the reimbursement of the reasonable costs arising in connection with their participation at the meetings, or directly connected to their membership in accordance with the applicable internal regulations of the Company effective from time to time.
- Insurance (liability, travel) in accordance with the applicable insurance conditions of the Company effective from time to time.
- Those independent members of the Supervisory Board who are member of the Audit Committee of the Company are entitled to remuneration too as members of the Audit Committee, in the amount resolved by the General Meeting of the Company.

3. CHIEF EXECUTIVE OFFICER AND OTHER CHIEF OFFICERS

- The size of the components included in the remuneration package are determined by the Remuneration and Nomination Committee upon consideration of the Hungarian remuneration benchmarks.
- The remuneration package is revised as required and needed but at least in every three year. The Company's relevant internal policies are revised once a year by the Company's People Unit.
- The remuneration package consists of the following:

3.1. 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 [assuming 100% performance](#) is 51%/49% for the CEO, 52%/48% 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 levels of strategic, financial and sustainability targets 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 in light of the Company's strategic objectives and corporate responsibility principles. [\(The Company's ~~own~~ corporate responsibility programs focus on digital education and volunteer work, but ~~we~~ also puts emphasis on supporting NGOs by means of tariff packages designed specifically for them.\)](#)

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.



3.2. 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.

3.3. Mid-term and long-term incentive programs

Magyar Telekom launches / may launch mid-term and long-term incentive programs, the purpose of which is to provide incentive to management for the long-term and sustainable value increase of the Company, thus bringing the interests of the management and the shareholders into closer harmony.

Such programs may include share purchase (option call) matched/provided by the Company

- dependent on / independent of the share price and/or
- cash-based / share-based and/or
- one-time / recurring and/or
- frozen for a period / not frozen for a period and/or
- based on utilizing a portion of the bonus or
- at a predetermined share price / from a predetermined date.

Program components may include incentive elements offered, sold or granted by an affiliate company of Magyar Telekom (i.e. Deutsche Telekom AG).

a) Mid-term incentive plans

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

b) Long-term Incentive Plan (LTI)

The LTI is a cash-based long-term incentive program that is linked to the performance of four indicators 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.

As part of the program launched in 2015, a four-year program is introduced each year.

Commencing on January 1, 2023 the prerequisite of participating in LTI is the participation in the Share Matching Plan (SMP) and making a complying personal investment accordingly.

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.

c) Share Matching Plan (SMP)

The program may be launched, if the previous year's DT Group Free Cash-Flow target is achieved.

Participants must spend a part of their gross annual bonus on Deutsche Telekom shares. The investment must not exceed ~~1/2~~ 50% 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~~lock-up period). upon expiry of the lock-up period the participants are granted matching shares 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 detailed rules of the program are determined by the Remuneration and Nomination Committee.

d) Game Changer Incentive Program

Game Changer Incentive is a long-term incentive program paid in cash that is linked to the performance of two equally weighted indicators (50% financial and 50% customer centricity).

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.

3.4. Additional benefits

The additional benefits are elaborated upon consideration of Hungarian benchmarks and in light of cost efficiency reasons, taking into account the form and structure of the benefits granted to employees. Such benefits include the provision of fringe benefits, work-related means, reimbursements and other remuneration (e.g. benefit cars; telecommunication services; business travel costs; insurances such as life and accident-, health-, travel-, liability insurance; education/trainings; business credit card; housing subsidies to expatriates; other expatriate costs etc.).

The additional benefits constitute 5-7% of the annual on-target earning, which may alter in case of foreign employees.

The additional benefits are provided by Magyar Telekom as set forth by the relevant employment contracts and the Company's applicable internal policies (e.g. car policy, work-related infocommunication services directive, car policy, travel policy, credit card regulation) effective from time to time.

In case of foreign employees employed under expatriate contract the Global Mobility Policy and the Global Compensation Guideline effective from time to time are to be applied.

The General Meeting adopted this Remuneration Policy in its Resolution No [14/2023 \(IV.19.\)](#) with [667,391,222](#) affirmative ([93.55](#)%), [45,825,754](#) negative ([6.42](#)%) and [194,228](#) abstention ([0.03](#)%) votes.



Submission
to the General Meeting of Magyar Telekom Plc.

Advisory vote on the Remuneration Report

Budapest, April 16, 2024



Pursuant to Section 3:268 (2) of the Civil Code and Section 5.2. (r) of the Articles of Association advisory vote on the Remuneration Report belongs to the exclusive scope of authority of the General Meeting. The Remuneration Report was prepared on the basis of the relevant law. The statutory auditor of the Company checked that the information required by the relevant law has been provided.

The Board of Directors, considering the agreement of the Remuneration and Nomination Committee, submits the Remuneration Report for the 2023 business year to the General Meeting for an advisory vote.

Resolution proposal:

The General Meeting approves the Remuneration Report of Magyar Telekom Nyrt. for the 2023 business year.

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board examined the submission prepared by the Board of Directors submitted to the General Meeting with the agreement of the Remuneration and Nomination Committee on the approval of the Remuneration Report, agreed with and proposed it to the General Meeting for adoption.



REMUNERATION REPORT 2023

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 14/2023 (IV.19.) of the General Meeting approves and submits to the Annual General Meeting the below Remuneration Report for the 2023 business year (“Remuneration Report” or “Report”).

The Remuneration Policy is available on the website of the Company:

<https://www.telekom.hu/static-tr/sw/file/20230419-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 2023 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 2023 were as follows:

- dr. Robert Hauber, member of the Board of Directors, resigned from his position effective upon the date of the Annual General Meeting of the Company in 2023, i.e. on April 19, 2023.¹
- the General Meeting of the Company held on April 19, 2023 elected Daniel Daub as member of the Board of Directors².

Remuneration of the individual 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 2023 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 19, 2023 the General Meeting of the Company with its resolution no. 15/2023 (IV.19.) approved the previous Remuneration Report for the business year of 2022 with 91.15% 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.

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 was presented in the 2022 Remuneration Report for the first time.

¹ Submissions of the Annual General Meeting.

² Resolution No. 11/2023 (IV.19.) of the General Meeting.



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, 2023, 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 Meeting³ 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's remuneration for his activity as member of the Board of Directors, for his membership in the Management, was offered for charity, the net amount thereof was directly transferred by the Company to Magenta Összefogás Alapítvány.

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 additional remuneration to their fixed-amount 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 individual members of the 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 equipment and 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 2023 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 2023

members of the Board of Directors	Fixed remuneration (per month)	Total remuneration
Daniel Daub ⁱⁱ , Chairperson ^{iv} (member from 04.19.2023)	500,000 600,000	0
Daria Aleksandrovna Dodonova ⁱⁱ	500,000	0
Gábor Fekete, independent	500,000	6 000 000
Elvira Gonzalez ^{i ii}	500,000	0
Dr. Robert Hauber ^{i ii} , Chairperson (member until 04.19.2023)	600,000	0
Frank Odzuck ⁱ , Deputy-Chairperson, independent	500,000	6 000 000
Péter Ratatics, independent	500,000	6 000 000
Tibor Rékasi ⁱⁱⁱ	500,000	0
Szabó Melinda ^{ii iii}	500,000	0
total		18 000 000

ⁱ Members of the Remuneration and Nomination Committee.

ⁱⁱ Waived their remuneration.

ⁱⁱⁱ Remuneration was offered for charity.

^{iv} Daniel Daub following his election on 04.19.2023 was elected as Chairperson of the Board of Directors on 05.23.2023, 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. On December 31, 2023, the Supervisory Board had five members.

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 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.

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 additional remuneration to their fixed-amount 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 individual members of the Supervisory Board complying with their assignment is presented on pro-rata basis in the below table.

The members of the Supervisory Board are entitled to infocommunication equipment and 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

⁴ 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).



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 2023 in accordance with the Remuneration Policy.

Remuneration of the individual members of the Supervisory Board for 2023

members of the Supervisory Board	Fixed remuneration (per month)	Total remuneration
Prof. Dr. Attila Borbély ⁱ , Chairperson, independent	600,000	13 920 000
Gyula Bereznai , employee representative	350,000	4 200 000
Krisztina Dorogházi ⁱⁱ , independent	350,000	7 560 000
András Szakonyi ⁱⁱⁱ , independent	350,000	7 560 000
Endre Szepesi , employee representative	350,000	4 200 000
total		37 440 000

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 2023.

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 2023.

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 2023.

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, 2023, the Management had six members.

Procedures of the Company related to remuneration is regulated by the Company's 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, remuneration to be paid for their position in the Board of Directors is presented in Section 2 of this Remuneration Report.

Executives may (have) receive(d) remuneration for holding a position in Magyar Telekom Group companies, in 2023 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 Telekom Rendszerintegráció Zrt. (formerly named T-Systems Magyarország Zrt.).
- Gábor Gonda, has a two-employer employment relationship with Magyar Telekom as Chief Commercial Officer Enterprise and with Telekom Rendszerintegráció Zrt. (formerly named T-Systems Magyarország Zrt.) as Chief Executive Officer, 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. HUF382,000) 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 assuming 100% performance is 51%/49% for the CEO, 52%/48% 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 2023 (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. (The Company's corporate responsibility programs focus on digital education and volunteer work, but also puts 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 2022 business year, the amount of the Executives' bonuses was presented on the presumption of 130.15% target performance and was fulfilled at 130.10%.

The amount of the Executives' bonuses presented in this Remuneration Report is based on the presumption of 142.62% target performance in accordance with the 2023 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 2023 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, and third dividend payments shall be "reinvested" into virtual shares when the actual dividends are paid on real shares. The fourth (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. Commencing on January 1, 2023 the prerequisite of participating in LTI is the participation in the Share Matching Plan (SMP) and making a complying personal investment accordingly. 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 2020, 2021, 2022 and 2023 are available. After payment is made, the LTI may not be reclaimed. For the 2022 business year, the amount of the Executives' LTI was presented on the presumption of 135% (estimate) and was fulfilled at 133%.

The amount of the Executives' LTIs presented in this Remuneration Report with respect to the 2023 business year is based on the presumption of 134% target performance in accordance with the 2023 Financial Statements.

Share Matching Plan (SMP)

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 50% 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 (lock-up period), upon expiry of the lock-up period the participants are granted matching shares and may freely use them. 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 detailed rules of the program are determined by the Remuneration and Nomination Committee.

Currently SMP 2020, 2021, 2022 and 2023 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 2023 business year is based on the presumption of 100% target performance in accordance with the 2023 Financial Statements.

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 excluding roaming and Customer Centricity with rNPS (relationship Net Promoter Score) from 2023).

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.

For the 2022 business year, the amount of the Executives' Game Changer Incentive was presented on the presumption of 141.25% (estimate) and was fulfilled at 135%.

The amount of the Executives' relevant incentive programs presented in this Remuneration Report for the 2023 business year is based on the presumption of 125% target performance in accordance with the 2023 Financial Statements.

The Company's 2023 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 2023 in accordance with the Remuneration Policy.

Remuneration of the individual 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 2023

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%)	in gross HUF
		Base salary	Fringe benefits ⁱ	One-year variable	Multi-year variable					
Daria Aleksandrovna Dodonova Chief Financial Officer	2023	51 336 366	25 075 129	31 380 343	106 381 980	-	-	214 173 819	36%/64%	
Zsuzsanna Friedl Chief People Officer	2023	48 000 000	8 281 811	56 012 008	108 503 821	-	-	220 797 640	25%/75%	
Gábor Gonda Chief Commercial Officer Enterprise	2023	48 000 000	9 980 536	56 012 008	78 643 135	-	-	192 635 679	30%/70%	
Tibor Rékasi Chief Executive Officer	2023	104 921 176	13 519 791	112 228 939	234 428 964	-	-	465 098 870	25%/75%	
Lubor Zatkan Chief Technology and IT Officer	2023	48 000 000	24 291 292	56 012 008	75 179 776	-	-	203 483 076	36%/64%	
Zoltán Pereszlényi Chief Commercial Officer	2023	44 400 002	10 944 399	51 811 108	63 414 485	-	-	170 569 994	32%/68%	

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 the 2022 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 individual Directors and in the average remuneration of employees other than Directors for the business year of 2023 is presented in the below table. Change in the annual remuneration of the individual Directors is presented on a pro-rata basis complying with their assignment both in absolute numbers and in percentage, using the following indications:

- with respect those Directors, whose data for the base year is zero (0), the data is not measurable in the percentage column, therefore "n/m" has been indicated;
- with respect those Directors, whose assignment in one of the years affected by the comparison was not for the entire year, the data is not comparable in the percentage column, therefore "n/a" has been indicated;
- with respect those Directors who are not under the Remuneration Policy, it has been marked with a strikeout in the below table and "-" has been indicated.

For the sake of the uniform use of the indications, the Company has revised the „change 2021/2022" data and made the following amendments:

Elvira Gonzalez and Melinda Szabó are members of the Board of Directors from 04.12.2022, therefore the 0% disclosed earlier in the percentage column is modified to n/m respectively. Ralf Nejedl and Éva Somorjai-Tamássy were members of the Board of Directors until 04.12.2022, therefore the 0% disclosed earlier in the percentage column is modified to n/a respectively.

Gyula Bereznai and Endre Szepesi are members of the Supervisory Board from 04.12.2022, therefore the n/a disclosed earlier in the percentage column is modified to n/m respectively. Tamás Lichnovszky and Zsoltné Varga were members of the Supervisory Board until 04.12.2022, therefore the -72% disclosed earlier in the percentage column is modified to n/a respectively.

Melinda Szabó was Chief Commercial Officer until 09.14.2022, therefore the -19% disclosed earlier in the percentage column is modified to n/a. Zoltán Pereszlényi became Chief Commercial Officer from 12.01.2022, therefore the n/a disclosed earlier in the percentage column is modified to n/m.

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 2023 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										
Daniel Daub (from 04.19.2023)	-	-	0	n/m						
Dodonova Daria Aleksandrovna	0	0%	0	0%						
Gábor Fekete	431 578	8%	168 422	3%						
Elvira Gonzalez (from 04.12.2022)	0	n/m	0	n/a						
dr. Robert Hauber (until 04.19.2023)	0	0%	0	n/a						
Frank Odzuck	431 578	8%	168 422	3%						
Péter Ratatics	431 578	8%	168 422	3%						
Tibor Rékasi	0	0%	0	0%						
Melinda Szabó (from 04.12.2022)	0	n/m	0	n/a						
Ralf Nejedl (until 04.12.2022)	0	n/a	-	-						
Éva Somorjai-Tamássy (until 04.12.2022)	0	n/a	-	-						
Members of the Supervisory Board										
Gyula Bereznai (from 04.12.2022)	3 021 053	n/m	1 178 947	n/a						
Attila dr. Borbély	-937 794	-7%	937 794	7%						
Krisztina Dorogházi	0	0%	0	0%						
András Szakonyi	0	0%	0	0%						
Endre Szepesi (from 04.12.2022)	3 021 053	n/m	1 178 947	n/a						
Tamás Lichnovszky (until 04.12.2022)	-3 021 053	n/a	-	-						
Zsoltné Varga (until 04.12.2022)	-3 021 053	n/a	-	-						
Members of the Management										
Daria Aleksandrovna Dodonova	1 752 313	1%	38 259 584	22%						
Zsuzsanna Friedl	19 380 070	11%	29 107 765	15%						
Gábor Gonda	-886 262	-1%	31 946 834	20%						
Tibor Rékasi	108 825 661	33%	31 141 586	7%						
Melinda Szabó (until 09.14.2022)	-34 387 524	n/a	-	-						
Lubor Zatko	18 212 359	11%	24 940 050	14%						
Zoltán Pereszlényi (from 12.01.2022)	11 276 687	n/m	159 293 307	n/a						
Company's financial performance (mHUF)										
Revenues of Magyar Telekom Group	53 820	7.8%	102 703	13.8%						
EBITDA AL of Magyar Telekom Group	5 250	2.4%	360 428	16.4%						
profit after tax of Magyar Telekom Plc.	4 985	9.1%	14 910	25%						
Change in Company's employee average remuneration (other than Directors) (HUF) (full time equivalent)	469 445	4.8%	1 275 164	12.5%						



Submission
to the General Meeting of Magyar Telekom Plc.

**Election and determination of the remuneration
of the Company's Statutory Auditor, and
determination of the contents of the material
elements of the contract to be concluded with
the Statutory Auditor**

Budapest, April 16, 2024



PROPOSAL OF THE SUPERVISORY BOARD OF MAGYAR TELEKOM PLC. FOR THE GENERAL MEETING OF THE COMPANY IN RELATION TO THE ELECTION AND DETERMINATION OF THE REMUNERATION OF THE COMPANY'S STATUTORY AUDITOR, AND DETERMINATION OF THE CONTENTS OF THE MATERIAL ELEMENTS OF THE CONTRACT TO BE CONCLUDED WITH THE STATUTORY AUDITOR

The Supervisory Board of Magyar Telekom Plc. ("the Company") submits the following resolution proposal to the General Meeting in relation to the election and determination of the remuneration of the Company's Statutory Auditor (the "Auditor"). Furthermore, in relation to this, it proposes the contents of the material elements of the contract to be concluded with the Auditor – in addition to elements set out in the resolution proposal – to be determined with the following content:

- **Scope of the contract:**
The audits of the Separate Financial Statements and the Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS) for the 2024 business year.
- **Billing and payment:**
The fee of the Auditor shall be paid in 12 monthly installments. The Auditor may change the fees reasonably and proportionally if the scope of the work is changed (for example, significant change in Magyar Telekom Group, significant change in business or regulatory circumstances) for an unforeseeable reason, or if excess work arises for a reason attributable to the interests of the Company, provided that the scope and fees of the excess work are mutually agreed in advance by the contracting parties and the Audit Committee pre-approves the same according to its Pre-Approval Policy.
- **Duration of the contract:**
The contract is for the period ending May 31st, 2025 or if the Annual General Meeting closing the 2024 business year will be held prior to May 31st, 2025 then until the date thereof.



Resolution proposal:

The General Meeting elects as Statutory Auditor of Magyar Telekom Plc. (the “Company”)

Deloitte Auditing and Consulting Ltd. (registered office: 1068 Budapest, Dózsa György út 84/C.; company registration number: 01-09-071057; registration number: 000083)

to perform audit services for the 2023 business year in accordance with the submission, for the period ending May 31st, 2025 or if the Annual General Meeting closing the 2024 business year will be held prior to May 31st, 2025 then on the date thereof.

Personally responsible registered auditor appointed by the Statutory Auditor: Kornél Bodor (chamber membership number: 005343).

In the event he is incapacitated, the appointed deputy auditor is: Gábor Molnár (chamber membership number: 007239).

The General Meeting approves HUF 336,200,000 + VAT to be the Statutory Auditor’s annual compensation to perform audit services for the 2024 business year, covering the audits of the Separate Financial Statements and the Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS).

The General Meeting approves the contents of the material elements of the contract to be concluded with the Statutory Auditor according to the submission.

Budapest, March 6, 2024

For and on behalf of the Supervisory Board of Magyar Telekom Plc.:

Prof. Dr. Attila Borbély, Chairperson of the Supervisory Board

Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board adopted its proposal on the election and determination of the remuneration of the Company’s Statutory Auditor, and determination of the contents of the material elements of the contract to be concluded with the Statutory Auditor and proposed it to the General Meeting for adoption.



SUMMARY ABOUT THE NUMBER OF THE SHARES AND VOTING RIGHTS EXISTING AT THE TIME OF CONVENING THE ANNUAL GENERAL MEETING OF MAGYAR TELEKOM PLC. TO BE HELD ON APRIL 16, 2024

Composition of share capital of the Company as of March 6, 2024:

Share series	Nominal value (HUF/share)	Number of shares issued	Total nominal value (HUF)
Series "A" (ordinary shares)	100	971,558,867	97,155,886,700
Share capital			97,155,886,700

Number of voting rights attached to the shares as of March 6, 2024:

Share series	Number of shares issued	Number of shares with voting right	Voting right per share	Total number of voting rights	Number of treasury shares
Series "A" (ordinary shares)	971,558,867	971,558,867	1	971,558,867	41,777,718
Total	971,558,867	971,558,867		971,558,867	41,777,718