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# **Annual General Meeting of Magyar Telekom Telecommunications Public Limited Company**

April 15, 2025 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 2024**

Budapest, April 15, 2025



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 2024, 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 2024

Annual General Meeting  
April 15, 2025



## Disclaimer

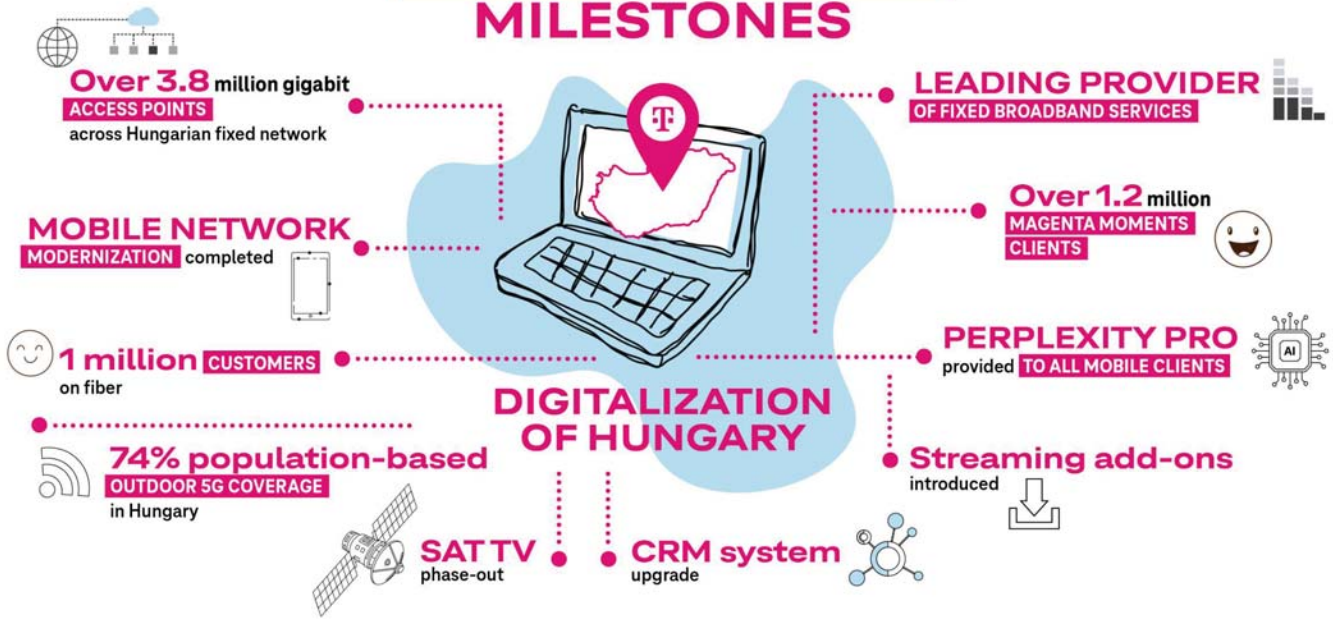
This investor presentation contains forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore should not have undue 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, 2023 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](http://www.telekom.hu/investor_relations).



# KEY OPERATIONAL MILESTONES



## External recognitions



FTSE4Good

Constituent of FTSE4Good Index Series

AAA ESG rating from MSCI



BSE - Responsibility, Sustainability, Responsible Corporate Governance Award



HVG - ESG TOP40 list 1st place



BBB+ Corporate credit rating with stable outlook from Scope Ratings



PwC Hungary – Most Attractive Workplace (Telecommunication category)



Randstad - Most Attractive Workplace (Telecommunication category)



Effie2024 "Client of the year"

Pixel Perfect Award

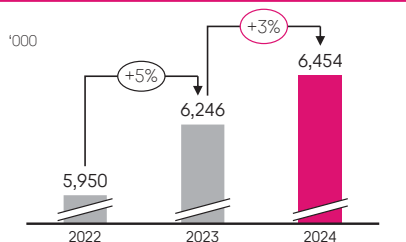


UNICEO – Live Communication Awards

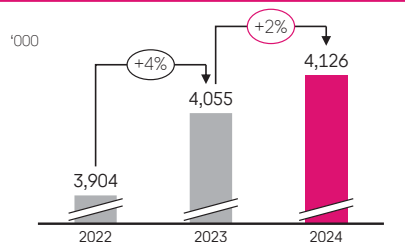


# Hungarian subscriber trends

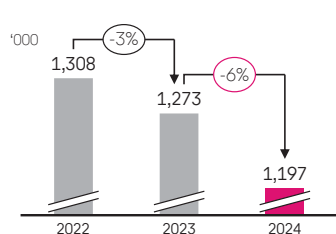
Total mobile SIMs



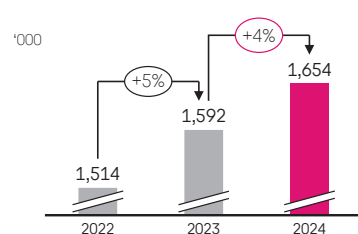
Mobile broadband subscribers



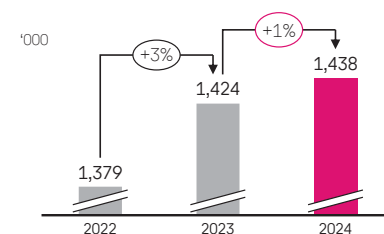
Fixed voice subscribers



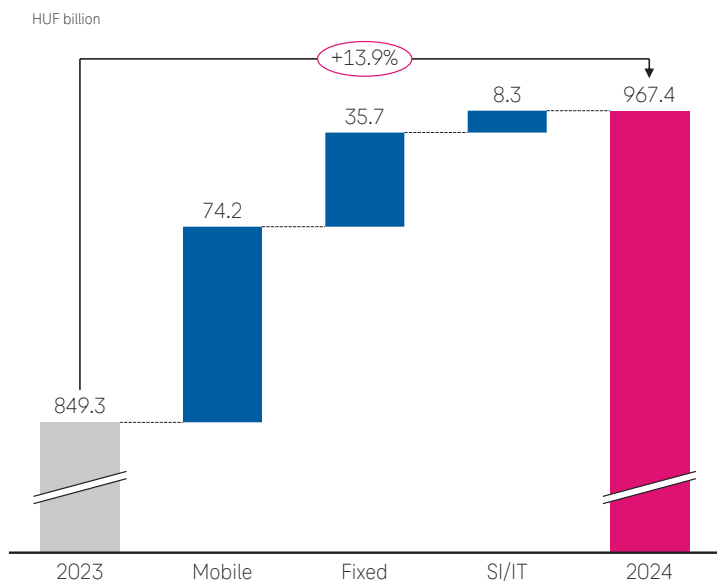
Fixed broadband subscribers



Pay TV subscribers



# Revenue development



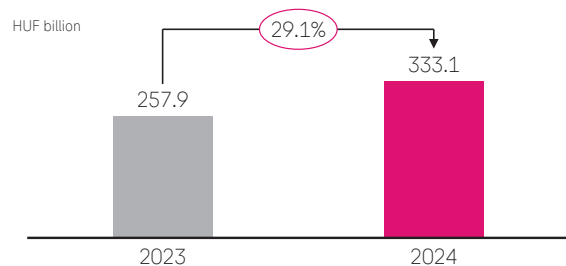
All service lines continued to grow, thanks to:

- ✓ Expanding customer base
- ✓ Sustained demand for data
- ✓ Implementation of inflation-based fee adjustment
- ✓ Major IT projects among corporate customers

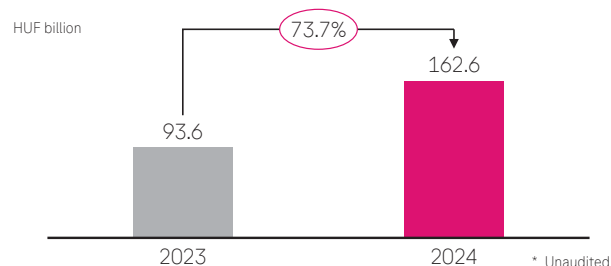


# Profitability performance

## EBITDA After Lease



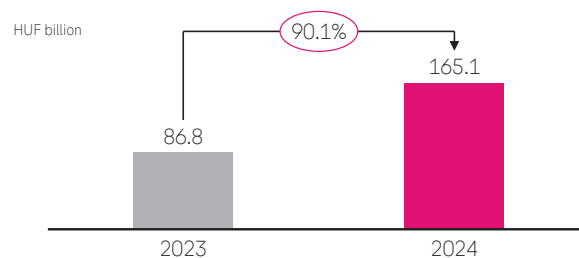
## Adjusted net income\*



Strong growth in profitability driven by:

- ✓ Excellent operational performance
- ✓ Utility tax elimination
- ✓ More favorable energy price development
- ✓ Cost discipline

## Free cash flow (excluding spectrum licenses)



# Delivery against 2024 financial targets

	2023 results	2024 guidance	2024 results (change y-o-y)
REVENUE	HUF 849.4 billion (+13.8%)	ca 10% growth	HUF 967.5 billion (+13.9%)
EBITDA AL	HUF 257.9 billion (+16.4%)	ca 25% growth	HUF 333.1 billion (+29.1%)
ADJUSTED NET INCOME	HUF 93.6 billion (+48.7%)	ca HUF 150 billion	HUF 162.6 billion (+73.7%)
FCF <sup>1</sup>	HUF 86.8 billion (+70.5%)	ca HUF 140 billion	HUF 165.1 billion (+90.1%)

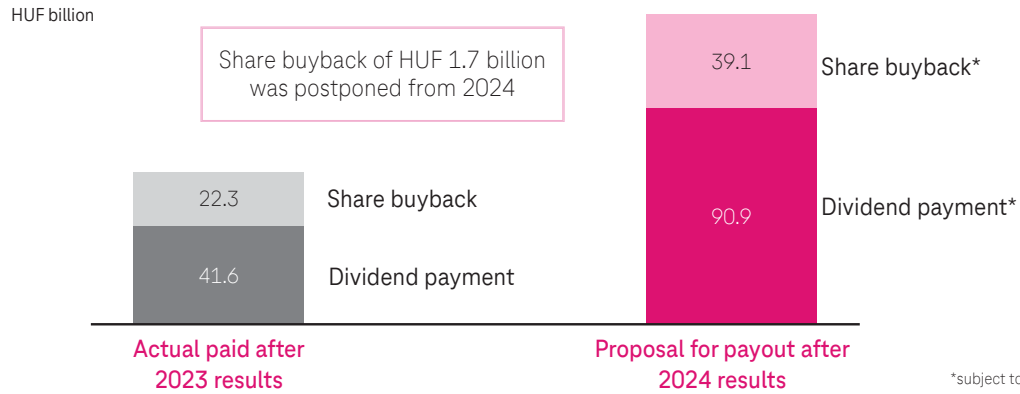
<sup>1</sup> EXCLUDING SPECTRUM LICENSES



# Total shareholder remuneration

Total shareholder remuneration after results earned in 2024 is proposed to consist of:

- 1) cash dividend of HUF 90.9 billion\* (corresponding to ca HUF 100 dividend per share)
- 2) share buyback of up to HUF 39.1 billion\*



**Thank you!**







Submission  
to the General Meeting of Magyar Telekom Plc.

**Approval of the 2024 Consolidated Financial Statements of the Company prepared in accordance with IFRS Accounting Standards and adoption of the 2024 Consolidated Sustainability Statement; presentation of the relevant report of the Audit Committee, the Supervisory Board and the Auditor**

Budapest, April 15, 2025



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.

According to the Accounting Act, as part of the business report related to annual financial statements, the Company must prepare and publish a sustainability statement in a clearly identifiable manner and in a separate section thereof. The Board of Directors submits to the General Meeting and proposes for approval the 2024 Consolidated Sustainability Statement included in the business report related to 2024 Consolidated Financial Statements.

**Resolution proposals:**

**1. The General Meeting approves the 2024 Consolidated Financial Statements of the Company, prepared in accordance with IFRS Accounting Standards as adopted by the European Union, including Statements of Financial Position Total Assets of HUF 1,530,073 million and Profit for the period 2024 of HUF 163,396 million.**

**2. The General Meeting adopts and approves the 2024 Consolidated Sustainability Statement included in the business report related to 2024 Consolidated Financial Statements.**

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 2024 Consolidated Financial Statements prepared according to IFRS Accounting Standards, 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 2024 Consolidated Financial Statements of the Company prepared according to IFRS Accounting Standards, 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 examined the 2024 Consolidated Sustainability Statement included in the business report related to 2024 Consolidated Financial Statements, agreed with and proposed it to the General Meeting for approval.



Submission  
to the General Meeting of Magyar Telekom Plc.

**Approval of the 2024 Separate Financial Statements of the Company prepared in accordance with IFRS Accounting Standards and adoption of the 2024 Separate Sustainability Statement; presentation of the relevant report of the Audit Committee, the Supervisory Board and the Auditor**

Budapest, April 15, 2025



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.

According to the Accounting Act, as part of the business report related to annual financial statements, the Company must prepare and publish a sustainability statement in a clearly identifiable manner and in a separate section thereof. The Board of Directors submits to the General Meeting and proposes for approval the 2024 Separate Sustainability Statement included in the business report related to 2024 Separate Financial Statements.

**Resolution proposals:**

**1. The General Meeting approves the 2024 Separate Financial Statements of the Company, prepared in accordance with IFRS Accounting Standards as adopted by the European Union, including Statements of Financial Position Total Assets of HUF 1,420,624 million and Profit for the period 2024 of HUF 154,012 million.**

**2. The General Meeting adopts and approves the 2024 Separate Sustainability Statement included in the business report related to 2024 Separate Financial Statements.**

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 2024 Separate Financial Statements prepared according to IFRS Accounting Standards, 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 2024 Separate Financial Statements prepared according to IFRS Accounting Standards, 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 examined the 2024 Separate Sustainability Statement included in the business report related to 2024 Separate Financial Statements, agreed with and proposed it to the General Meeting for approval.



**The 2024 Consolidated Financial Statements of the Company prepared according to the IFRS Accounting Standards, the 2024 Separate Financial Statements of the Company prepared according to the IFRS Accounting Standards and the 2024 sustainability statements of the Company (the “Sustainability Statements”) are available in the reports folder of the digital file 529900CA1YDA41X76751-2024-12-31-0-en.zip disclosed separately. The related reports of Deloitte Auditing and Consulting Ltd. are available in separately disclosed documents.**



# **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 2024 CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH IFRS ACCOUNTING STANDARDS AND THE 2024 SUSTAINABILITY STATEMENTS OF THE COMPANY**

In 2024, 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 2024, the Audit Committee held four (4) meetings and adopted resolutions without holding a meeting in writing on two (2) 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 Deloitte Auditing and Consulting Ltd as the Company’s Statutory Auditor (the “Statutory Auditor”), and as the auditor providing assurance on the Sustainability Statements of the Company (“CSRD Auditor”) (collectively the “Auditor” for the two activities).

The Audit Committee adequately supported the Supervisory Board in supervising the financial and the sustainability 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 2024:

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 (including assurance services for the Sustainability Statements) for the Company in 2024.

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 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 2024.

In relation to the 2025 Annual General Meeting the Audit Committee performed the following tasks:

- The Audit Committee reviewed and evaluated the 2024 Consolidated Financial Statements prepared in accordance with IFRS Accounting Standards 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 2024 Consolidated Financial Statements of the Company prepared in accordance with IFRS Accounting Standards, and to the General Meeting for approval the Consolidated Financial Statements including Statements of Financial Position Total Assets of HUF 1,530,073 million and Profit for the period 2024 of HUF 163,396 million.

- The Audit Committee reviewed and evaluated the 2024 Separate Financial Statements of the Company prepared in accordance with IFRS Accounting Standards 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 2024 Separate Financial Statements of the Company prepared in accordance with IFRS Accounting Standards, and to the General Meeting for approval the Separate Financial Statements including Statements of Financial Position Total Assets of HUF 1,420,624 million and Profit for the period 2024 of HUF 154,012 million.

The Audit Committee monitored the sustainability reporting processes, the activities aimed at providing assurance on the sustainability statement and the consolidated sustainability statements, in particular its implementation ensuring that it complies with the relevant legal requirements.

The Audit Committee, based on its activities, ensured consistency between the Financial Statements and the Sustainability Statements and ensured that reliability and transparency of sustainability information is consistent with the financial reporting processes.

As a responsible undertaking, the Company is committed to implementing its sustainability strategy. In the Audit Committee's opinion, the Sustainability Statements included in the business report related to the Financial Statements, the statutory audit work and the activities aimed at providing assurance on the Sustainability Statement together contribute to credibility and value creation over the long term, increase transparency and help the presentation of the risk management processes.

- The Audit Committee reviewed and evaluated the 2024 Consolidated and Separate Sustainability Statements 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 limited assurance report of the Auditor, agreed with the content of the Consolidated and Separate Sustainability 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 2024 Consolidated and Separate Sustainability Statements of the Company, and to the General Meeting for approval the 2024 Consolidated and Separate Sustainability Statements.

Budapest, March 11, 2025



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 2024, 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 2024, 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 2024 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 2024, the Internal Audit organization has completed audits:

- on the integrity of financial reports (e.g.: capex management, indirect Cost management - rental & other financial costs);
- to improve operational processes (e.g.: Telekom shop partner management, Telekom shop reconstruction, cleaning services in Telekom Shops, general overview on Telekom shop processes, Telekom TV content settlement, claim and complaint management – residential customers, discount management – Telekom shop products and services, commission of customer service desk, HR employee retention practices, Application Programming Interface management);
- to strengthen compliance and conformity with regulations (e.g.: event management, compliance with certain data protection/GDPR requirements).

As part of the annual plan Internal Audit organization supported Makedonski Telekom Internal Audit with performing Patch management in the first quarter of 2024.

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 2024, 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.

The Supervisory Board has not discovered anything to disapprove in the Company's activities in 2024, 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 2024, 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 2024 Consolidated Financial Statements prepared according to IFRS Accounting Standards, 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 2024 Consolidated Financial Statements of the Company prepared according to IFRS Accounting Standards, 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 examined the 2024 Consolidated Sustainability Statement included in the business report related to 2024 Consolidated Financial Statements, agreed with and proposed it to the General Meeting for approval.

- The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2024 Separate Financial Statements prepared according to IFRS Accounting Standards, 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 2024 Separate Financial Statements prepared according to IFRS Accounting Standards, 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 examined the 2024 Separate Sustainability Statement included in the business report related to 2024 Separate Financial Statements, agreed with and proposed it to the General Meeting for approval.

- The Supervisory Board discussed the proposal of the Board of Directors, according to which the Company shall pay a total dividend of HUF 90,858,108,400 to the shareholders from the profit of 2024. 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 2024 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 2024 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 2024.
- The Supervisory Board examined the amendment to the Company's Articles of Association proposed by the Board of Directors, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board examined the submission of the Board of Directors on the election of members of the Board of Directors, agreed with and proposed it to the General Meeting for adoption.



- The Supervisory Board examined the submission of the Board of Directors on the election of members of the Supervisory Board and the Audit Committee, 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.

The Supervisory Board examined the proposal of the Board of Directors on the election of the auditor providing assurance on the sustainability statements of the Company, 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.

Budapest, March 11, 2025

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 2024;  
presentation of the relevant report of the  
Supervisory Board and the Auditor; use of the  
profit for the year earned in 2024**

Budapest, April 15, 2025



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 90,858,108,400 shall be paid by the Company to the shareholders from the profit of 2024, the dividend on treasury shares will be distributed by the Company among the shareholders who are entitled to dividends. The HUF 90,858,108,400 to be disbursed as dividends shall be paid from the profit after tax of HUF 154,012,471,158 based on the Separate Financial Statements figures.**

**The remaining amount of HUF 63,154,362,758 of the profit after tax based on the Separate Financial Statements figures shall be allocated to retained earnings.**

**May 20, 2025 shall be the first day of dividend disbursement. The record date of the dividend payment shall be May 9, 2025. On April 23, 2025, 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 90,858,108,400 to the shareholders from the profit of 2024. 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 2024, 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 2024, 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 2024 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 2024, the Internal Audit organization has completed audits:

- on the integrity of financial reports (e.g.: capex management, indirect Cost management - rental & other financial costs);
- to improve operational processes (e.g.: Telekom shop partner management, Telekom shop reconstruction, cleaning services in Telekom Shops, general overview on Telekom shop processes, Telekom TV content settlement, claim and complaint management – residential customers, discount management – Telekom shop products and services, commission of customer service desk, HR employee retention practices, Application Programming Interface management);
- to strengthen compliance and conformity with regulations (e.g.: event management, compliance with certain data protection/GDPR requirements).

As part of the annual plan Internal Audit organization supported Makedonski Telekom Internal Audit with performing Patch management in the first quarter of 2024.

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 2024, 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.

The Supervisory Board has not discovered anything to disapprove in the Company's activities in 2024, 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 2024, 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 2024 Consolidated Financial Statements prepared according to IFRS Accounting Standards, 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 2024 Consolidated Financial Statements of the Company prepared according to IFRS Accounting Standards, 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 examined the 2024 Consolidated Sustainability Statement included in the business report related to 2024 Consolidated Financial Statements, agreed with and proposed it to the General Meeting for approval.

- The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2024 Separate Financial Statements prepared according to IFRS Accounting Standards, 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 2024 Separate Financial Statements prepared according to IFRS Accounting Standards, 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 examined the 2024 Separate Sustainability Statement included in the business report related to 2024 Separate Financial Statements, agreed with and proposed it to the General Meeting for approval.

- The Supervisory Board discussed the proposal of the Board of Directors, according to which the Company shall pay a total dividend of HUF 90,858,108,400 to the shareholders from the profit of 2024. 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 2024 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 2024 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 2024.
- The Supervisory Board examined the amendment to the Company's Articles of Association proposed by the Board of Directors, agreed with and proposed it to the General Meeting for adoption.
- The Supervisory Board examined the submission of the Board of Directors on the election of members of the Board of Directors, agreed with and proposed it to the General Meeting for adoption.



- The Supervisory Board examined the submission of the Board of Directors on the election of members of the Supervisory Board and the Audit Committee, 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.

The Supervisory Board examined the proposal of the Board of Directors on the election of the auditor providing assurance on the sustainability statements of the Company, 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.

Budapest, March 11, 2025

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 2024; authorization of the  
Board of Directors to purchase ordinary Magyar  
Telekom shares**

Budapest, April 15, 2025



## **1. INFORMATION OF THE BOARD OF DIRECTORS ON THE PURCHASE OF TREASURY SHARES FOLLOWING THE ANNUAL GENERAL MEETING IN 2024**

The General Meeting of Magyar Telekom Plc. held on April 16, 2024 authorized the Board of Directors with its resolution no. 8/2024 (IV.16.) 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 16, 2024, upon granting the authorization, Magyar Telekom Plc. owned 41,777,718 series "A" ordinary Magyar Telekom shares.

In accordance with the authorization, until February 25, 2025, the Company purchased a total number of 21,200,065 Magyar Telekom ordinary shares with the aggregate face value of HUF 2,120,006,500, which constitute a 2.3% proportion of the share capital, for a total purchase price of HUF 22,344,636,596. The buyback was executed between June 19, 2024 and June 26, 2024 on the Budapest Stock Exchange - via daily trading and negotiated transactions, for the purpose of 2024 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. 8/2024 (IV.16.) for the Board of Directors to purchase ordinary shares shall expire on October 16, 2025. 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. 8/2024 (IV.16.) 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 and 2025;**
- **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 234,654,374 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. 8/2024 (IV.16.) 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 2024 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 15, 2025



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](http://www.bet.hu)).

**Resolution proposal:**

**The General Meeting approves the Corporate Governance and Management Report of the Company for the 2024 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 2024 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 2024 BUSINESS YEAR**

Submitted to the General Meeting by the Board of Directors of Magyar Telekom Plc. on February 25, 2025 with Resolution No. 1/15 (02.25.2025) and approved by the Supervisory Board on March 11, 2025 with Resolution No. 1/5 (03.11.2025).  
**The Corporate Governance and Management Report was approved with Resolution No. [•]/2025 (IV.15.) by the Annual General Meeting of the Company held on April 15, 2025.**



## 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 2024 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 a 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/board_of_directors)

[http://www.telekom.hu/about\\_us/investor\\_relations/corporate\\_governance/supervisory\\_board](http://www.telekom.hu/about_us/investor_relations/corporate_governance/supervisory_board)

[https://www.telekom.hu/about\\_us/investor\\_relations/corporate\\_governance/management](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, 2024, the Board of Directors had eight (8) members. The mandate 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 mandate 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 Ratatics.



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 mandate 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 mandate 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/20230919_MT_BoD_RoP_ENG.pdf)

[https://www.telekom.hu/static-tr/sw/file/20210608\\_MT\\_SB\\_RoP.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 2024 the Board of Directors held four (4) meetings in accordance with its Preliminary Meeting Schedule at which the average rate of attendance of the members (either personally or by means of any electronic communication) was 88%. The Board of Directors adopted resolutions without holding a meeting in writing in four (4) cases.

The most important issues discussed by the Board of Directors in year 2024 were as follows:

- Magyar Telekom Group strategy, Objectives and Key results of the Company;
- business planning for years 2025-2028;
- monitoring financial performance;
- proposals to the General Meeting, including proposal on the approval of the year 2023 financial statements, the use of the profit for the year earned in 2023 and the dividend;
- shareholder remuneration policy implementation for the profit earned in 2023;
- cooperation with Deutsche Telekom AG;
- M&A decisions;
- 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;
- election of the auditor for providing assurance on the Sustainability Report for 2024;
- decision on the establishment, amendment and the termination of the employment contract of certain Top Executives.

The Supervisory Board held four (4) meetings in business year 2024 at which the average rate of participation (either personally or by means of any electronic communication) was 100%.

The most important issues discussed by the Supervisory Board in 2024 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 2025-2028;
- 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 2023.





#### 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 2024 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 2024 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 2024 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 2024;
- 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 2024 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. 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](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 2024, with 100% average participation rate, and made further written resolutions without holding a meeting on two (2) 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;
- Y2023 financial statements audit;



- independent auditor's report on the Y2023 Consolidated Financial Statements of the Company prepared according to the International Financial Reporting Standards ("IFRS") and the Y2023 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;
- Y2023 Recommendation Letter and the response of the management of the Company;
- planning report of the statutory Auditor for Y2024, including Y2024 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 Y2024;
- Audit Committee tasks related to Magyar Telekom Group's Sustainability Report prepared for 2024;
- 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;
- Y2023 Consolidated Financial Statements of the Company prepared according to the IFRS and the Y2023 Separate Financial Statements of the Company prepared according to the IFRS, and the proposals for the acceptance of these financial statements;
- 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](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](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 mandate of the members is the same period as their mandate as members of the Board of Directors.

The purpose of the Remuneration and Nomination Committee is 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 2024 the Remuneration and Nomination Committee held three (3) meetings with 89% average 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 2023 bonus targets of Magyar Telekom Group's Top Executives;
- target setting of the year 2024 for Magyar Telekom Nyrt.'s Top Executives;
- proposal on the evaluation of the year 2023 EU Game Changer Incentive (GCI) target of Magyar Telekom Nyrt.'s Top Executives;
- proposal on the approval of the EU Game Changer Incentive 2024 of Magyar Telekom Nyrt.'s Top Executives;
- proposal on KPI Realizations and Payment of the 2020 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);
- proposal for the remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee;
- reviewing the Remuneration report 2023;
- proposal on the amendment of the Remuneration Policy;



- proposal on the establishment, amendment and the termination of the employment contract of certain Top Executives and defining the remuneration of Top Executives;
- report to the Board of Directors of Magyar Telekom Plc. on the operation of the Remuneration and Nomination Committee in 2023;

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](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 2024 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 2024 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 2024 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](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/20250101\\_Articles\\_of\\_Association.pdf](https://www.telekom.hu/static-tr/sw/file/20250101_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/20250101\\_Articles\\_of\\_Association.pdf](https://www.telekom.hu/static-tr/sw/file/20250101_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/20240416\\_Remuneration\\_Policy.pdf](https://www.telekom.hu/static-tr/sw/file/20240416_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. Lead in Digital Life and Business
2. Compete on value





3. Undisruptable Telekom
4. Experience is a differentiator

The pillars serving the purpose of retaining 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 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 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.
- 

Remuneration of Members of the Board of Directors the Supervisory Board and the Audit Committee as of December 31, 2024 are as follows:

The Chairman of the Board of Directors:	HUF 690 000 per month
The Members of the Board of Directors:	HUF 575 000 per month
The Chairman of the Supervisory Board:	HUF 690 000 per month
The Members of the Supervisory Board:	HUF 402 500 per month
The Chairman of the Audit Committee:	HUF 644 000 per month
The Members of the Audit Committee:	HUF 322 000 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 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.

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 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.

#### 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 15, 2025



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 2024 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 2024 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 2024.



Submission  
to the General Meeting of Magyar Telekom Plc.

## **Amendment of the Articles of Association**

(Sections affected by the amendment: 1.5., 2.1., 2.2., 4.1., 4.3., 5.2., 5.8., 5.9., 5.10., 5.11., 6.2., 7.2., 7.6., 8.1., 10.1., 10.2., 11., 14.1., 14.2. and Annex 2)

Budapest, April 15, 2025



According to Section 3:276(1) of the Civil Code and Section 5.2. (a) of the Articles of Association, the decision on the amendment of the Articles of Association falls into the exclusive scope of authority of the General Meeting of the Company, unless otherwise provided for by the law or the Articles of Association.

**Main reasons for amending the Articles of Association are as follows:**

- amendments resulting from legislative changes,
- recent amendments to the General Terms of Service of the Budapest Stock Exchange (BSE),
- updates to voting process at General Meeting; deletion of outdated provisions,
- improvement of consistency, clarity (minor technical amendments, new font type).

**Amendments section by section**

Reference to the Articles of Association	Amendment	Reasoning
1.5.	wording change (main activity), amending and reclassifying other activities in Annex 2	legislative change (new statistical classification - TEÁOR'25) as of January 1, 2025
4.1.	deletion of 12-month limitation re. powers of attorney	amendment to the BSE's General Terms of Service as of January 27, 2025
4.3.	deletion of reference to KELER and the Budapest Stock Exchange	improving consistency, simplicity
5.8., 5.10.	deletion of Section 5.10. by combining its provisions with Section 5.8	improving consistency, simplicity
5.9., 5.10., 5.11.	simplification of rules on voting at General Meeting; minor clarification, deletion of outdated provisions	simplification and avoidance of deadlock in case of voting system breakdown
7.6.3.	supplementing AC tasks re. sustainability reporting	legislative changes (Capital Markets Act) as of October 9, 2024
14.1, 14.2	adding official and governing language	improving clarity
Various (e.g. 1.5., 2.2, 5.2., 7.2., 7.6., 10.2.)	deletion of superfluous numbering, outdated reference	improving consistency
Various (e.g. 2.1., 4.1., 6.2., 7.2., 8.1., 10.1, 11.)	correction of spelling errors	improving wording

The amendments to the Articles of Association are highlighted with track changes in the Annex of the submission as follows: red colored strikethrough text indicates the deleted text, while blue colored underlined text indicates the new text.

**Resolution proposals:**

**1. The General Meeting resolves that amendments to the Articles of Association proposed by the Board of Directors shall be decided in a single joint vote; while any admissible amendment that may be proposed by shareholders shall be decided in additional separate votes.**

**2. The General Meeting approves the amendment to Sections 1.5., 2.1., 2.2., 4.1., 4.3., 5.2., 5.8., 5.9., 5.10., 5.11., 6.2., 7.2., 7.6., 8.1., 10.1., 10.2., 11., 14.1., 14.2. and Annex 2 of the Articles of Association as set out in the Annex of the submission.**

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



The Supervisory Board examined the amendment to the Company's Articles of Association proposed by the Board of Directors, agreed with and proposed it to the General Meeting for adoption.





Annex

# Unofficial Translation of the Amended and Restated Articles of Association of Magyar Telekom Telecommunications Public Limited Company

~~January 1, 2025~~ [April 15, 2025](#)

*The reason for preparing this amended Articles of Association was the amendment of Annex 1 effective as of January 1, 2025, based on resolution no. 6/5 (12.03.2024) adopted by the Board of Directors of the Company on December 3, 2024 in accordance with the authorization in Section 6.4. (p) of the Articles of Association is highlighted with bold and italic font.*



Amendments effective as of April 15, 2025, based on resolution no. [●]/2025 (IV.15.) adopted by the General Meeting of the Company on April 15, 2025, of the Articles of Association are highlighted with bold and italic fonts.



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# 1. COMPANY DATA

## 1.1. Name of the Company

The Name of the Company: Magyar Telekom Távközlési Nyilvánosan Működő Részvénytársaság  
The Abbreviated Name of the Company: Magyar Telekom Nyrt.

## 1.2. Name of the Company in English

The Name of the Company in English: Magyar Telekom Telecommunications Public Limited Company  
The Abbreviated Name of the Company in English: Magyar Telekom Plc.

## 1.3. Registered Office of the Company

1097 Budapest, Könyves Kálmán krt. 36.

## 1.4. Sites and Branch Offices of the Company

Sites and Branch Offices of the Company are listed in Annex 1.

## 1.5. Scope of Activities of the Company

### ~~1.5.1.~~ Main activity:

61.10 ~~'0825~~ Wired, wireless, and satellite telecommunications activities

### ~~1.5.2.~~ Other activities:

Activities of the Company other than the main activity are listed in Annex 2.

# 2. SHARE CAPITAL AND SHARES OF THE COMPANY

## 2.1. Share capital and shares

The share capital of the Company is HUF 93,861,749,700 (that is Ninety-three billion eight hundred and sixty-one million seven hundred and forty-nine thousand seven hundred Hungarian forints), comprised of 938,617,497 series "A" ordinary shares, each with the face value of HUF 100.

The shares of the Company are dematerialized shares.



## 2.2. Share Register

~~2.2.1~~—The keeper of the Share Register is the Board of Directors of the Company (the Board) 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 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 are registered.

~~2.2.2~~—A shareholder who has been formally identified must be registered in the Share Register upon the shareholder's request made to the keeper of the Share Register. A registered shareholder shall be deleted from the Share Register upon the shareholder's request. The keeper of the Share Register may refuse the registration request of a formally identified shareholder if such shareholder has acquired its shares in violation of the regulations on the transfer of shares set out by law or these Articles of Association.

~~2.2.3~~—Anyone may inspect the Share Register. The keeper of the Share Register provides access for inspection to the Share Register at its registered office during working hours continuously. Those who are subject of any data, current or deleted, contained in the Share Register may request a copy of the section which pertains to them from the keeper of the Share Register. Such copies shall be supplied free of charge within five days to the entitled.

## 3. FAILURE TO PROVIDE CONTRIBUTION IN CONSIDERATION FOR SHARES

### 3.1. Delay in providing contribution

Should a shareholder fail to make the contribution due to be paid to the Company, the Board shall set a 30-day deadline and call on the shareholder for compliance.

### 3.2. Termination of Shareholders' rights

Should any shareholder fail to observe the 30-day deadline set under Section 3.1., their shareholding status (their shareholder's rights on the share(s) not paid up) shall cease on the day following the expiry of the deadline. The former shareholder shall be held liable for damages caused to the Company by virtue of his failure to provide the contribution in accordance with the rules pertaining to damages caused by breach of contract. If no other person assumes the obligation of the shareholder to provide contribution for the shares undertaken to be subscribed, the share capital of the Company shall be decreased by the amount of the contribution committed by such shareholder in default.

The conditions of assuming such obligation shall be determined at the same time when adopting a General Meeting resolution on capital increase, considering the provisions of Section 10.

The defaulting shareholder is entitled to the value of the contribution when their successor shareholder has paid their contribution in full to the Company or after the decrease of the share capital.

## 4. 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.

No certificate of ownership is required for exercising shareholders' rights when this entitlement is verified by way of the identification procedure ordered by the Company.



Where the identification procedure is requested by the Company, the keeper of the Share Register shall delete all data contained in the Share Register at the time of the identification procedure, and shall simultaneously enter the data obtained upon the identification procedure 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.

Shareholders may exercise shareholders' rights through representatives. Members of the Board, the Supervisory Board and the Statutory Auditor may not function as a representative of a shareholder.

A shareholder may appoint a nominee - after being registered in the register of shareholders - to exercise some or all rights of that shareholder before the Company in their own name and for the benefit of the shareholder.

#### **4.1. Participation at the General Meeting, voting rights**

Shareholders shall have the right to participate at the General Meeting, and if holding shares with voting rights, to vote.

Shareholders may exercise their shareholders' right in person or through their duly authorized representatives. The proxy given to a duly authorized representative shall be set forth in a notarized document or a private document with full probative force. The proxy, in accordance with the effective law from time to time, shall contain clearly and expressively:

- a) the shareholder's statement for authorization for the representative,
- b) the shareholder as Principal and the representative as proxy,
- c) the proxy is valid for one general meeting or a fixed period of time, ~~but not exceeding twelve months,~~
- d) whether it covers the resumption of the suspended general meeting and the general meeting re-convened due lack of quorum,
- e) any further possible limitation of the proxy.

Where a shareholder is represented by more than one representatives, and if these representatives are contradicted in their votes or statements, all such votes and statements shall be considered null and void.

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 and authorised representatives shall identify themselves during the registration of the General Meeting.

The holder of each Series "A" ordinary share shall be entitled to one vote at the General Meeting.

Persons who certify their share ownership prior to the General Meeting, during registration by way of a securities account statement, issued to the name of the person but are not registered in the Share Register, may participate at the General Meeting but may not exercise shareholders' rights.

#### **4.2. Rights to information**

Shareholders shall have the right to request information, make remarks and motions at the General Meeting.

The Board 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.



The Company shall publish on its web site at least 21 days prior to the General Meeting:

- (a) the total number of shares and voting rights at the date of the convocation (including separate totals for each class of shares);
- (b) submissions relating to the items on the agenda and the related reports of the Supervisory Board, together with the resolution proposals.

Public General Meeting materials may be sent at the time of publication of such General Meeting materials by way of electronic means (only via email) to the shareholders who specifically requested it.

### 4.3. Dividend

Shareholders shall be entitled to receive a portion from the Company's profit after tax that is available and has been ordered for distribution by the General Meeting in proportion with the nominal value of their shares.

Those 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. The Company shall publish a notice regarding the dividend and pay the dividend in accordance with the relevant rules ~~of the Budapest Stock Exchange and the KELER Zrt.~~ The Company shall pay dividends to shareholders from the date specified by the relevant resolution of the General Meeting via bank transfer.

Shareholders may claim dividends during the period specified by law (five years). After that time their claim for dividends shall be time barred.

The General Meeting or, by authorization of these Articles of Association, the Board may adopt a decision for the payment of interim dividends between the approval of two consecutive financial reports if:

- (a) according to the interim balance sheet, the Company has sufficient funds to cover such interim dividends;
- (b) the amount distributed does not exceed the amount of untied retained earnings supplemented with the profit after tax shown in the interim financial statement; and
- (c) the payment of such interim dividends may not result in the Company's adjusted equity capital to decrease below its share capital.

Payment of interim dividends may be resolved upon the proposal of the Board. The consent of the Supervisory Board is required to such proposal of the Board.

If according to the annual financial statements prepared after the distribution of interim dividends there was no justification for the payment of dividends, such distribution must be returned by the shareholders when so requested by the Company. Any dividend that is payable on the Company's own shares shall be taken into account at nominal value as pertaining to shareholders with respect to the dividends payable on their shares.

The Company shall not be liable for interest on dividends.

### 4.4. Minority rights

Shareholders of the Company together controlling at least one per cent of the voting rights may, at any time, request that the Company's General Meeting be convened, indicating the reason and the purpose thereof. If the Board fails to comply with such request within eight days of the date of receipt, and fails to convene the General Meeting at the earliest possible date, the Court of Registration shall convene the General Meeting at the request of the shareholders making the proposal, or shall empower the requesting shareholders to convene the meeting. The expected costs shall be covered by the requesting shareholders. The Company's General Meeting shall decide in a meeting convened at the request of minority stakeholders whether the costs incurred be borne by the Company or the persons convening such meeting.

If the General Meeting of the Company has refused - or did not present for decision - a proposal that the last financial report, or any economic event which has occurred in connection with the activities of management during the last two years, or any commitment be examined by an auditor to be engaged specifically for this purpose, such examination shall be ordered,



and the auditor shall be appointed, at the Company's expense by the Court of Registration upon a request by any one shareholder or shareholders controlling at least one per cent of the votes submitted within a 30-day preclusive period calculated from the General Meeting. The Court of Registration shall refuse the request in the event of abuse of minority rights by the shareholders presenting the request. The Company's Statutory Auditor may not be appointed to carry out such special audits. The costs of the audit shall be advanced by the requesting members. The costs of the audit shall be borne by the Company, except if requesting the audit was manifestly unfounded.

If the General Meeting of the Company has refused - or did not present for decision - a motion to enforce a claim against a shareholder, members of the Board, the Supervisory Board or against the Statutory Auditor of the Company, any one shareholder or shareholders controlling at least one per cent of the votes may move within a 30-day preclusive period calculated from the General Meeting to enforce such claim themselves for the benefit of the Company.

If shareholders together controlling at least one per cent of the votes in the Company notify the Board - 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 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.

## 5. THE GENERAL MEETING OF THE COMPANY

### 5.1. Status 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 all shareholders, other bodies and officers of the Company.

### 5.2. Matters within the Exclusive Scope of Authority of the General Meeting

The following matters shall be within the exclusive scope of authority of the General Meeting:

- (a) to draw up and amend these Articles, unless otherwise provided by law or these Articles;
- (b) the increase of the registered capital of the Company, unless otherwise provided by law;
- (c) the decrease of the registered capital of the Company, unless otherwise provided by law;
- (d) to amend the rights attached to individual series of shares;
- (e) any merger into, consolidation with another company or de-merger of the Company, or any termination, dissolution, liquidation, or transformation of the Company into another operational or corporate form. In the process of transformation if the Board prepares the documents necessary for the transformation, the General Meeting of the Company - according to the applicable law - may adopt a final decision on the transformation with holding only one meeting. In this case, draft terms of transformation including draft transformation asset balance- and asset inventory pertaining to the date specified by the Board, within the preceding six months, and controlled by the auditor, shall be presented for the meeting;
- (f) decision on issuing convertible, equity or subscription right bonds, unless otherwise provided by law;
- (g) to elect, remove and determine the remuneration of the members and substitute members of the Supervisory Board, the Audit Committee and the Board and enforcement of claims for damages against members of the Supervisory Board and the Board;
- (h) to elect, remove and determine the remuneration of the Statutory Auditor of the Company and to define the contents of the **essential material** elements of the contract to be concluded with the Statutory Auditor and enforcement of claims for damages against the Statutory Auditor;





- (i) to approve the financial statements pursuant to the Accounting Act, and to decide on the utilisation of the profit after tax earnings;
- (j) to approve the corporate governance and management report;
- (k) ~~subject to Section 10.3.~~, to appoint the person(s), pursuant to the provisions of law, that are authorized to take over for shares in any private increase of the Company's capital;
- (l) to approve the registration of the Company's shares on a stock exchange with the exception of the transfer of shares admitted to trading belonging to the scope of authority of the Board;
- (m) decision on request to delist the Company's shares from a stock exchange;
- (n) decision on granting relief to the members of the Board;
- (o) decision on the payment of interim dividends, unless otherwise provided by these Articles;
- (p) decision on the acquisition of the Company's own shares, unless otherwise provided by law;
- (q) decision on the exclusion of preference right regarding subscription or commitment for subscription of shares;
- (r) advisory voting on supporting or rejecting the Remuneration Policy and Remuneration Report;
- (s) decision on any other issue that is referred to the authority of the General Meeting by law or these Articles.

### **5.3. Passing Resolutions**

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

### **5.4. Right to Convene General Meetings**

The General Meeting shall be convened by persons authorized by law and these Articles.

### **5.5. Holding of a General Meeting**

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 shall be 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.

### **5.6. Convocation of the General Meeting**

Notice of the General Meeting of the Company shall be published in the manner stipulated by law and these Articles 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 these Articles.

The public notice of the General Meeting shall contain

- (a) the name and the registered office of the Company;
- (b) the date and the venue of such General Meeting;



- (c) the way of holding the General Meeting;
- (d) the items on the agenda of such General Meeting;
- (e) the place and the date of the reconvened General Meeting to be held if the General Meeting does not have a quorum;
- (f) the conditions for the exercise of the voting rights at the General Meeting set out in the Articles of Association and the detailed conditions and information regarding the participation at the General Meeting, identification of the shareholders, ~~and the~~ certification of the method of the representation and registration at the General Meeting;
- (g) the conditions regarding the exercise of the right to supplement to the agenda of the general meeting and the place of the availability of the original and full text of the resolution proposals and documents to be submitted to the General Meeting.

## 5.7. Quorum

The General Meeting shall have a quorum if shareholders representing more than half of the shares carrying voting rights are present at the General Meeting 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.

## 5.8. Opening of the General Meeting, election of its Officials

The Chairperson of the General Meeting shall be elected by the General Meeting on the basis of the submission of the Board. Until the election of the Chairperson of the General Meeting, the person proposed to be the Chairperson in the Board's submission shall chair the General Meeting. Additionally, the General Meeting elects the keeper of the Minutes and the authenticator of the Minutes.

## 5.9. Chairperson of the General Meeting

The Chairperson of the General Meeting:

- (a) shall determine the quorum;
- (b) shall make recommendations for the minute keeper of the General Meeting, for the shareholder, or its proxy to certify the minutes, ~~and, in the event of non-computerised voting, for the tellers. In the event of computerised voting, the Chairperson of the General Meeting shall act as teller;~~
- (c) shall have the General Meeting adopt the order of discussion ~~sequence~~ in which items on the agenda, including items duly added to the agenda, shall be discussed;
- (d) shall chair the General Meeting, its discussions, grant or revoke speakers right to contribute;
- (e) may stipulate a time limit for contributions to the discussion;
- (f) shall state the result of the votes and shall declare the resolutions of the General Meeting;
- (g) shall call for breaks;
- (h) may propose the suspension of the General Meeting;
- (i) shall declare the General Meeting closed if each resolution on the agenda has been voted on.



## ~~5.10. Election of the Officials of the General Meeting~~

~~The General Meeting shall elect the keeper of the minutes, the person who shall certify the minutes, and, in case of non-computerised voting, the tellers, and the Chairperson of the General Meeting based on the proposal of the Board.~~

## ~~5.11~~10. Voting Procedures

~~5.11.1.~~ At the General Meeting the voting shall be computerised. If computerised voting is not possible for any reason (e.g. technical error) ~~the~~ Chairperson of the General Meeting may ~~propose~~ decide so that some or all of the items of the agenda be voted upon in lieu of computerised voting by the show of the voting cards. ~~The Chairperson's motion shall be decided by a simple majority vote of the General Meeting.~~

~~5.11.2.~~ At the venue of the General Meeting, during registration; by signing the attendance sheet by the shareholder the Company shall issue a voting card or provide a voting device for computerised voting to each holder of voting shares after verification that the shareholder is duly registered in the Share Register.

~~5.11.3.~~ In the event of computerised voting, the tally of the votes shall proceed electronically and the Chairperson of the General Meeting qualifies as the teller. Before the voting takes place, the Chairperson or the person designated by the Chairperson shall ~~advise~~ inform the General Meeting on the technical details of the computerised voting. The shareholders shall be ~~advised~~ informed of the results of votes by the Chairperson.

~~5.11.4.~~ In the event of non-computerised voting, each shareholder shall receive a voting card. ~~Voting cards shall set out the name, address or registered seat and the number and series of shares held by the shareholder or the nominee and the number of votes such shareholder is entitled to cast.~~ The voting shall proceed by the show of the voting cards, the counting of the votes shall be carried out by the tellers asked for by the Chairperson of the General Meeting. by signing the attendance sheet by the shareholder. Before the voting takes place, the Chairperson or the person designated by the Chairperson shall inform the General Meeting on the technical details of the non-computerised voting. The shareholders shall be informed of the results of votes by the Chairperson.

## 6. BOARD OF DIRECTORS

### 6.1. Status of the Board of Directors

The Board shall be the management body of the Company and the Board shall represent the Company with regard to third parties, in court and before other authorities.

### 6.2. Members of the Board of Directors

The Board shall be comprised of a minimum of five (5), and a maximum of eleven (11) members. The members of the Board shall be elected by the General Meeting. The mandate of the members of the 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 than their mandate lasts until the date thereof. Members of the Board 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 shall not affect the employment rights of such person with the Company where such member of the Board is also an employee of the Company. The General Meeting has the right to elect substitute member(s) to the Board, whose membership in the Board shall be conditional upon the number of the members of the Board falling below five (5). If more than one substitute members are elected, their substitution ranking shall also be determined. The provisions regarding the expiry of the mandate of the members of the Board shall apply to such substitute member(s) to the Board.

### 6.3. Rules of Procedure and Chairperson of the Board of Directors



Subject to the provisions of applicable law and these Articles, the Board shall draw up its own Rules of Procedure. The Chairperson [and, if deemed necessary by the Board, the Deputy Chairperson] of the Board shall be elected in accordance with the provisions of the Rules of Procedure of the Board. The Chairperson of the Board shall have the right to delegate permanent invitees to the meetings of the Supervisory Board.

## 6.4. Scope of authority of the Board of Directors

The Board shall

- (a) be responsible for all matters relating to the Company's management and course of business not otherwise reserved to the General Meeting or to other corporate bodies by these Articles or by law;
- (b) cause the report including the balance sheet and the profit and loss statement of the Company to be prepared pursuant to the Accounting Act together with a proposal on the use of the profit after tax;
- (c) prepare the corporate governance and management report and submit it to the General Meeting;
- (d) have the books of the Company, including among others accounting records and the Shareholders' Register, maintained in compliance with applicable regulations;
- (e) make such filings with the Court of Registration and publish such information as may be required by applicable law and these Articles;
- (f) draw 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;
- (g) adopt the annual business plan of the Company which shall contain specific authorisations to the management that are necessary for the operation of the business of the Company;
- (h) have the authority to create committees of the Board consisting exclusively of Board members and to delegate part of its authority to such committees;
- (i) have the authority to create committees of Board members and non-Board members and to delegate authority to such committees;
- (j) exercise employer's rights towards the employees of the Company pursuant to the Rules of Organisation and Operation as defined by the Board;
- (k) prepare quarterly reports for the Supervisory Board on the management, financial status and the business policy of the Company;
- (l) ensure the purchase of own shares on the basis of the authorization of the General Meeting, and in connection with this approve the interim statement of financial position if necessary, and arrange for the alienation of the Company's own shares;
- (m) on the basis of the authorization of the General Meeting decide on increasing of the registered capital of the Company, and in connection with this approve the interim statement of financial position if necessary, that is allocated to its scope of authority and the related amendment of the Articles;
- (n) contract with the Statutory Auditor to carry out the statutory auditing activities within 90 days following the General Meeting's resolution on the election of the Statutory Auditor;
- (o) decide on termination of trading of shares on a given regulated market by transfer between trading venues;
- (p) make decisions regarding any change in the registered office, sites, branch offices and – except for the main activity – the scope of activities of the Company and in relation to this, to modify these Articles;
- (q) on the basis of the authorization of the General Meeting, decide on interim dividend payment and in connection with this approve the interim statement of financial position if necessary; and
- (r) approve the related party transactions if such approval is required by law.



## 6.5. Liability of the members of the Board of Directors

Members of the Board shall conduct the management of the Company based on the primacy of the interests of the Company. Members of the Board shall be 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 liable for damages caused to a third party by a member of the Board in connection with their conduct in such capacity. A member of the Board and the Company shall be jointly and severally liable if that member of the Board caused the damage intentionally.

## 7. SUPERVISORY BOARD

### 7.1. Status of the Supervisory Board

The Supervisory Board oversees the management in order to protect the interests of the Company.

### 7.2. Members of the Supervisory Board

~~7.2.1-~~The Supervisory Board shall be comprised of five (5) members. The members shall be elected by the General Meeting. The mandate 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 than their mandate lasts until the date thereof. The General Meeting has the right to elect employee substitute member(s) and independent substitute member(s) to the Supervisory Board, whose membership in the Supervisory Board shall be conditional upon the number of the employee members of the Supervisory Board falling below two (2), and the number of the independent members of the Supervisory Board falling below three (3), respectively. If more than one employee and/or independent substitute members are elected, their substitution ranking shall also be determined. The provisions regarding the expiry of the mandate of the members of the Supervisory Board shall apply to the mandate of such substitute member of the Supervisory Board.

~~7.2.2-~~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

~~7.2.3-~~The Supervisory Board member shall not be regarded as an independent member, if

- a) he is an employee or an ex-employee of the Company, in the latter case the conflict of interest exists for five years from the termination of the employment;
- b) provides advisory services or other activities as a retained advisor for the Company or its senior managers in return of remuneration;
- c) he is a shareholder of the Company who either directly or indirectly owns at least 30% of the votes or is a close relative or domestic partner to such person;
- d) he is a close relative or domestic partner of any non-independent executive officer or executive employee of the Company;
- e) on the basis of his membership in the Supervisory Board he is entitled to receive remuneration in case of the profitable operation of the Company or receives any other remuneration besides his fee as a Supervisory Board member from the Company or an affiliated business association to the Company;
- f) he is in a legal relationship with a non-independent member of the Supervisory Board in another business association on the basis of which the non-independent member has controlling or supervisory rights;
- g) he is the Statutory Auditor of the Company or a member or an employee thereof for three years from the termination of this legal relationship;
- h) he is an executive officer or executive employee in a business association whose independent Board member is also an executive officer of the public limited company.

~~7.2.4-~~The employee representatives in the Supervisory Board shall be nominated by the Central Workers' Council considering the opinion of the trade unions operating at the Company. Persons nominated by the Central Workers' Council



shall be elected by the General Meeting as members of the Supervisory Board, except if a disqualification exist in respect of the nominated persons.

### 7.3. Rules of Procedure and Chairperson of the Supervisory Board

The Chairperson (and, if deemed necessary by the Supervisory Board, the Deputy Chairperson) of the Supervisory Board shall be elected by the Supervisory Board from among its members in accordance with the provisions of the Rules of Procedure of the Supervisory Board. The Chairperson of the Audit Committee shall be elected by the members of the Supervisory Board out of the members of the Audit Committee. If the Chairperson of the Supervisory Board is also a member of the Audit Committee, the Chairperson of the Supervisory Board shall be deemed to be elected as the Chairperson of the Audit Committee as well. The Supervisory Board and the Audit Committee can hold joint meetings. Permanent invitees delegated by the Chairperson of the Board shall be entitled to attend all meetings of the Supervisory Board and shall be entitled to receive all submissions, preparatory materials and other information that is made available to members of the Supervisory Board. The Supervisory Board shall adopt its own Rules of Procedure, which shall be effective without any further approval. The Chairperson shall perform such duties as described by law, these Articles and the Rules of Procedure of the Supervisory Board.

### 7.4. Scope of authority of the Supervisory Board

The Supervisory Board shall examine all submissions to be submitted to the General Meeting and present its opinion thereof at the General Meeting. The General Meeting may pass a resolution on a report pursuant to the Accounting Act and the use of the profit after tax only after receipt of the written report of the Supervisory Board. The Supervisory Board shall make a proposal directly to the General Meeting regarding the election, remuneration and removal of the Statutory Auditor.

The Supervisory Board may convene the General Meeting to discuss any issue and to take any necessary decision if, in its opinion, the activities of the management infringe the law, these Articles or the resolutions of the General Meeting, or otherwise interfere with the interests of the Company.

### 7.5. Liability of Members of the Supervisory Board

Members of the Supervisory Board shall be liable for damages caused to the Company resulting from their omission or inappropriate performance of their supervisory responsibilities in accordance with the rules pertaining to damages caused by breach of contract.

### 7.6. Audit Committee

**7.6.1.**—The General Meeting shall elect three (3) independent members of the Supervisory Board as members of the Audit Committee for the same period as their mandate in the Supervisory Board. The General Meeting has the right to elect a substitute member(s) to the Audit Committee, whose membership in the Audit Committee shall be conditional upon the number of the members of the Audit Committee falling below three (3) If more than one substitute members are elected, their substitution ranking shall also be determined. The provisions regarding the expiry of the mandate of the members of the Audit Committee shall apply to the mandate of such substitute member of the Audit Committee.

**7.6.2.**—The Audit Committee shall establish its own Rules of Procedure which shall be approved by the Supervisory Board. The Supervisory Board and the Audit Committee can hold joint meetings.

**7.6.3.**—The Audit Committee shall

- a) provide assistance to the Supervisory Board in supervising the financial reporting regime, in selecting Statutory Auditor, and in working with the Statutory Auditor;
- b) monitor the effectiveness of the internal audit and risk management systems and [internal control affecting the financial and sustainability reporting, as well as](#) the financial reporting [and sustainability reporting](#) processes of the Company and makes recommendations, if necessary;



- c) monitor the statutory audit of the annual separate and annual consolidated financial statements, the activities aimed at providing assurance on the sustainability statement and the consolidated sustainability statement, in particular its implementation taking into account the findings and conclusions of the quality control process conducted by the authority in charge of the public oversight of auditors;
- d) review and monitor the independence of the statutory auditor or the audit firm (including the independence of the auditor or audit firm chosen to provide assurance on sustainability statement);
- e) inform the General Meeting of the Company of the outcome of the statutory audit activity and assurance on the sustainability statement, explain how the statutory audit activity and the assurance activity on sustainability statement contributed to the integrity of financial and sustainability reporting respectively, and the role of the Audit Committee in the reporting process.

**7.6.4.**—The Audit Committee makes a proposal to the Supervisory Board regarding the election, remuneration and removal of the Statutory Auditor.

## 8. STATUTORY AUDITOR

### 8.1. Election of the Statutory Auditor

The General Meeting of the Company shall elect the Statutory Auditor for a definite period not exceeding two years.

### 8.2. Duties of the Statutory Auditor

The Statutory Auditor shall be responsible for carrying out the audits of accounting documents according to the relevant regulations, and to provide an independent audit report to determine as to whether the financial statements of the Company are in conformity with legal requirements, and whether they provide a true and fair view of the Company's assets and liabilities, financial position and profit or loss.

### 8.3. The rights and the responsibilities of the Statutory Auditor

In connection with the performance of its duties, the Statutory Auditor:

- (a) shall have access to the documents, accounting books and records of the Company;
- (b) may request information from the members of the Board, the Supervisory Board and from employees of the Company;
- (c) may examine the cash in hand, ledgers, the securities portfolio, the inventory, the contracts and the bank accounts of the Company;
- (d) shall attend the General Meeting that discusses the report of the Company prepared according to the Accounting Act, provided that its absence does not impede the General Meeting;
- (e) if required, may attend meetings of the Board, the Supervisory Board and the Audit Committee with the right to confer;
- (f) shall be obliged to request the Board to convene a General Meeting without delay, if:
  - (i) it detects any changes in the Company's assets that are likely to jeopardize its ability to satisfy claims against the Company; or
  - (ii) it becomes aware of a circumstance that entails the liability of the Board or the Supervisory Board with respect to their activities performed in that capacity;
- (g) in the event of non-compliance with the request set out in subsection (f), the Statutory Auditor shall inform the competent Court of Registration of the relevant circumstances.

## 9. SIGNATURE ON BEHALF OF THE COMPANY



The Company shall be bound by the signature of (i) two members of the Board, or (ii) a member of the Board and an employee of the Company authorized for this purpose by two members of the Board, or (iii) two employees of the Company authorized for this purpose by two members the Board. Such authorized signatories shall jointly sign their full names under the stamped, hand-written, typed or printed name of the company in the way as such signature appears in their certified specimen of signature deposited with the Court of Registration.

## 10. INCREASE OF THE REGISTERED CAPITAL

### 10.1. Cases of the Increase in the Registered Capital

The General Meeting may decide on the increase of the share capital of the Company by means of issue of new shares (including private issue of new shares), from assets other than the share capital, conditional capital increase or through issue of convertible (átváltoztatható) or equity (átváltozó) bonds into shares in accordance with the applicable provisions of the Civil Code.

The General Meeting may authorize the Board to increase the share capital in accordance with applicable provisions of the Civil Code.

For the general meetings' resolution on increasing the share capital to be valid, the holders of dematerialized series "A" ordinary shares each with the face value of HUF 100, as holders of the types or classes of shares which are considered affected by the increase in the capital, shall grant their distinct approval to the proposed share capital increase. The holders of the "A" ordinary shares present at the General Meeting decide on the approval by a simple majority vote. In such event, the provisions on the restriction or exclusion of the voting rights attached to these shares may not be applied, except for the prohibition on exercising voting rights attached to own shares.

### 10.2. Subscription preference right

~~10.2.1-~~Where the share capital is increased by way of contribution of cash, within the Company's shareholders first the holders of shares belonging to the same series of issue, and then the holders of convertible bonds and the holders of bonds with subscription rights in tandem shall be granted preferential rights – in this sequence – for the subscription of shares subject to the conditions laid down in these Articles.

~~10.2.2-~~The Board shall inform the shareholders and the holders of convertible bonds and bonds with subscription rights concerning their options and the procedure to exercise the preferential right for the subscription of shares, including the face value or issue price of shares which may be acquired, and the first and last days of the 15 days period during which such right can be exercised.

## 11. DECREASE OF THE REGISTERED CAPITAL OF THE COMPANY

The Company may decrease its registered capital, in the cases defined in the respective laws reduction of the share capital is mandatory.

For the general meetings' resolution on decreasing the share capital to be valid, the holders of dematerialized series "A" ordinary shares each with the face value of HUF 100, as holders of the types or classes of shares which are considered affected by the decrease of the capital, shall grant their distinct approval in advance to the proposed share capital decrease. The holders of the "A" ordinary shares present at the General Meeting decide on the approval with the three-quarters majority of the votes. In such event, the provisions on the restriction or exclusion of the voting rights attached to these shares may not be applied, except for the prohibition on exercising voting rights attached to own shares.





## 12. CONFLICT OF INTEREST

Conflict of interest rules set out in Section 3:115 (1) of the Civil Code shall not apply to members of the Board and the Supervisory Board. Instead, the following rules shall be apply to members of the Board and the Supervisory Board.

Members of the Board and the Supervisory Board may not acquire any share - except for the shares of public limited companies – and may not accept executive office or supervisory board membership in such domestic or foreign businesses whose main business activity is the same as the main activity of the Company, unless otherwise provided by law or by these Articles.

Notwithstanding the above paragraph, members of the Board and the Supervisory Board may be elected as executive officers or members of supervisory board in domestic or foreign businesses whose main business activity is the same as the main activity of the Company,

- (i) if such business has a direct or indirect majority influence in the Company, or
- (ii) in which the Company or any person having a direct or indirect majority influence in the Company hold at least 25 % ownership stake and/or voting rights.

## 13. INDEMNIFICATION OF MEMBERS OF THE BOARD OF DIRECTORS AND THE SUPERVISORY BOARD

### 13.1. Indemnification

The Company shall, to the fullest extent permitted by law, indemnify any member or former member of the Board and any member or former member of the Supervisory Board who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative, by reason of the fact of their current or former position at the Company against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by them in connection with such action, suit or proceeding if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal proceeding, had no reasonable cause to believe their conduct was unlawful.

### 13.2. Advancing Expenses

Expenses (including reasonable attorney's fees) incurred by a member of the Board or the Supervisory Board in defending any civil, criminal or administrative action, suit or proceeding may be paid by the Company in advance of the final disposition of such proceedings upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that they are not entitled to be indemnified by the Company pursuant to Section 13.1.

### 13.3. Insurance

The Company shall have the power to purchase and maintain insurance on behalf of any person who is or was a member of the Board or the Supervisory Board against any liability asserted against them and incurred by them in any such capacity, whether or not the Company would have the right to indemnify them against such liability under the provisions of Sections 13.1. and 13.2. or any other provisions of law.

## 14. OTHER PROVISIONS



## 14.1. Notices

Notices, [information](#), invitations to the shareholders and announcements of the Company shall be published on the web site of the Company ([www.telekom.hu](http://www.telekom.hu)) and in the official publication space of the Budapest Stock Exchange and the Official Gazette ("Cégek Közlöny") in cases required by applicable law. [The official and governing language of notices, information, invitations and announcements published by the Company shall be Hungarian.](#)

## 14.2. Miscellaneous

These Articles shall prevail over and replace any former Articles of the Company. Consequently, on the effective date of these Articles, prior version of the Articles shall have no effect. [The official and governing language of the Articles of Association is Hungarian.](#) Issues not regulated herein shall be subject to the provisions of the Civil Code and other applicable laws.

*I hereby certify that the amended and restated text of the Articles of Association corresponds to the effective content of the Articles of Association as amended from time to time. The reason for preparing this amended and restated version of the Articles of Association was the amendment of ~~Annex 1~~ [Sections \[1.5., 2.1., 2.2., 4.1., 4.3., 5.2., 5.8., 5.9., 5.10., 5.11., 6.2., 7.2., 7.6., 8.1., 10.1., 10.2., 11., 14.1., 14.2.\] and Annex 2, and the amendment of Annex no. 3 \[pursuant to Section 51 \(2\) of Act V of 2006 on Public Company Information, Company Registration and Winding-up Proceedings\].](#) ~~The amendment of Annex 1, beside deletion of three branch office addresses, effective as of January 1, 2025, is based on resolution no. 6/5 (12.03.2024) adopted by the Board of Directors of the Company on December 3, 2024 in accordance with the authorization in Section 6.4. (p) of the Articles of Association, is highlighted with bold and italic fonts.~~ [Amendments effective as of April 15, 2025, based on resolution no. \[●\]/2025 \(IV.15.\) adopted by the General Meeting of the Company on April 15, 2025, and the updated data of Annex 3 are highlighted with bold and italic fonts.](#)*

Countersigned in Budapest, on ~~December 3, 2024~~ [April 15, 2025](#) by



ANNEX 1  
SITES AND BRANCH OFFICES OF THE COMPANY

(a) Sites of the Company:

1073 Budapest, Dob u. 76-78.	1033 Budapest, Huszti út 32.
1106 Budapest, Őrs vezér tere 25. 1. em.	1098 Budapest, Távíró utca 3-5.
1138 Budapest, Váci út 178.	1156 Budapest, Száraznád utca 1-3.
1195 Budapest, Üllői út 201.	1211 Budapest, Rákóczi Ferenc út 154-170.
1191 Budapest, Vak Bottyán u. 75. a-c.	1087 Budapest, Kerepesi út 9.
1024 Budapest, Lövház u. 2-6. 2. em.	1119 Budapest, Hadak útja 1.
1123 Budapest, Alkotás út 53.	1087 Budapest, Asztalos Sándor út 13.
1062 Budapest, Váci út 1-3.	1087 Budapest, Ciprus utca 2-6.
1117 Budapest, Október huszonharmadika utca 8-10.	

(b) Branch Offices of the Company:

4026 Debrecen, Bethlen u. 1.	3300 Eger, Törvényház u. 4.
3525 Miskolc Régiposta u. 9.	4029 Debrecen, Csapó u. 30.
9400 Sopron, Széchenyi tér 7-10.	6724 Szeged, Rókusi körút 2-10.
5600 Békéscsaba, Andrássy u. 44.	7400 Kaposvár, Bajcsy-Zsilinszky E. u.15.
7622 Pécs, Bajcsy-Zsilinszky út 11.	7621 Pécs, Jókai Mór utca 10.
7100 Szekszárd, Arany János u. 31.	7632 Pécs, Aidinger J. utca 45.
7400 Kaposvár, Széchenyi tér 1.	8000 Székesfehérvár, Petőfi u. 4.
8600 Siófok, Szabadság tér 10/A.	9023 Győr, Verseny utca 16.
8200 Veszprém, Ádám Iván utca 1.	5000 Szolnok, Ady Endre út 23.
8000 Székesfehérvár, Palotai út 1.	2800 Tatabánya, Győri út 7-9.
9700 Szombathely, Fő tér 17.	9024 Győr, Vasvári Pál 1/a.
9021 Győr, Budai út 1.	6720 Szeged, Széchenyi tér 16.
8900 Zalaegerszeg, Széchenyi tér 1.	4400 Nyíregyháza, Szegfű utca 75.
6722 Szeged, Londoni krt. 3.	3526 Miskolc, Arany János tér 1.
6000 Kecskemét, Korona utca 2. 2. emelet	7633 Pécs, Szántó Kovács János utca 3.
5600 Békéscsaba, Andrássy út 37-43.	8900 Zalaegerszeg, Sport utca 18.
4025 Debrecen, Piac u. 26.	2040 Budaörs, Ipartelep utca 13-15.
4400 Nyíregyháza, Nagy Imre tér 1.	9024 Győr, Hédervári út 3.
3525 Miskolc, Szentpáli u. 2-6.	



## ANNEX 2 OTHER ACTIVITIES OF THE COMPANY

18.13 '08	Pre-press and pre-media services
18.14 '08	Binding and related services
18.20 '08	Reproduction of recorded media
26.30 '08	Manufacture of communication equipment
33.14 '08	Repair of electrical equipment
33.20 '08	Installation of industrial machinery and equipment
35.11 '08	Production of electricity
35.14 '08	Trade of electricity
35.23 '08	Trade of gas through mains
35.30 '08	Steam and air conditioning supply
41.10 '08	Development of building projects
41.20 '08	Construction of residential and non-residential buildings
42.21 '08	Construction of utility projects for fluids
42.22 '08	Construction of utility projects for electricity and telecommunications
42.99 '08	Construction of other civil engineering projects n.e.c.
43.11 '08	Demolition
43.12 '08	Site preparation
43.21 '08	Electrical installation
43.22 '08	Plumbing, heat and air conditioning installation
43.29 '08	Other construction installation
43.99 '08	Other specialised construction activities n.e.c.
45.11 '08	Sale of cars and light motor vehicles
45.19 '08	Sale of other motor vehicles
46.14 '08	Agents involved in the sale of machinery, industrial equipment, ships and aircraft
46.43 '08	Wholesale of electrical household appliances
46.49 '08	Wholesale of other household goods
46.51 '08	Wholesale of computers, computer peripheral equipment and software
46.52 '08	Wholesale of electronic and telecommunications equipment and parts
46.66 '08	Wholesale of other office machinery and equipment
46.69 '08	Wholesale of other machinery and equipment
46.90 '08	Non-specialised wholesale trade
47.19 '08	Other retail sale in non-specialised stores
47.41 '08	Retail sale of computers, peripheral units and software in specialised stores
47.42 '08	Retail sale of telecommunications equipment in specialised stores
47.43 '08	Retail sale of audio and video equipment in specialised stores
47.54 '08	Retail sale of electrical household appliances in specialised stores
47.59 '08	Retail sale of furniture, lighting equipment and other household articles in specialised stores
47.61 '08	Retail sale of books in specialised stores
47.62 '08	Retail sale of newspapers and stationery in specialised stores
47.63 '08	Retail sale of music and video recordings in specialised stores
47.65 '08	Retail sale of games and toys in specialised stores
47.75 '08	Retail sale of cosmetic and toilet articles
47.78 '08	Other retail sale of new goods in specialised stores
47.82 '08	Retail sale via stalls and markets of textiles, clothing and footwear
47.91 '08	Retail sale via mail order houses or via Internet
47.99 '08	Other retail sale not in stores, stalls or markets
52.10 '08	Warehousing and storage
55.10 '08	Hotels and similar accommodation
55.20 '08	Holiday and other short stay accommodation
55.90 '08	Other accommodation
56.10 '08	Restaurants and mobile food service activities
56.21 '08	Event catering activities
56.29 '08	Other food service activities
58.11 '08	Book publishing
58.12 '08	Publishing of directories and mailing lists
58.13 '08	Publishing of newspapers
58.14 '08	Publishing of journals and periodicals
58.19 '08	Other publishing activities
58.21 '08	Publishing of computer games
58.29 '08	Other software publishing
59.20 '08	Sound recording and music publishing activities
60.10 '08	Radio broadcasting



60.20 '08	Television programming and broadcasting activities
61.20 '08	Wireless telecommunications activities
61.30 '08	Satellite telecommunications activities
61.90 '08	Other telecommunications activities
62.01 '08	Computer programming activities
62.02 '08	Computer consultancy activities
62.03 '08	Computer facilities management activities
62.09 '08	Other information technology and computer service activities
63.11 '08	Data processing, hosting and related activities
63.12 '08	Web portals
63.99 '08	Other information service activities n.e.c.
64.20 '08	Activities of holding companies
66.19 '08	Other activities auxiliary to financial services
66.22 '08	Activities of insurance agents and brokers
68.10 '08	Buying and selling of own real estate
68.20 '08	Renting and operating of own or leased real estate
68.31 '08	Real estate agencies
68.32 '08	Management of real estate on a fee or contract basis
69.20 '08	Accounting, bookkeeping and auditing activities; tax consultancy
70.21 '08	Public relations and communication activities
70.22 '08	Business and other management consultancy activities
71.11 '08	Architectural activities
71.12 '08	Engineering activities and related technical consultancy
71.20 '08	Technical testing and analysis
72.19 '08	Other research and experimental development on natural sciences and engineering
72.20 '08	Research and experimental development on social sciences and humanities
73.11 '08	Advertising agencies
73.12 '08	Media representation
73.20 '08	Market research and public opinion polling
74.10 '08	Specialised design activities
74.30 '08	Translation and interpretation activities
74.90 '08	Other professional, scientific and technical activities n.e.c.
77.11 '08	Renting and leasing of cars and light motor vehicles
77.12 '08	Renting and leasing of trucks
77.21 '08	Renting and leasing of recreational and sports goods
77.22 '08	Renting of video tapes and disks
77.29 '08	Renting and leasing of other personal and household goods
77.33 '08	Renting and leasing of office machinery and equipment (including computers)
77.39 '08	Renting and leasing of other machinery, equipment and tangible goods n.e.c.
77.40 '08	Leasing of intellectual property and similar products, except copyrighted works
79.11 '08	Travel agency activities
79.12 '08	Tour operator activities
79.90 '08	Other reservation service and related activities
80.10 '08	Private security activities
80.20 '08	Security systems service activities
81.10 '08	Combined facilities support activities
82.11 '08	Combined office administrative service activities
82.19 '08	Photocopying, document preparation and other specialised office support activities
82.20 '08	Activities of call centres
82.30 '08	Organisation of conventions and trade shows
82.91 '08	Activities of collection agencies and credit bureaux
82.99 '08	Other business support service activities n.e.c.
85.32 '08	Technical and vocational secondary education
85.51 '08	Sports and recreation education
85.59 '08	Other education n.e.c.
85.60 '08	Educational support activities
95.11 '08	Repair of computers and peripheral equipment
95.12 '08	Repair of communication equipment

<a href="#"><u>18.13'25</u></a>	<a href="#"><u>Pre-press and pre-media services</u></a>
<a href="#"><u>18.14'25</u></a>	<a href="#"><u>Binding and related services</u></a>
<a href="#"><u>18.20'25</u></a>	<a href="#"><u>Reproduction of recorded media</u></a>
<a href="#"><u>26.30'25</u></a>	<a href="#"><u>Manufacture of communication equipment</u></a>
<a href="#"><u>33.14'25</u></a>	<a href="#"><u>Repair and maintenance of electrical equipment</u></a>
<a href="#"><u>33.20'25</u></a>	<a href="#"><u>Installation of industrial machinery and equipment</u></a>



<a href="#"><u>35.12'25</u></a>	<a href="#"><u>Production of electricity from renewable sources</u></a>
<a href="#"><u>35.15'25</u></a>	<a href="#"><u>Trade of electricity</u></a>
<a href="#"><u>35.16'25</u></a>	<a href="#"><u>Storage of electricity</u></a>
<a href="#"><u>35.23'25</u></a>	<a href="#"><u>Trade of gas through mains</u></a>
<a href="#"><u>35.30'25</u></a>	<a href="#"><u>Steam and air conditioning supply</u></a>
<a href="#"><u>41.00'25</u></a>	<a href="#"><u>Construction of residential and non-residential buildings</u></a>
<a href="#"><u>42.21'25</u></a>	<a href="#"><u>Construction of utility projects for fluids</u></a>
<a href="#"><u>42.22'25</u></a>	<a href="#"><u>Construction of utility projects for electricity and telecommunications</u></a>
<a href="#"><u>42.99'25</u></a>	<a href="#"><u>Construction of other civil engineering projects n.e.c.</u></a>
<a href="#"><u>43.11'25</u></a>	<a href="#"><u>Demolition</u></a>
<a href="#"><u>43.12'25</u></a>	<a href="#"><u>Site preparation</u></a>
<a href="#"><u>43.21'25</u></a>	<a href="#"><u>Electrical installation</u></a>
<a href="#"><u>43.22'25</u></a>	<a href="#"><u>Plumbing, heat and air-conditioning installation</u></a>
<a href="#"><u>43.24'25</u></a>	<a href="#"><u>Other construction installation</u></a>
<a href="#"><u>43.50'25</u></a>	<a href="#"><u>Specialised construction activities in civil engineering</u></a>
<a href="#"><u>43.99'25</u></a>	<a href="#"><u>Other specialised construction activities n.e.c.</u></a>
<a href="#"><u>46.14'25</u></a>	<a href="#"><u>Activities of agents involved in the wholesale of machinery, industrial equipment, ships and aircraft</u></a>
<a href="#"><u>46.43'25</u></a>	<a href="#"><u>Wholesale of electrical household appliances</u></a>
<a href="#"><u>46.49'25</u></a>	<a href="#"><u>Wholesale of other household goods</u></a>
<a href="#"><u>46.50'25</u></a>	<a href="#"><u>Wholesale of information and communication equipment</u></a>
<a href="#"><u>46.64'25</u></a>	<a href="#"><u>Wholesale of other machinery and equipment</u></a>
<a href="#"><u>46.71'25</u></a>	<a href="#"><u>Wholesale of motor vehicles</u></a>
<a href="#"><u>46.90'25</u></a>	<a href="#"><u>Non-specialised wholesale trade</u></a>
<a href="#"><u>47.12'25</u></a>	<a href="#"><u>Other non-specialised retail sale</u></a>
<a href="#"><u>47.40'25</u></a>	<a href="#"><u>Retail sale of information and communication equipment</u></a>
<a href="#"><u>47.54'25</u></a>	<a href="#"><u>Retail sale of electrical household appliances</u></a>
<a href="#"><u>47.55'25</u></a>	<a href="#"><u>Retail sale of furniture, lighting equipment, tableware and other household goods</u></a>
<a href="#"><u>47.61'25</u></a>	<a href="#"><u>Retail sale of books</u></a>
<a href="#"><u>47.62'25</u></a>	<a href="#"><u>Retail sale of newspapers, and other periodical publications and stationery</u></a>
<a href="#"><u>47.64'25</u></a>	<a href="#"><u>Retail sale of games and toys</u></a>
<a href="#"><u>47.69'25</u></a>	<a href="#"><u>Retail sale of cultural and recreational goods n.e.c.</u></a>
<a href="#"><u>47.71'25</u></a>	<a href="#"><u>Retail sale of clothing</u></a>
<a href="#"><u>47.72'25</u></a>	<a href="#"><u>Retail sale of footwear and leather goods</u></a>
<a href="#"><u>47.75'25</u></a>	<a href="#"><u>Retail sale of cosmetic and toilet articles</u></a>
<a href="#"><u>47.78'25</u></a>	<a href="#"><u>Retail sale of other new goods</u></a>
<a href="#"><u>47.79'25</u></a>	<a href="#"><u>Retail sale of second-hand goods</u></a>
<a href="#"><u>47.81'25</u></a>	<a href="#"><u>Retail sale of motor vehicles</u></a>
<a href="#"><u>47.91'25</u></a>	<a href="#"><u>Intermediation service activities for non-specialised retail sale</u></a>
<a href="#"><u>47.92'25</u></a>	<a href="#"><u>Intermediation service activities for specialised retail sale</u></a>
<a href="#"><u>52.10'25</u></a>	<a href="#"><u>Warehousing and storage</u></a>
<a href="#"><u>55.10'25</u></a>	<a href="#"><u>Hotels and similar accommodation</u></a>
<a href="#"><u>55.20'25</u></a>	<a href="#"><u>Holiday and other short-stay accommodation</u></a>
<a href="#"><u>55.90'25</u></a>	<a href="#"><u>Other accommodation</u></a>
<a href="#"><u>56.11'25</u></a>	<a href="#"><u>Restaurant activities</u></a>
<a href="#"><u>56.12'25</u></a>	<a href="#"><u>Mobile food service activities</u></a>
<a href="#"><u>56.21'25</u></a>	<a href="#"><u>Event catering activities</u></a>
<a href="#"><u>56.22'25</u></a>	<a href="#"><u>Contract catering service activities and other food service activities</u></a>
<a href="#"><u>58.11'25</u></a>	<a href="#"><u>Publishing of books</u></a>
<a href="#"><u>58.12'25</u></a>	<a href="#"><u>Publishing of newspapers</u></a>
<a href="#"><u>58.13'25</u></a>	<a href="#"><u>Publishing of journals and periodicals</u></a>
<a href="#"><u>58.19'25</u></a>	<a href="#"><u>Other publishing activities, except software publishing</u></a>
<a href="#"><u>58.21'25</u></a>	<a href="#"><u>Publishing of video games</u></a>
<a href="#"><u>58.29'25</u></a>	<a href="#"><u>Other software publishing</u></a>
<a href="#"><u>59.20'25</u></a>	<a href="#"><u>Sound recording and music publishing activities</u></a>
<a href="#"><u>60.10'25</u></a>	<a href="#"><u>Radio broadcasting and audio distribution activities</u></a>
<a href="#"><u>60.20'25</u></a>	<a href="#"><u>Television programming, broadcasting and video distribution activities</u></a>
<a href="#"><u>60.39'25</u></a>	<a href="#"><u>Other content distribution activities</u></a>
<a href="#"><u>61.20'25</u></a>	<a href="#"><u>Telecommunication reselling activities and intermediation service activities for telecommunication</u></a>
<a href="#"><u>61.90'25</u></a>	<a href="#"><u>Other telecommunication activities</u></a>
<a href="#"><u>62.10'25</u></a>	<a href="#"><u>Computer programming activities</u></a>
<a href="#"><u>62.20'25</u></a>	<a href="#"><u>Computer consultancy and computer facilities management activities</u></a>
<a href="#"><u>62.90'25</u></a>	<a href="#"><u>Other information technology and computer service activities</u></a>
<a href="#"><u>63.10'25</u></a>	<a href="#"><u>Computing infrastructure, data processing, hosting and related activities</u></a>
<a href="#"><u>63.91'25</u></a>	<a href="#"><u>Web search portal activities</u></a>
<a href="#"><u>63.92'25</u></a>	<a href="#"><u>Other information service activities</u></a>



<a href="#"><u>64.21*25</u></a>	<a href="#"><u>Activities of holding companies</u></a>
<a href="#"><u>66.19*25</u></a>	<a href="#"><u>Other activities auxiliary to financial services, except insurance and pension funding</u></a>
<a href="#"><u>66.22*25</u></a>	<a href="#"><u>Activities of insurance agents and brokers</u></a>
<a href="#"><u>68.11*25</u></a>	<a href="#"><u>Buying and selling of own real estate</u></a>
<a href="#"><u>68.12*25</u></a>	<a href="#"><u>Development of building projects</u></a>
<a href="#"><u>68.20*25</u></a>	<a href="#"><u>Rental and operating of own or leased real estate</u></a>
<a href="#"><u>68.31*25</u></a>	<a href="#"><u>Intermediation service activities for real estate activities</u></a>
<a href="#"><u>68.32*25</u></a>	<a href="#"><u>Other real estate activities on a fee or contract basis</u></a>
<a href="#"><u>69.20*25</u></a>	<a href="#"><u>Accounting, bookkeeping and auditing activities; tax consultancy</u></a>
<a href="#"><u>70.20*25</u></a>	<a href="#"><u>Business and other management consultancy activities</u></a>
<a href="#"><u>71.11*25</u></a>	<a href="#"><u>Architectural activities</u></a>
<a href="#"><u>71.12*25</u></a>	<a href="#"><u>Engineering activities and related technical consultancy</u></a>
<a href="#"><u>71.20*25</u></a>	<a href="#"><u>Technical testing and analysis</u></a>
<a href="#"><u>72.10*25</u></a>	<a href="#"><u>Research and experimental development on natural sciences and engineering</u></a>
<a href="#"><u>72.20*25</u></a>	<a href="#"><u>Research and experimental development on social sciences and humanities</u></a>
<a href="#"><u>73.11*25</u></a>	<a href="#"><u>Activities of advertising agencies</u></a>
<a href="#"><u>73.12*25</u></a>	<a href="#"><u>Media representation</u></a>
<a href="#"><u>73.20*25</u></a>	<a href="#"><u>Market research and public opinion polling</u></a>
<a href="#"><u>73.30*25</u></a>	<a href="#"><u>Public relations and communication activities</u></a>
<a href="#"><u>74.11*25</u></a>	<a href="#"><u>Industrial product and fashion design activities</u></a>
<a href="#"><u>74.12*25</u></a>	<a href="#"><u>Graphic design and visual communication activities</u></a>
<a href="#"><u>74.30*25</u></a>	<a href="#"><u>Translation and interpretation activities</u></a>
<a href="#"><u>74.99*25</u></a>	<a href="#"><u>All other professional, scientific and technical activities n.e.c.</u></a>
<a href="#"><u>77.11*25</u></a>	<a href="#"><u>Rental and leasing of cars and light motor vehicles</u></a>
<a href="#"><u>77.12*25</u></a>	<a href="#"><u>Rental and leasing of trucks</u></a>
<a href="#"><u>77.21*25</u></a>	<a href="#"><u>Rental and leasing of recreational and sports goods</u></a>
<a href="#"><u>77.22*25</u></a>	<a href="#"><u>Rental and leasing of other personal and household goods</u></a>
<a href="#"><u>77.33*25</u></a>	<a href="#"><u>Rental and leasing of office machinery, equipment and computers</u></a>
<a href="#"><u>77.39*25</u></a>	<a href="#"><u>Rental and leasing of other machinery, equipment and tangible goods n.e.c.</u></a>
<a href="#"><u>77.40*25</u></a>	<a href="#"><u>Leasing of intellectual property and similar products, except copyrighted works</u></a>
<a href="#"><u>79.11*25</u></a>	<a href="#"><u>Travel agency activities</u></a>
<a href="#"><u>79.12*25</u></a>	<a href="#"><u>Tour operator activities</u></a>
<a href="#"><u>79.90*25</u></a>	<a href="#"><u>Other reservation service and related activities</u></a>
<a href="#"><u>80.01*25</u></a>	<a href="#"><u>Investigation and private security activities</u></a>
<a href="#"><u>80.09*25</u></a>	<a href="#"><u>Security activities n.e.c.</u></a>
<a href="#"><u>81.10*25</u></a>	<a href="#"><u>Combined facilities support activities</u></a>
<a href="#"><u>82.10*25</u></a>	<a href="#"><u>Office administrative and support activities</u></a>
<a href="#"><u>82.20*25</u></a>	<a href="#"><u>Activities of call centres</u></a>
<a href="#"><u>82.30*25</u></a>	<a href="#"><u>Organisation of conventions and trade shows</u></a>
<a href="#"><u>82.91*25</u></a>	<a href="#"><u>Activities of collection agencies and credit bureaus</u></a>
<a href="#"><u>82.99*25</u></a>	<a href="#"><u>Other business support service activities n.e.c.</u></a>
<a href="#"><u>85.32*25</u></a>	<a href="#"><u>Vocational secondary education</u></a>
<a href="#"><u>85.51*25</u></a>	<a href="#"><u>Sports and recreation education</u></a>
<a href="#"><u>85.59*25</u></a>	<a href="#"><u>Other education n.e.c.</u></a>
<a href="#"><u>85.69*25</u></a>	<a href="#"><u>Educational support activities n.e.c.</u></a>
<a href="#"><u>95.10*25</u></a>	<a href="#"><u>Repair and maintenance of computers and communication equipment</u></a>



*[Annex 3 will be updated based on the decisions of the AGM accordingly.]*

ANNEX 3  
INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS, SUPERVISORY BOARD, AUDIT COMMITTEE AND ON THE  
STATUTORY AUDITOR OF THE COMPANY

Members of the Board of Directors:

Daniel Daub  
Daria Aleksandrovna Dodonova  
Fekete Gábor  
Elvira Gonzalez  
Frank Odzuck  
Ratatics Péter  
Rékasi Tibor  
Szabó Melinda

Members of the Supervisory Board:

Bereznai Gyula  
Dr. Borbély Attila  
Dorogházi Krisztina  
Szakonyi András  
Szepesi Endre

Members of the Audit Committee:

Dr. Borbély Attila  
Dorogházi Krisztina  
Szakonyi András

The Statutory Auditor:

Deloitte Könyvvizsgáló és Tanácsadó Kft. (registered office: 1068 Budapest, Dózsa György út 84/C.; company registration number: 01-09-071057; registration number: 000083)

Personally responsible registered auditor appointed by the Statutory Auditor: Bodor Kornél (chamber membership number: 007346). In the event he is incapacitated, the appointed deputy auditor is: Molnár Gábor (chamber membership number: 007239).





Submission  
to the General Meeting of Magyar Telekom Plc.

## **Election of members of the Board of Directors**

Budapest, April 15, 2025



The General Meeting shall elect new Board of Directors members as the mandate of the members of the Board of Directors expires on the day of the Annual General Meeting to be held on April 15, 2025 and one Board member (Daria Dodonova) resigned from her position as member of the Board of Directors as of February 28, 2025.

In accordance with the provisions of the Articles of Association the Board of Directors shall be comprised of a minimum of 5 (five), and a maximum of eleven (11) members.

The Board of Directors, having considered the Remuneration and Nomination Committee's agreement with the nominations, proposes the following persons to be elected by the General Meeting:

1. **Daniel Daub**
2. **Gábor Fekete (independent)**
3. **André Lenz**
4. **Mladen Mitic**
5. **Frank Odzuck (independent)**
6. **Péter Ratatics (independent)**
7. **Tibor Rékasi**
8. **Melinda Szabó**

Biography of the nominees:

**Daniel Daub** (born in 1976) graduated at WHU – Otto Beisheim School of Management in Germany with an MBA. He has over 20 years of experience in the international telecommunication sector. In 2001 he joined Deutsche Telekom in the corporate finance department. After being Vice President for Sales Channel Management for 3.5 years at T-Mobile Germany, he joined T-Mobile Austria in 2009 as Senior Vice President in Channel Development and Services, followed by being Senior Vice President in Consumer Sales and Service. In 2014 he took over the role of Vice President in Group Controlling with Deutsche Telekom Group Headquarter. Between 2017 and 2022 he was member of the Management Board and the Chief Financial Officer of Hrvatski Telekom and in this position, he was responsible for controlling, accounting, treasury, investor relations, procurement, real estate, logistics, customer finance, audit and risk management. Since August 2022, he is Senior Vice President Finance and Performance Management Europe in Deutsche Telekom.

**Gábor Fekete** (born in 1950) holds a mechanical engineer degree from Bánki Donát Technical College. He started his long professional career with KFKI (Central Research Institute for Physics) as a laboratory technician than he worked as a calibration engineer for 8 years and for a short period of time worked in this position in Germany at the GDR Academy of Sciences. When returning to Hungary, he continued working at KFKI as a customer service engineer. Between 1980 and 1981 he worked in the USA as a customer engineer. He was a service engineer at Volán Electronics in 1981-82, then at SZÜV Hungary from 1982-1990, where later held the position of the Head of Nationwide computer services department. In 1990 he became the Deputy General Manager of Sysland Ltd., the exclusive Distributor of Unisys in Hungary. He had an active part in establishing and building up Unisys in Hungary. In 1993, he became its Deputy General Manager, and then between 1995 and 2007 he was leading the organisation as General Manager. In 1994 the Unisys Europe & Africa Division rewarded him for his years of service with No 1. Sales Performer of the Year. As of 2002, on top his General Manager role, he also held several regional and global functions. Since 2007 he has been involved in the development of the business model of the previously established Jet Sol Ltd. and in the construction of the business as a co-owner until its sale in 2017. Since then he has been working as a consultant. He was a founding member of AMCHAM and took an active part in its activity for several years.

**André Lenz** (born in 1973) graduated at Bochum – Ruhr University in Germany in Economics. He has over 20 years of experience in Controlling. He started his career in 2002 at E-Plus Mobilfunk GmbH & Co. KG in Düsseldorf, in Revenue Controlling before becoming Team Manager Sales Controlling in 2006. He joined T-Mobile Deutschland as Vice President Sales Controlling in 2009 and from 2010 as Vice President Functional Controlling Sales Retail. In 2013 he was the Vice President Planning & Reporting at Deutsche Telekom. In 2014 he joined T-Mobile Austria first as Senior Vice President in Controlling, followed by being Senior Vice President in Controlling & Customer Finance. In 2018 he returned to Bonn, where he took over the role of Vice President in Group Business Controlling with Deutsche Telekom Group Headquarter and between 2021 and 2024, he was Vice President Performance Controlling. As of January 2025, he is Finance Advisor at Magyar Telekom and as of March 1, 2025, he is the Chief Financial Officer of Magyar Telekom.



**Mladen Mitic** (born in 1977) holds a degree in Information Systems Engineering from the Organizational Sciences Faculty at the University of Belgrade and completed the Advanced Strategic Management Program at IMD business school in Lausanne. He has 20 years of experience in the telco industry and a proven background in driving growth, digital transformation, and commercial excellence. During his career, between 2011–2016 he held positions as Marketing and Product development Director and Head of CLM, Strategy and Channel Management at Telenor Norway. After that he worked for TDC Business in Denmark as Senior Vice President Marketing until 2019. During his three years between 2021–2024 at Slovak Telekom as Board Member and Chief Commercial Officer for Mass Market he achieved remarkable B2C business results along with leading customer satisfaction. He is Senior Vice President B2C Commercial Growth Europe at Deutsche Telekom since June 2024.

**Frank Odzuck** (born in 1959) obtained an economics degree in 1983 in Budapest. He was the managing director of the Hungarian operations of Eduscho and Eduscho-Tchibo for 8 years and later the managing director of Nestlé-Schöller Hungary Ltd. Since 2003, he has been the CEO of Zwack Unicum Plc., listed on the Budapest Stock Exchange. The company, producing and marketing a genuine “Hungaricum”, is one of the best-known international companies in Hungary (Zwack, Underberg, Diageo).

**Péter Ratatics** (born in 1982) obtained a degree in economics in 2006 in Budapest. He joined MOL Group in 2007 and has held various leadership roles. Among others, he was the Senior Vice President of the Corporate Centre being responsible for MOL Group's procurement, HR and communications activities. From 2016, he became the Chief Operating Officer for Consumer Services of the MOL Group. He became the Executive Vice President for Consumer Services and a member of the MOL Group Executive Board with effect from February 15, 2018. From July 1, 2018, he was the Chief Operating Officer of MOL responsible for the Hungarian operation. Between September 28, 2022, and June 30, 2023, he served as the President of the Management Board of INA d.d.

**Tibor Rékasi** (born in 1973) graduated from the Faculty of International Management and Business of the Budapest Business School, and then participated in additional business trainings to expand his business knowledge. He started his professional career at Integra Kft as account manager. From 1997 he worked for Unisys Hungary as a relationship manager dealing financial business partners and then as Director for Customer Relations. In 2000 he joined Cisco Systems Hungary where first he worked as Key Account Manager and then as Director of the Large Corporations Business Unit. In February 2007 he was appointed as Managing Director of Cisco Systems Hungary, and in this position, he was responsible for the coordination of all domestic sales activities in addition to the operative management of the company. He joined the Magyar Telekom Group in September 2008 as Managing Director of IQSYS Zrt., a subsidiary of the Business Services Business Unit, where he took on the responsibilities of Commercial Director in addition to leading IQSYS Zrt. Between December 2010 and May 2011, he also acted temporarily as Head of Magyar Telekom's Business Services Business Unit (T-Systems), while continuing his work as Managing Director of IQSYS Zrt. From October 2012 until September 30, 2013, he was the chief officer responsible for the Sales Division of T-Systems Magyarország Zrt. From October 1, 2013 he has been Chief Commercial Officer Enterprise of Magyar Telekom and Chief Executive Officer of T-Systems Magyarország Zrt. With effect from January 11, 2017 Tibor Rékasi has been Magyar Telekom's Chief Commercial Officer Residential. As of July 1, 2018, he is the Chief Executive Officer of Magyar Telekom.

**Melinda Szabó** (born in 1971) received her first diploma in 1994 at the Faculty of Commerce, Hospitality and Tourism of the Budapest Business School and then she earned a Marketing Economist degree from the Faculty of International Management and Business of the University in 1997. She also earned an MBA degree from Webster University and Szent István College in 2007. She has started her career in market research, then she joined Westel900 in 1999 where she filled several key managerial positions in the marketing area. From 2005, she worked as T-Mobile's Deputy Marketing Director, then from 2008, she also assumed responsibility for T-Home's Residential Segment. She continued her career at Magyar Telekom as Residential Marketing Director from July 2010. In 2009 she was appointed to the member of the Board of MobiMak at Montenegro and this position held until 2012. She joined Vodafone Hungary in 2015, where she was in charge of the marketing of the entire B2B segment, then became Head of SMB Sales and Marketing in 2016. In July 2018, Melinda Szabó was appointed Chief Commercial Officer Residential Services at Magyar Telekom and as of January 1, 2020 she became Chief Commercial Officer of Magyar Telekom. Between September 2022 and May 2024 she held the position of Senior Vice President for Commercial Growth B2C Europe at Deutsche Telekom Group's European Headquarters. With effect from June 1, 2024, she is the Chief Executive Officer of T-Mobile Czech Republic (TMCZ) and Slovak Telekom (ST).

The Board of Directors, having considered the Remuneration and Nomination Committee's agreement with the nominations, submits the following resolution proposals to the General Meeting:



**[1.] The General Meeting elects Daniel Daub as member of the Board of Directors of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[2.] The General Meeting elects Gábor Fekete as member of the Board of Directors of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[3.] The General Meeting elects André Lenz as member of the Board of Directors of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[4.] The General Meeting elects Mladen Mitic as member of the Board of Directors of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[5.] The General Meeting elects Frank Odzuck as member of the Board of Directors of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[6.] The General Meeting elects Péter Ratatics as member of the Board of Directors of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[7.] The General Meeting elects Tibor Rékasi as member of the Board of Directors of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[8.] The General Meeting elects Melinda Szabó as member of the Board of Directors of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then her mandate expires on the day of the Annual General Meeting.**

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 election of members of the Board of Directors, agreed with and proposed it to the General Meeting for adoption.



Submission  
to the General Meeting of Magyar Telekom Plc.

## **Election of members of the Supervisory Board and the Audit Committee**

Budapest, April 15, 2025



The General Meeting shall elect new Supervisory Board and Audit Committee members, as the mandate of the Supervisory Board and Audit Committee members expires on the day of the Annual General Meeting to be held on April 15, 2025.

According to the Articles of Association

- The Supervisory Board shall be comprised of 5 members. 3 members of the Supervisory Board must be independent and 2 members must be employees of the Company (employee representatives).
- The employee representatives in the Supervisory Board shall be nominated by the Central Workers' Council considering the opinion of the trade unions operating at the Company. Persons nominated by the Central Workers' Council shall be elected by the General Meeting as members of the Supervisory Board, except if a disqualification exists in respect of the nominated persons.
- The General Meeting shall elect 3 independent members of the Supervisory Board as members of the Audit Committee for the same period as their mandate in the Supervisory Board.

The Board of Directors, having considered the Remuneration and Nomination Committee's agreement with the nominations, proposes the following persons to be elected by the General Meeting as members of the Supervisory Board and proposes the independent nominees to be elected by the General Meeting as members of the Audit Committee as well:

- 1. Gyula Bereznai (employee representative, upon Central Workers' Council nomination)**
- 2. Prof. Dr. Attila Borbély (independent)**
- 3. Krisztina Dorogházi (independent)**
- 4. András Szakonyi (independent)**
- 5. Zsoltné Varga (employee representative, upon Central Workers' Council nomination)**

According to the Articles of Association the General Meeting has the right to elect employee substitute members to the Supervisory Board and independent substitute members to the Supervisory Board and the Audit Committee.

To ensure a continuous operation of the Supervisory Board and the Audit Committee, for the case in which the number of the employee representative members falls below two or the number of independent members falls below three, it is proposed to elect one employee representative substitute member to the Supervisory Board and one independent substitute member to the Supervisory Board and the Audit Committee.

The Board of Directors proposes the nominees to be elected for a term covering three business years.

The Board of Directors, having considered the Remuneration and Nomination Committee's agreement with the nominations, proposes the following persons to be elected by the General Meeting as substitute members of the Supervisory Board and the independent substitute nominee to be elected by the General Meeting as substitute member of the Audit Committee:

- 1. Erika Tóthné Rákosa (independent)**
- 2. Erzsébet Soltészné Parádi (employee representative, upon Central Workers' Council nomination)**

Biography of the nominees:

**Gyula Bereznai** graduated as a teacher in 2005 at the Eszterházy Károly University. He has been working for the Magyar Telekom Group since 2001, and for Magyar Telekom since 2008. For the past 20 years, he has worked in the areas of customer service, marketing, process control, and customer experience. He has more than 15 years of advocacy experience, from 2012 to 2024 he is vice-president of the T-Net Trade Union, an official of the workers' council since 2011, and the chairman of the Central Workers' Council since 2021.

**Prof. Dr. Attila Borbély** is a university professor, an executive specialized in insurance business, sport manager and former Olympic frame member. Graduated from Pollack Mihály Technical College, then from Budapest University of Economics as insurance economist, completed his educational background at Phoenix University / US and at Brunel University / London where he accomplished his MBA. He gained his judo coach certification at the College of Physical Education, Budapest. He started his professional career with Aegon Insurance in sales and marketing between 1990 and 1995. Between 1996 and 2001 he assumed the Deputy CEO and Board Member of Allianz Hungária insurance company. In this role, he supervised building up and operating the branch network, assuring information technology background, operation of the life insurance network. He had under his responsibility Hungária Information Technology Ltd, and Pension Fund Ltd, providing information technology and development services. He was Chairman and CEO of ARAG Legal Protection Insurance Co. between 2001



and 2004. He was Associate Professor and Strategic Director of the Szolnok College between 2006 and 2008, then Professor and Rector of the Wekerle Sándor Business School until 2016. Currently, he is working at the Sport Economics and Management Institute of the Debrecen University Economics Faculty, founded by him and led between 2009 and 2016. He acted as chairman of several supervisory boards: Hungária Wealth Management, ÁPV (State Privatization Co.), MNV (National Asset Management Co.). He was also Member of the Board of MABISZ and Eximbank where he was also acting chairman. He is member of the Supervisory Board of Hungarian Economics Association and founding president of its Sport Economics Section. President and co-President of the Committee on International Affairs of the Hungarian Rector's Conference between 2010-2016. Member of the Public Bodies of the Hungarian Academy of Sciences since 2005. From 1989 until 2011 he was member of the Hungarian Olympic Committee, Honorary Member since 2011. Vice-President of its Supervisory Board between 2005 and 2011.

**Krisztina Dorogházi** graduated from the Faculty of International Management and Business of the Budapest Business School and later accomplished the Chartered CPA certification in Hungary. Between 1993 and 2003 she worked with Arthur Andersen as Audit Manager. She joined MOL Group in 2003 and until 2017 she held several financial management roles in Hungary and abroad: Group Vice-president of Accounting and Tax, co-Chief Executive Officer and Chief Financial Officer of the Italian MOL Company, Chief Financial Officer for the MOL Hungary. In her last position with MOL, she was leading the group financial planning and reporting organisation as Group Senior Vice President. In 2005, she was awarded by the „Young Manager of the Year” prize; took active part in the company's initiative of „Women in MOL”. Between 2014 and 2017 she was Member of the Board of Directors of MOL's Japanese joint venture company. Between 2018 and 2023, she was the SVP Chief Accounting Officer and Controller of TechnipFMC a global leader oil field service company, listed on the New York Stock Exchange, headquartered in London and Houston. Starting January 2024, she is Vice President Controller of the Industrial Automation division of the Fortune 500 global conglomerate Honeywell, headquartered in Charlotte, North Carolina, USA.

**András Szakonyi** graduated in 1997 at Corvinus University of Economics, Faculty of Finances and Economics. After graduating, he worked for GE between 1997 and 2003 in different finance positions in Hungary and in the US. Between 1997 and 1999 he was Senior Financial Analyst with GE Lighting in the USA. After returning to Hungary, he was in the role of Finance Manager of Budapest Bank – GE Capital between 1999 and 2001, participating in preparing the acquisition. Between 2001 and 2003 he worked again in the US, as Finance Manager in GE Capital Corporation, a global diversified financial services company. Between 2003 and 2024, he held the positions of Regional CFO, Regional Managing Director, Regional Executive Vice President, and then Senior Executive Vice President at Iron Mountain, a Boston-based company listed on the New York Stock Exchange. Since November 2024 András leads the Digital Infrastructure division of Ferrovial, an international infrastructure developer based in Madrid.

**Zsoltné Varga** graduated from the College of Transport and Telecommunications at Győr in 1991. She has been working for Magyar Telekom (and its legal predecessor) since 1991. From 1991 to 1996 she was an engineer in the technical area, later she was head of a T-Pont shop, after that she worked as a quality manager. In 1998 she became an elected member of the Workers' Council, and she is also member of the Central Workers' Council. Since 2004 she has been a member and from 2009 Deputy Chairwoman of Deutsche Telekom's European Works Council. Since 2018 she has been the Chairwoman of the HQ Workers' Council.

**Erika Tóthné Rákosa** graduated as an economist from the Faculty of Business Administration of the Budapest University of Economics in 1999. Subsequently, she obtained a Chartered Auditor qualification in 2005 and has been a member of the Chamber of Hungarian Auditors since 2014. During her career she gained nearly 20 years of experience at international audit firms (Arthur Andersen Kft., Ernst & Young Könyvvizsgáló Kft.) in auditing financial statements prepared in accordance with the Hungarian Accounting Act, IFRS, US GAAP and HGB. She currently works as an independent auditor as the owner and managing director of CensoRika Kft., furthermore, she is a quality controller of the Chamber of Hungarian Auditors and member of the Quality Control Committee. She is member of the Supervisory Board and Chairwoman of the Audit Committee of Nap Nyrt.

**Erzsébet Soltészné Parádi** graduated from the College of Finance and Accounting in 1987 in Business Administration, then worked in the banking sector. Since 1998 she has been working for Magyar Telekom and its predecessor. After working in the finance area, she has been in a support position in the technology area for 20 years. She has over 15 years of advocacy experience. From 2013 to 2022, she held the position of the Vice President of the T-Net Trade Union. From 2011, she was an officer and from 2021, she is the Chairwoman of the Workers' Council of the Technology Unit.



The Board of Directors, having considered the Remuneration and Nomination Committee's agreement with the nominations, submits the following resolution proposals to the General Meeting:

**[1.] The General Meeting elects Gyula Bereznai as member of the Supervisory Board of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[2.] The General Meeting elects Prof. Dr. Attila Borbély as member of the Supervisory Board and as member of the Audit Committee of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[3.] The General Meeting elects Krisztina Dorogházi as member of the Supervisory Board and as member of the Audit Committee of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then her mandate expires on the day of the Annual General Meeting.**

**[4.] The General Meeting elects András Szakonyi as member of the Supervisory Board and as member of the Audit Committee of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then his mandate expires on the day of the Annual General Meeting.**

**[5.] The General Meeting elects Zsoltné Varga as member of the Supervisory Board of Magyar Telekom Plc. until May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then her mandate expires on the day of the Annual General Meeting.**

**[6.] The General Meeting elects Erika Tóthné Rákosa as independent substitute member of the Supervisory Board and as substitute member of the Audit Committee of Magyar Telekom Plc. Her mandate shall commence with the condition and at the time if and when the number of the independent members of the Supervisory Board and thus the number of the members of the Audit Committee falls below three, and her mandate shall end on May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then the mandate expires on the day of the Annual General Meeting.**

**[7.] The General Meeting elects Erzsébet Soltészné Parádi as employee representative substitute member of the Supervisory Board of Magyar Telekom Plc. Her mandate shall commence with the condition and at the time if and when the number of the employee representative members of the Supervisory Board falls below two, and her mandate shall end on May 31, 2028, provided that if the 2028 Annual General Meeting is held prior to May 31, 2028, then the mandate expires on the day of the Annual General Meeting.**

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 election of members of the Supervisory Board and the Audit Committee, agreed with and proposed it to the General Meeting for adoption.





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; election of the auditor providing assurance on the sustainability statements**

Budapest, April 15, 2025



## **1. 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**

According to Section 3:130(1) of the Civil Code and Section 5.2. (h) of the Articles of Association, the election, removal, and determination of the remuneration of the Company's Statutory Auditor and to define the contents of the material elements of the contract to be concluded with the Statutory Auditor belongs to the exclusive scope of authority of the General Meeting.

According to Section 7.4. of the Articles of Association, the Supervisory Board shall make a proposal directly to the General Meeting regarding the election, remuneration and removal of the Statutory Auditor.

Material elements of the contract to be concluded with the Company's Statutory Auditor are the following:

- **Scope of the contract:**  
The audits of the Separate Financial Statements and the Consolidated Financial Statements of the Company prepared according to IFRS Accounting Standards for the 2025 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 on May 31, 2026 or if the Annual General Meeting closing the 2025 business year will be held prior to May 31, 2026 then until the date thereof.

### **Resolution proposal:**

**The General Meeting elects Deloitte Auditing and Consulting Ltd. (registered office: 1068 Budapest, Dózsa György út 84/C.; company registration number: 01-09-071057; registration number: 000083) as the Company's Statutory Auditor to perform audit services for the 2025 business year in accordance with the submission, for the period ending on May 31, 2026 or if the Annual General Meeting closing the 2025 business year will be held prior to May 31, 2026 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 349,100,000 + VAT to be the Statutory Auditor's annual compensation to perform audit services for the 2025 business year, covering the audits of the Separate Financial Statements and the Consolidated Financial Statements of the Company prepared according to IFRS Accounting Standards.**

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



## 2. ELECTION OF THE AUDITOR PROVIDING ASSURANCE ON THE SUSTAINABILITY STATEMENTS

Pursuant to Section 158/A(3) of the Accounting Act, if the Company is obliged to prepare a sustainability statement or a consolidated sustainability statement, the General Meeting of the Company is obliged to elect a chamber member auditor or audit firm with sustainability certification at the latest at the time of approval by the General Meeting of the financial statements and consolidated financial statements of the previous financial year.

### Resolution proposal:

**The General Meeting elects Deloitte Auditing and Consulting Ltd. (registered office: 1068 Budapest, Dózsa György út 84/C.; company registration number: 01-09-071057; registration number: 000083) as auditor providing assurance on the Company's sustainability statements for the 2025 business year until the date of the General Meeting approving the financial statements for the 2025 business year, but no later than May 31, 2026.**

**Personally responsible registered auditor appointed by the auditor: Kornél Bodor (chamber membership number: 005343). In event he is incapacitated, the appointed deputy auditor is: Gábor Molnár (chamber membership number: 007239).**

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.

The Supervisory Board examined the proposal of the Board of Directors on the election of the auditor providing assurance on the sustainability statements of the Company, 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 15, 2025



The Remuneration Policy of Magyar Telekom Nyrt. approved by resolution No. 15/2024 (IV.16.) of the Annual General Meeting, shall be amended due to the following reasons:

- the wording of the Company's strategic pillars have changed,
- updating reference how the vote of the shareholders was taken into account re the Remuneration Policy,
- amendment of the ratio of the base wage and the bonus.

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. ~~Lead in Digital Life and Business~~ [5 years ahead by tuning - 5 évvel a versenytársak előtt járunk a tuning segítségével](#)
2. ~~Compete on value~~ [Create the best place to belong - Olyan Magenta közösséget alkotunk, amihez a legjobb tartozni](#)
3. ~~Undisruptable Telekom~~ [Lead in digital life and business - A Telekom az élet elsősorú digitális szolgáltatója](#)
4. ~~Experience is a differentiator~~ [Provide top experience - Mindig lehet jobb](#)

The pillars serving the purpose of retaining 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 19, 2023~~ [April 16, 2024](#) the General Meeting of the Company with its Resolution no. ~~14/2023 (IV.19.)~~ [15/2024 \(IV.16.\)](#) approved the previous remuneration policy containing the amendments of ~~2023-2024~~ proposed by the Company's Board of Directors with ~~93.5594.02~~% of the votes cast in favor.

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 indefinite employment contract as agreed	1-6 months 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 indefinite employment or in accordance with the fixed-term contract in case of fixed-term employment.
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 57.4%/42.6% for the CEO, 55.2%/44.8% 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 [financial and strategic objectives](#) ~~and as well as its corporate responsibility~~ [and ESG \(sustainability\) principles focusing on reducing CO2 emissions and energy consumption.](#) ~~(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.



### 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 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.



#### 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 [15/2024 \(IV.16\)](#)-[\[.\]](#)/[2025 \(IV.15.\)](#) with [657,878,835](#) [\[.\]](#) affirmative ([94.02](#) [\[.\]](#)%), [41,709,696](#) [\[.\]](#) negative ([5.96](#) [\[.\]](#)%) and [115,370](#) [\[.\]](#) abstention ([0.02](#) [\[.\]](#)%) votes.



Submission  
to the General Meeting of Magyar Telekom Plc.

## **Advisory vote on the Remuneration Report**

Budapest, April 15, 2025



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 2024 business year to the General Meeting for an advisory vote.

**Resolution proposal:**

**The General Meeting approves the Remuneration Report of the Company for the 2024 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 2024

## 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 15/2024 (IV.16.) of the General Meeting approves and submits to the Annual General Meeting the below Remuneration Report for the 2024 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/20240416\\_Remuneration\\_Policy.pdf](https://www.telekom.hu/static-tr/sw/file/20240416_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 2024 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 2024 were as follows:

- The Board of Directors appointed Zsuzsa Tóth as Chief People Officer as of March 1, 2024.<sup>1</sup>

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 2024 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 16, 2024 the General Meeting of the Company with its resolution no. 16/2024 (IV.16.) approved the previous Remuneration Report for the business year of 2023 with 91.96% 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) point b) 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.

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<sup>1</sup> [https://www.telekom.hu/static-tr/sw/file/top\\_management\\_20september2023\\_eng.pdf](https://www.telekom.hu/static-tr/sw/file/top_management_20september2023_eng.pdf)



## 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, 2024, 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 Meeting<sup>2</sup> 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 2024 in accordance with the Remuneration Policy.

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<sup>2</sup> Resolution no. 31/2022 (IV.12.) of the General Meeting and Resolution no. 11/2024 (IV.16.) of the General Meeting



## Remuneration of the individual members of the Board of Directors for 2024

members of the Board of Directors	Fixed remuneration (per month)	Total remuneration
Daniel Daub <sup>ii</sup> , Chairperson <sup>iv</sup> (member from 04.19.2023)	600,000 <sup>iv</sup> 690,000 <sup>v</sup>	0
Daria Aleksandrovna Dodonova <sup>ii</sup>	500,000 <sup>iv</sup> 575,000 <sup>v</sup>	0
Gábor Fekete, independent	500,000 <sup>iv</sup> 575,000 <sup>v</sup>	6,637,500
Elvira Gonzalez <sup>i ii</sup>	500,000 <sup>iv</sup> 575,000 <sup>v</sup>	0
Frank Odzuck <sup>i</sup> , Deputy-Chairperson, independent	500,000 <sup>iv</sup> 575,000 <sup>v</sup>	6,637,500
Péter Ratatics, independent	500,000 <sup>iv</sup> 575,000 <sup>v</sup>	6,637,500
Tibor Rékasi <sup>iii</sup>	500,000 <sup>iv</sup> 575,000 <sup>v</sup>	0
Szabó Melinda <sup>ii</sup>	500,000 <sup>iv</sup> 575,000 <sup>v</sup>	0
<b>total</b>		<b>19,912,500</b>

<sup>i</sup> Members of the Remuneration and Nomination Committee.

<sup>ii</sup> Waived their remuneration.

<sup>iii</sup> Remuneration was offered for charity.

<sup>iv</sup> Remuneration until April 16, 2024 based on Resolution no. 31/2022 (IV.12.) of the General Meeting.

<sup>v</sup> Remuneration from April 16, 2024 based on Resolution no. 11/2024 (IV.16.) of the General Meeting.

### 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, 2024, 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 Meeting<sup>3</sup> 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

<sup>3</sup> 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) and Resolution no. 11/2024 (IV.16.) of the General Meeting.





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 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 2024 in accordance with the Remuneration Policy.

#### Remuneration of the individual members of the Supervisory Board for 2024

members of the Supervisory Board	Fixed remuneration (per month)	Total remuneration
Gyula Bereznai, employee representative	350,000 <sup>iv</sup> 402,500 <sup>v</sup>	4,646,250
Prof. Dr. Attila Borbély <sup>i</sup> , Chairperson, independent	600,000 <sup>iv</sup> 690,000 <sup>v</sup>	15,399,000
Krisztina Dorogházi <sup>ii</sup> , independent	350,000 <sup>iv</sup> 402,500 <sup>v</sup>	8,363,250
András Szakonyi <sup>iii</sup> , independent	350,000 <sup>iv</sup> 402,500 <sup>v</sup>	8,363,250
Endre Szepesi, employee representative	350,000 <sup>iv</sup> 402,500 <sup>v</sup>	4,646,250
<b>total</b>		<b>41,418,000</b>

<sup>i</sup> 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<sup>iv</sup>, from April 16, 2024 HUF 644,000 per month<sup>v</sup>, totally HUF 7,434,000 in 2024.

<sup>ii</sup> 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<sup>iv</sup>, from April 16, 2024 HUF 322,000 per month<sup>v</sup> totally HUF 3,717,000 in 2024.

<sup>iii</sup> 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<sup>iv</sup>, from April 16, 2024 HUF 322,000 per month totally HUF 3,717,000 in 2024.

<sup>iv</sup> Remuneration until April 16, 2024 based on Resolution no. 4/25 (04.14.2020) 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).

<sup>v</sup> Remuneration from April 16, 2024 based on Resolution no. 11/2024 (IV.16.) of the General Meeting.

## 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, 2024, 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 2024 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 Zatkan in addition to the remuneration for this activity as Chief Technology and IT Officer of Magyar Telekom, received remuneration as non-executive member of the Board of Directors of Makedonski Telekom AD amounting to MKD 62,000 (appr. HUF 416,640) 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 2024 (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 2023 business year, the amount of the Executives' bonuses was presented on the presumption of 142.62% target performance and was fulfilled at 127.5%.

The amount of the Executives' bonuses presented in this Remuneration Report is based on the presumption of 138.2% target performance in accordance with the 2024 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 2024 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 2021, 2022, 2023 and 2024 are available. After payment is made, the LTI may not be reclaimed.

For the 2023 business year, the amount of the Executives' LTI was presented on the presumption of 134% (estimate) and was fulfilled at 146%.

The amount of the Executives' LTIs presented in this Remuneration Report with respect to the 2024 business year is based on the presumption of 126% target performance in accordance with the 2024 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 2021, 2022, 2023 and 2024 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 2024 business year is based on the presumption of 100% target performance in accordance with the 2024 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 2023 business year, the amount of the Executives' Game Changer Incentive was presented on the presumption of 125% (estimate) and was fulfilled at 100%.

The amount of the Executives' relevant incentive programs presented in this Remuneration Report for the 2024 business year is based on the presumption of 125% target performance in accordance with the 2024 Financial Statements.

The Company's 2024 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](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 2024 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 2024

Name of Director, position	Reported financial year	1 Fixed remuneration		2 Variable remuneration		3 Extraordinary items	4 Any remuneration from undertakings of the same group <sup>ii</sup>	5 Total remuneration	in gross HUF
		Base salary	Fringe benefits <sup>i</sup>	One-year variable	Multi-year variable				6 Relative proportion of fixed and variable remuneration (xx%/yy%)
<b>Daria Aleksandrovna Dodonova</b> Chief Financial Officer	2024	56,809,802	24,313,706	33,649,875	141,275,550	-	-	256,048,933	32%/68%
<b>Gábor Gonda</b> Chief Commercial Officer Enterprise	2024	51,200,000	10,425,936	57,894,523	135,714,279	-	-	255,234,738	24%/76%
<b>Zoltán Pereszlényi</b> Chief Commercial Officer	2024	50,025,859	6,893,034	53,552,434	96,236,292	-	-	206,707,619	28%/72%
<b>Tibor Rékasi</b> Chief Executive Officer	2024	116,675,883	17,002,586	120,934,553	364,242,004	-	-	618,855,026	22%/78%
<b>Zsuzsa Tóth</b> Chief People Officer (from March 1, 2024)	2024	37,000,000	9,199,209	41,837,839	39,130,872	6,000,000	-	133,167,920	39%/61%
<b>Lubor Zatko</b> Chief Technology and IT Officer	2024	50,400,000	27,764,148	54,276,115	134,360,321	7,870,200	-	274,670,784	31%/69%

<sup>i</sup> 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.

<sup>ii</sup> 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 2024 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.

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 2024 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](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 2022/2021		change 2023/2022		change 2024/2023		change 2025/2024		change 2026/2025	
	absolute number (Ft)	(%)	absolute number (Ft)	(%)	absolute number (Ft)	(%)	absolute number (Ft)	(%)	absolute number (Ft)	(%)
<b>Members of the Board of Directors</b>										
Daniel Daub (from 04.19.2023)	-	-	0	n/m	0	n/a				
Daria Aleksandrovna Dodonova	0	0%	0	0%	0	0%				
Gábor Fekete	431,578	8%	168,422	3%	637,500	11%				
Elvira Gonzalez (from 04.12.2022)	0	n/m	0	n/a	0	n/a				
Frank Odzuck	431,578	8%	168,422	3%	637,500	11%				
Péter Ratatics	431,578	8%	168,422	3%	637,500	11%				
Tibor Rékasi	0	0%	0	0%	0	0%				
Melinda Szabó (from 04.12.2022)	0	n/m	0	n/a	0	n/a				
dr. Robert Hauber (until 04.19.2023)	0	0%	0	n/a	0	n/a				
Ralf Nejedl (until 04.12.2022)	0	n/a	-	-	-	-				
Éva Somorjai-Tamássy (until 04.12.2022)	0	n/a	-	-	-	-				
<b>Members of the Supervisory Board</b>										
Gyula Bereznai (from 04.12.2022)	3,021,053	n/m	1,178,947	n/a	446,250	11%				
Attila dr. Borbély	-937,794	-7%	937,794	7%	1,479,000	11%				
Krisztina Dorogházi	0	0%	0	0%	803,250	11%				
András Szakonyi	0	0%	0	0%	803,250	11%				
Endre Szepesi (from 04.12.2022)	3,021,053	n/m	1,178,947	n/a	446,250	11%				
Tamás Lichnovszky (until 04.12.2022)	-3,021,053	n/a	-	-	-	-				
Zsoltné Varga (until 04.12.2022)	-3,021,053	n/a	-	-	-	-				
<b>Members of the Management</b>										
Daria Aleksandrovna Dodonova	1,752,313	1%	38,259,584	22%	41,875,114	20%				
Gábor Gonda	-886,262	-1%	31,946,834	20%	62,599,059	33%				
Zoltán Pereszlényi (from 12.01.2022)	11,276,687	n/m	159,293,307	n/a	36,137,625	21%				
Tibor Rékasi	108,825,661	33%	31,141,586	7%	153,756,156	33%				
Zsuzsa Tóth (from 03.01.2024)					133,167,920	n/m				
Lubor Zatko (until 12.31.2024)	18,212,359	11%	24,940,050	14%	71,187,708	35%				
Zsuzsanna Friedl (until 12.31.2023)	19,380,070	11%	29,107,765	15%	-220,797,640	n/m				
Melinda Szabó (until 09.14.2022)	-34,387,524	n/a	-	-	-	-				
<b>Company's financial performance (mHUF)</b>										
Revenues of Magyar Telekom Group	53,820	7.8%	102,703	13.8%	118,106	13.9%				
EBITDA AL of Magyar Telekom Group	5,250	2.4%	360,428	16.4%	75,136	29.1%				
profit after tax of Magyar Telekom Plc.	4,985	9.1%	14,910	25%	79,573	106.9%				
<b>Change in Company's employee average remuneration (other than Directors) (HUF) (full time equivalent)</b>										
	469,445	4.8%	1,275,164	12.5%	2,405,864	21%				



## 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 15, 2025

### Composition of share capital of the Company as of March 3, 2025:

Share series	Nominal value (HUF/share)	Number of shares issued	Total nominal value (HUF)
Series "A" (ordinary shares)	100	938,617,497	93,861,749,700
Share capital			93,861,749,700

### Number of voting rights attached to the shares as of March 3, 2025:

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)	938,617,497	938,617,497	1	938,617,497	30,036,413
Total	938,617,497	938,617,497		938,617,497	30,036,413