CONSOLIDATED

financial and management report

4iG

2024

CONTENTS

4iG PLC
CONSOLIDATED FINANCIAL STATEMENTS

ACCORDING TO INTERNATIONAL
FINANCIAL REPORTING STANDARDS
31 DECEMBER 2024

FINANCIAL REPORT

CONTENTS

The Consolidated Financial Statements were approved by the Board of Directors of the Company by written decision on 11 April 2025 by Board Resolution No. 4/2025 (IV.11.).
The Consolidated Financial Statements were prepared in Hungarian and English. In case of any discrepancy, the Hungarian version shall prevail.

Data in millions of HUF, unless otherwise indicated

Consolidated statement of comprehensive income

	Notes	2024	2023
			Restated*
Net sales revenue	3	687 176	592 809
Other operating income	4	4 567	26 634
Total net sales revenue and other income		**691 743**	**619 443**
Capitalised value of own performance	5	18 190	15 835
Raw materials and consumables used	6	-201 622	-195 902
Services used	7	-115 756	-93 864
Employee benefit expenses	8	-116 174	-95 570
Other operating expenses	9	-45 326	-47 309
Impairment for financial assets		-2 541	-8 357
Operating costs		**-478 878**	**-432 645**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**231 055**	**202 633**
Depreciation and amortisation	10	-190 326	-170 920
Earnings before interest and taxes (EBIT)		**40 729**	**31 713**
Financial income	11	8 826	21 737
Financial expenses	11	-89 739	-70 435
Share of profit of associate and joint ventures	12	-378	-1 637
Profit or loss before tax		**-40 562**	**-18 622**
Income taxes	13	-7 096	-8 572
Profit or loss after tax		**-47 658**	**-27 194**
Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		11 592	1 068
Share of other comprehensive income/(loss) of associates and joint ventures		0	14
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		**11 592**	**1 082**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods			
Net gain/(loss) on equity instruments at fair value through other comprehensive income		0	150
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		**0**	**150**
Other comprehensive income/(loss)	14	**11 592**	**1 232**
Total comprehensive income/(loss)	15	**-36 066**	**-25 962**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of comprehensive income (continued)

	Notes	2024	2023 Restated*
Earnings per share (HUF)	16		
Basic		-159.35	-90.93
Diluted		-162.79	-92.55
Profit or loss after tax attributable to:			
Owners of the Company		-45 836	-29 492
Non-controlling interests		-1 822	2 298
Total comprehensive income/(loss) attributable to:			
Owners of the Company		-36 944	-27 980
Non-controlling interests		878	2 018

* The comparative figures of the consolidated statement of comprehensive income, the consolidated statement of financial position and the consolidated statement of cash flows are restated figures. The restatements have been made in accordance with Note 2.31 Adjustment of previous year's financial data.

Data in millions of HUF, unless otherwise indicated

Consolidated statement of financial position

	Notes	31/12/2024	31/12/2023 Restated*	01/01/2023 Restated*
ASSETS				
Non-current assets				
Property, plant, and equipment	17	428 027	430 629	281 690
Customer relationship	18	164 104	173 522	62 101
Other intangible assets	19	248 249	244 795	57 604
Right-of-use assets	20	146 974	139 923	43 402
Deferred tax assets	21	2 289	569	200
Goodwill	22	274 249	264 740	166 822
Net investment in the lease – non-current	23	1 093	752	190
Investments in an associate and joint venture	24	5 870	470	521
Other financial assets – non-current	25	10 844	1 590	457
Other non-financial assets – non-current	25	1 557	574	0
Total non-current assets		**1 283 256**	**1 257 564**	**612 987**
Current assets				
Cash and cash equivalents	26	60 559	53 116	46 259
Trade receivables	27	118 903	129 395	56 882
Income tax receivable	28	1 539	1 054	1 794
Net investment in the lease – current	29	673	563	137
Inventories	30	11 049	10 981	10 717
Other financial assets – current	31	3 070	26 539	4 950
Other non-financial assets - current	32	29 335	27 460	16 023
Assets classified as held for sale		0	0	190 271
Total current assets		**225 128**	**249 108**	**327 033**
Total assets		**1 508 384**	**1 506 672**	**940 020**
EQUITY AND LIABILITIES				
Equity				
Share capital	33	5 981	5 981	5 981
Treasury shares	34	-3 519	-3 199	-922
Capital reserve	35	133 492	133 492	133 492
Retained earnings		-71 799	-25 963	41 987
Share based payment reserve	44	397	397	0
Accumulated other comprehensive income	36	20 748	11 856	9 486
Equity attributable to owners of the company		**85 300**	**122 564**	**190 024**
Non-controlling interests	37	232 447	233 261	101 830
Total equity		**317 747**	**355 825**	**291 854**
Non-current liabilities				
Provisions – non-current	38	7 823	6 502	5 488
Loans, borrowings, bonds – non-current	39	768 646	741 806	424 320
Share based payment liability - non-current	44	1 170	0	0
Lease liabilities – non-current	40	130 015	118 402	34 049
Deferred tax liability	21	19 779	22 338	14 233
Other financial liabilities – non-current	41	3 898	5 334	8 658
Other non-financial liabilities – non-current	41	573	13	0
Total non-current liabilities		**931 904**	**894 395**	**486 748**

* The comparative figures of the consolidated statement of comprehensive income, the consolidated statement of financial position and the consolidated statement of cash flows are restated figures. The restatements have been made in accordance with Note 2.31 Adjustment of previous year's financial data.

Data in millions of HUF, unless otherwise indicated

Consolidated statement of financial position (continued)

	Notes	31/12/2024	31/12/2023 Restated*	01/01/2023 Restated*
Current liabilities				
Trade payables	42	116 026	95 953	45 837
Provisions – current	38	7 017	6 282	4 674
Loans, borrowings, bonds – current	43	10 051	14 104	8 944
Share based payment liability – current	44	1 899	624	0
Lease liabilities – current	40	29 828	24 663	9 009
Income tax payable	28	2 733	1 812	664
Other financial liabilities – current	45	22 432	21 695	19 009
Other non-financial liabilities – current	46	68 747	91 319	49 932
Liabilities related to assets held for sale		0	0	23 349
Total current liabilities		**258 733**	**256 452**	**161 418**
Total liabilities and equity		**1 508 384**	**1 506 672**	**940 020**

* The comparative figures of the consolidated statement of comprehensive income, the consolidated statement of financial position and the consolidated statement of cash flows are restated figures. The restatements have been made in accordance with Note 2.31 Adjustment of previous years' financial data.

Consolidated statement of changes in equity

	Notes	Share capital	Treasury share	Capital reserve	Retained earnings	Share based payment reserve	Accumulated other comprehensive income	Equity attributable to owners of the Company	Non-controlling interests	Total equity
On 1 January 2023		**5 981**	**-922**	**133 492**	**47 181**	**0**	**9 722**	**195 454**	**102 105**	**297 559**
Prior year adjustments					-5 194		-236	-5 430	-275	**-5 705**
Balance on 1 January 2023 (restated)		**5 981**	**-922**	**133 492**	**41 987**	**0**	**9 486**	**190 024**	**101 830**	**291 854**
Profit or loss after tax					-29 492			**-29 492**	2 298	**-27 194**
Other comprehensive income	14						1 512	**1 512**	-280	**1 232**
Total comprehensive income		**0**	**0**	**0**	**-29 492**	**0**	**1 512**	**-27 980**	**2 018**	**-25 962**
Share purchase	33		-2 277					**-2 277**		**-2 277**
Share based payments	44					397		**397**		**397**
Increase in non-controlling interest due to acquisition	37							**0**	217 688	**217 688**
Changes in non-controlling interest without loss of control	37				-38 458		858	**-37 600**	-87 935	**-125 535**
Dividends	37							**0**	-340	**-340**
Balance on 31 December 2023 (restated)		**5 981**	**-3 199**	**133 492**	**-25 963**	**397**	**11 856**	**122 564**	**233 261**	**355 825**
Profit or loss after tax					-45 836			**-45 836**	-1 822	**-47 658**
Other comprehensive income	14						8 892	**8 892**	2 700	**11 592**
Total comprehensive income		**0**	**0**	**0**	**-45 836**	**0**	**8 892**	**-36 944**	**878**	**-36 066**
Share purchase			-320					**-320**		**-320**
Increase in non-controlling interest due to acquisition	37							**0**	-611	**-611**
Dividends	37							**0**	-1 081	**-1 081**
Balance on 31 December 2024		**5 981**	**-3 519**	**133 492**	**-71 799**	**397**	**20 748**	**85 300**	**232 447**	**317 747**

Consolidated statement of cash flows

	Notes	31/12/2024	31/12/2023 Restated*
Cash flows from operating activities			
Profit or loss before tax		-40 562	-18 622
Adjustments:			
Depreciation and impairment of property, plant and equipment and right-of-use assets	10	113 619	107 050
Amortisation and impairment of intangible assets and impairment of goodwill	10	77 808	63 734
Movement in other impairment		5 844	10 913
Movement in provision	38	2 056	-3 194
Other financial income/expenses		58 812	50 743
Net foreign exchange differences		12 762	-14 843
Share of profit or loss of associates and joint ventures	12	378	1 637
Gain/loss on sale of property, plant, and equipment		173	-17 494
Income tax paid		-11 092	-9 910
Changes in working capital			
Changes in trade receivables	27	-2 754	-20 193
Changes in inventories	30	1 084	2 885
Changes in trade payables	41	19 385	6 712
Changes in other receivables and payables		7 294	21 082
Net cash flows from operating activities		**244 807**	**180 500**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		2 744	443
Purchase of property, plant and equipment	17	-81 255	-48 783
Proceeds from sale of intangible assets		7	190
Purchase of intangible assets	19	-61 329	-43 360
Purchase of securities	25	0	-108
Purchase of other investments		-5 721	-1 908
Acquisition of a subsidiary, net of cash acquired		61	-323 216
Dividends and interest received on investments		4 151	1 250
Net cash flows from investing activities		**-141 342**	**-415 492**
Cash flows from financing activities			
Proceeds from borrowings/ repayment of borrowings	39	-4 525	321 054
Payment of principal portion of lease liabilities		-39 489	-22 147
Proceeds from issue of share capital	33	0	381
Repurchased and issued treasury shares		-320	-2 277
Interest paid	10	-51 408	-53 128
Dividends paid to non-controlling interests		-1 081	-340
Net cash flows from financing activities		**-96 823**	**243 543**
Net foreign exchange difference		801	-1 694
Net change in cash and cash equivalents		**7 443**	**6 857**
Cash and cash equivalents at the beginning of the year	26	53 116	46 259
Cash and cash equivalents at the end of the period		**60 559**	**53 116**

* The comparative figures of the consolidated statement of comprehensive income, the consolidated statement of financial position and the consolidated statement of cash flows are restated figures. The restatements have been made in accordance with Note 2.31 Adjustment of previous years financial data.

1 General information

1.1. About the Group

4iG Public Limited Company (Plc) is a company registered in Hungary (registered office: Krisztina krt. 39., 1013 Budapest), conducts its activities in accordance with the provisions of Hungarian law, maintains its accounting and financial records in accordance with International Financial Reporting Standards (IFRS), and its shares are traded in the "Premium" category of the Budapest Stock Exchange (BSE).

4iG Plc and its subsidiaries together constitute the 4iG Group (hereinafter referred to as the "4iG Group" or the "Group").

The 4iG Group is not under the independent control of any other company.

The principal activities of the 4iG Group include the provision of comprehensive telecommunications services, the operation of telecommunications-related infrastructure, platform-independent, custom software design and development, the design and implementation of full-scale enterprise IT solutions, IT operation and support, service provision, the operation of ERP (complex enterprise resource planning) systems, full support for banking data services, the development and operation of document and case management systems.

"Company" or "the Company" refers to 4iG Plc as a standalone entity, excluding its subsidiaries.

This financial report is also available on the Company's website: www.4ig.hu.

1.2. Basis of preparation

i) Approval and declaration

The consolidated financial statements for the year ended on 31 December 2024 were approved by the Board of Directors on 11 April 2025.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as published and incorporated by regulation in the Official Journal of the European Union (EU). IFRS are standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).

The consolidated financial statements are presented in Hungarian forints, rounded to the nearest million forints, unless otherwise indicated.

The report contains audited consolidated financial statements for the period ending 31 December 2024. The consolidated financial statements provide comparative information in respect of the previous period. An additional statement of financial position as of 1 January 2023 is presented in these consolidated financial statements due to the retrospective correction of previous years' misstatements. See Note 2.31 Adjustment of previous years' financial data for more information.

ii) The basis of preparation of the accounts (Statement of compliance)

Financial statements shall present fairly the financial position, financial performance, and cash flows of 4iG Group. Fair presentation requires the faithful representation of the effects of transactions, other events, and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income, and expenses set out in the Framework.

The financial year for the Group is 1 January – 31 December 2024. The balance sheet date is 31 December 2024.

The consolidated financial statements have been prepared on a historical cost basis, except for assets and liabilities carried at fair value, which are financial instruments at fair value through profit or loss (FVTPL) or at fair value through other comprehensive income (FVTOCI).

iii) Going concern

The consolidated financial statement has been prepared on a going concern basis. This means that they have been prepared on the assumption that the Group will continue to operate for the foreseeable future without management's intention to wind up the entity or significantly reduce its level of activity.

iv) Significant accounting judgements, estimates and assumptions

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and the accompanying disclosures, and the disclosures of contingent liabilities. Estimates and related assumptions are based on historical experience and a number of other factors that are considered to be reasonable under the circumstances and whose results form the basis for estimating the carrying amounts of assets and liabilities that are not readily determinable from other sources. Actual results may differ from these estimates. Estimates and baseline assumptions are regularly reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only the current year or in the period of the revision and future periods if the revision affects both current and future years.

This note provides an overview of the areas that involved a higher degree of judgement or complexity. Detailed information about each of these estimates and judgements is included in other notes.

The areas involving significant estimates or judgements are:

- estimation of current tax payable and current tax expense in relation to an uncertain tax position - Note 13 Income taxes,
- estimated fair value of certain financial assets – Note 25.1 Other financial assets – non-current and Note 31 Other financial assets – current,
- estimated useful life of property, plant and equipment– Note 17 Property, plant and equipment,
- estimation uncertainties and judgements made in relation to lease accounting – Note 20 Right-of-use assets and Note 40 Lease liabilities,
- estimated useful life of intangible asset – Note 19 Other intangible assets,
- estimation of fair values of contingent liabilities and contingent purchase consideration in a business combination – Note 22.2 Business combination,
- recognition of revenue and allocation of transaction price – Note 3 Net sales revenue,
- recognition of deferred tax asset for carried-forward tax losses – Note 21 Deferred tax assets and liabilities,
- impairment of financial assets – Note 9 Other operating expenses,
- consolidation decision and classification of joint arrangement – Note 24 Investments in an associate and joint venture,
- impairment of goodwill – Note 22 Goodwill and business combinations
- The Group acts as a principal or an agent in different relationships with customers, further information can be found in Note 3 Net sales revenues.

2 Material accounting policies

The following note describes the material accounting policies applied in the preparation of the consolidated financial statements and the basis of preparation of the consolidated financial statements. Accounting policies have been consistently applied to the periods presented in these consolidated financial statements.

2.1. Basis of consolidation

The consolidated financial statements comprise the financial statements of 4iG and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, 4iG controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- exposure, or rights, to variable returns from its involvement with the investee
- the ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, 4iG considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement(s) with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Group's voting rights and potential voting rights

The Group reassess whether it controls an investee if circumstances indicate that there are changes to one or more of elements of control mentioned above. Consolidation of a subsidiary begins when 4iG obtains control over the subsidiary and ceases when 4iG loses control of the subsidiary. Assets, liabilities, incomes, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date 4iG gains control, until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any consequential gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Data in millions of HUF, unless otherwise indicated

Subsidiaries

The subsidiaries fully consolidated are shown in the table below for the period ended 31 December 2024:

Name of subsidiary	Remark	Direct majority owner	Date of inclusion in consolidation	Way of acquiring	Ownership on 31/12/2024	Ownership on 31/12/2023
"Digitális Átállásért" Nonprofit Kft.		4iG Távközlési Holding Zrt.	31/03/2022	cont. in kind	76.78%	76.78%
4iG ComCo Holding Zrt.	A	4iG Távközlési Holding Zrt.	02/08/2023	incorporated	76.78%	76.78%
4iG Hírközlési Infrastruktúra Zrt.	B	4iG Távközlési Holding Zrt.	19/11/2024	incorporated	76.78%	n/a
4iG InfraCo Holding Zrt.	C	4iG Távközlési Holding Zrt.	02/08/2023	incorporated	76.78%	76.78%
4iG International Telco Holding Kft.	D	4iG Távközlési Holding Zrt.	23/02/2022	incorporated	76.78%	76.78%
4iG Műsorszóró Infrastruktúra Kft.	E	4iG Távközlési Holding Zrt.	28/10/2024	incorporated	76.78%	n/a
4iG Távközlési Holding Zrt.	F	4iG Plc	31/03/2022	cont. in kind	76.78%	76.78%
4iG Űr és Védelmi Technológiák Zrt.	G	4iG Plc	21/02/2024	incorporated	100.00%	n/a
ACE Network Zrt.		4iG Plc	14/04/2021	acquisition	70.00%	70.00%
AH Infrastruktúra Szolgáltató Zrt.	H	4iG Távközlési Holding Zrt.	01/09/2024	spin-off	76.78%	n/a
AH Média Kereskedelmi Zrt.	H	4iG Távközlési Holding Zrt.	01/09/2024	spin-off	76.78%	n/a
Albania Telecom Invest AD	I	4iG International Telco Holding Kft.	21/03/2022	acquisition	76.78%	76.78%
BRISK Digital Group Kft.		4iG Plc	15/11/2022	acquisition	75.00%	75.00%
BRISK Digital Hungary Kft.		BRISK Digital Group Kft.	15/11/2022	acquisition	75.00%	75.00%
BRISK Digital International Kft.		BRISK Digital Group Kft.	15/11/2022	acquisition	75.00%	75.00%
CarpathiaSat Zrt.	J	4iG Űr és Védelmi Technológiák Zrt.	17/08/2020	incorporated	100.00%	84.78%
DIGI Távközlési és Szolgáltató Kft.	K	4iG Távközlési Holding Zrt.	03/01/2022	acquisition	76.78%	76.78%
D-Infrastruktúra Távközlési Kft.	K	4iG InfraCo Holding Zrt.	01/07/2024	demerger	76.78%	n/a
DTSM Kft.	L	4iG Plc	07/12/2020	acquisition	n/a	100.00%
Humansoft Szerviz Kft.		4iG Plc	17/04/2019	incorporated	100.00%	100.00%
Hungaro DigiTel Kft.	M	Portuguese Telecommunication Investments Kft.	12/05/2021	acquisition	100.00%	94.2%
INNObyte Zrt.		4iG Plc	14/10/2020	acquisition	100.00%	100.00%
INNOWARE Kft.		INNObyte Zrt.	14/10/2020	acquisition	100.00%	100.00%
Invitech ICT Infrastructure Kft.	K	4iG Távközlési Holding Zrt.	01/07/2024	demerger	76.78%	n/a
Invitech ICT Services Kft.	K	4iG Távközlési Holding Zrt.	30/09/2021	acquisition	76.78%	76.78%
InviTechnocom Kft.		Invitech ICT Infrastructure Kft.	30/09/2021	acquisition	76.78%	76.78%
ONE Albania sh.a.		Albania Telecom Invest AD	21/03/2022	acquisition	73.92%	73.92%
ONE Crna Gora d.o.o.	N	4iG International Telco Holding Kft.	21/12/2021	acquisition	76.78%	76.78%

Data in millions of HUF, unless otherwise indicated

Name of subsidiary	Remark	Direct majority owner	Date of inclusion in consolidation	Way of acquiring	Ownership on 31/12/2024	Ownership on 31/12/2023
ONE MACEDONIA TELECOMMUNICATIONS DOOEL Skopje	O	4iG Távközlési Holding Zrt.	18/10/2024	incorporated	76.78%	n/a
Poli Computer PC Kft.		4iG Plc	01/06/2021	acquisition	100.00%	100.00%
Portuguese Telecommunication Investments Kft.	P	4iG Űr és Védelmi Technológiák Zrt.	12/05/2021	acquisition	100.00%	100.00%
Rheinmetal 4iG Digital Services Kft.		4iG Plc	16/11/2022	incorporated	51.00%	51.00%
Rotors & Cams Kereskedelmi és Szolgáltató Zrt.	Q	4iG Plc	23/12/2024	acquisition	55.00%	24.00%
Veritas Consulting Kft.		4iG Plc	10/09/2019	acquisition	100.00%	100.00%
One Magyarország Zrt.	R	4iG Távközlési Holding Zrt.	31/01/2023	acquisition	54.13%	54.13%

A As of 1 December 2024 AH KETTŐ Zrt. will continue its operation under the corporate name 4iG ComCo Holding Zrt.

B On 19 November 2024, 4iG Hírközlési Infrastruktúra Zrt. was established, which is 100% owned by 4iG Távközlési Holding Zrt.

C As of 1 December 2024 AH EGY Zrt. will continue its operation under the corporate name 4iG InfraCo Holding Zrt

D As of 1 December 2024 4iG Albánia Kft. will continue its operation under the name 4iG International Telco Holding Kft.

E On 28 October 2024, 4iG NÉGY Kft. was established, which is 100% owned by 4iG Távközlési Holding Zrt. As of 1 December 2024; AH NÉGY Kft. will continue its operation under the corporate name 4iG Műsorszóró Infrastruktúra Kft.

F As of 1 December 2024, "ANTENNA HUNGÁRIA" Zrt. will continue its operations under the corporate name 4iG Távközlési Holding Zrt.

G On 21 February 2024, 4iG Űr és Védelmi Technológiák Zrt. was established, which is 100% owned by 4iG Plc.

H On 31 August 2024, the separation from 4iG Távközlési Holding Zrt. was completed, AH Infrastruktúra Szolgáltató Zrt. and AH Média Kereskedelmi Zrt. were created by the restructuring, started their operations on 1 September 2024. 4iG Távközlési Holding Zrt. will continue to operate as a holding company.

I In December 2024 Albania Telecom Invest AD is contributed to 4iG International Telco Holding Kft.

J In December 2024 CarpathiaSat Zrt. is contributed to 4iG Űr és Védelmi Technológiák Zrt.

K On 30 June 2024, the separation of DIGI Távközlési és Szolgáltató Kft. and Invitech ICT Services Kft. by way of a spin-off was completed, D-Infrastruktúra Távközlési Kft., which includes the DIGI infrastructure division and Invitech ICT Infrastructure Kft., which includes the infrastructure division of Invitech, started operations, as of that day, the commercial and infrastructure divisions continue to operate in separate companies. In December 2024 D-Infrastruktúra Távközlési Kft. is contributed to 4iG InfraCo Holding Zrt.

L On 25 September 2024, REPRO Capital Investment Kft. entered into a share sale and purchase agreement with 4iG Plc for the purchase of 100% of the share capital of DTSM Kft. The purchase price was paid on 1 October 2024, so DTSM Kft. would be deconsolidated from that date.

M On 12 July 2024, Portuguese Telecommunication Investments Kft. concluded a sales contract with 4iG Távközlési Holding Zrt. to acquire a 25% stake in Hungaro DigiTel Kft., making Portuguese Telecommunication Investments Kft. the 100% owner of Hungaro DigiTel Kft.

N In December 2024 ONE Crna Gora d.o.o. is contributed to 4iG International Telco Holding Kft.

O On 18 October 2024, ONE MACEDONIA TELECOMMUNICATIONS DOOEL Skopje was established, which is 100% owned by 4iG Távközlési Holding Zrt.

P In December 2024 Portuguese Telecommunication Investments Kft. is contributed to 4iG Űr és Védelmi Technológiák Zrt.

Q On 20 December 2024 4iG Plc acquired 31% of the shares of Rotors & Cams Zrt. Accordingly, 4iG has acquired majority of the shares of Rotors & Cams Zrt. and control rights over Rotors & Cams Zrt.

R On 31 December 2024, the name of Vodafone Magyarország Zrt. has been changed to One Magyarország Zrt.

Associates and joint venture

In addition to the subsidiaries, on 6 October 2022, 4iG Plc acquired 9.538% of the shares of Space-Communications Ltd., the operator and developer of AMOS satellite systems. The Company increased its stake in Space-Communications Ltd. from 9.538% to 20% by a capital increase effective as of 21 February 2023. Following the capital increase, 4iG gained significant influence over Space-Communications Ltd., and from this date, it is reported as an associate.

On 2 October 2023, RAC Antidrone Zrt. was established, with 4iG Plc holding a 25% share and Rotors & Cams Zrt. holding 50%. However, before the year-end, Rotors & Cams Zrt. sold its majority stake in RAC Antidrone Zrt. As a result, although Rotors & Cams Zrt. became a subsidiary, the Group lost its indirect control over RAC Antidrone Zrt., which has subsequently been reclassified as an associate.

Data in millions of HUF, unless otherwise indicated

On 2 May 2024, 45% shares of REMRED Technológia Fejlesztő Zrt. was acquired by 4iG Űr és Védelmi Technológiák Zrt. According to our valuation, although Group's stake in REMRED Technológiai Fejlesztő Zrt. does not reach 50%, company is considered as a joint venture for the year ending 31 December 2024.

On 31 December 2024, the associated entities and joint ventures are shown in the table below:

Name of the associate/joint venture	Date of acquisition	Way of acquiring	Ownership on 31/12/2024	Ownership on 31/12/2023
RAC Antidrone Zrt.	02/10/2023	incorporated	25%	25%
REMRED Technológia Fejlesztő Zrt.	02/05/2024	acquisition	45%	n/a
Space-Communications Ltd.	11/10/2021	acquisition	20%	20%

REMRED Technológiai Fejlesztő Zrt. qualifies as a joint venture under IFRS 11 Joint Arrangements, as its owners are required to make certain strategic decisions unanimously and dividend distribution decisions must also be made jointly.

2.2. Foreign currencies

The Group's consolidated financial statements are presented in HUF (Hungarian forints), which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies at the financial reporting date are translated at the exchange rate of the MNB (Hungarian National Bank) at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities into each Group entity's functional currency at year-end are recognised in the income statement.

Translation at year-end rates does not apply to non-monetary items that are measured at historical cost. Non-monetary assets and liabilities that are measured at fair value in foreign currencies are translated using the foreign exchange rates at the date the fair value is determined.

Group companies

For consolidation purposes, the results and financial position of each entity that have a functional currency different from reporting currency of the Group (HUF) are translated into the reporting currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the respective reporting period,
(ii) income and expenses for each income statement are translated at exchange rates at the dates of the transactions, for practical reasons, taking into account the cost-benefit principle, the Group uses the average monthly exchange rate for the period, to translate income or expenses,
(iii) equity items are translated on historical rate,
(iv) all resulting exchange differences are recognised in other comprehensive income (OCI) as cumulative translation adjustments (CTA). On disposal of a foreign operation, the component of OCI relating to that particular operation is reclassified to profit or loss.

Goodwill arising on the acquisition of a foreign operation is translated at the spot rate of exchange at the reporting date.

2.3. Net sales revenue

The Group recognises revenue from contracts with customers (IFRS 15) and from its leasing activities as a lessor (IFRS 16) recognises lease income on a straight-line basis. The details of the lessor accounting are in Note 2.16 Leases.

According to the requirements of IFRS 15, revenue can be recognised when promised goods or services are transferred to the customer in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or service. This core principle is applied using a five-step model framework.

Step 1: Identify the contract with the customer

A contract with a customer will be within the scope of IFRS 15 if all the conditions set by IFRS are met. If a contract with a customer does not meet all of the criteria yet, the Group continues to reassess the contract going forward to determine whether it subsequently meets the criteria. From that point, the Group applies IFRS 15 to the contract.

Modification of contracts

If both the scope and the price of the contract increases and the increase in the price corresponds to the standalone selling price of the additional promised goods or services, a contract modification is accounted for as a separate contract with the customer. In other cases, the contract modification is accounted for by modifying the accounting for the current contract with the customer. Such modification is accounted for either prospectively or retrospectively depending on whether the remaining goods or services to be delivered after the modification are distinct from those delivered prior to the modification.

Step 2: Identify the performance obligations in the contract

At the inception of the contract, the Group assesses the goods or services that have been promised to the customer and identify as a performance obligation a good or service (or bundle of goods or services) that is distinct; or series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service is distinct if both of the following criteria are met:

- the customer can benefit from the good or services on its own or in conjunction with other readily available resources; and
- The Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties), and whether it act in its arrangements as an agent or principal.

Principal versus agent consideration

When more than one party is involved in providing goods or services to a customer IFRS 15 requires an entity to determine whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer:

- The Group is a principal (and, therefore, records revenue on a gross basis) if it controls a promised good or service before transferring that good or service to the customer. The revenue recognised is the gross amount to which the entity expects to be entitled.
- The Group is an agent (and, therefore, records as revenue the net amount that it retains for its agency services) if its role is to arrange for another entity to provide the goods or services. The revenue recognised is the net amount that the Group is entitled to retain in return for its services as the agent.

The Group has generally concluded that it is the principal in its revenue arrangements, except for certain IT software licencing and supporting arrangements, because it typically controls the goods or services before transferring them to the customer.

The Group evaluates each contract to determine the number of identifiable performance obligations within the given agreement and recognises revenue accordingly. It is important to highlight that in many cases, the contracts do not contain separately identifiable performance obligations. In such instances, under IFRS 15, the performance obligations are not considered distinct.

For post-sale support and warranty services, it is also necessary to assess individually whether they qualify as separate performance obligations. Statutory warranties required by law are generally not considered separate, whereas extended warranty services voluntarily provided beyond the statutory requirement are typically regarded as distinct performance obligations.

Step 3: Determine the transaction price

The transaction price is the amount to which The Group expects to be entitled in exchange for the transfer of goods and services. In determining the transaction price for the goods and services, the Group considers the effects of variable consideration and existence of a significant financing component.

Variable consideration

Where a contract contains elements of variable consideration, The Group estimates the amount of variable consideration to which it will be entitled under the contract. Variable consideration can arise, for example, as a result of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items. Variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Significant financing component

Where consideration is paid in advance or in arrears, the Group considers whether the contract includes a significant financing arrangement and, if so, adjust the promised consideration for the effect of the time value of money. As a practical expedient, the Group elected not to adjust the promised amount of consideration for the effects of a significant financing component if the Group expects, at contract inception, that the period between when the Group transfers a promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Step 4: Allocate the transaction price to the performance obligations in the contracts

Where a contract has multiple performance obligations, the Group allocates the transaction price to the performance obligations in the contract by reference to their relative standalone selling prices. If a standalone selling price is not directly observable, it should be estimated. Any overall discount compared to the aggregate of standalone selling prices is allocated between performance obligations on a relative standalone selling price basis. In certain circumstances, it may be appropriate to allocate such a discount to some but not all of the performance obligations.

The Group applies the portfolio approach method for transaction price allocation for the Hungarian subsidiaries, while the detailed method is applied for the foreign subsidiaries. There is essentially no difference in the amounts calculated using the two methods, as both approaches result in a similar allocation of the transaction price across the performance obligations.

Step 5: Recognise revenue when the Group satisfies a performance obligation

Revenue is recognised as control is passed, either over time or at a point in time.
Control of an asset is defined as the ability to direct the use of and obtain substantially all of the remaining benefits from the asset. This includes the ability to prevent others from directing the use of and obtaining the benefits from the asset. The benefits related to the asset are the potential cash flows that may be obtained directly or indirectly.

The Group recognises revenue over time if one of the following criteria is met:

- the customer simultaneously receives and consumes all of the benefits provided by the Group as the Group performs,
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

When the Group has determined that a performance obligation is satisfied over time, the standard requires the Group to select a single revenue recognition method for the relevant performance obligation that faithfully represents the Group's performance in transferring control of the goods or services. The appropriate methods of measuring progress include output (recognise revenue based on direct measurements of the goods or services transferred to date relative to the remaining goods or services promised under the contract) and input (recognise revenue based on the Group's efforts or inputs to the satisfaction of a performance obligation) methods. In case of similar performance obligations, the Group applies the selected method consistently.

2.3.1. Main revenue types

IT related revenues

In the case of hardware sales, the Group recognises revenue when control over the hardware is transferred to the customer. This is also documented through performance certificates related to individual deliveries. For hardware sales, the Group always qualifies as a principal in revenue recognition under IFRS 15 because the Group controls the asset before it is transferred to the customer.

The Group is the certified reseller of licenses which often sold with post contract support. In software/license agreements, the Group evaluates the contracts and the performance obligations within. The Group evaluates whether third party is involved in the fulfilment of the promises and if so whether the Group act as an agent or a principal. If 4iG is the solely responsible party for fulfilling the promises (including the licence and the post contract support) the Group considered as the principal.

If third party is involved in the fulfilment of the promises the Group evaluates whether it controls the goods or services before providing it to the customer.

If the Group does not control the goods or services provided before transferring to the customer the Group is considered as an agent. The Group is typically an agent if the contracts include right to access type licenses, or the software manufacturer directly generates the product key for the customer, or the post contract support provided directly to the customer by the software manufacturer. Revenue recognised for such agreements point in time on a net basis as a difference of the consideration received and the related costs.

If the goods and services are controlled by the Group, it is considered as principal. The Group assess control as the ability and opportunity to direct the use of the licence i.e.: The Group has the opportunity and ability to sell the licence to another customer if needed. These licence agreements typically involve licenses which are installed on the customers premises.

For other services (e.g., operational services), the Group recognises the related revenue as a principal over the service period.

For complex projects, the Group assesses whether the project meets any of the following criteria for revenue recognition over time:

- The customer simultaneously receives and consumes the benefits arising from the Group's performance as the Group fulfils its obligations,
- The Group's performance creates or enhances an asset (e.g., work-in-progress) over which the customer gains control from the moment it is created or enhanced, or
- The Group's performance does not create an asset that can be utilized in an alternative manner by the Group, and the Group has an enforceable right to payment for performance completed up to that point.

If any of the above criteria are met, the appropriate method for measuring progress—either the input or output method—is determined based on the characteristics of the project, as described earlier. If billing differs from the service provided, a contract asset or liability is recognised.

Fixed line and mobile telecommunication revenue

The 4iG's other key source of revenue generated from services provided to customers over the Group's telecommunication network and related product sale as well.
The customer's subscription agreement generally contains voice, data, internet, TV or other multimedia services. These types of agreements usually contain product sale or monthly subscription- and usage-based traffic fees.
Several packaged offers contain a subscription for service(s) and device(s). For bundled services, the Group accounts for individual products or services separately if they are distinct. – i.e. in the bundled package a product or service is separately identifiable from other items and if a customer can benefit from it. The consideration is allocated between separate products and services in a bundle based on their stand-alone selling prices. The stand-alone selling prices are determined based on the list price of the devices and the telecommunication services.
In case of a promotional offer which includes a free service period at inception, the Group considers whether a contractual obligation exists during the free period. If there is a contractual obligation to consume the service after the promotional period (there is a contract with the customer) the respective discount is allocated proportionally to each distinct performance obligation. When the customer does not commit to use the service, and the customer can cancel the service at any time during this period, the Group could not allocate revenue for the free period.
Based on IFRS 15 standard, usage-based considerations on use are not usually included in the transaction price (i.e., additional data packages) because the Group is not entitled to the consideration at contract inception date. Subscription fees are recognised in the period in which they apply.
Broadcasting and network connection, network maintenance services are usually recognised over the period, while the related performance obligations are fulfilled.

2.3.2. Contract balances

Contract asset

If the Group performs by transferring goods or services before the customer has paid the consideration or the payment is due, then the Group recognises a contract asset, except to the extent that it recognises it as a receivable. The contractual asset represents the Group's right to receive consideration for goods and services that it has already transferred. The Group recognises contract assets arising from IFRS 15 accounting in the statement of financial position under other non-financial assets - current and other non-financial assets – non-current.

Contract liability

If the customer pays consideration or the Group recognises a receivable before the Group transfers the good or service, the Group recognises a contractual obligation when the financial settlement is made. This obligation reflects the Group's obligation to deliver goods or services for which the customer has already paid. Contractual obligations arising from the accounting under IFRS 15 are recognised in the balance sheet as current and non-current other non-financial liabilities.

Cost to obtain a contract

The Group shall recognise as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained (i.e., a sales commission, or success fees paid to agents). Costs of obtaining a contract with a customer are amortised on a straight-line basis over the period that the related goods or services are transferred to the customer. The Group chooses to classify and present these costs as a separate class of intangible assets and its amortisation in the same line item as amortisation of other intangible assets within the scope of IAS 38 Intangible Assets.

Cost to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (i.e., IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Group shall recognise an asset from the costs incurred to fulfil a contract only if those costs meet specific recognition criteria. At the Group such costs cannot be capitalized but expensed as incurred.

2.4. Other operating income

Under this line is shown the income generated from activities that are not part of the Group's primary business activities. Incomes are measured at the fair value of the consideration receivable.

2.5. Capitalized value of own performance

The Group capitalizes the costs incurred in the development of internal assets, as well as those related to the carrying amount of property, plant, and equipment at initial recognition, in accordance with IAS 38 Intangible Assets and IAS 16 Property, Plant and Equipment, respectively.

2.6. Raw materials and consumable used

Raw materials and consumables used refers to the direct costs of production of the goods sold by the Group and the costs which incurred while transfer a service directly.

2.7. Services used

The Group presents under this line the services acquired from external parties that are directly or indirectly related to the daily operation.

2.8. Employee benefit expenses

Employee benefits are all forms of consideration given by the Group in exchange for service rendered by employees or for the termination of employment.

At the Group, employee benefits include short-term employee benefits, such as wages, salaries, bonuses and other non-monetary benefits for current employees. Short–term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. These obligations are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.9. Other operating expenses

Operating expenses include the net amount of provision creation and release (if classified as an expense), the net amount of trade receivables and inventory provision creation and release (if classified as an expense), as well as taxes that do not fall under the scope of income taxes as defined by IAS 12 Income Taxes, along with penalties and other similar costs. Expenses are measured at the fair value of the consideration paid or payable (which not only includes the price for the service but also any indirectly allocated charges).

The Group presents separately from income taxes the extra profit and utility tax in the telecom segment, and the environmental product charge and motor vehicle tax in both the telecom and IT sectors.

2.10. Depreciation and amortisation

Depreciation and amortisation include the depreciation cost of property, plant and equipment and the amortisation of intangible assets. The depreciation of right-of-use assets is also recognised in this financial statement line. See the details under the Note 2.14 Property, plant and equipment and Note 2.15 Intangible assets.

2.11. Financial income/expense

Finance income comprises the following: interest income on investments, dividend income, gains from the financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise the following: interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, and impairment losses recognised on financial assets.

2.12. Income taxes

Income taxes include all domestic and foreign taxes which are based on taxable profits. Income taxes also include taxes, associate or joint arrangement on distributions to the reporting entity. They are recognised in the statement of profit or loss for the year, except for amounts relating to business combinations or items that are recognised directly in equity or other comprehensive income.

Current tax

At the Group, Hungarian local business tax, innovation tax payable and corporate income tax are presented as current taxes. Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if the financial statements are authorized prior to filing relevant tax returns and any adjustment to tax payable in respect of previous years. Taxes other than on income are recorded within other operating expenses.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that future taxable profit will be available against which the deductions can be utilized. Deferred tax liabilities shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction which is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit/ (tax loss) and the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the statement of profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.13. Earnings per share (EPS)

The Group presents basic and diluted earnings per share (EPS) in its consolidated financial statements.

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The Group discloses instruments (including contingently issuable shares) that could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share because they are antidilutive for the period(s) presented.

2.14. Property, plant and equipment

Property, plant, and equipment of the Group comprise properties, vehicles, and other equipment. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably. Assets purchased or constructed are initially measured at cost. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The Group applies the cost model for subsequent measurement of all of its tangible assets, which means items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment and based on the amount of the depreciable asset value. The depreciable amount of an asset is the cost less any residual value. Land and construction in progress are not depreciated. The useful lives by asset group are as follows:

Real estate:	10-50 years
Telecommunications equipment:	4-15 years
Machinery and equipment:	2-8 years
Office equipment:	3-7 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Depreciation methods are reassessed at each reporting date. These changes are treated as changes in the accounting estimates and are accounted for prospectively.

At the end of each reporting period management assesses whether there is any indication of impairment of properties, plant and equipment. If any such indication exists, management estimates the recoverable amount, which is determined as the higher of an asset’s fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount and the impairment loss is recognised in profit or loss for the year. An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset’s value in use or fair value less costs to sell. Further details with regards to accounting for impairment of non-financial assets see under Note 2.17 Impairment of non-financial assets.

2.15. Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance, including computer software and other intangible assets.

The recognition of an item as an intangible asset requires an entity to demonstrate that the item meets the definition of an intangible asset, and it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably. Programme and other broadcast rights meet the definition of intangible assets because they are identifiable non-monetary assets without physical substance, arise from contractual rights and are controlled by the entity. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets acquired individually are recorded at cost. The cost of a separately acquired intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use. The cost of intangible assets acquired in a business combination i.e., customer relationships, brands is their fair value at the date of acquisition. Acquired computer software licences are capitalized on the basis of the costs incurred to acquire and bring to use the specific software.

After initial measurement, computer software and other intangible assets are stated at acquisition cost less accumulated amortisation and accumulated impairment, if any. The useful lives of intangible assets are finite or indefinite. Assets with finite useful lives are amortised using the straight-line method based on the best estimate of their useful lives. Amortisation is recognised in profit or loss on a straight-line basis, with the exception of goodwill, over the estimated useful lives of intangible assets, from the date that they are available for use. The Group's intangible assets other than goodwill have definite useful lives and include the followings:

Spectrum fee:	15-20 years
Customer lists:	10-20 years
Trademarks:	1-6 years
Licences:	2-6 years
Software and other intellectual property:	3-6 years
Content rights:	2-5 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. The recoverable amount of an intangible asset is the higher of the asset's fair value less costs to sell and value in use. The Group reviews and validates at the end of each reporting period its decision to classify the useful life of an intangible asset as indefinite. If events and circumstances no longer support an indefinite useful life, the change from indefinite to finite life should be accounted for as a change in accounting estimate under IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which requires such changes to be recognised prospectively (i.e., in the current and future periods). Furthermore, reassessing the useful life of an intangible asset as finite rather than indefinite is an indicator that the asset may be impaired.

The intangible assets' residual values, useful lives and amortisation method are reviewed, and adjusted if appropriate, at the end of each reporting period. These changes are treated as changes in the accounting estimates and are accounted prospectively.

Content right

Within content right licensing contracts, the Group is entitled to distribute specific TV channels. These contracts could include fix, variable fees or the combination of the two components based on market practices. Cost accumulation model is used by the Group which means the recognition of an intangible asset and a financial liability only if the license fees are fixed (or variable with a minimum payment). All fixed payments are capitalized for the non-cancellable contract term considering the time vale of money (i.e. discounting future fixed payments on the initial recognition date by using an appropriate discount rate). In case of variable fees, the amount is recognised in the consolidated statement of profit or loss when incurred.

Customer list

The Group recognise customer lists as an identifiable intangible asset as part of the business combinations. Identified customer lists are measured at cost after initial recognition and amortised over the period of expected future benefit. Depending on the type of business, the useful life of the customer relationship may vary significantly.

Spectrum fees

The Group capitalizes the costs related to the acquisition of long-term frequency usage licenses, with their useful life determined based on the validity period of the rights. License renewal options are also taken into consideration when determining the amortisation period of the intangible asset.

2.16. Leases

The Group assess at contract inception whether a contract is or contains a lease. A lease is a contract (i.e., an agreement between two or more parties that creates enforceable rights and obligations), or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.16.1. Lessee accounting

At the commencement date, the Group as a lessee recognises a right-of-use asset and a lease liability.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. The right-of-use asset is measured at cost, less accumulated depreciation and any impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of the initial measurement of the lease liability, any lease payments made to the lessor at or before the commencement date, less any incentives received from the lessor, any initial direct costs incurred by the lessee, and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are to produce inventories. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The depreciation is presented within the *Depreciation and amortisation* line item in the consolidated statement of comprehensive income. The right-of-use assets are also subject to impairment. Refer to Note 2.17 Impairment of non-financial assets.

Lease contracts contain non–lease components when a lease coupled with an agreement to purchase or sell other goods or services. The Group applies the practical expedience provided by IFRS 16, which means the non-lease components are not separated from the lease, these items are treated as a single lease component and included in the lease liability.

Lease liabilities

At the commencement date, the Group as a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate. The lease payments include fixed payments less any lease incentive receivable, variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications specified, or to reflect revised in-substance fixed lease payments.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets (below HUF 2 million) recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. The Group did not apply the short-term lease exemption to company car asset group, these assets are recognised and accounted based on the estimated lease term, or contract maturity if available.

Telecommunication industry specific

An indefeasible rights of use (IRU) contracts have several types in the telecommunication industry, an assessment is necessary for each contract. IRU contract could include several services dark fibre, fibre network (leased line), or network capacity. If the contract relates to an asset without a physical substance (e.g.: wavelengths, radio frequency) the Group chooses to account for leases of such intangible assets under IAS 38 Intangible Assets.

2.16.2. Lessor accounting

At inception date of the lease, the Group as a lessor classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Leases are classified as operating lease if they do not transfer substantially all the risks and rewards incidental to ownership.

Finance lease

At the commencement date, the Group as a lessor recognises assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease. The Group uses the interest rate implicit in the lease to measure the net investment in the lease.

At the commencement date, the lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date fixed payments (including in–substance fixed payments), less any lease incentives payable, variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After lease commencement, the Group accounts for a finance lease, as follows:

- recognises finance income (in profit or loss) over the lease term in an amount that produces a constant periodic rate of return on the remaining balance of the net investment in the lease (i.e., using the interest rate implicit in the lease).
- Income is recognised on the components of the net investment in the lease, including:
    - interest on the lease receivable
    - interest via accretion of the unguaranteed residual asset to its expected value at the end of the lease
- reduces the net investment in the lease for lease payments received (net of finance income calculated above)
- separately recognises income from variable lease payments that are not included in the net investment in the lease (i.e. performance- or usage-based variable payments) in the period in which that income is earned
- recognises any impairment of the net investment in the lease

Operating lease

A lease is classified as an operating lease if it does not transfer substantially all of the risks and rewards incidental to ownership of an underlying asset. A significant element of risk should remain with the Group, as a lessor. An operating lease is usually for a period substantially shorter than the asset's useful economic life. The Group shall present assets subject to operating leases in the statements of financial position according to the nature of the asset. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Lease income is recognised on a straight-line basis over the lease term even if the receipts are not on such a basis, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Lease income is presented in the consolidated statement of comprehensive income under Net sales revenue line item.

2.16.3. Sublease – Intermediate lessor

If an underlying asset is re-leased by a lessee to a third party and the original lessee retains the primary obligation under the original lease, the transaction is a sublease. That is, the original lessee generally continues to account for the original lease (the head lease) as a lessee and accounts for the sublease as the lessor (intermediate lessor). If a lessee subleases an asset, or expects to sublease an asset, the head lease does not qualify as a lease of a low–value asset.

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance lease, or an operating lease as follows:

a) if the head lease is a short-term lease that the entity as a lessee has accounted for, the sublease shall be classified as an operating lease,
b) otherwise, the sublease shall be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset (for example, the item of property, plant, or equipment that is the subject of the lease).

The Group as the intermediate lessor accounts for the sublease as follows:

a) If the sublease is classified as an operating lease, the original lessee continues to account for the lease liability and right–of–use asset on the head lease like any other lease.
b) If the total remaining carrying amount of the right–of–use asset on the head lease exceeds the anticipated sublease income, this may indicate that the right– of–use asset associated with the head lease is impaired. A right-of-use asset is assessed for impairment under IAS 36 Impairment of Assets.
c) If the sublease is classified as a finance lease, the original lessee derecognises the right-of-use asset on the head lease at the sublease commencement date and continues to account for the original lease liability in accordance with the lessee accounting model. The original lessee, as the sublessor, recognises a net investment in the sublease and evaluates it for impairment.

If the interest rate implicit in the sublease cannot be readily determined, the Group as an intermediate lessor may use the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease) to measure the net investment in the sublease.

2.17. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, deferred tax assets and financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The Group examines annually whether there are any indications of impairment, and reviews whether goodwill might be impaired. Accordingly, the recoverable amount of cash-generating unit to which the goodwill is related must be estimated. To determine the recoverable amount the Group assesses the future cash flows of the cash-generating unit and selects an appropriate discount rate to calculate the present value of the cash flows.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In case the fair value less cost to sell of an asset or a cash-generating unit is higher than its carrying amount, there is no need to determine the value in use for the purpose of the impairment test.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Costs of disposal are incremental costs directly attributable to the disposal of an asset or cash-generating unit, excluding finance costs and income tax expense.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. All impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

According to IAS 36 Impairment of Assets impairment arises in relation with Right-of-use assets when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the present value of future cash flows expected to be generated by the use of the asset and its eventual disposal and the fair value less costs to sell, which represents the market value of the asset, reduced by the costs directly related to its sale.

2.18. Business combinations including goodwill

2.18.1. Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2.18.2. Goodwill, other intangible and long-lived assets

Goodwill is the positive difference between the acquisition cost and the fair value of the identifiable net assets of the acquired business at the acquisition date. Goodwill is not amortised, but the Group assesses annually whether there are any indications that the carrying amount may not be recoverable.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred including contingent consideration and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain (badwill) is recognised in profit or loss as *Other operating income*.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

According to IAS 36 Impairment of Assets, if the full carrying amount of goodwill must be impaired, the remaining assets within the cash-generating unit must also be reviewed. In such a case, additional impairment losses may need to be recognised for other assets – such as property, plant and equipment or intangible assets – if their carrying amount exceeds their recoverable amount.

2.19. Investment in associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Investment in an associate or a joint venture is initially recognised at cost. The Group's investment in its associate and joint venture are accounted for using the equity method. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately. Any excess of the entity's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired. The statement of comprehensive income reflects the Group's share of the results of operations of the associate or joint venture (*Share of profit of associate and joint ventures* line item).

At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.20. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.20.1. Financial assets

The Group's consolidated statement of financial position includes the following financial assets: loan and other receivables, cash and cash equivalents, trade receivables, other financial assets – current and non-current, finance lease receivables – current and non-current, investments in other entities.
All other assets, such as receivables from the state budget (including tax and social security receivables) other receivables, prepaid expenses and accrued income are shown in the statement of financial position as other non-financial assets.

Financial assets are initially recognised at fair value. Fair value at initial recognition is best evidenced by the transaction price. Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on settlement-date.

IFRS 9 classifies the financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL),
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Debt instruments

Classification and subsequent measurement of financial assets that are debt instruments depend on the Group's business model for managing the asset ("Business model assessment"); and the cash flow characteristics of the asset ("SPPI test" – solely payment of principal and interest on the principal amount outstanding).

- Business model reflects how the Group manages its assets in order to generate cash flows. That is, whether its objective is to hold the financial assets solely to collect the contractual cash flows from the assets or is to collect the contractual cash flows and sell those financial assets. Factors considered by The Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.
- SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest on the principal outstanding. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Based on these factors, Group classifies its financial assets that are debt instruments into one of the following three measurement categories:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'Interest' using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Interest'. Interest income from these financial assets is included in 'Interest' using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Besides these assets, all the financial assets which are held for trading and financial assets designated at fair value through profit and loss on initial recognition are measured at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term through trading activities or form part of a portfolio of financial instruments that are managed together for which there is evidence of a recent pattern of short-term profit taking.

The Group has debt instruments that are measured at amortised cost.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. The Group subsequently measures all equity investments at fair value through profit or loss, except where the Group management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Group presents investments in equity instruments of another entity as financial assets in the statement of financial position.

2.20.1.1. Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVTOCI. The impairment loss is recognised in the statement of comprehensive income and reduces the carrying amount of the corresponding financial asset; for financial assets at FVTOCI the impairment loss is recognised in other comprehensive income. The Group recognises a loss allowance for such losses on an annual basis.

There are two approaches to measure the ECL: general approach and simplified approach. The simplified approach does not require the tracking of changes in credit risk but instead requires the recognition of lifetime ECL at all times. The impairment of other financial assets is recognised based on the general approach. The Group chose to apply simplified approach for operating and finance lease receivables, contract assets and trade receivables with a significant financing component that are not considered to be short term (receivables with maturity over 12 months). The Group determines lifetime ECLs using an impairment matrix for the calculation of lifetime ECL under the simplified approach. The matrix considers certain circumstances of the debtors and the number of days past due. The impairment rates in the matrix are determined considering the general requirements of IFRS 9 for the calculation expected credit losses. Factors taken into account when measuring credit loss:

- whether the credit risk of the financial instruments has increased significantly since initial recognition:
  - base of estimate is the aging of receivables, historical write-off experiences, customer creditworthiness, recent changes in customer payment terms
  - trade receivables: the overdue stock of more than 30 days is 10%. The aging of trade receivables is detailed in the Note 48 Risk management.
  - loans given, contract assets: we consider these financial instruments to be low credit risk, as they are typically not past due at the balance sheet date and the risk of default is negligible.
- forward-looking information driven by expected macroeconomic tendencies was also taken into account when estimating the credit loss.

The Group reviews the above-described factors annually and adjusts them in the calculation when necessary. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account through profit or loss for the year. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognised at the date the impairment is reversed. Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Uncollectible assets are written off against the related impairment loss provision after all the necessary procedures to recover the asset has been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off are credited to impairment loss account in profit or loss for the year.

2.20.2. Financial liabilities

The Group's consolidated statement of financial position includes the following financial liabilities: trade payables and other current and non-current financial liabilities, loans, borrowings, bonds and bank overdrafts.
The Group initially measures all financial liabilities at fair value. In the case of loans and borrowings, transaction costs that are directly attributable to the acquisition of the financial liability are also considered. Financial liabilities within the scope of IFRS 9 are classified into two measurement categories:

- financial liabilities at amortised cost,
- financial liabilities at fair value through profit or loss (FVTPL).

In most cases the Group classifies its financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. This classification is applied to derivatives and financial liabilities held for trading. The Group does not designate other financial liabilities at fair value through profit or loss due to accounting mismatch at initial recognition.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as financial expense in the statement of comprehensive income.

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). The exchange between Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability.

2.21. Cash and cash equivalents

Cash and cash equivalents include cash on hand, current accounts with banks, short-term deposits and short-term liquid investments with a maturity of three month or less with an insignificant risk of changes in value. Cash and cash equivalents are carried in the balance sheet at amortized cost. As a result, the Group recognises expected credit losses on cash and cash equivalents if needed. In case of bank overdrafts, the Group recognises such item as a current financial liability.

2.22. Inventories

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sales, or in the form of materials or supplies to be consumed in the production process or in the rendering services.

Inventories are recognised at cost at the time of acquisition. The cost of inventories is made up of three main constituent groups based on the IAS 2 Inventories standard. These are the following:

- purchase price: the components of all items that must be reimbursed to an external party (transportation, loading, handling costs, customs duties, non-refundable or non-deductible taxes reduced by discounts received under various legal titles)
- conversion costs: direct conversion costs (e.g.: material costs, wage costs), and divided fixed (e.g.: depreciation, maintenance) and variable general costs (e.g.: indirect material costs, wage costs)
- other costs: all other costs incurred in order to bring the stocks to their current location and condition

Inventories are measured at the lower of cost and net realizable value that is equal to the estimated selling price less costs to complete and sell. The difference between the current net carrying value and net realizable value is material if it reaches 25% of the net carrying value by item, homogenous asset class. The amount of any write-down of inventories to net realizable value and all losses of inventories is recognised as an expense in the period the write-down or loss occurs.
The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The Group uses the same cost formula for all inventories having a similar nature and use. For inventories with a different nature or use, different cost formulas may be justified. Regarding the inventories used in the telecommunications segment the weighted average cost formula is applied, while inventories used in the IT segment the individual evaluation principle is applied. When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised.

2.23. Equity

Share capital
Share capital include shares owned by shareholders through equity instrument transactions.

Treasury shares
Treasury shares are recorded as a deduction from equity, at acquisition cost. Gains and losses arising from the sale of treasury shares are recognised in consolidated retained earnings, net of tax. Under IFRS 2 Share-based Payments, the shares held by employees under the Employee Share Ownership Program (ESOP, MRP in Hungarian) are also classified as treasury shares, as they do not confer any additional rights or voting rights within the Company. For further details, please refer to Note 2.27 Share-based payments.

Capital reserves
The capital reserve of the Group includes the difference between the share's nominal and the fair value on commencement (transaction) date.

Retained earnings
The Group's retained earnings include the amounts of current year consolidated profit (or loss) and the accumulated profits and losses from previous years.

Share based payment reserve
The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised in employee benefits expense, together with a corresponding increase in equity (share-based payment reserve), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Other comprehensive income
Elements of other comprehensive income ("OCI") are items of income and expense that are specifically required or permitted by other IFRS-s to be included in other comprehensive income and are not recognised in profit or loss. These items are classified by nature and classified into two separate groups: which may be reclassified and those that will not be reclassified to profit or loss. The Group present as OCI items the exchange differences on translation of foreign operations, share of other comprehensive income/(loss) of associates and joint ventures and Net gain/loss on equity instruments at fair value through other comprehensive income.

2.24. Non-controlling interests

Non-controlling interest represents the portion of equity in a subsidiary that is not owned by the Group. It reflects the interests of minority shareholders in the subsidiary. For each business combination, the Group elects whether to measure the non-controlling interests ("NCI") in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. When the Group pays dividends to non-controlling interests (NCI), the amount of those dividends reduces the carrying amount of the non-controlling interests on the statement of financial position.

2.25. Provisions

General principles

Provisions for liabilities and charges are non-financial liabilities of uncertain timing or amount. They are accrued when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount initially recognised as a provision should be the best estimate of the expenditure required to settle the present obligation. All provisions must be revised at least annually and if their balance is changed materially according to such new information, such change(s) must be recognised.

The Group recognises provision for the followings:

- Provisions accounted for unused vacation
- Decommissioning liability/ Asset retirement obligation
- Liabilities expected to arise from legal claims
- Warranty provision

Time value

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate (or rates) to be used in calculation arriving at the present value is 'a pre-tax rate (or rates) that reflect(s) current market assessments of the time value of money and the risks specific to the liability. The discount rate(s) does not reflect risks for which the future cash flow estimates have been adjusted.

Asset retirement obligation

The cost of an item of property, plant and equipment or right-of-use asset shall include the estimated costs of dismantling and removing the assets and restoring the site. Estimation and "capitalization" of the relevant amount shall be carried out and assigned to the asset when the decision on dismantling and removing the asset and restoring the site has been adopted (i.e., demolition of cell towers, antennas, or related infrastructure, planning the costs of winding up) and there is a direct or indirect legal obligation to do so. No provision and no capitalization may take place on a decision of dismantling when there is no legal or constructive obligation to do so.

Decommissioning liability is recognised, which is the present value of the estimated future expenditure. This is calculated based on actual price offers where the future value of this amount is calculated with the assumed inflation rate until the expected date of the decommissioning. This expense is discounted then with the discount rate reflecting the time value of money which is based on a government bond rate with a similar currency and remaining term as the provision. Over time, the discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the statement of comprehensive income as a finance expense. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs, or in the discount rate applied, are added to or deducted from the cost of the asset.

Contingent liabilities

The treatment of contingencies under IAS 37 Provisions, Contingent Liabilities and Contingent Assets is as follows:

Likelihood of outcome	Accounting treatment: contingent liability	Accounting treatment: contingent asset
Virtually certain	Recognise	Recognise
Probable	Recognise	Disclose
Possible but not probable	Disclose	No disclosure permitted
Remote	No disclosure required	No disclosure permitted

It is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group's. It can also be a possible present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required, or the amount of obligation cannot be measured reliably. Unless the possibility of any outflow in settlement is remote, the Group discloses for each class of contingent liability at the end of the reporting period a brief description of the nature of the contingent liability, and where practicable an estimate of its financial effects, an indication of the uncertainties relating to the amount or timing of any outflow, and the possibility of any reimbursement. Where any of the information above is not disclosed because it is not practicable to do so, the Group discloses that fact.

2.26. Government grant

Government grants represent assistance by government in the form of transfers of resources to an entity in return. Government grants are recognised only when there is reasonable assurance that the Group will comply with the conditions attaching to them; and the grants will be received.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. The Group chose to present grants related to income on a gross basis in the statement comprehensive income as *Other operating income*. A government grant relating to assets the Group chose to present the grant in the statement of financial position as deferred income, which is recognised in the statement of profit or loss on a systematic and rational basis over the useful life of the asset.

2.27. Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, (e.g. under an "MRP" plan).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. This cost is recognised in employee benefits expense, together with a corresponding increase in equity, over the period in which the service and, where applicable, performance conditions are met (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.
The dilutive effect of outstanding employee share options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The liability is recognised and measured as follows:

- At each reporting date between the grant and settlement the fair value of the award is determined in accordance with the specific requirements of IFRS 2.
- During the vesting period, the liability recognised at each reporting is the IFRS 2 fair value of the award at that date multiplied by the expired portion of the vesting period.
- From the end of the vesting period until settlement, the liability recognised is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in the statement of comprehensive income under *Employee benefits.*

Employee share ownership programme – ESOP

The Group uses the extended method to measure the "ESOP" share-based payments (extension method). Under this method, the parent company (4iG Plc) is in substantially the same position as if it had directly owned the shares and therefore accounts for them as a separate component in equity. There is no difference between the consolidated financial statements of the parent company and the separate financial statements for the related share-based payment arrangement.

2.28. Segment information

The Group's internal reporting is set up to report in accordance with IFRS. The Group identified the reportable segments based on the financial statements provided to the Chief Operating Decision Maker. The Group CFO is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments, as follows:

- IT segment
- Telecommunication segment
- Other

No operating segments have been aggregated to form the above reportable operating segments.
Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

2.29. Events after the reporting period

Events occurring between the reporting date and the date on which the financial statements are authorized for issue should be classified as either adjusting or non-adjusting events.

- Adjusting events provide further evidence of conditions that existed at the reporting date and result in adjustment to the financial statements.
- Non-adjusting events are indicative of a condition that arose after the end of the reporting period and do not result in adjustment to the financial statements. They are disclosed if of such importance that non-disclosure would affect the ability of the users to make proper evaluations and decisions.

Dividends

If 4iG or a member of the Group declares dividends to holders of equity instruments after the reporting period, the Group shall not recognise those dividends as a liability at the end of the reporting period. If dividends are declared after the reporting period but before the financial statements are authorized for issue, the dividends are not recognised as a liability at the end of the reporting period because no obligation exists at that time. Such dividends are disclosed in the notes.

2.30. New and amended standard and interpretations

2.30.1. The standards/amendments that are effective and have been endorsed by the European Union

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and are applied retrospectively. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied within twelve months after the reporting period. The Group applied the amendments consistently in accordance with IAS 1 in the consolidated financial statements for 2024 and retrospectively applied it to 2023. However, it did not have a significant impact, and therefore, it was not presented or disclosed.
- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2024. The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. Under the amendments, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease. The amendments apply retrospectively to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16.
  The Group has determined that there were no significant sale and leaseback transactions in 2024 or in prior periods, and therefore, the impact of the amendments is not significant on the financial statements as of 31 December 2024, or 31 December 2023.
- **IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures - Supplier Finance Arrangements (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2024. The amendments supplement requirements already in IFRS and require an entity to disclose the terms and conditions of supplier finance arrangements. Additionally, entities are required to disclose at the beginning and end of reporting period the carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented as well as the carrying amounts of financial liabilities and line items, for which the finance providers have already settled the corresponding trade payables. Entities should also disclose the type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable.

Furthermore, the amendments require an entity to disclose at the beginning and end of the reporting period the range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements. The Group has not identified any significant disclosure information required by the amendments in relation to IAS 7.

2.30.2. The standards/amendments that are not yet effective, but have been endorsed by the European Union

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)**
The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique. The analysis of the financial impact of the amendment is currently ongoing within the Group.

2.30.3. The standards/amendments that are not yet effective and have not yet been endorsed by the European Union

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments (Amendments)**
The amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early adoption of amendments related to the classification of financial assets and the related disclosures is permitted, with the option to apply the other amendments at a later date.
The amendments clarify that a financial liability is derecognised on the 'settlement date', when the obligation is discharged, cancelled, expired, or otherwise qualifies for derecognition. They introduce an accounting policy option to derecognise liabilities settled via electronic payment systems before the settlement date, subject to specific conditions. They also provide guidance on assessing the contractual cash flow characteristics of financial assets with environmental, social, and governance (ESG)-linked features or other similar contingent features. Additionally, they clarify the treatment of non-recourse assets and contractually linked instruments and require additional disclosures under IFRS 7 for financial assets and liabilities with contingent event references (including ESG-linked) and equity instruments classified at fair value through other comprehensive income. The amendments have not yet been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted. The amendments include clarifying the application of the 'own-use' requirements, permitting hedge accounting if contracts in scope of the amendments are used as hedging instruments, and introduce new disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and cash flows. The clarifications regarding the 'own-use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application. The amendments have not yet been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.
- **IFRS 18 Presentation and Disclosure in Financial Statements**
  IFRS 18 introduces new requirements on presentation within the statement of profit or loss. It requires an entity to classify all income and expenses within its statement of profit or loss into one of the five categories: operating; investing; financing; income taxes; and discontinued operations. These categories are complemented by the requirements to present subtotals and totals for ‘operating profit or loss’, ‘profit or loss before financing and income taxes’ and ‘profit or loss’. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards. IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, with earlier application permitted. Retrospective application is required in both annual and interim financial statements. The standard has not yet been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**
  IFRS 19 permits subsidiaries without public accountability to use reduced disclosure requirements if their parent company (either ultimate or intermediate) prepares publicly available consolidated financial statements in compliance with IFRS accounting standards. These subsidiaries must still apply the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. IFRS 19 is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The standard has not yet been endorsed by the EU. There will not be significant impact of this amendment for the Group according to the current analysis.
- **Annual Improvements to IFRS Accounting Standards – Volume 11**
  The IASB’s annual improvements process deals with non-urgent, but necessary, clarifications and amendments to IFRS. In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards — Volume 11. An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2026. The Annual Improvements to IFRS Accounting Standards - Volume 11, include amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7. These amendments aim to clarify wording, correct minor unintended consequences, oversights, or conflicts between requirements in the standards. The standard has not been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**
  The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.

2.31. Adjustment of previous years' financial data

Within the framework of the consolidated financial statements for the year ended 31 December 2024, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows for the same period of the previous financial year have been restated.

Reclassifications

The Group has reviewed the structure of both the consolidated statement of comprehensive income and the consolidated statement of financial position and concluded that it may be necessary to highlight certain lines due to significant transactions or balances on those lines, and has therefore taken the opportunity provided by IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to present the primary financial statements in accordance with the new structure in the consolidated financial statements for the year ended 31 December 2023.

This change in accounting policy, effective from 1 January 2023, resulted in the need to restate the statement of comprehensive income for the comparative period, given that the change in accounting policy was implemented retrospectively after the publication of the financial statements for the year ended of 2023.

Most significant reclassifications in the statement of financial position and the statement of profit and loss and other comprehensive income:

- For a more accurate presentation, the Group presents its financial and non-financial non-current assets on separate lines. Therefore, on 31 December 2023, it reclassified an amount of HUF 574 million to the Other non-financial assets – non-current line.
- The Group has reviewed the classification of contract assets in the statement of financial position, and since contract assets do not qualify as financial instruments under IFRS 9 Financial instruments, they have been reclassified on 31 December 2023 in the amount of HUF 7,612 million (HUF 6,243 million on 1 January 2023) from other financial assets to other non-financial assets.
- Since the accrued interest and interest liabilities are part of the amortised cost of loans and bonds under IFRS 9 Financial Instruments, the Group has reclassified these items on 31 December 2023 in the amount of HUF 1,444 million (HUF 1,231 million on 1 January 2023) from Other current financial liabilities to the Loans, borrowings, bonds - current line.
- For more accurate presentation, services used have been reclassified from the former Material costs line (new designation of the line: Raw materials and consumables used) to a separate line in the statement of comprehensive income in the amount of HUF 93,982 million.

Change of exchange rate

In addition to the above, the consolidated statement of financial position as of 31 December 2023 has also been restated compared to the published figures for 2023, as the Group decided as of 1 January 2024 to use the MNB's (Hungarian National Bank) exchange rate for the translation and revaluation of monetary assets and liabilities denominated in foreign currencies instead of the Raiffeisen Bank's T+2 commercial foreign exchange selling rate.

The most significant impact of the change of exchange rate was on goodwill, as the purchase price for several subsidiary acquisitions was denominated in foreign currencies: the initial value of the goodwill had to be changed. In the following years, the revaluation of goodwill denominated in foreign currencies for foreign subsidiaries was also performed retrospectively. Additionally, there was a significant impact on the revaluation of loans denominated in foreign currencies.

Prior year adjustment

The Group identified the following misstatements during the current year, and has retrospectively corrected their impact in the prior periods restating each of the affected financial statement line items:

A The Group determined that, in the case of certain customer contracts, it acted as an agent rather than as a principal. As a result, it modified the recognised revenue and expenses in accordance with IFRS 15 Revenue from Contracts with Customers. Furthermore, for certain contracts, revenue should have been recognised over time rather than at a point in time, and the impact of this has also been corrected for prior periods. As a result, during 2023 the Net sales revenue is netted in the amount of HUF 3,212 million with the Raw materials and consumables used (HUF 2,159 million) and with Services used (HUF 1,060 million). In addition, on 31 December 2023, the Group recognized a contractual liability of HUF 430 million (HUF 368 million on 1 January 2023) and recorded a prepayment of HUF 437 million (HUF 311 million on 1 January 2023) under its Other non-financial assets - current.

B The Group reviewed its revenues recognised in 2022 and 2023 and concluded that, for one contract, a lower revenue should have been recognized for the year 2022. As a result, an adjustment was made in Net sales revenue against accruals among Other non-financial liabilities – current in the amount of HUF 1,020 million.

C The Group reviewed the discount rate applied to the future cash flows for contracts falling within the scope of IFRS 16 Leases and determined that, in the case of some contracts, the future risks were not fully included in the discount rate. As a result, both the initial recognition and the subsequent measurement for the affected contracts have been restated. The Group reduced the value of Right-of-use assets by HUF 338 million on 31 December 2023 (HUF 496 million on 1 January 2023), by HUF 280 million (HUF 438 million on 1 January 2023) the non-current, and by HUF 31 million (HUF 46 million on 1 January 2023) the current part of the Lease liabilities. Additionally, Depreciation and amortisation for 2023 decreased by HUF 117 million, Financial income decreased by HUF 162 million, and Financial expenses decreased by HUF 30 million.

D The Group reviewed the classification of its assets and determined that, on 31 December 2023 a reclassification is needed in the amount of HUF 873 million of its Inventories to the Property, plant, and equipment category.

E The Group reviewed the balances recognised as accruals between non-financial assets and liabilities and concluded that, for certain contracts, all contractual obligations had been fulfilled. As a result, on 31 December 2023 HUF 3,439 million (HUF 907 million on 1 January 2023) million was reclassified from Other non-financial assets to Trade receivables, HUF 8,502 million was reclassified from Other non-financial liabilities to Trade payables.

F The Group reviewed its broadcasting contracts, and for some contracts, it was found that they essentially contained a fixed content fee. Consequently, the present value of the essentially fixed future cash flows was capitalised retrospectively, which resulted an increase of HUF 2,919 million on 31 December 2023 in the amount of Other intangible assets, HUF 425 million in the amount of Other financial liabilities - non-current and HUF 2,153 million in the amount of Other financial liabilities - current. On 1 January 2023 the capitalised amount of the assets and liabilities had to be revised, which caused a decrease of HUF 179 million in the assets and HUF 76 million in the liabilities. As a result of the review, the classification of liabilities as current and non-current had to be adjusted. The deferred tax is also restated. Due to the restatements in the statement of comprehensive income of 2023, an additional amount of HUF 1,277 million had to be eliminated from the Raw materials and consumables used line, while Depreciation and amortisation increased by HUF 1,342 million. Additionally, the Financial income and Financial expenses related to interest and exchange rate differences rose by a total of HUF 507 million.

G The Group reviewed the classification of Other intangible assets and Property, plant, and equipment in its subsidiaries and concluded that, for 2023, they had been incorrectly classified and presented. As a result, the classification was retrospectively corrected by the amount of HUF 27,924 million.

H It was identified that both on 1 January 2023 and on 31 December 2023, a provision had been incorrectly presented in the statement of financial position. The provision was subsequently reclassified retrospectively from other financial liabilities to provisions. The reclassification increased the amount of provisions by HUF 1 445 million on 31 December 2023 and by HUF 600 million on 1 January 2023.

I The Group determined that an asset had been incorrectly capitalised in relation to a customer contract in previous periods. As a result, on 1 January 2023, the balance of Other intangible assets was reduced by HUF 2,691 million, which was reclassified to accruals under Other non-financial assets - current. On 31 December 2023, the decrease in Other intangible assets totalled HUF 4,598 million. Additionally, in 2023, Depreciation and amortisation in the consolidated statement of comprehensive income was reduced by HUF 920 million.

J The Group determined that during 2023, the subsequent measurement of a fair value adjustment related to an acquisition was not properly monitored, additionally, a revision was required related to discounting, resulting in an increase of HUF 973 million to the net value of Trade receivables on 31 December 2023, against Net sales revenue.

K The Group determined that during 2023, the adjustments identified in the valuation of Other intangible assets (in the amount of HUF 3,885 million) and Trade receivables (HUF 2,957 million) related to two subsidiaries should have impacted the values at the time of acquisition. As a result, the assets have been retrospectively adjusted on 1 January 2023, with corresponding adjustments to Goodwill in the amount of HUF 6,842 million.

Impact on consolidated statement of comprehensive income

2023	2023	2023	2023		2023	2023	2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Net sales revenue	594 510	0	-482	A, B, J	-1 219	592 809	Net sales revenue
Other operating income	26 628	0	0	F	6	26 634	Other operating income
Total net sales revenue and other income	**621 138**	**0**	**-482**		**-1 213**	**619 443**	**Total net sales revenue and other income**
Capitalised value of own produced assets	**15 835**	**0**	**0**		**0**	**15 835**	**Capitalised value of own performance**
Material costs	-293 530	93 982	210	A, F	3 436	-195 902	Raw materials and consumables used
		-93 982	-22	A, I	140	-93 864	Services used
Staff costs	-95 570	0	0		0	-95 570	Employee benefit expenses
Other expenses	-47 309	0	0		0	-47 309	Other operating expenses
of which impairment	*-8 357*	*0*	*0*		*0*	*-8 357*	*Impairment for financial assets*
Operating costs	**-436 409**	**0**	**188**		**3 576**	**-432 645**	**Operating costs**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**200 564**	**0**	**-294**		**2 363**	**202 633**	**Earnings before interest, taxes, depreciation and amortisation (EBITDA)**
Depreciation and amortisation	-170 669	0	54	C, F, I	-305	-170 920	Depreciation and amortisation
Profit before financial operations (EBIT)	**29 895**	**0**	**-240**		**2 058**	**31 713**	**Earnings before interest and taxes (EBIT)**
Financial income	25 814	-1 886	-2 632	C, F	441	21 737	Financial income
Financial expenses	-72 907	1 886	652	C, F	-66	-70 435	Financial expenses
Profit or loss of associates	-1 637	0	0		0	-1 637	Share of profit of associate and joint ventures
Profit or loss before tax	**-18 835**	**0**	**-2 220**		**2 433**	**-18 622**	**Profit or loss before tax**
Income taxes	-8 547	0	12	F	-37	-8 572	Income taxes
Profit or loss after tax	**-27 382**	**0**	**-2 208**		**2 396**	**-27 194**	**Profit or loss after tax**

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of comprehensive income – continued

2023	2023	2023	2023		2023	2023	2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Other comprehensive income to be recognised in the consolidated income statement in the following period:							Other comprehensive income that may be reclassified to profit or loss in subsequent periods
Activities arising from currency translation exchange rate differences	1 043	0	25		0	1 068	*Exchange differences on translation of foreign operations*
Net gain/loss of associates other comprehensive income	14	0	0		0	14	*Share of other comprehensive income/(loss) of associates*
Net other comprehensive income to be recognised in the consolidated income statement in the following period:	**1 057**	**0**	**25**		**0**	**1 082**	**Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:**
Other comprehensive income not reversed in the comprehensive statement of income for the following period:							Other comprehensive income that will not be reclassified to profit or loss in subsequent periods
Net gain/loss on equity instruments at fair value through other comprehensive income	150	0	0		0	150	*Net gain/(loss) on equity instruments at fair value through other comprehensive income*
Net other comprehensive income not reversed in the consolidated income statement for the following period:	**150**	**0**	**0**		**0**	**150**	**Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods**
Other comprehensive income	**1 207**	**0**	**25**		**0**	**1 232**	**Other comprehensive income/(loss)**
Total comprehensive income	**-26 175**	**0**	**-2 183**		**2 396**	**-25 962**	**Total comprehensive income/(loss)**
Profit or loss after tax attributable to:							**Profit or loss after tax attributable to:**
Owners of the Company	-30 002	0	-1 797		2 307	-29 492	Owners of the Company
Non-controlling interest	2 620	0	-411		89	2 298	Non-controlling interests
Total comprehensive income attributable to:							**Total comprehensive income/(loss) attributable to:**
Owners of the Company	-28 515	0	-1 772		2 307	-27 980	Owners of the Company
Non-controlling interest	2 340	0	-411		89	2 018	Non-controlling interests

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of financial position

31/12/2023	31/12/2023	31/12/2023	31/12/2023		31/12/2023	31/12/2023	31/12/2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
ASSETS							**ASSETS**
Non-current assets							**Non-current assets**
Property, plant, and equipment	457 749	0	-69	D, G	-27 051	430 629	Property, plant, and equipment
Customer relationship	173 522	0	0		0	173 522	Customer relationship
Other intangible assets	218 563	0	-13	F, G, I	26 245	244 795	Other intangible assets
Right of use of assets	140 984	0	-723	C	-338	139 923	Right-of-use assets
Deferred tax assets	688	0	-1	F	-118	569	Deferred tax assets
Goodwill	277 291	0	-12 551		0	264 740	Goodwill
Net investment in leasing	752	0	0		0	752	Net investment in the lease – non-current
Other investments	639	0	-169		0	470	Investments in an associate and joint venture
Other non-current assets	2 164	-574	0		0	1 590	Other financial assets - non-current
	0	574	0		0	574	Other non-financial assets - non-current
Total non-current assets	**1 272 352**	**0**	**-13 526**		**-1 262**	**1 257 564**	**Total non-current assets**
Current assets							**Current assets**
Cash and cash equivalents	53 175	0	-59		0	53 116	Cash and cash equivalents
Trade receivables	125 147	0	-164	E, J	4 412	129 395	Trade receivables
Income tax receivable	1 054	0	0		0	1 054	Income tax receivable
Current finance lease receivables	563	0	0		0	563	Net investment in the lease – current
Inventories	11 870	0	-16	D	-873	10 981	Inventories
Other current financial assets	34 157	-7 612	-6		0	26 539	Other financial assets - current
Other current non-financial assets	22 894	7 612	-44	A, E	-3 002	27 460	Other non-financial assets - current
Total current assets	**248 860**	**0**	**-289**		**537**	**249 108**	**Total current assets**
Total assets	**1 521 212**	**0**	**-13 815**		**-725**	**1 506 672**	**Total assets**

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of financial position - continued

31/12/2023	31/12/2023	31/12/2023	31/12/2023		31/12/2023	31/12/2023	31/12/2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
EQUITY AND LIABILITIES							**EQUITY AND LIABILITIES**
Equity							**Equity**
Share capital	5 981	0	0		0	5 981	Share capital
Treasury shares	-3 199	0	0		0	-3 199	Treasury shares
Capital reserve	133 492	0	0		0	133 492	Capital reserve
Retained earnings	-20 993	0	-6 101		1 131	-25 963	Retained earnings
Reserve for ESOP obligation	397	0	0		0	397	Share based payment reserve
Accumulated other comprehensive income	12 168	0	-312		0	11 856	Accumulated other comprehensive income
Total equity per parent company	**127 846**	**0**	**-6 413**		**1 131**	**122 564**	**Equity attributable to owners of the company**
Non-controlling interest	233 858	0	-642		45	233 261	Non-controlling interests
Total equity	**361 704**	**0**	**-7 055**		**1 176**	**355 825**	**Total equity**
Non-current liabilities							**Non-current liabilities**
Provisions – non-current	5 864	0	-97	H	735	6 502	Provisions – non-current
Non-current loans, borrowings, bonds	747 681	0	-5 875		0	741 806	Loans, borrowings, bonds – non-current
Lease liabilities – non-current	119 081	0	-399	C	-280	118 402	Lease liabilities – non-current
Deferred tax liability	22 350	0	-12		0	22 338	Deferred tax liability
Other non-current liabilities	4 926	-13	-4	F	425	5 334	Other financial liabilities - non-current
	0	13	0		0	13	Other non-financial liabilities - non-current
Total non-current liabilities	**899 902**	**0**	**-6 387**		**880**	**894 395**	**Total non-current liabilities**

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of financial position - continued

31/12/2023	31/12/2023	31/12/2023	31/12/2023		31/12/2023	31/12/2023	31/12/2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Current liabilities							**Current liabilities**
Trade payables	87 681	0	-230	E	8 502	95 953	Trade payables
Provisions – current	5 572	0	0	H	710	6 282	Provisions – current
Current loans and borrowings	12 663	1 444	-3		0	14 104	Loans, borrowings, bonds – current
ESOP obligation	624	0	0		0	624	Share based payment liability - current
Lease liabilities - current	24 747	0	-53	C	-31	24 663	Lease liabilities - current
Profit tax liability	1 812	0	0		0	1 812	Income tax payable
Other current financial liabilities	21 035	-1 444	-49	F	2 153	21 695	Other financial liabilities - current
Other current non-financial liabilities	105 464	8	-38	A, E, H, I	-14 115	91 319	Other non-financial liabilities - current
Dividends payable to owners	8	-8	0				
Total current liabilities	**259 606**	**0**	**-373**		**-2 781**	**256 452**	**Total current liabilities**
Total liabilities and equity	**1 521 212**	**0**	**-13 815**		**-725**	**1 506 672**	**Total liabilities and equity**

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of financial position - continued

01/01/2023	01/01/2023	01/01/2023	01/01/2023		01/01/2023	01/01/2023	01/01/2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
ASSETS							**ASSETS**
Non-current assets							**Non-current assets**
Property, plant, and equipment	281 690	0	0		0	281 690	Property, plant, and equipment
Customer relationship	62 101	0	0		0	62 101	Customer relationship
Other intangible assets	64 325	0	34	F, I, K	-6 755	57 604	Other intangible assets
Right of use of assets	43 937	0	-39	C	-496	43 402	Right-of-use assets
Deferred tax assets	282	0	3	F	-85	200	Deferred tax assets
Goodwill	164 680	0	-4 700	K	6 842	166 822	Goodwill
Net investment in leasing	190	0	0		0	190	Net investment in the lease – non-current
Other investments	521	0	0		0	521	Investments in an associate and joint venture
Other non-current assets	457	0	0		0	457	Other financial assets - non-current
Total non-current assets	**618 183**	**0**	**-4 702**		**-494**	**612 987**	**Total non-current assets**
Current assets							**Current assets**
Cash and cash equivalents	45 961	0	298		0	46 259	Cash and cash equivalents
Trade receivables	58 910	0	22	E, K	-2 050	56 882	Trade receivables
Income tax receivable	1 794	0	0		0	1 794	Income tax receivable
Current finance lease receivables	137	0	0		0	137	Net investment in the lease – current
Inventories	10 727	0	-10		0	10 717	Inventories
Other current financial assets	11 209	-6 243	-16		0	4 950	Other financial assets - current
Other current non-financial assets	7 690	6 243	-5	A, E, I	2 095	16 023	Other non-financial assets - current
Investment assets held for sale	190 271	0	0		0	190 271	Assets classified as held for sale
Total current assets	**326 699**	**0**	**289**		**45**	**327 033**	**Total current assets**
Total assets	**944 882**	**0**	**-4 413**		**-449**	**940 020**	**Total assets**

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of financial position - continued

01/01/2023	01/01/2023	01/01/2023	01/01/2023		01/01/2023	01/01/2023	01/01/2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
EQUITY AND LIABILITIES							**EQUITY AND LIABILITIES**
Equity							**Equity**
Share capital	5 981	0	0		0	5 981	Share capital
Treasury shares	-922	0	0		0	-922	Treasury shares
Capital reserve	133 492	0	0		0	133 492	Capital reserve
Retained earnings	47 181	0	-3 961		-1 233	41 987	Retained earnings
Accumulated other comprehensive income	9 722	0	-236		0	9 486	Accumulated other comprehensive income
Total equity per parent company	**195 454**	**0**	**-4 197**		**-1 233**	**190 024**	**Equity attributable to owners of the company**
Non-controlling interest	102 105	0	-231		-44	101 830	Non-controlling interests
Total equity	**297 559**	**0**	**-4 428**		**-1 277**	**291 854**	**Total equity**
Non-current liabilities							**Non-current liabilities**
Provisions – non-current	4 888	0	0	H	600	5 488	Provisions – non-current
Non-current loans, borrowings, bonds	424 320	0	0		0	424 320	Loans, borrowings, bonds – non-current
Lease liabilities – non-current	34 522	0	-35	C	-438	34 049	Lease liabilities – non-current
Deferred tax liability	14 233	0	0		0	14 233	Deferred tax liability
Other non-current liabilities	10 766	0	5	F, H	-2 113	8 658	Other financial liabilities - non-current
Total non-current liabilities	**488 729**	**0**	**-30**		**-1 951**	**486 748**	**Total non-current liabilities**

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of financial position - continued

01/01/2023	01/01/2023	01/01/2023	01/01/2023		01/01/2023	01/01/2023	01/01/2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Current liabilities							**Current liabilities**
Trade payables	45 839	0	-2		0	45 837	Trade payables
Provisions – current	4 674	0	0		0	4 674	Provisions – current
Current loans and borrowings	7 713	1 231	0		0	8 944	Loans, borrowings, bonds – current
Lease liabilities - current	9 055	0	0	C	-46	9 009	Lease liabilities - current
Profit tax liability	664	0	0		0	664	Income tax payable
Other current financial liabilities	18 770	-1 231	33	F	1 437	19 009	Other financial liabilities - current
Other current non-financial liabilities	48 522	8	14	A, B	1 388	49 932	Other non-financial liabilities - current
Liabilities related to assets held for sale	23 349	0	0		0	23 349	Liabilities related to assets held for sale
Dividends payable to owners	8	-8	0				
Total current liabilities	**158 594**	**0**	**45**		**2 779**	**161 418**	**Total current liabilities**
Total liabilities and equity	**944 882**	**0**	**-4 413**		**-449**	**940 020**	**Total liabilities and equity**

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of cash flows

31/12/2023	31/12/2023	31/12/2023	31/12/2023		31/12/2023	31/12/2023	31/12/2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Cash flow from operating activities							**Cash flows from operating activities**
Profit after tax	-27 382	8 547	-2 220	A, B, C, F, J	2 433	-18 622	Profit or loss before tax
Adjustments:							*Adjustments:*
Depreciation and amortisation for the year	170 669	-63 641	22		0	107 050	Depreciation and impairment of property, plant and equipment and right-of-use assets
		63 641	0	F	93	63 734	Amortisation and impairment of intangible assets and impairment of goodwill
Impairment	10 913	0	0		0	10 913	Movement in other impairment
Provisions	-3 194	0	0		0	-3 194	Movement in provision
Other financial income/(expenses)	50 743	0	0		0	50 743	Other financial income/expenses
Foreign exchange rate differences	-9 275	0	-4 852	C, F, J	-716	-14 843	Net foreign exchange differences
Share of profit or loss of associates	1 637	0	0		0	1 637	Share of profit or loss of associates and joint ventures
Gain/(loss) on sale of non-current assets	-17 494	0	0		0	-17 494	Gain/loss on sale of property, plant, and equipment
Income tax paid	-9 910	0	0		0	-9 910	Income tax paid
Changes in working capital							*Changes in working capital*
Changes in trade receivables	-19 384	0	164	J	-973	-20 193	Changes in trade receivables
Changes in inventories	2 869	0	16		0	2 885	Changes in inventories
Changes in trade payables	6 942	0	-230		0	6 712	Changes in trade payables
Changes in other receivables and payables	28 920	-6 837	-39	A, B, F	-962	21 082	Changes in other receivables and payables
Changes in financial lease (current)	-6 837	6 837	0		0		
Income taxes	8 547	-8 547	0		0		
Net cash flow from operating activities	**187 764**	**0**	**-7 139**		**-125**	**180 500**	***Net cash flows from operating activities***

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of cash flows – continued

31/12/2023	31/12/2023	31/12/2023	31/12/2023		31/12/2023	31/12/2023	31/12/2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Cash flow from investment activities							**Cash flows from investing activities**
		443	0		0	443	Proceeds from sale of property, plant and equipment
Sale/(purchase) of property, plant, equipment	-48 409	-443	69		0	-48 783	Purchase of property, plant and equipment
		190	0		0	190	Proceeds from sale of intangible assets
Sale/(purchase) of intangible assets	-43 170	-190	0		0	-43 360	Purchase of intangible assets
Sale/(purchase) of securities	-108	0	0		0	-108	Purchase of securities
Sale/(purchase) of other investments	-2 077	0	169		0	-1 908	Purchase of other investments
Net cash flow from acquisition of subsidiaries	-330 348	0	7 132		0	-323 216	Acquisition of a subsidiary, net of cash acquired
Dividends and interest received on investments	1 250	0	0		0	1 250	Dividends and interest received on investments
Net cash flow from investment activities	**-422 862**	**0**	**7 370**		**0**	**-415 492**	***Net cash flows from investing activities***

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of cash flows – continued

31/12/2023	31/12/2023	31/12/2023	31/12/2023		31/12/2023	31/12/2023	31/12/2023
Published designation	**Published**	**Reclassifi-cations**	**Change of exchange rate**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Cash flow from financing activities							**Cash flows from financing activities**
Withdrawal/(repayment) of loans and borrowings	326 698	0	-5 644		0	321 054	Proceeds from borrowings/ repayment of borrowings
Financial lease withdrawal/(repayment)	-27 738	0	5 056	C	535	-22 147	Payment of principal portion of lease liabilities
Capital increase/(decrease)	381	0	0		0	381	Proceeds from issue of share capital
Repurchased and issued treasury shares	-2 277	0	0		0	-2 277	Repurchased and issued treasury shares
Interests paid	-52 718	0	0	C, F	-410	-53 128	Interest paid
Dividends paid to non-controlling interests	-340	0	0		0	-340	Dividends paid to non-controlling interests
Net cash flow from financing activities	**244 006**	**0**	**-588**		**125**	**243 543**	***Net cash flows from financing activities***
Foreign exchange rate differences	-1 694	0	0		0	-1 694	Net foreign exchange difference
Net change in cash and cash equivalents	**7 214**	**0**	**-357**		**0**	**6 857**	**Net change in cash and cash equivalents**
Cash and cash equivalents at the beginning of the year	45 961	0	298		0	46 259	Cash and cash equivalents at the beginning of the year
Cash and cash equivalents at the end of the period	**53 175**	**0**	**-59**		**0**	**53 116**	**Cash and cash equivalents at the end of the period**

3 Net sales revenue

The Group's accounting policy on revenue recognition and the presentation of the main revenue types are described in Note 2.3 Net sales revenue. The Group's revenue from contracts with customers (IFRS 15) and the revenue from its operating leasing activities (IFRS 16) are presented below:

	2024	2023
		Restated
Mobile services	316 340	259 624
Fixed services	187 541	172 463
Other services	89 232	79 022
Total telecommunication revenue	**593 113**	**511 109**
IT projects and operation	30 343	24 993
Hardware and software sales	35 344	25 435
Other IT services	17 923	22 878
Total IT revenue	**83 610**	**73 306**
Other revenue	500	0
Total revenue from contracts with customers	**677 223**	**584 415**
Revenue from leases	9 953	8 394
Total revenue	**687 176**	**592 809**

The breakdown of the disaggregated revenue by segment is presented under Note 47 Segment information.

Under other revenue the Group presents revenue from holding activity.

The table below presents the revenues by geographic regions where the Group operates:

	2024	2023
		Restated
Hungary	595 910	512 630
Albania	65 383	56 683
Montenegro	25 883	23 496
Total	**687 176**	**592 809**

Data in millions of HUF, unless otherwise indicated

Breakdown of revenue recognition according to IFRS 15 is shown in the table below:

	2024	2023
		Restated
Revenue recognised at a point in time	150 245	168 770
Revenue recognised over time	536 931	424 039
Total revenue from contracts with customers	**687 176**	**592 809**

The Group has performance obligation satisfied at a point in time (such as: sale of mobile phones, licences), and performance obligations satisfied over time (such as: support services, postpaid contracts). The methods used to recognise revenue from performance obligations satisfied over time are described in Note 2.3 Net sales revenue.

Contract balances

The Group has recognised the following contract assets and liabilities related to contracts with customers:

	2024	2023
		Restated
Trade receivables	118 903	129 395
Contract assets – current	1 704	5 089
Contract assets – non-current	352	280
Contract liabilities – current	3 338	4 905
Contract liabilities – non-current	573	13

Contract assets relate to revenue that has been recognised but not yet invoiced to the customer. Beyond the recognised but unbilled revenue, this also includes devices, such as mobile phones, purchased at a discounted price, which customers bought together in a bundle. If the revenue from the sale of the device has been recognised, but the full purchase price has not yet been invoiced (e.g., instalment payments), the revenue derived from this transaction is recognised as a contract asset.

Contract liabilities include customer advances and unfulfilled performance obligations related to the contract. In cases where a contract budget has been allocated for customer incentives (e.g., discounts, free GBs), but the corresponding services are not yet fully provided, the Group recognises this as a contract liability.

Set out below is the amount of revenue recognised from:

	2024	2023
Amounts included in contract liabilities at the beginning of the period	4 918	2 406
Performance obligations satisfied (or partially satisfied) in previous periods	324	844

Data in millions of HUF, unless otherwise indicated

Cost to obtain a contract

Closing balances of assets recognised from the costs incurred to obtain contract with customer in accordance with IFRS 15 Revenue from Contracts with Customers are presented within the Other intangible assets, please refer to Note 18 Other intangibles assets.
The capitalised amount at the beginning and at the end of reporting period, the amount of amortisation recognised during the period and any impairment losses recognised are shown in the movement table below:

	2024	2023
Beginning of the period	11 879	**2 232**
Capitalisation during the year	15 686	20 886
Amortisation	-13 841	-11 239
Closing balance	**13 724**	**11 879**

Cost to fulfil a contract

Cost to fulfil a contract with a customer include installation costs, such as cabling activities, materials for internet and TV services.
The installation costs do not meet the criteria set out in IAS 38 Intangible assets for recognizing an asset and, therefore, are not capitalised as intangible assets. Instead, they are expensed in the comprehensive statement of income.

4 Other operating income

The composition of other operating income is as follows:

	2024	2023 Restated
Government grants and refunds	611	307
Provisions release	1 221	2 639
Penalties and compensations received	685	863
Recovered assets	183	99
Manufacturers' rebates on sales	611	367
Gain on the sale of tangible and intangible assets	125	18 970
Recognised value of receivables sold, transferred	0	1 787
Other operating income related to disposal of content and rental contracts	440	5
Other	691	1 597
Total	**4 567**	**26 634**

There are no unfulfilled conditions or contingencies attached to the government grants.

During 2023 the provision release of HUF 2,639 million was mainly due to a change in the estimate of the provision for asset retirement obligation in the Albanian subsidiary, refer to Note 38 Provisions.

Data in millions of HUF, unless otherwise indicated

During 2024 the net amount of provisioning and release of provision resulted in an expense, hence it is disclosed among Other operating expenses, refer to Note 9 Other operating expenses and Note 38 Provisions.

The gain on the sale of tangible and intangible assets reflects the one-off impact of the disposal of tangible, intangible, and right-of-use assets, along with the related liabilities, sold in a batch during 2023. In contrast, only an insignificant amount has been recorded under this line in 2024.

The recognized value of sold and transferred receivables has significantly decreased, as the Group disposed of receivables at a loss in 2024, in contrast to the significant gain recorded in 2023. For further details, please refer to Note 9 Other operating expenses, where the loss on the sale of receivables is disclosed.

5 Capitalised value of own performance

	2024	2023
Changes in inventories of finished goods and work in progress	45	55
Own work capitalised	18 145	15 780
Capitalised value of own performance	**18 190**	**15 835**

Own work capitalised include capitalised own performances in connection with internally developed intangible assets as well as internal expenditures that qualify as part of the cost of property, plant and equipment during the initial measurement in accordance with IAS 38 Intangible Assets and IAS 16 Property, plant and equipment respectively.

6 Raw materials and consumables used

	2024	2023 Restated
Cost of goods sold	-96 486	-91 158
Intermediated services	-75 902	-76 407
Raw materials	-29 234	-28 337
Total	**-201 622**	**-195 902**

Besides the increase in revenues, the cost of goods sold and intermediated services also saw a significant rise, but due to the Group's cost-efficient strategy, revenues grew at a higher rate than the associated costs.

Data in millions of HUF, unless otherwise indicated

7 Services used

The following table presents details of the services used.

	2024	2023
IT maintenance	-19 736	-18 395
Network maintenance costs	-19 332	-12 646
Other maintenance costs	-6 294	-5 640
Maintenance of fixed assets cost	-331	-247
Spectrum fee	-11 678	-10 723
Marketing and communication expenses	-12 100	-9 431
Audit fee	-960	-786
Legal fee	-1 169	-600
Logistics costs	-2 775	-2 410
Consulting and expert fees	-5 220	-10 730
Technology services agreement related costs	-7 656	-466
Cost related to outsourced activities	-3 381	-2 877
Cleaning services	-316	-270
Business travel expenses	-527	-357
Travel allowance expenses	-111	-104
Security services	-691	-659
Administrative costs	-1 182	-986
Notarial fees, regulatory fees	-4 476	-4 082
Insurance costs	-1 146	-1 032
Agency fees	-7 592	-6 136
Lease payments	-6 249	-5 261
Miscellaneous other services used	-2 834	-26
Total	**-115 756**	**-93 864**

Marketing and communication expenses have significantly increased in line with the ongoing transformation program. Additionally, services used were impacted by the fact that One Magyarország Zrt. was consolidated for only 11 months in 2023 following its acquisition on 31 January 2023, whereas it was fully consolidated for the entire year in 2024.

Lease payments include expenses related to short-term leases, leases of low-value assets and lease payments out of scope of IFRS16 Leases. For more details, please refer to Note 40 Lease liabilities.

Data in millions of HUF, unless otherwise indicated

8 Employee benefit expenses

	2024	2023
Wages and salaries	-92 615	-77 274
Other payments to personnel	-10 637	-7 495
Social security costs and similar deductions	-12 922	-10 801
Total	**-116 174**	**-95 570**
Average statistical number	8 200	8 021

The increase in the average number of employees can primarily be attributed to a significant rise in demand for human resources in newly established areas of operation, as well as a slight expansion resulting from the restructuring of the Group's business activities. Additionally, the growth in headcount is driven by factors such as the acquisition of new subsidiaries (Rotors & Cams Zrt.), the foundation of new entities (4iG Űr és Védelmi Technológiák Zrt.), and the dynamic expansion of existing subsidiaries (Rheinmetall 4iG Digital Services Kft.). Furthermore, a moderate increase in headcount across other subsidiaries resulted from additional tasks arising from organizational transformations and insourcing activities.

9 Other operating expenses

	2024	2023 Restated
Grants provided for foundations	-210	-208
Penalties and compensations	-841	-1 486
Loss on intangible assets and property, plant and equipment sold	-173	-2 113
Scrapping of intangible assets and property, plant and equipment	-1 115	-156
Taxes, duties, contributions	-30 713	-28 263
Write-down of inventories	-431	-2 494
Impairment (ECL) of receivables	-2 440	-8 357
Losses related to damages	-283	-331
Provisioning	-1 824	0
Impairment of other financial assets	-91	0
Loss on sale of receivables	-2 624	0
Other	-4 581	-3 901
Total	**-45 326**	**-47 309**

In 2024 Group has reviewed its intangible assets and property, plant and equipment during its restructuring process and has identified a few fixed assets that have not generated significant economic benefits for the Group, hence decided to scrap/sell some of its idle assets in a bigger extent than in 2023.

Data in millions of HUF, unless otherwise indicated

During 2024 the most significant part of other operating expenses are taxes, duties, and contributions – these are typically the public utility tax, telecommunications tax, and the special tax on the sector, i.e. taxes that are not income taxes.

As a result of the impairment review of slow-moving and obsolete inventories initiated in 2023, the Group recognized a significant impairment loss. Consequently, the impairment loss recorded in the current period (2024) was lower, amounting to HUF 431 million, compared to HUF 2,494 million in 2023.

The Group regularly assesses the level of impairment. As of 2024, the total impairment amounted to HUF 2,440 million, reflecting a decrease from 2023. This reduction is attributed to the Group's improved financial position.

Additionally, the Group recognized the loss of receivables sales amounting to HUF 2,624 million in 2024, whereas sales were sold with a gain during 2023, please refer to Note 4 Other operating income for more information.

Impairment movement table for the reporting period:

	Trade receivables	Other financial assets – current	Other financial assets – non-current	Inventories	Contract assets
on 31 December 2023	**-41 207**	**-777**	**-127**	**-5 074**	**-35**
Addition	-8 334	-91	0	-1 106	-10
Reversal	3 270	0	0	675	0
Decrease due to inventory utilised	0	0	0	2 052	0
Exchange differences	-2 214	-93	-2	-294	0
Derecognition	20 481	0	0	0	0
on 31 December 2024	**-28 004**	**-961**	**-129**	**-3 747**	**-45**

Data in millions of HUF, unless otherwise indicated

10 Depreciation and amortisation

The Group's activities are highly asset-intensive due to the expansion of the telecommunication segment.

	2024	2023
		Restated
Depreciation and amortisation	-190 326	-170 920
Total	**-190 326**	**-170 920**

The depreciation and amortisation line also includes the depreciation of items recognised as right-of-use assets under IFRS 16 Leases, amounting to HUF 31,421 million in 2024 (HUF 28,187 million in 2023) and the depreciation of the fair value adjustments recognised for tangible and intangible assets during the acquisitions, amounting to HUF 25,431 million in 2024 (HUF 36,970 million in 2023).

11 Financial income and financial expenses

Financial income

	2024	2023
		Restated
Interest income	3 880	4 507
Interest on lease receivables	90	74
Foreign exchange rate gains	4 303	14 922
Other	553	2 234
Total	**8 826**	**21 737**

Financial expenses

	2024	2023
		Restated
Interest expense on bonds	-22 404	-22 419
Other interest expenses	-30 012	-26 362
Interest on lease liabilities	-12 193	-11 118
Foreign exchange rate losses	-24 306	-5 008
Other	-824	-5 528
Total	**-89 739**	**-70 435**

The interest income line includes interest received from financial institutions, out of this amount, HUF 1,981 million (2023: HUF 1,753 million) was generated by One Magyarország Zrt., HUF 878 million (2023: HUF 1,113 million) by 4iG Távközlési Holding Zrt., and HUF 293 million (2023: HUF 416 million) by DIGI Távközlési és Szolgáltató Kft.

The decrease in interest income compared to the previous year is primarily attributable to the reduction in the base rate set by the Hungarian National Bank. The decline in foreign exchange gains is a result of adverse HUF fluctuations in 2024, impacting both realized and unrealized foreign exchange gains.

Data in millions of HUF, unless otherwise indicated

Additionally, the decrease in other financial income is mainly due to the absence of third-party dividend income at 4iG Távközlési Holding Zrt., which amounted to HUF 1,250 million in 2023 but was reduced to HUF 0 million in 2024.

Interest expense on bonds includes both paid and accrued interest expenses related to bonds issued. The other interest expenses line reflects interest paid to financial institutions, as well as interest expenses recognised in connection with content rights at DIGI Távközlési és Szolgáltató Kft., One Magyarország Zrt., 4iG Távközlési Holding Zrt., and AH Média Kereskedelmi Zrt., amounting to HUF 959 million (2023: HUF 1,685 million), HUF 469 million (2023: HUF 341 million), HUF 14 million (2023: HUF 80 million), and HUF 29 million (2023: HUF 0 million), respectively.

Interest on lease liabilities includes interest expenses on leases recognised in accordance with the IFRS 16 Leases standard, amounting to HUF 12,193 million in 2024 (2023: HUF 11,118 million).

The increase in foreign exchange losses is primarily due to the adverse fluctuation of the HUF in 2024, significantly impacting the Group’s substantial liabilities denominated in foreign currencies and leading to higher realized and unrealized foreign exchange losses.

12 Share of profit of associate and joint venture

The share of profit or loss of associates and joint ventures is accounted for using the equity method and is presented as the Group's share of the profit or loss of associates' and joint ventures’operations.

In 2024, the Group acquired 45% of the shares of REMRED Technológia Fejlesztő Zrt., which is presented as a joint venture company.

On 20 December 2024, the 4iG Group increased its ownership stake in Rotors & Cams Zrt. to 55%, thereby gaining majority control of the company.

During the year 2023 the Group increased its stake in the Israeli publicly traded company Space-Communications Ltd. from 9.538% to 20%. Due to the significant influence gained over Space-Communications Ltd., it is presented as an associate.

Company name	**Group’s share of profit/loss for the year**	**Share of ownership**
Joint venture		
REMRED Technológia Fejlesztő Zrt.	-295	45%
Associates		
Space-Communications Ltd.	-83	20%
Rotors & Cams Zrt.	n/a	n/a
on 31 December 2024	**-378**	

Data in millions of HUF, unless otherwise indicated

Company name	**Group's share of profit/loss for the year**	**Share of ownership**
Associates		
Space-Communications Ltd.	-1 527	20%
Rotors & Cams Zrt.	-110	24%
on 31 December 2023	**-1 637**	

The tables below contain the preliminary, unaudited data for the year 2024 about REMRED Technológia Fejlesztő Zrt., which is - based on the share of profit of loss realised by the Group - considered as significant.

Summarised statement of financial position of REMRED Technológia Fejlesztő Zrt.:

	31/12/2024
Non-current assets	1 394
Current assets (including HUF 3,306 million Cash and cash equivalent)	5 064
Non-current liabilities	562
Current liabilities	1 415
Equity	**4 481**

Summarised statement of profit or loss of REMRED Technológia Fejlesztő Zrt.:

	2024
Revenue	2 236
Material, staff and other costs	-3 326
Depreciation and amortisation	-82
Financial expense, income (including HUF 0 million Interest income, expense)	192
Profit or loss before tax	-981
Income taxes	-4
Profit or loss after tax	-985
Total comprehensive income	**-985**

Data in millions of HUF, unless otherwise indicated

13 Income taxes

The major components of income tax expense are:

	2024	2023
		Restated
Current income tax:		
Corporate income tax	-1 241	-2 989
Local business tax	-8 417	-6 372
Innovation contribution	-1 285	-1 004
Adjustments in respect of current income tax of previous year	-493	0
Deferred taxes:		
Relating to origination and reversal of temporary differences	4 340	1 793
Income tax expense reported in the statement of comprehensive income	**-7 096**	**-8 572**

The income tax payable by the Group is the tax reported in the individual financial statements of the subsidiaries and calculated in accordance with the relevant local rules.
The tax rate applied to the deferred tax expense recognised in the statement of comprehensive income was 9% under the current legislation in Hungary, while in Albania and Montenegro it was 15% in both 2024 and 2023, in accordance with the applicable corporate tax rate.

Data in millions of HUF, unless otherwise indicated

Reconciliation of tax expense and the accounting profit:

	2024	2023
		Restated
Profit or loss before tax	**-40 562**	**-18 622**
Tax liability calculated at statutory current tax rate	-3 651	-1 676
Adjustments in respect of current income tax of previous years	-493	0
Local business tax	7 659	5 799
Innovation contribution	1 169	914
Utilisation of previously unrecognised tax losses	-2 517	1 360
Deferred tax not recognised for current year loss	2 916	1 839
Share of result of associates and joint ventures	34	147
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	12	5
Effect of higher tax rates in Albania and Montenegro	649	483
Foreign exchange rate differences	269	322
Other	1 049	-621
Income tax expense	**7 096**	**8 572**
Effective income tax rate	**17%**	**46%**
Income tax expense reported in the statement of profit or loss	**7 096**	**8 572**

As of 1 January 2024, 4iG Group has become subject to the global minimum tax based on the Act on Top-Up Taxes Ensuring a Global Minimum Level of Taxation and on the Amendment of Certain Related Tax Laws LXXXIV of 2023 (hereinafter referred to as the "GMT Act"), given that the annual consolidated revenue *for global minimum tax purposes* of 4iG Plc - the ultimate parent company - exceeded EUR 750,000,000 in 2022 and 2023. The Group has examined the compliance with the exemption rules provided by the OECD and Section 32 of the GMT Act, under which it is exempt from the global minimum tax liability in all jurisdictions based on the data of the country-by-country report preparing for the tax year as per the follows:

- in Hungary, pursuant to Section 32 (2) c) of the GMT Act (Routine Profits test)
- In Bulgaria, Romania and North Macedonia, pursuant to Section 32(2)a) of the GMT Act (De minimis test)
- in Albania and Montenegro pursuant to Section 32(2) b) of the GMT Act (Effective Tax Rate Test).

Data in millions of HUF, unless otherwise indicated

14 Other comprehensive income /(loss)

Within other comprehensive income, the Group recognised the translation adjustments arising from the translation of the financial statements of foreign operations into Hungarian forint (as being the presentation currency of the Group) in accordance with IAS 21 The Effect of Changes in Foreign Exchange Rates requirements, and the loss on equity instruments at fair value through other comprehensive income (FVOCI) in the consolidated statement of comprehensive income.

Other comprehensive income

	2024	2023
		Restated
Exchange differences on translation of foreign operations	11 592	1 068
The associate's share of other comprehensive income /(loss)	0	14
Net gain/(loss) on equity instruments at fair value through other comprehensive income	0	150
Total	**11 592**	**1 232**

15 Total comprehensive income /(loss)

Total comprehensive income/(loss), in addition to other comprehensive income, includes the results of operating activities, income and expenses from financial operations, depreciation and amortisation expense and income taxes.

	2024	2023
		Restated
Profit or loss before tax	**-40 562**	**-18 622**
Income taxes	-7 096	-8 572
Profit or loss after tax	**-47 658**	**-27 194**
Other comprehensive income	**11 592**	**1 232**
Total comprehensive income	**-36 066**	**-25 962**

Data in millions of HUF, unless otherwise indicated

16 Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	2024	**2023**
		Restated
Profit or loss after tax	-47 658	-27 194
Weighted average number of ordinary shares outstanding during the period	299 074 974	299 074 974
Weighted average number of voting shares	290 455 866	291 530 732
Earnings per share (basic) EPS – in HUF	**-159.35**	**-90.93**
Diluted EPS indicator – in HUF	**-162.79**	**-92.55**

The Group held 8,967,614 treasury shares on 31 December 2024 and 8,579,685 treasury shares on 31 December 2023.

Data in millions of HUF, unless otherwise indicated

17 Property, plant and equipment

	Machinery and other equipment	Land and buildings	Tele-communications equipment and devices	Construction in progress	Total
Gross value					
on 1 January 2023	**116 346**	**162 116**	**113 483**	**7 807**	**399 752**
Prior year adjustments	-52 441	-36 487	88 928	0	0
on 1 January 2023 (restated)	**63 905**	**125 629**	**202 411**	**7 807**	**399 752**
Additions	7 981	6 362	40 439	22 611	77 394
Disposals	-10 274	-466	-4 418	76	-15 082
Reclassification	-20 060	-5 552	15 154	4 927	-5 530
Acquisition	4 746	64 247	64 056	11 330	144 379
Exchange differences	-929	3 234	7 668	-50	9 923
on 31 December 2023 (restated)	**45 370**	**193 454**	**325 311**	**46 701**	**610 836**
Additions	25 316	12 116	41 513	2 310	81 255
Disposals	-7 456	-1 983	-26 296	-1 137	-36 872
Reclassification	761	-271	-6 609	-4 476	-10 595
Acquisition	105	23	0	98	226
Exchange differences	-1 569	11 073	27 106	406	37 016
on 31 December 2024	**62 526**	**214 412**	**361 024**	**43 903**	**681 866**
Depreciation and impairment					
on 1 January 2023	**69 156**	**16 104**	**33 061**	**-259**	**118 062**
Prior year adjustments	-44 440	-23 228	67 668	0	0
on 1 January 2023 (restated)	**24 716**	**-7 124**	**100 729**	**-259**	**118 062**
Current year depreciation	17 443	9 441	45 734	0	72 618
Impairment losses	0	0	0	656	656
Reclassification	-6 535	-1 311	-9 281	4 598	-12 530
Disposals	-1 597	-424	-4 322	0	-6 342
Exchange differences	527	707	6 521	-12	7 743
on 31 December 2023 (restated)	**34 554**	**1 289**	**139 381**	**4 983**	**180 207**
Current year depreciation	17 062	6 797	57 126	0	80 985
Impairment losses	47	17	304	76	444
Disposals	-5 289	-688	-23 302	0	-29 279
Reclassification	-1 071	17	-5 809	584	-6 279
Exchange differences	2 567	2 605	22 625	-36	27 761
on 31 December 2024	**47 870**	**10 037**	**190 324**	**5 607**	**253 839**
Net book value					
on 1 January 2023	**47 190**	**146 012**	**80 422**	**8 066**	**281 690**
on 1 January 2023 (restated)	**39 189**	**132 753**	**101 682**	**8 066**	**281 690**
on 31 December 2023 (restated)	**10 815**	**192 165**	**185 930**	**41 718**	**430 629**
on 31 December 2024	**14 656**	**204 375**	**170 700**	**38 296**	**428 027**

Data in millions of HUF, unless otherwise indicated

The increase in property, plant and equipment in the year 2023 was primarily due to the acquisition of of One Magyarország Zrt. The impact of the acquisition on tangible assets was HUF 144,380 million.

As of 31 December 2024, the significant construction in progress were related to ongoing network constructions in the amount of HUF 36,807 million and the procurement of "Gondosóra" assets in the amount of HUF 7,056 million.
No borrowing costs have been capitalised. The Company did not have any qualifying assets on 31 December 2024.

On 31 December 2024, property, plant and equipment were pledged in the amount of HUF 27,122 million (31 December 2023: HUF 25,805 million).
No contractual commitments for the acquisition of property, plant and equipment were on 31 December 2024 and on 31 December 2023.
No temporary idle property, plant and equipment were on 31 December 2024 and on 31 December 2023, because the Group seeks to maximise the economic benefits from tangible assets.

18 Customer relationship

The breakdown of customer relationship by companies is presented in the table below:

	31/12/2024	31/12/2023
4iG Távközlési Holding Zrt.	10 015	10 706
Brisk Digital Group Kft.	946	1 066
DIGI Távközlési és Szolgáltató Kft.	21 817	22 864
Invitech ICT Services Kft.	15 822	17 168
ONE Albania sh.a.	195	195
ONE Crna Gora d.o.o.	6 153	6 330
One Magyarország Zrt.	109 156	115 193
Total	**164 104**	**173 522**

During the previous reporting periods, the Group has identified intangible assets, separated from goodwill under IFRS 3 - Business Combinations, which are recognised as a separate line item in the consolidated statement of financial position and amortised over their identified useful lives (average 16 years) when measuring each business combination.

Data in millions of HUF, unless otherwise indicated

19 Other intangible assets

	Licences and similar rights	Software and other intellectual property	Brand name	Content rights	Other intangible assets	Total
Gross value						
on 1 January 2023	**35 810**	**30 497**	**7 296**	**19 549**	**2 502**	**95 654**
Prior year adjustments	-3 885	-2 691	0	-343	0	-6 919
on 1 January 2023 (restated)	**31 925**	**27 806**	**7 296**	**19 206**	**2 502**	**88 735**
Additions	7 904	24 594	0	3 778	11 901	48 177
Disposals	-26 021	-3 043	0	0	-103	-29 167
Reclassification	-2 637	9 861	0	0	-909	6 315
Acquisition	117 998	70 608	0	6 153	9 796	204 555
Exchange differences	1 753	-76	176	0	98	1 951
on 31 December 2023 (restated)	**130 922**	**129 750**	**7 472**	**29 137**	**23 285**	**320 566**
Additions	11 067	20 826	0	21 214	14 638	67 745
Disposals	-352	-7 998	0	-21 718	0	-30 068
Reclassification	-1 279	5 411	-2 121	0	543	2 554
Acquisition	0	420	0	0	0	420
Exchange differences	5 195	2 119	538	1	505	8 358
on 31 December 2024	**145 553**	**150 528**	**5 889**	**28 634**	**38 971**	**369 575**
Amortisation and impairment						
on 1 January 2023	**10 009**	**14 317**	**1 589**	**5 144**	**270**	**31 329**
Prior year adjustments	0	0	0	-198	0	-198
on 1 January 2023 (restated)	**10 009**	**14 317**	**1 589**	**4 946**	**270**	**31 131**
Current year amortisation	17 652	20 216	1 630	12 052	11 180	62 730
Disposals	-21 304	-2 742	0	0	-103	-24 149
Reclassification	786	4 001	0	0	0	4 787
Exchange differences	1 173	11	29	0	59	1 272
on 31 December 2023 (restated)	**8 316**	**35 803**	**3 248**	**16 998**	**11 406**	**75 771**
Current year amortisation	13 617	22 538	1 998	15 867	13 566	67 586
Disposals	-365	-7 645	0	-20 464	0	-28 474
Reclassification	2 266	712	-2 121	76	0	933
Exchange differences	3 686	1 429	120	0	275	5 510
on 31 December 2024	**27 520**	**52 837**	**3 245**	**12 477**	**25 247**	**121 326**
Net book value						
on 1 January 2023	**25 801**	**16 180**	**5 707**	**14 405**	**2 232**	**64 325**
on 1 January 2023 (restated)	**21 916**	**13 489**	**5 707**	**14 260**	**2 232**	**57 604**
on 31 December 2023 (restated)	**122 606**	**93 947**	**4 224**	**12 139**	**11 879**	**244 795**
on 31 December 2024	**118 033**	**97 691**	**2 644**	**16 157**	**13 724**	**248 249**

Data in millions of HUF, unless otherwise indicated

Intangible assets include content rights of HUF 16,157 million on 31 December 2024 (31 December 2023: HUF 12,139 million), which is the content right of DIGI Távközlési és Szolgáltató Kft., 4iG Távközlési Holding Zrt., AH Média Kereskedelmi Zrt. and One Magyarország Zrt.
The brand name amounting to HUF 2,644 million on 31 December 2024 (HUF 4,224 million as of 31 December 2023) which includes the brand name of ONE Albania sh.a. The reason behind the decrease is the derecognition of brand name of Invitech ICT Services Kft. in 2024.

The other intangible assets include the capitalised agent fee (according to IFRS 15 Revenue from Contracts with Customers, cost to obtain a contract) in the amount of HUF 13,724 million on 31 December 2024 (HUF 11,879 million as of 31 December 2023).

No intangible assets were subject to restrictions on title on 31 December 2024 and on 31 December 2023 and no intangible assets were pledged as security for liabilities on 31 December 2024 and on 31 December 2023.

No contractual commitments for the acquisition of intangible assets were on 31 December 2024 and on 31 December 2024. No temporarily idle intangible assets were on 31 December 2024 and on 31 December 2024, because the Group seeks to maximise the economic benefits from intangible assets.

The Group performs an annual year-end present value test for internally developed intangible assets in progress with significant value at each reporting period. For individually material intangible assets, the Group applied a weighted average cost of capital of 12.82%.
The Group's annual year-end impairment test did not identify any indications of impairment.

Individually material intangible assets

The Group's individually material intangible assets (with a gross value exceeding HUF 10,000 million) was HUF 75,474 million on 31 December 2024 (HUF 81,836 million on 31 December 2023), details for the current financial year can be found in the table below:

Description	Book value	Amortisation period	Final date of amortisation
Spectrum fee LTE	13 401	19 years	05/06/2034
Spectrum fee 700 MHz	20 457	20 years	05/09/2040
Spectrum fee 5G	41 616	20 years	08/04/2042
on 31 December 2024	**75 474**		

Data in millions of HUF, unless otherwise indicated

20 Right-of-use assets

	Land and buildings	Machinery, vehicles	Tele-communication devices	Total
Gross value				
on 1 January 2023	**39 114**	**6 876**	**13 335**	**59 325**
Prior year adjustments	-547	0	0	-547
on 1 January 2023 (restated)	**38 567**	**6 876**	**13 335**	**58 778**
Addition due to new leasing	23 563	5 084	3 095	31 742
Addition due to acquisition	73 107	870	6 886	80 863
Modification/Remeasurement	14 037	605	-1 980	12 662
Disposals	-6 142	-1 349	-3 858	-11 349
Other changes	153	0	691	844
Exchange differences	-202	28	-11	-185
on 31 December 2023 (restated)	**143 083**	**12 114**	**18 158**	**173 355**
Addition due to new leasing	8 229	4 853	5 166	18 248
Modification/Remeasurement	16 828	-302	3 545	20 070
Disposals	-3 863	-1 082	-281	-5 226
Other changes	-4 523	-625	-1 002	-6 149
Exchange differences	2 077	89	20	2 186
on 31 December 2024	**161 831**	**15 047**	**25 606**	**202 484**
Depreciation				
on 1 January 2023	**7 189**	**2 978**	**5 221**	**15 388**
Prior year adjustments	-12	0	0	-12
on 1 January 2023 (restated)	**7 177**	**2 978**	**5 221**	**15 376**
Depreciation in the current year	22 623	2 820	2 744	28 187
Modification/Remeasurement	-2 316	-237	-1 388	-3 941
Disposals	-3 724	-1 118	-1 456	-6 298
Other changes	-460	0	497	37
Exchange differences	59	12	0	71
on 31 December 2023 (restated)	**23 359**	**4 455**	**5 618**	**33 432**
Depreciation in the current year	24 882	3 504	3 035	31 421
Modification/Remeasurement	-1 046	-465	-546	-2 057
Disposals	-1 934	-1 050	-158	-3 142
Other changes	-3 279	-642	-722	-4 643
Exchange differences	443	50	7	500
on 31 December 2024	**42 425**	**5 851**	**7 234**	**55 510**
Net book value				
on 1 January 2023	**31 925**	**3 898**	**8 114**	**43 937**
on 1 January 2023 (restated)	**31 390**	**3 898**	**8 114**	**43 402**
on 31 December 2023 (restated)	**119 724**	**7 659**	**12 540**	**139 923**
on 31 December 2024	**119 406**	**9 196**	**18 372**	**146 974**

The Group's most significant leases comprise its headquarters, other office buildings, and vehicle leases. Additionally, in line with the expansion of the telecommunications segment, the Group has entered into leases for additional buildings, network infrastructure, and other telecommunication equipment.

Data in millions of HUF, unless otherwise indicated

21 Deferred tax assets and liabilities

The Group's deferred tax asset on 31 December 2024 is HUF 2,289 million (HUF 569 HUF on 31 December 2023), and its deferred tax liability is HUF 19,779 million on 31 December 2024 (HUF 22,338 million on 31 December 2023).
The items giving rise to deferred tax relate primarily to timing differences in the depreciation of tangible and intangible assets and the timing of the recognition of provisions for tax loss carry forward and various costs.

	Consolidated statement of financial position		Consolidated statement of comprehensive income	
	31/12/2024	**31/12/2023**	**2024**	**2023**
		Restated		**Restated**
Expected credit losses of financial assets (e.g trade receivables)	1 676	1 649	27	239
Tax loss carry forward	8 294	5 285	2 903	-249
Provisions	1 350	1 344	6	129
Interest deduction capacity	1 011	2 229	-1 218	-180
PPE and intangible assets	-31 611	-33 987	2 376	2 422
Foreign exchange rate differences	-40	-179	139	-179
Other temporary difference	1 830	1 890	107	-389
Deferred tax expense (benefit)			**4 340**	**1 793**
Net deferred tax liabilities	**-17 490**	**-21 769**		
Reflected in the statement of financial position as follows:				
Deferred tax assets	2 289	569		
Deferred tax liabilities:	-19 779	-22 338		
Deferred tax liabilities net	**-17 490**	**-21 769**		

The Group has tax losses that arose in Hungary of HUF 499,560 million (2023: HUF 371,099 million) which can be used limitless or 5 years that are for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group; according to the business plan the Group does not expect tax planning opportunities or other evidence of recoverability in the near future for this part of losses. If the Group were able to recognise all unrecognised deferred tax assets, the profit would increase by HUF 35,655 million (2023: HUF 33,398 million).
The amount of unused tax losses for which no deferred tax assets has been recognised in the statement of financial position is HUF 396,171 million (2023 HUF 280,663 million), since it cannot be guaranteed that, in the Group’s case, any deferred tax asset recognized in relation to tax losses carried forward would be recoverable.

Data in millions of HUF, unless otherwise indicated

22 Goodwill and business combinations

22.1 Goodwill

Table below presents the goodwill allocated to each of the operating segments:

	31/12/2024	31/12/2023	31/12/2023
		Restated	Published
IT segment	4 541	4 617	6 784
Telecom segment	269 708	260 123	270 507
Total book value of goodwill	**274 249**	**264 740**	**277 291**

The Group reviewed the allocation of goodwill across segments and determined that the allocation for one subsidiary required adjustment. As a result, the figures as of 31 December 2023 have been restated accordingly.

Goodwill movement table:

	Goodwill
on 1 January 2023	**164 680**
Prior year adjustment	2 142
on 1 January 2023 (restated)	**166 822**
Acquisition of a subsidiary	96 644
Exchange differences	1 274
on 31 December 2023 (restated)	**264 740**
Acquisition of a subsidiary	1 609
Sale of subsidiary	-76
Exchange differences	7 976
on 31 December 2024	**274 249**

Neither in 2024 nor in 2023 goodwill is deductible for tax purposes.

Data in millions of HUF, unless otherwise indicated

Impairment of goodwill

The following table shows based on the 2024 and 2023 valuation model, the DCF-based return on IT and Telco segment as a cash-generating units, and the difference between the book value and the recoverable amount, i.e., the headroom:

	31/12/2024	31/12/2023
		Restated
IT segment		
Recoverable amount	66 385	81 021
Book value of goodwill	4 541	4 617
Headroom of IT goodwill	**61 844**	**76 404**

	31/12/2024	31/12/2023
		Restated
Telecom segment		
Recoverable amount	869 152	510 021
Book value of goodwill	269 708	260 123
Headroom of Telecom goodwill	**599 444**	**249 898**

The Group assessed whether any indicators existed suggesting that the carrying amount of goodwill may not be recoverable. Based on this assessment, no indications of impairment were identified. As a result, no impairment loss was recognized for the periods ended 31 December 2024 and 31 December 2023 on the goodwill, and since the book value of the goodwill is expected to be recoverable, no impairment loss was recognized on other current assets.

The Group determined the recoverable amount of the segments using the Discounted Cash Flow (DCF) method. The discount rate (weighted average cost of capital - WACC) applied in the calculation of the recoverable amount of the IT segment is 12.82% (12.92% in 2023) and for the telecommunications segment is 10.32% (10.19% in 2023).
The estimates used in the DCF calculation are in line with market expectations and the business plans approved during the acquisitions. The synergistic effects of the Group's dynamic expansion realised in 2023 and 2024 have also been incorporated into management's expectations (both in terms of expected additional revenue and cost optimisation). The combined present value of cash flows from 2025-2029 and the residual value calculated with a 2% growth rate significantly exceeds the carrying value of the cash-generating unit.

Data in millions of HUF, unless otherwise indicated

Sensitivity analysis

The Group has performed sensitivity analyses regarding the recoverable amount of goodwill to assess whether changes in the parameters used for the recoverable amount calculation would result in the recognition of an impairment charge for any segment.
The table below shows how the recoverable amounts would change in the event of a 1%-point increase in the WACC, assuming all other conditions remain unchanged. The second table illustrates how the recoverable amounts would be affected by a 10% decrease in free operating cash flow (FCF) used in the DCF calculation, with all other factors held constant.

1%-point increase in WACC

	31/12/2024
IT segment	
Recoverable amount after sensitivity analysis	56 705
Book value of goodwill	4 541
Headroom of IT goodwill after sensitivity analysis	**52 164**
Telecom segment	
Recoverable amount after sensitivity analysis	601 929
Book value of goodwill	269 708
Headroom of Telecom goodwill after sensitivity analysis	**332 221**

10% decrease in free operating cashflow (FCF)

	31/12/2024
IT segment	
Recoverable amount after sensitivity analysis	55 714
Book value of goodwill	4 541
Headroom of IT goodwill after sensitivity analysis	**51 173**
Telecom segment	
Recoverable amount after sensitivity analysis	674 131
Book value of goodwill	269 708
Headroom of Telecom goodwill after sensitivity analysis	**404 423**

As shown in the sensitivity analysis above, for 31 December 2024, even with a 1%-point increase in WACC and a 10% decrease in free operating cash flow, the recoverable amount exceeds the book value, indicating a positive headroom. Therefore, even under these potential changes, there are no indications of impairment.

Data in millions of HUF, unless otherwise indicated

22.2 Business combinations

The description of the current years' and previous years' common control transactions are presented in the Note 2.1 Basis of consolidation.

Acquisitions in 2024

On 20 December 2024 4iG Plc acquired an additional 31% of the shares of Rotors & Cams Zrt. Accordingly, 4iG has acquired majority of the shares of Rotors & Cams Zrt. and control rights over Rotors & Cams Zrt.

	Rotors & Cams Zrt.
Assets acquired and liabilities assumed	
Of which:	
Property, plant, and equipment	203
Other intangible assets	421
Right-of-use assets	211
Deferred tax assets	2
Other financial assets - non-current	8
Total non-current assets	**845**
Cash and cash equivalents	63
Trade receivables	23
Inventories	12
Other financial assets – current	1
Other non-financial assets - current	4
Total current assets	**103**
Loans, borrowings, bonds – non-current	1 490
Lease liabilities – non-current	147
Total non-current liabilities	**1 637**
Trade payables	13
Provisions – current	17
Lease liabilities – current	64
Other non-financial liabilities - current	574
Total current liabilities	**668**
Total identifiable net assets at fair value	**-1 357**
Non-controlling interests	-611
Revaluation of associate	117
Goodwill arising on acquisition	1 014
Purchase consideration transferred	**151**

The acquisition date fair value of the trade receivables amounts to HUF 23 million. The gross amount of trade receivables is HUF 23 million and it is expected that the full contractual amounts can be collected.

Purchase consideration

Paid purchase price	2
Contingent consideration liability	149
Total consideration	**151**

Analysis of cash flows on acquisition:

Transaction costs of the acquisition (included in cash flows from operating activities)	0
Net cash acquired with the subsidiary (included in cash flows from investing activities)	64
Transaction costs attributable to issuance of shares (included in cash flows from financing activities, net of tax)	0
Net cash flow on acquisition	**64**

The Group recognised goodwill on the acquisition due to the expected synergies from combining operations. With the acquisition, the Group aims to take over the control of Rotors & Cams Zrt. to further improve the efficiency in the IT and R&D focused development of UAV (Unmanned Aerial Vehicle) systems, in the processing of remote sensing data with artificial intelligence in various areas of industry 4.0 solutions and diverse aspects of IT imaging. Acquiring controlling rights in Rotors & Cams Zrt. is part of the transformation programme of 4iG Plc. This creates an opportunity for the Group to integrate Rotors & Cams Zrt. into its space and defense portfolio, with the next step being to organize it under 4iG Űr és Védelmi Zrt.

Apart from the business combination detailed above, during the year 2024, the Group carried out a business combination as defined under IFRS 3 Business Combinations, by acquiring three smaller business units, that resulted in a goodwill amount of HUF 595 million.
In line with this transaction, assets were acquired, employees were transferred, and contracts were assumed, which meets the criteria for a business combination. The acquired activities are related to service provision and require minimal physical assets. As a result, the value of the acquired assets is not significant in the context of this acquisition. The primary focus of the acquisition was the transfer of employees rather than tangible assets.

The calculation of the purchase price allocation (PPA) for both 2024 acquisitions in accordance with IFRS 3 Business Combinations is in progress. The Group is exercising the option to finalize the allocation of the acquisition price within one year, as prescribed by the standard, considering the review of the fair values of the acquired assets and assumed liabilities after the initial recognition. Although the process is still ongoing, it is not expected to significantly impact the users' interpretation of the financial statements.

Data in millions of HUF, unless otherwise indicated

Acquisitions in 2023

On 31 January 2023, 4iG Távközlési Holding Zrt. became the 51% owner of One Magyarország Zrt. (former name: Vodafone Magyarország Távközlési Zrt., and on 20 March 2023, it acquired an additional 19.5% of the share capital of One Magyarország Zrt. owned by Corvinus Zrt. through a share exchange, thereby increasing its direct majority stake to 70.5%.

In relation to the acquisition, the data presented in the following tables have been restated due to change of exchange rate used for the translation of monetary assets and liabilities denominated in foreign currencies and other prior year adjustments. For details of the restatements, please refer to Note 2.31 Adjustment of previous years' financial data.

The fair values of the identifiable assets and liabilities of One Magyarország Zrt. as at the date of acquisition were:

	One Magyarország Zrt.
Assets acquired and liabilities assumed	
Of which:	
Property, plant, and equipment	144 379
Customer relationship	120 726
Other intangible assets	200 670
Right-of-use assets	80 863
Other assets - non-current	664
Total non-current assets	**547 302**
Cash and cash equivalents	1 380
Trade receivables	55 456
Income tax receivable	827
Inventories	6 305
Other financial assets - current	984
Other non-financial assets - current	17 200
Total current assets	**82 152**
Provisions – non-current	2 800
Loans, borrowings, bonds – non-current	13 019
Lease liabilities – non-current	67 315
Deferred tax liability	9 893
Other liabilities – non-current	3 341
Total non-current liabilities	**96 368**
Trade payables	34 899
Provisions – current	2 295
Lease liabilities - current	12 765
Other financial liabilities - current	7 979
Other non-financial liabilities - current	30 888
Total current liabilities	**88 826**

Data in millions of HUF, unless otherwise indicated

Total identifiable net assets at fair value	**444 260**
Non-controlling interests	217 688
Goodwill arising on acquisition	96 644
Purchase consideration transferred	**323 216**

The acquisition date fair value of the trade receivables amounts to HUF 55,456 million. The gross amount of trade receivables is HUF 62,262 million.

Purchase consideration

Paid purchase price	323 216
Total consideration	**323 216**

Analysis of cash flows on acquisition:

Transaction costs of the acquisition (included in cash flows from operating activities)	-2 675
Net cash acquired with the subsidiary (included in cash flows from investing activities)	1 380
Transaction costs attributable to issuance of shares (included in cash flows from financing activities, net of tax)	0
Net cash flow on acquisition	**-1 295**

The Group recorded goodwill in the acquisition, driven by the anticipated synergies from merging the operations. The transaction will enable the 4iG Group to reopen the market in a number of service areas and play a key role in the digital transformation of the Hungarian economy, while strengthening its role in the region in the field of info-communications services.

23 Net investment in the lease – non-current

The Group mainly subleases business premises which are 100% owned by the companies of the Group. The net investment in the lease is presented as a separate line item in the statement of financial position from the 2023 financial year. The change regarding the presentation policy is already reflected in the statement of financial position showing the comparative period published in this statement.

Net investment in the lease	**31/12/2024**	**31/12/2023**
ONE Albania sh.a.	228	222
One Magyarország Zrt.	865	530
Total	**1 093**	**752**

Data in millions of HUF, unless otherwise indicated

Future undiscounted minimum rentals receivable under non-cancellable leases are the follows:

	31/12/2024	31/12/2023
Between 1 and 5 years	1 163	830
More than 5 years	96	0
Total	**1 259**	**830**

24 Investments in an associate and joint venture

The Group had other investments in the following companies on 31 December 2024 and 31 December 2023.
Since the joint venture does not contribute significantly to the Group's accounts, either on the statement of financial position or the statement of profit or loss, no further information would be presented. The location of the joint venture is Hungary.

Company name	Investment in share capital	Type of investment	Voting right %
RAC Antidrone Zrt.	1	Associate	25%
REMRED Technológia Fejlesztő Zrt.	5 424	Joint venture	45%
Space-Communications Ltd.	445	Associate	20%
on 31 December 2024	**5 870**		

Company name	Investment in share capital	Type of investment	Voting right %
	Restated		
RAC Antidrone Zrt.	1	Associate	25%
Rotors & Cams Zrt.	1	Associate	24%
Space-Communications Ltd.	468	Associate	20%
on 31 December 2023	**470**		

As of 20 December 2024, Rotors & Cams Zrt. became fully consolidated. 4iG Plc acquired further 31% of the shares of Rotors & Cams Zrt. Accordingly, 4iG has acquired majority of the shares (totally 55%) of Rotors & Cams Zrt. and control rights over Rotors & Cams Zrt.
The detailed description of the associate and joint venture companies is presented under Note 2.1 Basis of consolidation.

Data in millions of HUF, unless otherwise indicated

25 Other non-current assets

25.1 Other financial assets – non-current

The breakdown of other financial assets – non-current at the balance sheet date is as follows:

	31/12/2024	31/12/2023
		Restated
Loans to employees	2	2
Liabilities under guarantee	0	28
Deposits	777	686
Non-current investment fund units, securities	102	102
Other non-current loans	166	163
Instalment payments – non-current	9 537	0
Top up payments	117	587
Impairment of top-up payments	-117	-117
Miscellaneous other non-current financial assets	272	149
Impairment of other non-current financial assets	-12	-10
Total	**10 844**	**1 590**

In 2023, the Group utilized factoring for instalment payments; however, in 2024, no instalments were sold, leading to a significant increase in non-current instalment payments.
As of 31 December 2024, the top-up payment includes a receivable from Rotors & Cams Zrt., which was then presented as an associate. However, following the reclassification of Rotors & Cams Zrt. as a subsidiary in 2024, this amount is eliminated in the consolidation process as of 31 December 2024, resulting in a reduction of the top-up payment amount.
In accordance with IFRS 9 Financial Instruments, the Group also regularly reviews its non-current financial assets and recognizes any impairment of these assets if necessary.

25.2 Other non-financial assets – non-current

	31/12/2024	31/12/2023
Prepayments – non-current	1 205	294
Contract assets – non-current	352	280
Total	**1 557**	**574**

The prepayments include prepaid license fees, typically covering a period of 3-5 years.
The Group’s contract assets are described in Note 2.3.2 Contract balances. Provision for expected credit losses for contract assets is presented in Note 31 Other non-financial assets – current.

Data in millions of HUF, unless otherwise indicated

26 Cash and cash equivalents

	31/12/2024	31/12/2023
		Restated
Cash on hand	335	806
Cash at banks	60 224	52 310
Total	**60 559**	**53 116**

The Group measures its cash at amortised cost and has made an estimate of the expected credit loss on its cash and cash equivalents, on the basis of which it does not consider it appropriate to recognise an impairment loss as it only holds its cash with highly rated financial institutions.

27 Trade receivables

	31/12/2024	31/12/2023
		Restated
Trade receivables	146 907	170 602
Expected credit loss of trade receivables	-28 004	-41 207
Total	**118 903**	**129 395**

The decrease in the Group's expected credit losses on trade receivables is mainly due to disposals of receivables by DIGI Távközlési és Szolgáltató Kft. and One Magyarország Zrt. The Group has determined the expected credit losses on receivables in accordance with the requirements of IFRS 9. The policy for calculation of expected credit losses on trade receivables is presented in Note 2.20.1.1 Impairment of financial assets.
The information about the credit risk exposures related to trade receivables is disclosed in Note 48 Risk management.

The following table outlines the movement in the allowance for expected credit losses on trade receivables:

	Allowance for expected credit losses
on 1 January 2023	**-32 580**
Allowance for expected credit losses	-15 134
Write-off	6 777
Exchange differences	-270
on 31 December 2023 (restated)	**-41 207**
Allowance for expected credit losses	-8 334
Write-off	20 481
Reversal	3 270
Exchange differences	-2 214
on 31 December 2024	**-28 004**

Data in millions of HUF, unless otherwise indicated

28 Income tax receivables and income tax payables

The Group considers the following to be income taxes under IAS 12 Income Taxes:

	31/12/2024	31/12/2023
Corporate income and dividend tax receivables (+) / liabilities (-)	-905	-324
Local business tax receivables (+) / liabilities (-)	25	-208
Innovation contribution receivables (+) / liabilities (-)	-314	-226
Total	**-1 194**	**-758**
from which: receivables	1 539	1 054
from which: liabilities	-2 733	-1 812

In the table above, the liability balance is shown with a negative sign. Income tax receivables and payables are aggregated by company and by tax category.
The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

29 Net investment in the lease - current

	31/12/2024	31/12/2023
Net investment in the lease – current	325	187
Net investment in the lease - current – subleasing	348	376
Total	**673**	**563**

The Group as a lessor has leasing activities according to IFRS 16 Leases where its leases under finance lease its owned assets and subleases assets that are leased. Usually, these assets are shops at ONE Albania sh.a. and at One Magyarország Zrt. The reason behind the increase in the net investment in the lease at ONE Albania sh.a. is mainly due to the new contracts in 2024.

30 Inventories

	31/12/2024	31/12/2023
		Restated
Goods	13 716	12 579
Raw materials	1 080	3 476
Write-down of inventories	-3 747	-5 074
Total	**11 049**	**10 981**

Data in millions of HUF, unless otherwise indicated

	2024	2023
Inventories sold/utilized	-107 149	-94 848
Write-down of inventories as expense	-1 106	-3 345
Reversal of write-down of inventories as expense	675	851
Total	**-107 580**	**-97 342**

The carrying amount of inventories pledged as security for liabilities is HUF 7,027 million for 2024 (2023: HUF 1,692 million).

The Group reviews the turnover of its inventories every year and recognises impairment on slow-moving inventories based on market information, while obsolete inventories are written off.

31 Other financial assets - current

Other financial assets of the Group consist of the following:

	31/12/2024	31/12/2023
		Restated
Cash lent for short term	28	1 541
Guarantees provided	341	160
Treasury bills and investment funds	110	225
Miscellaneous other financial assets - current	2 591	24 613
Total	**3 070**	**26 539**

Cash lent for short includes a loan of HUF 21 million granted by 4iG Plc to non-Group companies. Following table summarizes the gross value of cash lent for short term as well as the impairment accounted both the year ended 31 December 2024 and 31 December 2023.

	31/12/2024	31/12/2023
		Restated
Gross value of cash lent for short term	32	1 542
Impairment of cash lent for short term	-4	-1
Total	**28**	**1 541**

During the reporting period, the Group has presented treasury bills and investment funds amounting to HUF 110 million (31 December 2023: HUF 225 million). The Group measures these items at fair value through profit or loss.

As of 31 December 2024, the Miscellaneous other financial assets – current line primarily includes cautionary deposits paid to third parties. In contrast, for the year ending 31 December 2023, it mainly comprised the discounted deferred payment receivable for intangible assets, tangible assets, right-of-use assets, and related liabilities sold in a batch. However, the full outstanding receivable was settled during 2024.

Data in millions of HUF, unless otherwise indicated

Table below summarizes the impairment accounted for miscellaneous other financial assets:

	31/12/2024	**31/12/2023**
Gross value of miscellaneous other financial assets – current	3 548	25 389
Impairment of miscellaneous other financial assets - current	-957	-776
Total	**2 591**	**24 613**

The Group has determined the expected credit loss on other current financial assets in accordance with IFRS 9 Financial Instruments and considers it appropriate to recognise a credit loss on these receivables as they carry under certain circumstances low credit risk, are not typically past due at the balance sheet date and the risk of default is negligible.

The calculation of expected credit losses on other financial assets is presented in Note 2.20.1.1 Impairment of financial assets.

Table below summarizes the movement in the allowance for expected credit losses on other current financial assets (i.e. both cash lent for short term and miscellaneous other financial assets – current):

	Total impairment of other financial assets - current
on 1 January 2023	**-691**
Provision for expected credit losses	-86
Write-off	0
Exchange differences	0
on 31 December 2023	**-777**
Provision for expected credit losses	-91
Write-off	0
Exchange differences	-93
on 31 December 2024	**-961**

Data in millions of HUF, unless otherwise indicated

32 Other non-financial assets - current

Other non-financial assets – current of the Group include the followings:

	31/12/2024	31/12/2023
		Restated
Other tax receivables	11 987	1 686
Advances granted	5 884	5 414
Deposits related to leases	608	676
Contract assets	1 704	5 089
Accrued income	1 975	4 927
Prepayments	7 177	9 668
Total	**29 335**	**27 460**

Within other tax receivables, the largest amount is represented by the VAT receivable, which stands at HUF 11,156 million as of 31 December 2024, compared to HUF 1,425 million as of 31 December 2023.

In 2023, contractual assets were presented under Other financial assets – current. In the current year, these assets have been reclassified to non-financial assets, this change is reflected in the restated 2023 column.

Contract assets include revenue recognised in accordance with IFRS 15 Revenue from Contracts with Customers for services completed and documented before 31 December 2024 but invoiced only after the reporting date. When the Group transfers control of the service over time, subject to the conditions set out in the standard, revenue from the sale of services is also recognised over time, in line with the applicable methods set forth in the standard, depending on the nature of the service. Although contract assets are classified as non-financial assets, the calculation of expected credit loss falls under the scope of IFRS 9 Financial Instruments, as detailed in Note 2.20.1.1 Impairment of financial assets.

Accrued income represents revenue earned during the reporting period that has not yet been invoiced or received as of the financial statement preparation date.

The table below provides a breakdown of contract assets, detailing their gross value and related allowance for expected credit losses.

	31/12/2024	31/12/2023
Gross value of contract assets	1 749	5 124
Allowance for expected credit losses of contract assets	-45	-35
Total	**1 704**	**5 089**

Prepayments comprise costs and expenses invoiced before the balance sheet date but recognized as expenses after 31 December 2024. These typically include interest, prepaid expenses, content fees, and wage expenses.

Data in millions of HUF, unless otherwise indicated

33 Share capital

The Company's share capital amounted to HUF 5,981 million in 2022 as a result of four capital increases. The share capital of the Company remained unchanged during the current period. The share capital according to IFRS is consistent with the registered capital reported by the Company Court. The share capital of the Company consists of 299,074,974 ordinary registered shares with a nominal value of HUF 20 each, issued dematerialized. Each share carries one vote. There are no preference shares or other special rights attached to the shares. Repurchased treasury shares do not have voting rights.
The shares are traded in the Premium Section of the Budapest Stock Exchange, ISIN code: HU0000167788

	31/12/2024	31/12/2023
Share capital	5 981	5 981
Total	**5 981**	**5 981**

34 Treasury shares

The cost of treasury shares is the consideration paid for the repurchase of the Company's own shares, which reduces equity. This balance sheet line also includes the nominal value of the treasury shares; however, the nominal value is not deducted from the registered share capital.

The change in the number of 4iG (treasury) shares held by the Group (number of shares) is shown in the table below:

Treasury shares (number)	31/12/2024	31/12/2023
4iG ESOP organisation	4 000 000	4 000 000
4iG Plc treasury shares	4 967 614	4 579 685
Total	**8 967 614**	**8 579 685**

The repurchase value of the treasury shares is HUF 5,519 million, at an average price of HUF 708 per share. The closing price on the stock exchange for the period was 924 HUF per share, and the annual average price was 823.5 HUF per share.

35 Capital reserve

	31/12/2024	31/12/2023
Capital reserve	133 492	133 492
Total	**133 492**	**133 492**

During 2024, the balance of the capital reserve remained unchanged.

Data in millions of HUF, unless otherwise indicated

36 Accumulated other comprehensive income

	31/12/2024	31/12/2023
Share of other comprehensive income/loss of associates	14	14
Net gain/loss on equity instruments at fair value through other comprehensive income	-959	-959
Net gain/loss on exchange differences on translation of foreign operations	21 693	12 801
Total	**20 748**	**11 856**

The Group presents the foreign exchange rate differences arising from the translation of the statement of financial position and statement of profit and loss and other comprehensive income of foreign operations on the Accumulated other comprehensive income line within equity. If certain conditions are met, the exchange difference is an item that may be subsequently reclassified into the statement of profit or loss.

In 2022, the Group acquired a 9.538% stake in Space-Communications Ltd, which was initially measured at fair value through other comprehensive income (FVOCI), and the resulting fair value adjustments were presented under the Net gain/loss on equity instruments at fair value through other comprehensive income line in the other comprehensive income. However, since increasing its ownership to 20% through additional share purchases in 2023, the investment is now considered an associate. As a result, the Group applies the equity method to account for its share of the associate's profit or loss in the current period, and this is no longer presented within other comprehensive income.

37 Non-controlling interests

Changes in non-controlling interests during the reporting period are shown in the consolidated statement of changes in equity.

During 2024 and 2023, there were significant changes in the non-controlling interests due to the acquisition of subsidiaries: Rotors & Cams Zrt. during 2024 and One Magyarország Zrt. during 2023. For more information about the acquisitions, please refer to Note 22 Goodwill and business combinations.

The acquisition of One Magyarország Zrt. included also a share exchange. The effect of the share exchange is presented in the consolidated statement of changes in equity as a change in non-controlling interests without loss of control.

In both 2024 (in the amount of HUF 1,081 million) and 2023 (HUF 340 million), the Group paid dividends to its non-controlling interests, which also contributed to the change in the non-controlling interests balance.

Data in millions of HUF, unless otherwise indicated

The most significant subsidiary with material non-controlling interests within the Group is One Magyarország Zrt. The subsidiary's principal place of business is Hungary. Proportion of equity interests held by non-controlling interests is 45.87% both on 31 December 2024 and 2023.
The summarised financial information of One Magyarország Zrt. is provided below. The tables contain data used for consolidation, adjusted with IFRS modifications and fair value differences due to purchase price allocation, which do not equal to the subsidiary's financial statements prepared in accordance with Hungarian Accounting Law. The information is based on amounts before intercompany eliminations.

Summarised statement of profit or loss of One Magyarország Zrt.

	2024	2023
Revenue and other income	340 050	284 735
Own performance capitalised	7 496	6 400
Operating costs, depreciation and amortisation	-323 556	-284 554
Financial income, expense	-10 122	-9 375
Income taxes	-3 437	-3 207
Profit or (loss)	**10 431**	**-6 001**
Total comprehensive income	**10 431**	**-6 001**
Attributable to non-controlling interests	4 785	-2 753
Dividends paid to non-controlling interests	408	**0**

Summarised statement of financial position of One Magyarország Zrt.

	31/12/2024	31/12/2023
Non-current assets	563 820	527 207
Current assets	93 054	107 059
Non-current liabilities	96 552	93 278
Current liabilities	112 263	102 730
Total equity	**448 059**	**438 258**
Attributable to equity holders of parent	242 534	237 229
Attributable to non-controlling interest	205 525	201 029

Data in millions of HUF, unless otherwise indicated

38 Provisions

	Unused vacation	Provision for legal and litigation expenses	Asset retirement obligations	Total
on 1 January 2023	**703**	**2 898**	**5 961**	**9 562**
Prior year adjustments	0	600	0	**600**
on 1 January 2023 (restated)	**703**	**3 498**	**5 961**	**10 162**
Acquisition of subsidiaries	0	2 229	2 867	**5 096**
Additions	844	2 129	331	**3 304**
Unwinding of discount and changes in the discount rate	0	0	0	**0**
Utilised	-192	-2 061	-3 605	**-5 858**
Unused amounts reversed	0	0	0	**0**
Exchange differences	12	-5	73	**80**
on 31 December 2023 (restated)	**1 367**	**5 790**	**5 627**	**12 784**
Acquisition of subsidiaries	17	0	0	**17**
Additions	2 478	4 203	217	**6 898**
Unwinding of discount and changes in the discount rate	0	0	246	**246**
Utilised	-950	-1 239	-733	**-2 922**
Unused amounts reversed	-1 132	-1 237	-447	**-2 816**
Exchange differences	64	205	364	**633**
on 31 December 2024	**1 844**	**7 722**	**5 274**	**14 840**

The maturity breakdown of provisions:

	31/12/2024	31/12/2023
		Restated
Non-current provisions	7 823	6 502
Current provisions	7 017	6 282
Total	**14 840**	**12 784**

The provision for unused vacation amounts to HUF 1,844 million on 31 December 2024 (HUF 1,367 million on 31 December 2023), of which HUF 2,478 million provision was created for 2024, whereas HUF 950 million was utilised. It is expected that these costs will be incurred in the next financial year.
The provision for legal and other matters typically includes provisions for legal, litigation, penalties, employee benefits on 31 December 2024 mainly at 4iG Távközlési Holding Zrt., One Magyarország Zrt. and ONE Albania sh.a. It is expected that these costs will be incurred in the next financial year.

Data in millions of HUF, unless otherwise indicated

The provision for asset retirements obligation includes the discounted provision for the future restoration of the assets of One Magyarország Zrt., ONE Albania sh.a. and ONE Crna Gora d.o.o. This provision is presented in the statement of financial position as current and non-current provision. According to IAS 37 Provisions, Contingent Liabilities and Contingent Assets, the discount rate of asset retirements obligation is continuously unwinding, and the decommissioning cost reaches the carrying amount of asset retirement obligation at maturity.

39 Loans, borrowings, bonds – non-current

	31/12/2024	31/12/2023
		Restated
4iG Nyrt.		
Bonds	388 068	388 357
MBH medium-term loan	4 000	0
ACE Network Zrt.		
Medium-term USD loan	49	108
4iG Távközlési Holding Zrt.		
MFB investment loan	18 698	19 352
Vodafone acquisition loans	340 419	319 057
INNObyte Zrt.		
MFB Zrt. GINOP loan	57	48
ONE Albania sh.a.		
Italian Government loan	0	72
OTP club loan	11 401	12 508
One Magyarország Zrt.		
Baross Gábor medium-term loan	3 650	0
Corvinus Zrt. medium-term loan	2 304	2 304
Total	**768 646**	**741 806**

The movement schedule of Loans, borrowings, bonds – non-current is presented under Note 49 Financial instruments.

The above figures represent the amounts drawn down from permanent working capital facilities contracted, the amounts drawn down from loans and the bonds issued by the Group and its consolidated subsidiaries. Both the Group and its consolidated subsidiaries have fully complied with all debt service obligations arising from financial commitments when due.

4iG Plc

On 31 December 2024, 4iG Plc had an uncommitted credit loan (UCL) agreement with Raiffeisen Bank with a total amount of HUF 7,120 million, thereof which it had entered contracts:
1) A multi-currency revolving loan and overdraft facility altogether amounting HUF 1,120 million, maturing on 29 August 2025,
2) A bank guarantee facility of HUF 2,000 million, maturing on 31 August 2030.

Data in millions of HUF, unless otherwise indicated

As a framework collateral for the UCL agreement, pledge on its current receivables and inventories in favour of Raiffeisen Bank were registered in the MOKK (Hungarian National Chamber of Civil Law Notaries).
The contractual amount of the multi-currency revolving loan and bank overdraft facility is available until maturity, the Company has paid interest rate linked to 1-month BUBOR (variable rate) on the drawn down amounts and a commitment fee on the undrawn amounts, on the balance sheet date the exposure was 0 of both facilities.
During the current period, the short-term revolving loan contracted with Raiffeisen Bank in May 2023 under the Baross Gábor Credit Programme was fully repaid at maturity, by the disbursement of newly contracted HUF 4,000 million mid-term working capital loan secured by MBH Bank Nyrt., with a pledge on the Company's inventories and receivables.

Bonds issued by 4iG Plc

To finance domestic and foreign acquisitions during 2021, the Company conducted 3 successful auctions in the Bond for Growth Programme (Hungarian short name: "NKP") announced by the MNB (National Bank of Hungary):

Description	4iG NKP Bond 2031/I	4iG NKP Bond 2031/II	4iG NKP Bond 2031/II
ISIN code	HU0000360276	HU0000361019	HU0000361019
Date of issue	29 March 2021	17 December 2021	27 December 2021
Name value	HUF 15,450 million	HUF 287,750 million	HUF 83,000 million
Deadline	10 years	10 years	10 years
Repayment	After a grace period of 5 years 10% on anniversaries 5-9, 50% on maturity	After a grace period of 5 years 10% on anniversaries 5-9, 50% on maturity	After a grace period of 5 years 10% on anniversaries 5-9, 50% on maturity
Interest payments (per year)	fixed 2.90%	fixed 6.00%	fixed 6.00%

The Company is committed to its bondholders, as stated in the bond's Information Statement, to ensure that at the balance sheet date, the aggregate stock of loans, borrowings, bonds, and financial leases minus the cash and cash equivalents and term deposits maturing within one year (net debt), does not exceed five times the Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) for any three consecutive financial years following 2023.
Otherwise, bondholders can initiate the redemption of the bonds.
The net debt/EBITDA at the balance sheet date is 3.88 so the Company has met its financial commitment.

Data in millions of HUF, unless otherwise indicated

Guarantees and company guarantees provided by 4iG

Group member	Supplier	Amount	Currency	Start	Expiry
One Magyarország Zrt.	CIB Bank	3 630 000 000	HUF	13/12/2023.	30/06/2030
One Magyarország Zrt.	MBH Bank	4 000 000 000	HUF	22/11/2023.	31/12/2029
Invitech ICT Infrastructure Kft.	ALD	350 000 000	HUF	08/10/2024	31/10/2028
D-Infrastruktúra Távközlési Kft.	ALD	250 000 000	HUF	08/10/2024	31/10/2028

ACE Network Zrt.

In November 2021, the company entered into a bank overdraft facility agreement with K&H Bank Zrt. for HUF 250 million at a transaction interest rate linked to O/N BUBOR (variable interest rate), which is available as a liquidity reserve until 30 July 2025 and had a utilisation rate of 0 at the balance sheet date.

During November 2023, the company entered with K&H Bank Zrt. for short-term and medium-term, non-revolving, working capital loan agreements with variable rate, thereof USD 1,412,500 (HUF 49 million presented as non-current loan and HUF 506 million as current loan) outstanding was drawn at the balance sheet date.

The above loan agreements were secured by a cash collateral provided by the company and a guarantee by Garantiqa Hitelgarancia Zrt.

4iG Távközlési Holding Zrt.

In order to ensure the liquidity reserves for the company, it has an overdraft facility with MBH Bank Nyrt. in the amount of HUF 5,000 million, exposure was 0 at the balance sheet date.
A HUF 45,851 million 13-years loan contracted with MFB Magyar Fejlesztési Bank Zrt. in 2020, thereof HUF 3,126 million repayment is due on short term and HUF 24,174 million due on long term at the balance sheet date.

In January 2023, the company entered into long-term loan agreements denominated in EUR with Magyar Export-Import Bank Zrt. and MFB Magyar Fejlesztési Bank Zrt. for the acquisition of a majority stake in One Magyarország Zrt. Considering the grace period, no principal repayment was due in 2024, only interest payments, at a fixed interest rate for the first five years of the tenor. In addition to the company, One Magyarország Zrt. was involved as a co-debtor, and the financing banks have registered liens and mortgages on the assets of the company and the co-debtor as collateral for the loans and have stipulated financial covenants.

INNObyte Zrt.

The company entered into a loan agreement with MFB Magyar Fejlesztési Bank Zrt. in May 2019 for HUF 121 million maturing on 25 April 2029, secured by a bank guarantee issued by K&H Bank Zrt. The company has been repaying this loan monthly, in scheduled equal instalments, at the balance sheet date the outstanding is HUF 57 million.

Data in millions of HUF, unless otherwise indicated

ONE Albania sh.a.

During the current period, ONE Albania sh.a. fully met all its principal and interest payment obligations. The outstanding debt of the project loan from Raiffeisen Bank Albania was fully repaid as it was scheduled, furthermore overdraft facility concluded with Banka OTP Albania was increased up to EUR 5 million.

Financing bank	Loan type	Frame amount	Actual outstanding	Currency	Interest
OTP BANK PLC; DSK BANK AD; BANKA OTP ALBANIA SHA	Syndicate loan	37 000 000	32 263 649	EUR	3M EURIBOR + 4.25%
BANKA OTP ALBANIA SHA	Overdraft	2 000 000	0	EUR	12M EURIBOR +3.5% (min 4.2%)
Italian Government	Bullet term loan	6 808 761	189 132	EUR	Fix 1%
Raiffeisen Bank Albania sh.a.	Project loan	600 000	0	EUR	12M EURIBOR + 5% (min 5.3%)
Raiffeisen Bank Albania sh.a.	Overdraft	1 650 000	0	EUR	12M EURIBOR + 5% (min 5.3%)
Tirana Bank S.A.	Overdraft	467 009 854	0	ALL	Yearly T-Bills + 2.5% (min 5.0%)

Out of the HUF 13,231 million OTP Bank loan (EUR 32 million) HUF 11,401 million (EUR 28 million) is presented as a non-current, whereas HUF 1,830 million (EUR 4 million) is presented as current loan. The whole amount of the Italian Government loan is presented as a current loan.

One Magyarország Zrt.

In January 2023, 4iG Távközlési Holding Zrt. and Corvinus Nemzetközi Befektetési Zrt. ("Corvinus") concluded a sales agreement for the acquisition of 100% of the company's shares, then the company became the co-borrower of 4iG Távközlési Holding Zrt. for the obligations set out in the above detailed long term EUR loan agreements in May 2023.
Subsequently, Corvinus provided loan at variable interest rate to finance certain liabilities of the company, the outstanding amount at balance sheet date is HUF 2,304 million.
During the current period, the company entered into three loan agreements with K&H Bank Zrt. for investment loans totalling EUR 14,998,211 under the Baross Gábor Reindustrialisation Loan Programme 2024, with a fixed interest rate, scheduled principal repayment over 46 months.
Following the drawdowns during the availability period until the end of November 2024, scheduled repayment started - in equal quarterly instalments - in December 2024, the outstanding amount at balance sheet date is EUR 13,349,617. Pledge on the company's current assets and receivables was registered in favour of the financing bank as collateral.

Bank guarantees

The Company requires bank guarantee facility to secure its performance type commitments (tender, advance payment, performance, warranty) based on its contractor agreements with its customers. The volume of bank guarantees issued under the framework contracted with Raiffeisen Bank Zrt. amounted to HUF 1,959 million at the balance sheet date. As collateral for certain warranty guarantees, a total of HUF 29 million was deposited in a designated bank account.

Data in millions of HUF, unless otherwise indicated

The beneficiaries did not claim for any bank guarantee during the reporting year.

List of bank guarantees issued on behalf of the Company as of 31 December 2024:

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
Raiffeisen Bank Zrt.	IGTE062161	Digitális Kormányzati Ügynökség Zrt.	performance	15 000 000	HUF	19/07/2021	28/02/2025
	IGTE062162	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	19/07/2021	28/02/2025
	IGTE062447	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	14/09/2021	31/07/2027
	IGTE062448	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	14/09/2021	31/07/2027
	IGTE062449	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	14/09/2021	31/12/2027
	IGTE062490	MÁV FKG Kft.	warranty	14 500 000	HUF	17/09/2021	30/03/2025
	IGTE062491	Digitális Kormányzati Ügynökség Zrt.	performance	15 000 000	HUF	20/09/2021	22/07/2025
	IGTE062492	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	20/09/2021	22/07/2025
	IGTE063519	MÁV FKG Kft.	warranty	13 500 000	HUF	14/04/2022	30/01/2026
	IGTE063536	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	02/05/2022	31/12/2024
	IGTE063764	Digitális Kormányzati Ügynökség Zrt.	performance	15 000 000	HUF	13/06/2022	31/01/2025
	IGTE064273	Városliget Zrt.	warranty	19 995 307	HUF	29/09/2022	31/03/2026
	IGTE064474	Digitális Kormányzati Ügynökség Zrt.	performance	7 000 000	HUF	09/11/2022	30/04/2025
	IGTE066114	Kormányzati Informatikai Fejlesztési Ügynökség	good performance	8 644 930	HUF	03/10/2023	02/10/2025
	IGTE066440	Nemzeti Infokommunikációs Szolgáltató Zrt	performance	14 392 486	HUF	23/11/2023	31/01/2026
	IGTE068127	Bayer Construct Zrt.	advance payment	353 536 748	HUF	03/10/2024	06/05/2026
	IGTE068130	Market Építő Zrt.	advance payment	353 536 748	HUF	10/10/2024	06/05/2026
	IGTE068185	Építési és Közlekedési Minisztérium	advance payment	976 153 600	HUF	01/10/2024	30/09/2026
	IGTE068511	Bayer Construct Zrt.	advance payment	46 406 250	HUF	14/12/2024	06/05/2026
	IGTE068510	Market Építő Zrt.	advance payment	46 406 250	HUF	14/12/2024	06/05/2026
			Total	**1 959 072 319**			

The Company entered into a master surety insurance agreement with CIG Pannónia Első Magyar Általános Biztosító Zrt. at the end of 2022 for the issuance of surety bonds. List of surety bonds are issued on behalf of the Company as of 31 December 2024:

Data in millions of HUF, unless otherwise indicated

Insurance provider	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
CIG Pannónia Első Magyar Általános Biztosító Zrt.	AKC-22-0051/15	Digitális Kormányzati Ügynökség Zrt.	performance	15 000 000	HUF	15/05/2024	31/03/2028
	AKC-22-0051/14	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	15/05/2024	31/03/2028
	AKC-22-0051/16	MVM Partner Energiakereskedelmi Zrt.	performance	14 700 000	HUF	30/04/2024	02/05/2028
	AKC-22-0051/17	Kormányzati Szolgáltató Központ Nonprofit Kft.	advance repayment	5 000 000 000	HUF	24/06/2024	23/06/2025
	AKC-22-0051/18	MAVIR Zrt.	bid	15 000 000	HUF	01/08/2024	10/03/2025
	AKC-22-0051/19	Digitális Kormányzati Ügynökség Zrt.	performance	7 000 000	HUF	10/09/2024	02/10/2028
	AKC-22-0051/20	Digitális Kormányzati Ügynökség Zrt.	performance	2 000 000	HUF	10/09/2024	31/07/2029
			Total HUF	**5 063 700 000**			

As collateral for certain surety bonds, a total of HUF 5 million was deposited in a designated bank account by the Company.

In the reporting period, the Company deposited cash collateral with the contractor/customer as security for certain obligations under certain contractor agreements, instead of issuing bank guarantees, amounting to HUF 140 million at the balance sheet date.

List of bank guarantees issued on behalf of DIGI Távközlési és Szolgáltató Kft. as of 31 December 2024:

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
Citibank Europe Plc. Hungary Branch	111177	Budapest Közlekedési Zrt.	payment	15 181 537	HUF	19/12/2016	31/12/2025
	112366	Yettel Magyarország Zrt.	payment	17 000 000	HUF	24/07/2020	31/12/2024
	113260	CEE Property-Invest Kft.	payment	276 042	EUR	18/12/2023	29/01/2027
			Total HUF	**32 181 537**			
			Total EUR	**276 042**			

Data in millions of HUF, unless otherwise indicated

List of bank guarantees issued on behalf of INNObyte Zrt. as of 31 December 2024:

Bank	Reference number	Beneficiary	Type	Total	Currency	Date of issue	Expiry date
K&H Bank Zrt.	0402M1D BUDAGO 0021272	MFB Magyar Fejlesztési Bank Zrt.	payment	61 000 000	HUF	26/01/2021	22/10/2025
			Total HUF	**61 000 000**			

List of bank guarantees issued on behalf of Invitech ICT Services Kft. as of 31 December 2024:

Bank	Reference number	Beneficiary	Type	Total	Currency	Date of issue	Expiry date
UniCredit Bank Hungary Zrt.	23010106	Magyar Posta Takarék	payment	30 718 546	HUF	12/01/2024	12/01/2025
	23010114	M7 Ceref II Lux	payment	8 023.75	EUR	20/11/2023	12/06/2025
	23010118	GÉANT Vereniging	payment	100 000	EUR	19/01/2024	19/01/2025
			Total HUF	**30 718 546**			
			Total EUR	**108 023.75**			

A total of HUF 31 million and EUR 108 thousand in cash collateral was deposited in a designated bank account for this purpose as security for the bank guarantees.

List of bank guarantees issued on behalf of One Magyarország Zrt. as of 31 December 2024:

Data in millions of HUF, unless otherwise indicated

Bank	Reference number	Beneficiary	Type	Total	Currency	Date of issue	Expiry date
Citibank Europe Plc. Magyarországi fióktelepe	5137621678	Apple Distribution International Ltd.	payment	3 200 000 000	HUF	28/07/2023	26/07/2025
CIB Bank Zrt.	EG38780	Alba Bevásárlóközpont Kft	rental	40 870.41	EUR	25/10/2024	30/06/2025
	EG38030	Csaba Center Invest Kft.	rental	18 396.00	EUR	30/04/2024	30/04/2025
	EG37909	ECE Projektmanagement Bp Kft.	rental	25 862.00	EUR	01/03/2024	31/12/2026
	EG38762	ECE Projektmanagement Bp Kft.	rental	23 519.00	EUR	15/10/2024	15/10/2029
	EG38346	ECE Projektmanagement Bp Kft.	rental	53 551.00	EUR	26/06/2024	31/12/2026
	EG38721	GSZ-Monument Kft.	rental	21 746.00	EUR	11/10/2024	31/10/2025
	EG38722	GSZ-Monument Kft.	rental	13 875.00	EUR	11/10/2024	31/08/2026
	EG38779	GSZ-Monument Kft.	rental	59 589.00	EUR	25/10/2024	31/12/2025
	EG37908	KEQI Korlátolt Felelősségű Társaság	rental	31 432.50	EUR	12/04/2024	31/10/2025
	EG38076	Logicor (CURVE) Hungary Kft.	rental	101 710.31	EUR	23/04/2024	03/09/2025
	EG38464	Mall Invest Zrt.	rental	15 155.00	EUR	09/09/2024	30/03/2025
	EG38351	OTP Ingatlanbefektetési Alap	rental	26 865.80	EUR	05/09/2024	30/06/2025
	EG38040	Retail-Property Ingatlanhasznosító Kft.	rental	10 702.00	EUR	03/05/2024	02/05/2025
	EG38644	SYMMETRY ARENA KFT.	rental	98 710.70	EUR	21/10/2024	31/03/2025
	EG38133	Tesco Globál Áruházak Zrt.	rental	7 146.73	EUR	23/12/2024	31/12/2025
	EG38137	Tesco Globál Áruházak Zrt.	rental	9 049.32	EUR	23/12/2024	31/12/2025
	EG38138	Tesco Globál Áruházak Zrt.	rental	16 703.10	EUR	23/12/2024	31/12/2025
	EG38139	Tesco Globál Áruházak Zrt.	rental	12 639.93	EUR	23/12/2024	31/12/2025
	EG38373	Tummam Kft.	rental	50 551.12	EUR	26/06/2024	31/12/2028
	EG38605	BKK Budapesti Közlekedési Központ Zrt.	performance	5 000 000	HUF	30/09/2024	21/11/2025
	EG38273	Budapesti Közlekedési Zrt.	rental	3 614 031	HUF	10/06/2024	31/12/2025
	EG38272	Budapesti Közlekedési Zrt.	rental	9 130 179	HUF	10/06/2024	31/12/2025
	EG38432	Statman Repülőtéri Szolgáltató Kft.	rental	2 099 985	HUF	04/09/2024	31/01/2025
	EG38434	Várnai Cipőkereskedés Kft.	rental	2 099 985	HUF	04/09/2024	31/01/2025
	EG38598	Budapesti Közlekedési Zrt.	performance	17 937 900	HUF	26/09/2024	31/01/2028
	EG38059	Network Rider Kft.	rental	9 427 049	HUF	11/04/2024	30/11/2025
	EG38352	Raiffeisen Befektetési Alapkezelő Zrt.	rental	23 734 000	HUF	13/06/2024	01/06/2025
			Total HUF	**3 273 043 129**			
			Total EUR	**638 074,92**			

Data in millions of HUF, unless otherwise indicated

Bank	Reference number	Beneficiary	Type	Total	Currency	Date of issue	Expiry date
MBH Bank Nyrt.	007GFIZ240780003	Budapest Airport Zrt.	rental	84 250.00	EUR	28/03/2024	31/12/2024
	007GFIZ241720001	SES Magyaország Kft.	rental	40 893.74	EUR	24/07/2024	31/01/2025
	007GFIZ240150001	Euro-Mall Ingatlanbefektetési Kft.	rental	27 890.96	EUR	18/01/2024	31/01/2025
	007GFIZ240960001	Multi Hungary Management Kft.	rental	64 243.95	EUR	24/05/2024	30/04/2025
	007GFIZ242990001	ECE Projektmanagement Bp Kft.	rental	33 812.94	EUR	20/11/2024	31/03/2028
	007GFIZ242990002	ECE Projektmanagement Bp Kft.	rental	37 652.00	EUR	18/11/2024	04/09/2028
	007GFIZ240510001	Európa Befektetési Alapkezelő Zrt.	rental	26 309.25	EUR	08/03/2024	31/05/2026
	007GFIZ241770001	FINEXT Befektetési Alapkezelő Zrt.	rental	1 140 079.92	EUR	03/12/2024	31/12/2025
	007GFIZ240530001	FINEXT Befektetési Alapkezelő Zrt.	rental	80 034.00	EUR	08/03/2024	31/01/2026
	007GFIZ242780002	GSZ-Monument Kft.	rental	34 074.00	EUR	12/11/2024	31/08/2025
	007GFIZ240780002	Lachmann Ipari, Ker. és Szolg. Kft.	rental	19 175.00	EUR	28/03/2024	31/03/2025
	007GFIZ242290001	ORO-Invest Ker. és Szolg. Kft.	rental	35 101.77	EUR	17/10/2024	31/03/2026
	007GFIZ240960002	Pólus Shopping Center Zrt.	rental	50 427.00	EUR	13/05/2024	31/10/2027
	007GFIZ240780001	Simon Péter	rental	5 460.00	EUR	11/04/2024	31/01/2026
	007GFIZ240390001	SK-IMMO Ingatlanhasznosító Zrt.	rental	37 666.00	EUR	07/03/2024	31/10/2027
	007GFIZ241630001	Viktor Explorer Ingatlanhasznosító Kft.	rental	10 920.90	EUR	25/07/2024	31/01/2026
	007GFIZ241840005	VPM Projekt Ingatlan és Vagyonkezelő Kft.	rental	3 387.09	EUR	17/07/2024	30/06/2029
	007GFIZ242430001	West End Magyarország Ingatlanhasznosító Zrt.	rental	163 108.00	EUR	15/10/2024	02/10/2025
	007GFIZ240860003	T-Szol Tatabányai Szolgáltató Zrt.	rental	1 991 568	HUF	12/04/2024	28/02/2025
	007GENH24023000 2	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	29/01/2024	13/06/2028
	007GFIZ240400001	Immo-Bázis Kereskedelmi Kft.	rental	4 850 000	HUF	07/03/2024	01/04/2026
	007GFIZ240390002	Lurdy-Ház Kft.	rental	4 655 730	HUF	01/07/2024	31/05/2027
	007GTEL241910001	Miniszterelnöki Kabinetiroda	performance	361 356 406	HUF	21/08/2024	30/06/2025
	007GTEL241910002	Miniszterelnöki Kabinetiroda	performance	70 686 613	HUF	21/08/2024	30/06/2025
	007GTEL241910003	Miniszterelnöki Kabinetiroda	performance	212 889 741	HUF	21/08/2024	30/06/2025
	007GFIZ241590001	Shopper Park Plus Nyrt.	rental	4 092 504	HUF	24/09/2024	31/05/2025
	007GFIZ241590002	Shopper Park Plus Nyrt.	rental	4 564 107	HUF	25/09/2024	31/05/2025
	007GFIZ243410001	Shopper Park Plus Nyrt.	rental	4 724 313	HUF	13/12/2024	31/12/2025
			Total HUF	**679 810 982**			
			Total EUR	**1 894 486,52**			

Bank guarantees issued on behalf of ONE Albania sh.a. as of 31 December 2024 is altogether ALL 38,239,937 (HUF equivalent is 161 million), the company deposited cash collateral with the bank in a designated bank account.

Data in millions of HUF, unless otherwise indicated

40 Lease liabilities

The carrying amounts of lease liabilities and the movements during the reporting period are presented below:

	31/12/2024	31/12/2023
Lease liabilities – non-current	130 015	118 402
Lease liabilities – current	29 828	24 663
Lease liabilities – total	**159 843**	**143 065**

	Lease liabilities non-current	Lease liabilities current
On 1 January 2023	**34 522**	**9 055**
Prior year adjustments	-473	-46
On 1 January 2023 (restated)	**34 049**	**9 009**
Addition from acquisitions	67 315	12 766
Addition from new leases	30 907	2 795
Interest expenditure	11 112	6
Lease payments	-45	-22 102
Modification, remeasurement	-2 451	1 299
Reclassification	-21 096	21 335
Disposals	-39	-262
Exchange difference	-1 350	-183
On 31 December 2023 (restated)	**118 402**	**24 663**
Addition from new leases	16 715	2 235
Interest expenditure	12 421	-228
Lease payments	-704	-38 785
Modification, remeasurement	21 441	74
Reclassification	-41 447	41 448
Disposals	-235	0
Exchange difference	3 422	421
On 31 December 2024	**130 015**	**29 828**

The amount of undiscounted future lease payments is shown in Note 48 Risk management.
The Group has excluded certain future cash flows to which it may be potentially exposed from the measurement of lease liabilities. The total amount of undiscounted potential future lease payments related to extension options that are not part of the lease term for subsequent periods is HUF 74,524 million (2023: HUF 56,730 million). The undiscounted cash flows related to termination options that was not included in the value of the lease liabilities amounted to HUF 4 million on 31 December 2024 (HUF 32 million on 31 December 2023). The future undiscounted lease payment liability for contracts the Group is committed but not yet commenced on 31 December 2024 amounted to HUF 441 million (HUF 4,941 million on 31 December 2023).

Data in millions of HUF, unless otherwise indicated

As of 31 December 2024, and 31 December 2023, there were no residual value guarantees to which the Group was potentially exposed, and these were not taken into account in the lease liabilities.

The following are the amounts recognised in profit or loss in relation to leases:

	2024	2023
Lease-related costs, expenses		**Restated**
Depreciation expense of right-of-use assets	-31 421	-28 187
Interest expense on lease liabilities	-12 193	-11 118
Foreign exchange loss on lease liabilities	-1 710	-639
Expense relating to short-term leases	-587	-55
Expenses relating to leases of low-value assets	-754	-182
Lease payments out of scope of IFRS 16 Leases	-4 908	-5 024
Total amount recognised in profit and loss	**-51 573**	**-45 205**

Short-term leases or leases of low-value assets are recognised as operating expenses by the Group – these amounts are presented in Note 7 Services used.
Lease payments out of scope of IFRS 16 Leases include payments for operational service contracts, such as agreements for the maintenance of network infrastructure, software licensing and other long-term collaborations.

41 Other liabilities – non-current

41.1 Other financial liabilities – non-current

	31/12/2024	31/12/2023
Liabilities related to content fee	3 169	4 642
Liabilities related to software integration	580	692
Deferred consideration	149	0
Total	**3 898**	**5 334**

The Group recognizes liabilities related to discounted future fixed payments to media content providers. The decrease in liabilities related to content fee is primarily attributable to their reclassification as current liabilities. Meanwhile, the total content fee liability has increased compared to the prior year due to newly signed agreements.
Additionally, the Group has accounted for non-current deferred consideration in connection with the acquisition of Rotors & Cams Zrt.

41.2. Other non-financial liabilities – non-current

The Group presents its long-term contract liabilities (according to IFRS 15 Revenue from Contracts with Customers) among the Other non-financial liabilities – non-current line, with a balance of HUF 573 million on 31 December 2024 (HUF 13 million on 31 December 2023).

Data in millions of HUF, unless otherwise indicated

42 Trade payables

	31/12/2024	31/12/2023 Restated
Trade payables	116 026	95 953
Total	**116 026**	**95 953**

Trade payables increased in line with the expansion of activities.

43 Loans, borrowings, bonds - current

	31/12/2024	31/12/2023 Restated
4iG Plc		
Baross Gábor revolving loan	0	4 000
Interest on bonds	1 228	1 229
MBH medium-term loan interest	98	0
ACE Network Zrt.		
Short-term USD loan	506	308
Short-term USD loan interest	2	2
4iG Távközlési Holding Zrt.		
MFB investment loan	3 126	3 126
MFB investment loan interest	218	0
Vodafone acquisition loans interest	1 057	0
DIGI Távközlési és Szolgáltató Kft.		
Citibank credit card	0	18
INNObyte Zrt.		
MFB Zrt. GINOP loan	0	21
ONE Albania sh.a.		
Italian Government loan	78	42
OTP club loan	1 830	1 160
OTP club loan interest	24	0
Raiffeisen Bank loan	0	145
One Magyarország Zrt.		
Baross Gábor short-term loan	1 825	0
Baross Gábor short-term loan interest	5	0
Corvinus Zrt. short-term loan	0	3 840
Corvinus Zrt. short-term loan interest	54	213
Total	**10 051**	**14 104**

The detailed description of Loans, borrowings, bonds - current is presented under Note 39 Loans, borrowings, bonds – non-current.
The movement schedule of Loans, borrowings, bonds – current is presented under Note 49 Financial instruments.

44 Share based payments

The Board of Directors of the Group, acting under the authority of the General Meeting of Shareholders, on 29 April 2020, without holding a meeting, in the framework of a written resolution, pursuant to the authorisation of Government Decree 102.2020 (IV.10.) on different provisions for the operation of associations of persons and property during an emergency, adopted by virtue of Resolution No. 9.2020 (IV.29), the Group approved the launch of the Employee Share Ownership Plan ("ESOP") and the establishment of an organisation ("ESOP Organisation"), called the 4iG Employee Share Ownership Plan Organisation (abbreviated as 4iG ESOP Organisation), and adopted its Articles of Association (hereinafter "Articles of Association").
The remuneration policy (ESOP I.), which was first launched by the Group, has expired.
In 2024, the following remuneration policies are relevant to the Group's financial statement.

44.1 Share based payment reserve

ESOP II.: 4iG Plc has launched a remuneration programme (ESOP II.) by General Meeting Resolution No. 17.2021 (IX.30), under which the ESOP organisation subscribed for 4 million 4iG shares. These shares are legally voting shares with dividend rights, but due to the "extension" approach (under which the ESOP entity is not a separate reporting entity under IFRS), they are presented as treasury shares in the consolidated financial statements. Under the ESOP II., employees may be entitled to share awards at the end of the vesting period by reimbursement of the value of the shares as described by the policy.

The Group recognizes the programme starting from the grant date. The grant date is defined as the date on which the parties have agreed on the material terms, and employees have accepted the allocation.
For 1.4 million shares, this date is 26 November 2021, while for 0.9 million shares, it is 28 January 2022. Additionally, 1.7 million shares were not allocated under the program.

The programme spans two years, with an expiration date of 25 November 2023. By this date, none of the participants exercised their share purchase rights. However, participants retain disposal rights for more than one year after the programme's closure, meaning they can exercise the option until 28 February 2025. However, by decision of the Board of Directors of the Company, the closing date of the programme was extended by one year during the reporting period.

Vesting conditions:

- Service condition: Continuous employment with the Company throughout the programme duration (fulfilled).
- Performance condition: Increase in the Group's consolidated EBITDA per share.

The Company has conducted estimates regarding the expected fulfillment of the ESOP II. programme as of the grant date.

The fair value of the option at the grant date was determined using the Black-Scholes model, based on the following assumptions:

- Exercise price: HUF 879 per share
- Share price at grant date: HUF 818 and HUF 912 per share
- Volatility: 38%
- Dividend yield: 2.8%
- Risk-free interest rate: 4.2% and 3.2%

The Group allocates the fair value of the grant proportionally over the vesting period. The recognized cost is recorded against a separate equity component (Share based payment reserve). This accumulated reserve is reversed when:

- shares are allocated at the end of the program, or
- it is determined at the end of the program that the conditions have not been met.

44.2 Share based payment liability

ESOP III.: On 28 April 2023, subject to the resolution of the General Meeting of the Group No. 17.2021 (IX.30) and the resolution of the Board of Directors of the Group as Founder No. 4.2023 (III.26), the Group launched a new Remuneration Policy (hereinafter “ESOP III.”). In order to implement the ESOP III., the Group as Founder granted to the ESOP Organisation options to acquire ordinary shares in 4iG Plc. By this action, the Group intends to achieve greater stakeholder engagement.

4iG Plc has recognised a staff cost of HUF 1,251 million against the Share based payment liability for 2024 as a cover for ESOP III. costs using the Black-Scholes formula, considering the option price, time to maturity (option term), probability of KPI fulfilment, and estimated fluctuation of the members.

ESOP IV.: Similar purpose for ESOP III. on 29 April 2024, subject to the resolution of the General Meeting of the Group No. 17.2021 (IX.30) and the resolution of the Board of Directors of the Group as Founder No. 1.2024 (IV.[o])), the Group launched the fourth Remuneration Policy (hereinafter “ESOP IV.”). .”). In order to implement the ESOP IV., the Group as Founder granted to the ESOP Organisation options to acquire ordinary shares in 4iG Plc.

4iG Plc has recognised a staff cost of HUF 1,170 million against the Share based payment liability during 2024 as a cover for ESOP IV. costs using the Black-Scholes formula (and same considerations are made as for the ESOP III. programme).

Data in millions of HUF, unless otherwise indicated

45 Other financial liabilities - current

	31/12/2024	31/12/2023
		Restated
Payroll related obligations	3 241	2 550
Liabilities related to content fee	13 532	8 011
Liabilities related to unreturned asset fee	1 927	1 288
Customers warranty contract liability	1 317	1 154
Miscellaneous other financial liabilities - current	2 415	8 692
Total	**22 432**	**21 695**

The liabilities related to content fees, as presented in the table above, represent the current portion of the future discounted cash flows for fixed payments to media content providers.
The non-current portion of these liabilities is disclosed in Note 41 Other liabilities - non-current. Current content fee liabilities have increased as new contracts have been signed with media content providers.

The table below provides a breakdown of liabilities related to content fees (current) by Group companies:

	31/12/2024	31/12/2023
		Restated
DIGI Távközlési és Szolgáltató Kft.	6 634	6 342
One Magyarország Zrt.	6 317	1 469
4iG Távközlési Holding Zrt.	0	200
AH Média Kereskedelmi Zrt.	475	0
ONE Albania sh.a	106	0
Total	**13 532**	**8 011**

Liabilities related to unreturned asset fees represent the obligation to replace unreturned assets, such as set-top boxes and routers. The increase in this liability aligns with the expansion of the telecommunications segment.

The customer warranty contract is an insurance-type warranty that customers can purchase optionally, constituting a separate performance obligation. The liability gradually decreases over the warranty period as the obligation is fulfilled.

Data in millions of HUF, unless otherwise indicated

46 Other non-financial liabilities - current

	31/12/2024	31/12/2023
		Restated
Dividends payable to shareholders	8	8
Tax liabilities and contributions	15 257	11 359
Contract liabilities	3 338	4 905
Advances received from customers	2 774	2 360
Advances received from the state budget	99	88
Grants received, deferred income	739	695
Deferred income	32 757	34 466
Accrued expenses	13 775	37 438
Total	**68 747**	**91 319**

Tax liabilities and contributions mainly include VAT liability of HUF 6,877 million (HUF 3,233 million on 31 December 2023), payroll tax of HUF 4,180 million (HUF 2,417 million on 31 December 2023), telecommunications tax of HUF 3,658 million (HUF 2,768 million on 31 December 2023), extra profit tax of HUF 289 million (HUF 1,120 million on December 2023) and other tax liabilities as of 31 December 2024. The Group has no overdue tax liabilities.

Contract liabilities have declined compared to the previous year, primarily due to a lower volume of advance billings at year-end. In contrast, deferred income has increased, reflecting the expansion of business activities.

Accrued expenses include certain items that are not expected to be settled in cash. Items that are to be settled in cash are presented under Note 42 Trade Payables.

47 Segment information

The strategic decisions for the Group's operations are made by the Board of Directors, and therefore the reports prepared for the Board of Directors have been used by management as the basis for the determination of the segments in preparing these consolidated financial statements.
The Group’s activities are divided into three major segments:

- IT services and trading activities (hardware and software resale, as well as development, operation, support, consulting, implementation and other IT services),
- telecommunications activities, and
- other holding activities.

The Group considered whether entities operating under a government (including government agencies and similar local, national or international bodies) should be treated as a single customer, as a result of which it has determined that it treats such entities as separate customers by virtue of the fact that they have separate budgets. For the year 2024, no customer's turnover exceeds 10% of revenue.

Inter-segment revenues are eliminated upon consolidation and reflected in the “Eliminations” column. All other adjustments and eliminations are part of detailed reconciliations presented further below:

Data in millions of HUF, unless otherwise indicated

For the year-end of 2024:

	IT services and trade	Telecom-munication	Other activities	Eliminations	Total
Net sales revenue	95 813	609 443	25 808	-43 888	**687 176**
Other operating income	1 474	3 622	-333	-196	**4 567**
Total net sales revenue and other income	**97 287**	**613 065**	**25 475**	**-44 084**	**691 743**
Capitalised value of own performance	**111**	**15 831**	**558**	**1 690**	**18 190**
Raw materials and consumables used	-59 504	-146 330	-15 046	19 258	**-201 622**
Other services	-1 164	-127 018	-1 037	13 463	**-115 756**
Employee benefit expenses	-20 484	-79 519	-16 321	150	**-116 174**
Other operating expenses	-670	-49 225	-200	4 769	**-45 326**
Operating costs	**-81 822**	**-402 092**	**-32 604**	**37 640**	**-478 878**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**15 576**	**226 804**	**-6 571**	**-4 754**	**231 055**
Depreciation and amortisation	-9 480	-177 578	-3 375	107	**-190 326**
Profit before financial operations (EBIT)	**6 096**	**49 226**	**-9 946**	**-4 647**	**40 729**
Financial income	475	1 172	8 894	-1 715	**8 826**
Financial expenses	-609	-54 550	-33 208	-1 372	**-89 739**
Share of profit of associate and joint ventures	0	0	-378	0	**-378**
Profit or loss before tax	**5 962**	**-4 152**	**-34 638**	**-7 734**	**-40 562**
Income taxes	-394	-5 639	-1 063	0	**-7 096**
Profit or loss after tax	**5 568**	**-9 791**	**-35 701**	**-7 734**	**-47 658**
Segment assets	48 587	1 602 935	132 530	-275 668	**1 508 384**
Segment liabilities	38 121	1 266 785	153 811	-268 080	**1 190 637**

Data in millions of HUF, unless otherwise indicated

For the year-end of 2023:

	IT services and trade	Telecom-munication	Other activities	Eliminations	Total
Net sales revenue	82 020	519 744	4 426	-13 381	**592 809**
Other operating income	1 593	6 828	18 297	-84	**26 634**
Total net sales revenue and other income	**83 613**	**526 572**	**22 723**	**-13 465**	**619 443**
Capitalised value of own performance	**1 451**	**12 476**	**1 909**	**-1**	**15 835**
Raw materials and consumables used	-49 980	-153 108	1 592	5 594	**-195 902**
Other services	-8 193	-86 195	-7 024	7 548	**-93 864**
Employee benefit expenses	-17 390	-72 218	-6 076	114	**-95 570**
Other operating expenses	-585	-46 428	-430	134	**-47 309**
Operating costs	**-76 148**	**-357 949**	**-11 938**	**13 390**	**-432 645**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**8 916**	**181 099**	**12 694**	**-76**	**202 633**
Depreciation and amortisation	-4 425	-162 585	-3 910	0	**-170 920**
Profit before financial operations (EBIT)	**4 491**	**18 514**	**8 784**	**-76**	**31 713**
Financial income	459	19 120	18 534	-16 376	**21 737**
Financial expenses	-1 738	-44 253	-28 511	4 067	**-70 435**
Share of profit of associate and joint ventures	0	0	-1 637	0	**-1 637**
Profit or loss before tax	**3 212**	**-6 619**	**-2 830**	**-12 385**	**-18 622**
Income taxes	-429	-7 625	-518	0	**-8 572**
Profit or loss after tax	**2 783**	**-14 244**	**-3 348**	**-12 385**	**-27 194**
Segment assets	51 468	1 529 064	64 760	-138 620	**1 506 672**
Segment liabilities	38 240	1 172 435	71 886	-131 714	**1 150 847**

48 Risk management

The Group's financial assets include cash, securities, trade and other receivables and other financial assets, excluding taxes. The Group's financial liabilities include loans and borrowings, trade and other payables, excluding taxes and gains and losses arising from the remeasurement of financial liabilities at fair value. The Group also holds investments in equity instruments.

The Group is exposed to the following financial risks:

- credit risk,
- liquidity risk,
- market risk.

This note presents the above risks faced by the Group, the Group's objectives, policies, process measurement and risk management, as well as the Group's capital management. The Board of Directors has overall responsibility for the establishment, oversight and risk management of the Group. The objective of the Group's risk management policy is to identify and assess the risks faced by the Group, as well as to establish appropriate controls and monitor those risks. The risk management policy and systems are reviewed from time to time to reflect changing market conditions and the Group's activities.

Capital Management

The Group's policy is to maintain a level of share capital sufficient to maintain investor and creditor confidence and to ensure the Group's development. The Board of Directors seeks to maintain a policy of taking on higher exposure from borrowings only at higher yields, based on the benefits provided by a strong capital position and security.

The capital structure of the Group consists of net debt and the Group's equity (the latter includes subscribed capital, other reserves attributable to the equity holders of the parent and non-controlling interests).

In managing capital, the Group aim is to ensure that its members can continue their activities while maximising returns to shareholders by optimally balancing debt and equity, as well as maintaining an optimal capital structure to reduce capital cost. The Group also monitors whether the capital structure of its subsidiaries complies with local legal requirements.
There were no changes in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

The Group assesses its capital structure using the net debt/EBITDA ratio, in accordance with the requirements set for bondholders (see Note 39 Loans, borrowings, bonds – non-current for further details). This ratio is calculated as total debt, net of cash and cash equivalents, divided by EBITDA. Total debt encompasses interest-bearing loans, bonds, borrowings, provisions, lease liabilities, and other non-current financial and non-financial obligations.

The table below presents the net debt/EBITDA calculation for the years ending 31 December 2024 and 2023, highlighting a significant improvement in the ratio:

Data in millions of HUF, unless otherwise indicated

Net debt/EBITDA ratio

	31/12/2024	31/12/2023
Interest-bearing loans, borrowings and bonds	778 697	755 910
Provisions – non-current	7 823	6 502
Lease liabilities – non-current	130 015	118 402
Other financial liabilities - non-current	3 898	5 334
Other non-financial liabilities - non-current	573	13
Provisions – current	7 017	6 282
Lease liabilities - current	29 828	24 663
Total debt	**957 851**	**917 106**
Cash and cash equivalents	60 559	53 116
Net debt	**897 292**	**863 990**
EBITDA	**231 055**	**202 633**
Net debt/EBITDA	**3,88**	**4,26**

Furthermore, the Company commits to disclosing the level of consolidated financial debt in its financial statements, where financial debt corresponds to the total debt as defined above. This disclosure aligns with the latest business plan submitted to the Credit Rating Agency (Scope Ratings) to ensure compliance with this commitment.

According to the most recent publication (4iG Nyrt. Rating Report, December 2024), the Group's total expected Scope-adjusted debt was projected at HUF 1,004,021 million. However, the actual figure is significantly lower, amounting to HUF 957,851 million, as detailed in the table above.

Credit risk

Credit risk is the risk that a debtor or counterparty will not meet its obligation under a financial instrument or customer contract, resulting in a financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables). Financial assets that are exposed to credit risk may be current or non-current borrowings, cash and cash equivalents, trade and other receivables.

The Group determined that the credit risk of financial instruments has not increased significantly since initial recognition, and these financial instruments are considered to have low credit risk.
There has been no significant increase in credit risk since initial recognition when financial assets are more than 30 days past due, has been rebutted. The Group has considered that there is no reasonable expectation of recovery and information about the policy for financial assets that are written-off.

The carrying amount of financial assets represents the maximum exposure to risk. The table below shows the Group's maximum exposure to credit risk on 31 December 2024 and 31 December 2023:

Data in millions of HUF, unless otherwise indicated

Credit risk

	31/12/2024	**31/12/2023**
		Restated
Trade receivables	118 903	129 395
Contract assets	2 056	5 369
Other financial assets – current	3 070	26 539
Cash and cash equivalents	60 559	53 116
Total	**184 588**	**214 419**

Under IFRS 9 – Financial Instruments, cash and cash equivalents are also subject to the expected credit loss (ECL) model. However, the Group considers the impairment to be immaterial due to the short-term and highly liquid nature of these assets. Additionally, the Group mitigates credit risk by diversifying its cash holdings across multiple financial institutions, assessing the credit ratings of banks and financial institutions, and continuously monitoring market conditions and regulatory safeguards, such as deposit insurance schemes.
More detailed information on expected credit loss (ECL) is disclosed under Note 27 Trade receivables.

The aging of trade receivables on 31 December 2024 and on 31 December 2023 is as follows:

	31/12/2024	**31/12/2023**
		Restated
Not yet due	93 725	112 476
1-30 days expired	10 882	5 930
Between 30-90 days overdue	4 404	4 167
Between 90-180 days overdue	2 494	2 222
Between 180-360 days overdue	2 898	1 761
Over 360 days overdue	4 500	2 839
Total	**118 903**	**129 395**

The aging enables the Group to assess the risk of trade receivables. Older receivables are generally higher risk, as the probability that the customer will not be able to make payment increases. The impairment of trade receivables see under Note 2.17 Impairment of non-financial assets.

The recovery risk of the Group's overdue receivables is continuously monitored, and the risk is reflected through the recognition of impairment losses.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to liquidity management is to ensure, as much as possible, that it always has sufficient liquidity to fulfil its obligations when they are due, under both normal and extreme conditions, without incurring unacceptable losses or risking the Group's reputation.

Data in millions of HUF, unless otherwise indicated

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Year ended 31 December 2024	**Less than 1 year**	**1 to 5 years**	**> 5 years**	**Total**
Loans and borrowings	10 051	192 163	586 685	**788 899**
Lease liabilities	34 279	118 445	41 418	**194 142**
Other financial liabilities	13 353	4 084	1 066	**18 503**
Trade and other payables	116 026	0	0	**116 026**
	173 709	**314 692**	**629 169**	**1 117 570**

Year ended 31 December 2023	**Less than 1 year**	**1 to 5 years**	**> 5 years**	**Total**
Loans and borrowings	12 663	176 876	569 647	**759 186**
Lease liabilities	32 673	108 425	40 077	**181 175**
Other financial liabilities	19 221	6 084	0	**25 305**
Trade and other payables	87 946	0	0	**87 946**
	152 504	**291 385**	**609 724**	**1 053 613**

Market risk

Market risk is the risk that changes in market prices, such as exchange rates, interest rates and the prices of investments in mutual funds, will affect the Group's results or the value of its investments in financial instruments. The objective of market risk management is to manage and control exposures to market risk within acceptable limits while optimizing profit. Financial instruments affected by market risk are the OTP club loan at ONE Albania sh.a. and from 2028 onwards the Vodafone acquisition loans at 4iG Távközlési Holding Zrt.

Risk from the war in Ukraine

The Group has no business relations with Ukrainian companies thus, we do not perceive any direct business risk.

Sensitivity analysis

The Group has determined that its results are significantly dependent on two key financial variables, foreign exchange risk and interest rate risk.

- Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

Data in millions of HUF, unless otherwise indicated

- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Sensitivity analyses have been performed on these key variables. The Group primarily seeks to mitigate interest rate risk by investing its available cash. The sensitivity analysis assumes how the interest rate will be affected by 1% change in the interest rate, as well as how the foreign exchange rate will change in the event of a 1% change in foreign exchange rate.

The currency exposure of the Group on 31 December 2024 is as follows:

Currency exposure	**HUF**	**Currency**	**Total**
Trade receivables	93 135	25 768	**118 903**
Trade payables	71 950	44 076	**116 026**
Cash and cash equivalents	47 931	12 628	**60 559**
Loans and bonds	416 632	362 065	**778 697**

Capital repayments on bonds

Years	**4iG NKP bond 2031.I. HU0000360276**	**4iG NKP bond 2031.II HU0000361019**	**Total**
2025	0	0	0
2026	1 545	37 075	38 620
2027	1 545	37 075	38 620
2028	1 545	37 075	38 620
2029	1 545	37 075	38 620
2030	1 545	37 075	38 620
2031	7 725	185 375	193 100

Interest payments on bonds

Years	**4iG NKP bond 2031.I. HU0000360276**	**4iG NKP bond 2031.II HU0000361019**	**Total**
2025	448	22 245	22 693
2026	448	22 245	22 693
2027	403	20 021	20 424
2028	358	17 796	18 154
2029	314	15 572	15 886
2030	269	13 347	13 616
2031	224	11 123	11 347

Data in millions of HUF, unless otherwise indicated

Interest rate sensitivity test

The Group's most significant financial liabilities consist of bonds, which bear fixed interest rates, as well as the Vodafone acquisition loan drawn by 4iG Távközlési Holding Zrt., which also carries a fixed interest rate for the five years following its drawdown (i.e., 31 January 2023), as detailed in Note 39 Loans, borrowings, bonds – non-current. Accordingly, in accordance with IFRS 7 Financial Instruments: Disclosures, the Company is not materially exposed to interest rate risk, as future interest payments are predetermined and unaffected by fluctuations in market interest rates.

Exchange rate sensitivity testing

Note that the below presents percentage and not percentage point changes.

With current exchange rates	**31/12/2024**
Non-monetary assets and assets denominated in forint	1 469 508
Foreign currency assets	38 879
Liabilities denominated in HUF	784 497
Foreign currency liabilities	406 141
Net assets	**317 748**
Profit before tax	**-40 562**
1%	
Non-monetary assets and assets denominated in forint	1 469 508
Foreign currency assets	39 267
Liabilities denominated in HUF	784 497
Foreign currency liabilities	410 203
Net assets	**314 076**
Change in net assets	***-3 673***
Change in net assets (%)	***-1,16%***
Profit before tax	**-44 235**
Change in profit before tax	***-3 673***
Change in profit before tax (%)	***9,05%***
5%	
Non-monetary assets and assets denominated in forint	1 469 508
Foreign currency assets	40 822
Liabilities denominated in HUF	784 497
Foreign currency liabilities	426 448
Net assets	**299 385**
Change in net assets	***-18 363***
Change in net assets (%)	***-5,78%***
Profit before tax	**-58 925**
Change in profit before tax	***-18 363***
Change in profit before tax (%)	***45,27%***

Data in millions of HUF, unless otherwise indicated

10%	
Non-monetary assets and assets denominated in forint	1 469 508
Foreign currency assets	42 766
Liabilities denominated in HUF	784 497
Foreign currency liabilities	446 755
Net assets	**281 022**
Change in net assets	***-36 726***
Change in net assets (%)	***-11,56%***
Profit before tax	**-77 288**
Change in profit before tax	***-36 726***
Change in profit before tax (%)	***90,54%***
-1%	
Non-monetary assets and assets denominated in forint	1 469 508
Foreign currency assets	38 490
Liabilities denominated in HUF	784 497
Foreign currency liabilities	402 080
Net assets	**321 421**
Change in net assets	***3 673***
Change in net assets (%)	***1,16%***
Profit before tax	**-36 889**
Change in profit before tax	***3 673***
Change in profit before tax (%)	***-9,05%***
-5%	
Non-monetary assets and assets denominated in forint	1 469 508
Foreign currency assets	36 935
Liabilities denominated in HUF	784 497
Foreign currency liabilities	385 834
Net assets	**336 111**
Change in net assets	***18 363***
Change in net assets (%)	***5,78%***
Profit before tax	**-22 199**
Change in profit before tax	***18 363***
Change in profit before tax (%)	***-45,27%***
-10%	
Non-monetary assets and assets denominated in forint	1 469 508
Foreign currency assets	34 991
Liabilities denominated in HUF	784 497
Foreign currency liabilities	365 527
Net assets	**354 474**
Change in net assets	***36 726***
Change in net assets (%)	***11,56%***
Profit before tax	**-3 836**
Change in profit before tax	***36 726***
Change in profit before tax (%)	***-90,54%***

Data in millions of HUF, unless otherwise indicated

49 Financial instruments

Financial instruments include financial assets and financial liabilities, both current and non-current such as trade receivables, loans granted, advances paid, bank deposits, securities and cash and cash equivalents, as well as loans and borrowings, trade payables, advances received and other financial liabilities. The Group measures financial instruments in accordance with the requirements of IFRS 9 Financial Instruments and presents them in its books accordingly at the end of the period.

31 December 2024	**Fair value through profit or loss (FVTPL)**	**Amortised cost**	**Total carrying amount**
Financial assets			
Net investment in the lease – non-current	0	1 093	**1 093**
Other financial assets - non-current			
Securities	102	0	**102**
Non-current loans	0	168	**168**
Liabilities under guarantee, deposits	0	777	**777**
Other non-current assets	0	9 797	**9 797**
Total non-current financial assets	**102**	**11 835**	**11 937**
Cash and cash equivalents	0	60 559	**60 559**
Trade receivables	0	118 903	**118 903**
Net investment in the lease – current	0	673	**673**
Other financial assets - current			
Cash lent for short term	0	28	**28**
Guarantees provided	0	341	**341**
Shares and treasury bills	110	0	**110**
Other current receivables	0	2 591	**2 591**
Total current financial assets	**110**	**183 095**	**183 205**
Total financial assets	**212**	**194 930**	**195 142**
Financial liabilities			
Loans, borrowings, bonds – non-current	0	768 646	**768 646**
Lease liabilities – non-current	0	130 015	**130 015**
Other financial liabilities - non-current	0	3 898	**3 898**
Total non-current financial liabilities	**0**	**902 559**	**902 559**
Trade payables	0	116 026	**116 026**
Loans, borrowings, bonds – current	0	10 051	**10 051**
Lease liabilities - current	0	29 828	**29 828**
Other financial liabilities - current	0	22 432	**22 432**
Total current financial liabilities	**0**	**178 337**	**178 337**
Total financial liabilities	**0**	**1 080 896**	**1 080 896**

Data in millions of HUF, unless otherwise indicated

31 December 2023	Fair value through profit or loss (FVTPL)	Amortised cost	Total carrying amount
Financial assets			
Net investment in the lease – non-current	0	752	**752**
Other financial assets - non-current			
Securities	102	0	**102**
Non-current loans	0	165	**165**
Liabilities under guarantee, deposits	0	714	**714**
Other non-current assets	0	609	**609**
Total non-current financial assets	**102**	**2 240**	**2 342**
Cash and cash equivalents	0	53 116	**53 116**
Trade receivables	0	129 395	**129 395**
Net investment in the lease – current	0	563	**563**
Other financial assets - current			
Cash lent for short term	0	1 541	**1 541**
Guarantees provided	0	160	**160**
Shares and treasury bills	225	0	**225**
Other current receivables	0	24 613	**24 613**
Total current financial assets	**225**	**209 388**	**209 613**
Total financial assets	**327**	**211 628**	**211 955**
Financial liabilities			
Loans, borrowings, bonds – non-current	0	741 806	**741 806**
Lease liabilities – non-current	0	118 402	**118 402**
Other financial liabilities - non-current	0	5 334	**5 334**
Total non-current financial liabilities	**0**	**865 542**	**865 542**
Trade payables	0	95 953	**95 953**
Loans, borrowings, bonds – current	0	14 104	**14 104**
Lease liabilities - current	0	24 663	**24 663**
Other financial liabilities - current	0	21 695	**21 695**
Total current financial liabilities	**0**	**156 415**	**156 415**
Total financial liabilities	**0**	**1 021 957**	**1 021 957**

The carrying amount of the Group's financial instruments, except for bonds and two long-term loans, approximates their fair value. In the case of bonds, the interest rate differs from the market rate. The fair value calculated of the bonds using the market interest rate on 31 December 2024 is HUF 345,763 million (HUF 333,533 million on 31 December 2023), while the fair value at issue date was HUF 23,512 million lower than the book value of the bonds. The difference between the fair value at issue date and the book value is amortised by the Group using the effective interest rate method over the term of the bonds.

As of 31 December 2024, the fair value of Vodafone acquisition loans and MFB investment loan taken by 4iG Távközlési Holding Zrt. amounted to HUF 396,810 million (HUF 362,449 million on 31 December 2023), while the carrying amount was HUF 363,518 million (HUF 341,535 million on 31 December 2023) as presented in Note 39 Loans, borrowings, bonds – non-current and Note 43 Loans, borrowings, bonds –current. The fair value of these loans corresponds to Level 3 of the fair value hierarchy.

Data in millions of HUF, unless otherwise indicated

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

31 December 2024	Level 1 Fair value measurement using quoted prices in active markets	Level 2 Fair value measurement using significant observable inputs	Level 3 Fair value measurement using significant unobservable inputs	**Total fair value**
Financial assets				
Equity instruments	0	110	0	**110**
Debt securities	102	0	0	**102**
Total financial assets	**102**	**110**	**0**	**212**

31 December 2023	Level 1 Fair value measurement using quoted prices in active markets	Level 2 Fair value measurement using significant observable inputs	Level 3 Fair value measurement using significant unobservable inputs	**Total fair value**
Financial assets				
Equity instruments	0	225	0	**225**
Debt securities	102	0	0	**102**
Total financial assets	**102**	**225**	**0**	**327**

The fair value of financial instruments is the quoted market price at the end of the reporting period, excluding transaction costs. If no quoted market price is available, the fair value of the instrument is determined using valuation models or discounted cash flow techniques. When discounted cash flow techniques are used, the estimated future cash flows are based on the Group's economic estimates and the discount rate is the market rate at the balance sheet date for similar instruments with similar instruments with comparable terms and conditions. When valuation models are used, data are based on market valuations performed at the end of the reporting period.

There were no transfers between the fair value levels of any financial instruments during the reporting period and the comparative period.

Data in millions of HUF, unless otherwise indicated

Changes in liabilities from financing activities

	1 January 2024	Cash flows	Foreign exchange movement	New leases	Other	31 December 2024
Bonds – non-current	388 357	-289	0	0	0	**388 068**
Loans, borrowings - current	14 104	-7 583	378	0	3 152	**10 051**
Lease liabilities - current	24 663	-38 785	421	2 235	41 294	**29 828**
Loans, borrowings – non-current	353 449	-2 261	24 915	0	4 475	**380 578**
Lease liabilities – non-current	118 402	-704	3 420	16 715	-7 818	**130 015**
Total liabilities from financing activities	**898 975**	**-49 622**	**29 134**	**18 950**	**41 103**	**938 540**

	1 January 2023	Cash flows	Foreign exchange movement	New leases	Other	31 December 2023
Bonds – non-current	388 629	-272	0	0	0	**388 357**
Loans, borrowings - current	8 944	-26 200	76	0	31 284	**14 104**
Lease liabilities - current	9 009	-22 102	-130	2 795	35 091	**24 663**
Loans, borrowings – non-current	35 691	-31 846	1 279	0	348 325	**353 449**
Lease liabilities – non-current	34 049	-45	-951	30 907	54 442	**118 402**
Total liabilities from financing activities	**476 322**	**-80 465**	**274**	**33 702**	**469 142**	**898 975**

Data in millions of HUF, unless otherwise indicated

50 Related party transactions

Note 2.1 Basis of consolidation provides information about the Group's structure, including details of the subsidiaries, associates and joint ventures.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

2024	Sales to related parties	Purchases from related parties	Amounts owed by related parties (trade receivables)	Amounts owed to related parties (trade payables)
Associate:				
Space-Communications Ltd.	24	217	7	19
Joint venture in which the Group is a venturer:				
REMRED Technológia Fejlesztő Zrt	40	807	6	0
Key management personnel of the Group				
Other director's interests	1	1 698	1	83

2023	Sales to related parties	Purchases from related parties	Amounts owed by related parties (trade receivables)	Amounts owed to related parties (trade payables)
Associate:				
Space-Communications Ltd.	24	125	5	18
Key management personnel of the Group				
Other director's interests	2	2 985	0	183

Outstanding balances at the year-end are unsecured, interest free and settled in cash. There have been no guarantees provided or received for any related party receivables or payables.

Data in millions of HUF, unless otherwise indicated

Loans from/to related parties:

2024	**Interest received**	**Amounts owed by related parties**	**Interest paid**	**Amounts owed to related parties**
Associate:				
RAC Antidrone Zrt.	0	10	0	0
Key management personnel of the Group				
Other director's interests	275	0	0	0

During 2023 the Group did not receive or pay interest to related parties and did not have any amounts owed by or owed to related parties.
The Group has no contractual commitments with related parties either for the year ending 31 December 2024 or for the year ending 31 December 2023.

51 Remuneration of key management personnel of the Group

The remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee of the Group during the reporting period was as follows. The General Meeting of Shareholders decided in its Resolution No. 15.2022 (IV. 29.) that the members of the Board of Directors shall receive a remuneration of HUF 600,000 per month each, while the Chairperson of the Board of Directors shall receive a remuneration of HUF 750,000 per month. The General Meeting decided in its Resolution No. 14.2022 (IV. 29.) that the members of the Supervisory Board shall receive an honorarium of HUF 450,000 per month each and the Chairperson of the Supervisory Board shall receive an honorarium of HUF 600,000 per month. The members of the Audit Committee do not receive any special remuneration for their work on the Audit Committee.
In accordance with IAS 24 Related Party Disclosures, the Group has identified the following key management personnel (Chairman of the Board, Directors, Chief Executive Officer and Deputy Chief Executive Officers) for whom the remuneration paid or payable for employee services during the reporting period is set out below. We believe that the table below comprehensively includes the remuneration paid to key management personnel in HUF million during the reporting period and in the previous period:

Data in millions of HUF, unless otherwise indicated

31/12/2024	Members of the Board of Directors and senior employees	Members of the Supervisory Board	Total
Short-term employee benefits	1 553	23	1 576
Total	**1 553**	**23**	**1 576**

31/12/2023	Members of the Board of Directors and senior employees	Members of the Supervisory Board	Total
Short-term employee benefits	2 489	24	2 513
Total	**2 489**	**24**	**2 513**

52 Commitments and contingencies

52.1 Contingent liabilities

As of 31 December 2024, the members of the Group are not involved in any pending litigation. Provisions are recognised when it becomes probable that an outflow of economic benefits will be required to settle an obligation as a result of a past event and a reliable estimate can be made of the expected cash outflow. Provisions are disclosed in Note 38 Provisions.

52.2 Commitments and guarantees

The future undiscounted lease payment liability for contracts the Group is committed but not yet commenced on 31 December 2024 amounted to HUF 441 million (HUF 4,941 million on 31 December 2023).

53 Events after the balance sheet date

On 9 January 2025, the Extraordinary General Meeting decided to amend the provisions of the Articles of Association of the Company. The General Meeting acknowledged that Dagmar Steinert and László Tamás Dr. Fellegi had resigned from their position as a member of supervisory board and appointed Klaus Jürgen Neumann and Dr. Zoltán Guller as new members of supervisory board for an indefinite time. The General Meeting elected Dr. Zoltán Guller as a new member of Audit Committee for an indefinite period.

On 7 February 2025, the Hungarian Competition Authority has imposed a fine on DIGI Távközlési és Szolgáltató Kft. for an infringement committed from 11 November 2022 until the end of December 2022. The Hungarian Competition Authority found that DIGI's information on the increase in subscriber fees and the post-inflation adjustment was not clear.

On 14 February 2025, a non-binding Memorandum of Understanding was signed between 4iG Űr és Védelmi Technológiák Zrt. and Creotech Instruments S.A. in order to identify potential collaboration in the field of space industry.

On 17 February 2025, a non-binding Letter of Intent was signed between 4iG Űr és Védelmi Technológiák Zrt. and Axiom Space, Inc. in order to identify and develop potential collaboration in the field of space industry with special regard to the field of Orbital Data Centre.

In the framework of the share buy-back programme – adopted and published **on 16 October 2024**, 4iG acquired between the period 2 January and 20 February 2025 at an average price of HUF 1 234.77 per share 258 700 dematerialised ordinary shares of series "A" with ISIN code HU0000167788 and the face value of HUF 20 from its own share portfolio on the Budapest Stock Exchange with the assistance of Equilor Befektetési Zrt. as investment service provider. As a result of the Transaction, the number of treasury shares held by 4iG is currently 5,347,414 (1.79%), therefore there was no crossing.

On 25 February 2025, a contract of high importance was signed between 4iG Űr és Védelmi Technológiák Zrt. and CPI Vertex Antennentechnik GmbH connected to the performance of the HUSAT program announced on 20 November 2024.

On 3 March 2025 the Transformation Programme has reached its next significant milestone with the fact that the separation of AH Média Kereskedelmi Zrt. and AH Infrastruktúra Szolgáltató Zrt by way of a spin-off by merger decided on 26 November 2024 was completed on 28 February 2025 (the dates of spin-off by merger), in view of which, as of March 1, 2025, the broadcasting business sectors of AH Média and AH Infra have been transferred to 4iG Műsorszóró Infrastruktúra Kft.

On 6 March 2025 the recommendation of the Minister of Foreign Affairs and Trade, Tamás Sulyok, President of the Republic of Hungary, has appointed Gellért Jászai, Chairman of Board and the majority indirect shareholder of 4iG, as Ambassador Extraordinary and Plenipotentiary for the Development of International Business Relations. The decision was published in the Hungarian Gazette.

On 19 March 2025 4iG Plc has decided the establishment of a company in Hungary under the name of 4iG Befektetési Kft.

On 1 April 2025 the debt settlement plan to settle Space Communications Ltd.'s (a company of which the minority shareholder is 4iG Plc by owning 20% of its shares) full bond debt service towards its bondholders, expired on the 31st of March 2025 and is no longer in effect, since the conditions precedents were not all met by the expiration date. 4iG Plc has no intention to extend the expiration date. The expiration of the debt settlement plan does not affect 4iG Plc's 20% stake in Space Communications Ltd.

54 Going concern

In the light of the effects of the war in Ukraine and in Israel, and after considering other market and liquidity risks, the Group has assessed and made estimates as to whether there are significant uncertainties regarding its ability to operate as a going concern and it has concluded that it is appropriate to assume that it will continue as a going concern for the foreseeable future, and that there are no significant uncertainties.

The Group's high cash balance and the exceptionally strong operating cash flow presented in the statement of cash flows ensure the timely settlement of outstanding liabilities despite the high level of debt. This is further supported by the fact that the substantial principal repayments on the bond portfolio, which constitutes a significant portion of the Group's debt, are not due before 2031.

55 Remuneration of the auditor

The General Meeting, by Resolution 13/2024 (IV.29), elected Ernst & Young Könyvvizsgáló Kft. as the auditor for the consolidated annual financial statements for the years 2024-2026, starting from 1 May 2024 until 30 April 2027. Person responsible for the audit: Rita Domoszlai (mother’s name: Zsuzsanna Halabrin, 2040 Budaörs, Szilva utca 41/B).

The financial statements include the fees paid to the auditor or the audit firm for the statutory audit of the annual financial statements as well as for other non-audit services for the financial year. The fee for the statutory audit of the consolidated and standalone annual financial statements of 4iG Plc for the year 2024, performed by the audit firm (Ernst & Young Könyvvizsgáló Kft.), amounts to EUR 377,000. The total fee for other assurance and related services provided by the auditor together with its network amounted to EUR 2,328,285.

The total invoiced fees for other non-audit related services rendered to 4iG Plc and its subsidiaries amounted to EUR 680,572, which does not include the fees for statutory annual audits required by law. Pursuant to Section 155 (2) of the Hungarian Accounting Law, an audit is mandatory for the Company. The annual financial statements, as well as the consolidated annual financial statements of the parent company, together with the independent auditor’s report, are submitted electronically to the company information service.

56 Registered IFRS accountant responsible for preparing the financial statements

Ferenc Piros
2097 Pilisborosjenő, Tulipán köz 1.
Registration number: 145011

STATEMENT

The Issuer declares that the Report has been prepared in accordance with the applicable accounting regulations, to the best of our knowledge, based on Section 9/A of the Hungarian Accounting Law and the International Financial Reporting Standards (IFRS) adopted by the European Union, on the basis of the information available at the date of publication provides a true and fair view of the development and performance of the Group, that its data and statements are accurate and that it does not omit any fact material to the assessment of the Issuer's position.
Pursuant to Section 57 (1) of the Act CXX of 2001 on the Capital Market, the Issuer shall be liable for compensation for any damage caused by the non-disclosure or misleading content of regulated information.
I accept responsibility for the figures in this Report for the year end 2024 and for the accuracy of the analyses and conclusions.

Budapest, 11 April 2025

Gellért Zoltán Jászai
Chairman of the Board of Directors

4iG PLC

MANAGEMENT REPORT

ACCORDING TO THE HUNGARIAN ACCOUNTING LAW

31 DECEMBER 2024

MANAGEMENT REPORT

CONTENTS

1. General information about the Company

The general information about the Company (4iG Plc) is included in point 1 of the business report of the standalone financial statement.

2. Summary

The first phase of the 4iG Group's transformation program was successfully completed in 2024, which was a key period in the Group's strategic development. As a result of the completed restructuring, 4iG Plc organized its activities into four holding companies, clearly separating the different business lines and strategic directions.

The aim of the restructuring of 4iG was to create a modern, efficient and well-differentiated group of companies, so that the new structure would ensure long-term growth and improve market competitiveness. As a result of the restructuring process, 4iG Plc became the majority owner of the newly established holding companies.

The second phase of the transformation will continue in 2025 with the merger of the telecommunications trading and infrastructure companies, which will contribute to the Group's long-term growth. These strategic transformations are expected to enhance Enterprise Value (EV) by HUF 400 billion, unlocking deeper synergies and significantly improving operational efficiency. Throughout the process, the 4iG Group has prioritized sustainability and innovation, ensuring a forward-thinking and resilient business model.

Business performance, key events

Rebranding

Rebranding plays a key role in transformation. As of 1 January 2025, the telecommunications companies of the 4iG Group - Vodafone Hungary, DIGI, Invitech and Antenna Hungária - will provide their services under a single brand name. Retail and small business customers will be able to access the services of the Group under the One Hungary brand, while medium-sized and large companies will be able to access the services under the One Solutions brand. The restructuring will contribute to strengthening the Group's market presence while ensuring a unified and innovative image.

One Magyarország Zrt.

With the separation of Vodafone Magyarország on 31 December 2024, the telecommunications company was split into two separate entities: a commercial company ("One Magyarország Zrt.") and an infrastructural one ("V-Hálózat Távközlési Zrt."). This was the final step in the Group's telecommunications structural separation, which will be followed by the merger of the member companies with the same function in 2025.

4iG Távközlési Holding Zrt.

On October 11, 2024, “ANTENNA HUNGÁRIA” Zrt., which encompasses the telecommunications portfolio of the 4iG Group, decided to establish four new Hungarian companies, which were registered as AH HÁROM Zrt., AH NÉGY Zrt., AH ÖT Kft. and AH HAT Kft. „ANTENNA HUNGÁRIA” Zrt. continued its operations as 4iG Távközlési Holding Zrt. from 1 December 2024, which also applied to the company's subsidiaries: the company renamed AH Egy Zrt. to 4iG InfraCo Holding Zrt., AH Kettő Zrt. to 4iG ComCo Holding Zrt., and AH Négy Kft. to 4iG Műsorszóró Infrastruktúra Kft.

On 27 November 2024, „ANTENNA HUNGÁRIA” Zrt. decided on the merger of the broadcasting businesses of AH Média Kereskedelmi Zrt. and AH Infrastruktúra Szolgáltató Zrt. As a result, the broadcasting businesses of AH Média and AH Infra will be merged into 4iG Műsorszóró Infrastruktúra Kft. on 28 February 2025.

IT division

The divestment of the IT division was completed on 31 December 2024, during which 4iG Informatikai Zrt. started its operations as a separate company, retaining the tools and professional capabilities required for its role as a market-leading systems integrator. With the divestment, 4iG Plc became the majority controlling owner of the companies managing the telecommunications, IT, space and defence industrial portfolios, but it will no longer be engaged in direct sales.

Market positions, impact of the economic environment on the business

After several successful acquisitions in Albania and Montenegro, the Group started preparations for entering the Northern Macedonian market and established a subsidiary named "One Macedonia Telecommunications". The new company was established by „ANTENNA HUNGÁRIA” Zrt., a subsidiary of the 4iG Group, which owns the Hungarian and Western Balkan telecommunications portfolio of the info communications group, following a decision of the Company's Board of Directors. The 4iG Group has also declared its market interest to the Macedonian Electronic Communications Agency through its subsidiary One Macedonia Telecommunications in a formal letter of intent.

4iG Group has partnered with Ericsson to build a new, high-performance mobile network in Albania. The investment is based on the 5G frequencies recently acquired by 4iG’s subsidiary One Albania. The subsidiary acquired the new frequencies for EUR 5.4 million in a market-based mobile frequency tender.

3. Employment policy

The HR vision of the 4iG Group is to create a work environment that builds on and continuously develops the skills of its employees, operates at high professional standards and is at the same time liveable, inclusive and motivating.

It's important for us to attract and retain young people, and to support internal career paths so that those thinking of moving on can find their next career move within the Group.

Our aim is to create and ensure an equal opportunities and non-discriminatory working environment, to promote diversity and to continue to explore the use of atypical forms of employment (home office, part-time work) in other areas. We believe in similar pay for similar work, regardless of gender, age and background, and our aim is to develop a harmonized job evaluation-based remuneration system based on individual knowledge, performance and value creation.

The Compliance area, also a stand-alone function, ensures that any complaints from our employees who identify any discrimination, or a hostile work environment are investigated by a compliance officer without bias and, if necessary, action is taken to remedy the cause.

The Group places the utmost importance on respect for human rights and therefore rejects all forms of forced labour and fights against all forms of modern-day slavery and child labour with the means at its disposal.

It is important for us to consolidate a coherent organizational culture and to develop common leadership practices through regular skills development training programs for our managers at different levels.

4. Innovation, research and development

The research and development (R&D) activities of the 4iG Group in 2024 play an important role in the implementation of the Group's long-term strategy, which aims to promote technological innovation, increase international competitiveness and support the digitalisation of the Hungarian economy. During the year, the Group invested significant resources in areas that not only helped to strengthen its market position but also to meet its sustainability goals.

One of 4iG Group's key R&D areas was the development of space technology and defence systems. The Group has been working on the design and development of its own satellite systems, primarily for earth observation, data transmission and defence purposes. These systems enable the provision of modern, high-precision data, which provides strategic advantages in both the domestic and international markets.

The Group's R&D activities have had a significant impact not only on the economy but also on society. The technologies developed by the Group have contributed to the digitalisation of the Hungarian economy and the development of the innovation ecosystem, while supporting the competitiveness of small and medium-sized enterprises. In parallel, the Group has strengthened its links with several Hungarian and international universities to accelerate innovation processes by enhancing research and education synergies. In the framework of strategic partnerships with universities, the Group is continuously exploring the launch of joint research projects, with a particular focus on artificial intelligence, IoT and sustainable technologies.

Building on the results of 2024, the Group intends to further expand its R&D activities in 2025. The Groups aims to develop new artificial intelligence-based data processing systems, while further developing its space technology portfolio and expanding its international presence. In the area of sustainability, the Group will focus on the use of green technologies and further improving energy efficiency.

5. Environment and sustainability

The 4iG Group pays special attention on the environmental cost during the financial planning.

At 4iG Group one part of the environmental costs and responsibilities arise from operations (waste management, operation of point sources), the other part is related to planned renovations and investments (modernization, replacement of point sources).

In case of waste management, to support circular economy, and based on economic considerations, the group member companies strive to change the status of the waste generated to the greatest extent possible and to sell the waste generated as secondary raw materials (e.g. dismantled lattice antenna towers, batteries, discarded equipment, etc.).

The Group is operating several point sources (e.g. back-up generators) in accordance with the air emission limits stated in the permits and in line with the given country's' legal requirements.

During the operation the 4iG Group is affected in waste management and air pollution. Group operation is not affected in industrial activity.

Environmental policy

The 4iG Plc is operating a MSZ EN ISO 14001:2015 environmental management system, and as part of it the management has defined the principals and requirements regarding the protection of the environment. The group member companies are expected to operate in accordance with these principals.

The protection of the environment and the operation in accordance with the relevant legal requirements is our primary focus. The 4iG Group considers environmental protection and sustainable development, their social and economic aspects, to be of paramount importance. During its activities, it takes responsibility for the protection of nature and the environment and for improving the state of the environment.

When planning the point source replacement in 2025 the technical developments and economic aspects were taken into consideration at one of our sites. In case of 3 other sites the energy efficiency is the key driver pf the replacement. With the replacement the specific rate of the heat generation units will be reduced resulting reduction in energy demand and air polluting emissions.

6. Internal audit

The Group has an independent internal audit department which aims to provide a risk-based approach and objective assessment of the effectiveness of the Group's internal control system. The activities of the Internal Audit function are overseen by the 4iG's Supervisory Board which is approved by the 4iG Plc's Supervisory Board and it reports directly to the Supervisory Board.

Data in millions of HUF, unless otherwise indicated

7. Financial indicators

7.1. Financial instruments

The Group's financial instruments are described in Note 49 Financial instruments.

7.2. Liquidity

The Group's information about liquidity is described in Note 48 Risk management.

8. Corporate governance

8.1. Share capital

The share capital of the Company is HUF 5,981,499,480 out of which amount HUF 3,967,835,820 are contributed in cash, while HUF 2,013,663,660 are contribution in kind.

The share capital of the Company consists of 299,074,974 pieces of 'A' series dematerialized ordinary Share at the nominal value of HUF 20. The shares are subject to provide equal rights and commitments in every aspect. The shares shall hereby provide equal shareholder rights.

8.2. Shares

Chapter 7 of the current Articles of Association, adopted on 9. January 2025 provides for the transfer of shares; it does not contain any restrictions on the transfer of shares or the exercise of voting rights. The Company is not aware of any agreement between the shareholders that would result in a restriction on the transfer of the issued shares or voting rights.

Shareholders holding more than twenty per cent of the Company's shares at the time of preparing this report:

iG COM Magántőkealap	38,93%
Rheinmetall AG	25,12%

8.3. Executive officers

The relevant provisions of the current Articles of Association adopted on 9. January 2025 includes the following provisions for the executive officers:

- appointment and removal and on the amendment of the Articles of Association,
- responsibility, in particular their powers to issue and buy back shares

8.4. Corporate governance statement

The Company is a public company listed on the Budapest Stock Exchange and its ordinary shares are admitted to trading on the regulated market operated by the Budapest Stock Exchange. In 2023, the Budapest Stock Exchange published its Corporate Governance Recommendations (Recommendations), which contain recommendations and suggestions regarding the corporate governance practices of companies listed on the Budapest Stock Exchange. The Recommendations are available on the website of the Budapest Stock Exchange: https://www.bet.hu/Kibocsatok/Ajanlasok-kibocsatoknak/Felelostarsasagiranyitas. The Company will make an annual declaration of compliance with the Corporate Governance Recommendations of the Budapest Stock Exchange, which will be published both on the website of the Budapest Stock Exchange (www.bet.hu) and on the website of the Company after approval by the General Meeting. The statement shall describe and explain any deviations from the recommendations and the main features of the Company's internal control and risk management systems in the context of the preparation of the financial statements.

9. Material changes after the balance sheet date

Significant events after the balance sheet date are described in Note 53 Events after the balance sheet date.

10. Risky projects

In its operations, the Group seeks to minimise the business risks arising from its projects and only engages in collaborations that do not damage its professional reputation and social standing.

4iG Group conducts its business in a manner that always complies with the law and the highest ethical standards, regulations and practices in the industry. A Code of Ethics has been established, and the Group is committed to upholding it.

11. Sustainability statement

We present the Group's consolidated sustainability statement on the following pages.

4iG PLC
CONSOLIDATED SUSTAINABILITY STATEMENT

ACCORDING TO HUNGARIAN ACCOUNTING LAW
31 DECEMBER 2024

CONSOLIDATED SUSTAINABILITY STATEMENT

CONTENTS

1. General information

1.1. About the report

Reporting period	1 January – 31 December 2024 (financial year of 2024)
Reporting frequency	Annually
Verification by a third party	The report has been verified by limited assurance

Section 134/J. § (1) of the Accounting Act requires the Company to prepare its consolidated business report, including the consolidated sustainability statement, in the electronic reporting format (XHTML) specified in Commission Delegated Regulation (EU) 2019/815 (ESEF Regulation). Furthermore, the Company must tag the sustainability disclosures defined by the ESEF taxonomy in the consolidated sustainability statement using the XBRL markup language, including the disclosures required under Article 8 of Regulation (EU) 2020/852. However, since the ESEF taxonomy for sustainability statements has not yet been adopted, the Company was unable to perform the XBRL tagging.
The report on our sustainability performance is published as an integrated part of the consolidated financial report of 4iG Group (hereafter: 4iG, 4iG Group or the Group). The integrated annual report is prepared in Hungarian and English, and in case of any discrepancy, the Hungarian version shall prevail. Since 2021, the 4iG Group has prepared voluntary sustainability reports in accordance with the guidelines of the Global Reporting Initiative (GRI). The report for the year 2024 presents the activities, operations and achievements of the 4iG Group in accordance with the guidelines of the new Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which are part of the CSRD. The new directive sets more stringent requirements for sustainability reporting from 2024.
In accordance with legal requirements, the Group has engaged Ernst & Young Könyvvizsgáló Kft. to provide a limited assurance opinion on the Consolidated Sustainability Report. The limited assurance opinion is published together with the integrated report.
The scope of consolidation is the same as that used in the financial statements. The 4iG Group prepares a consolidated sustainability report and the subsidiaries included in the consolidation are exempt from individual or consolidated sustainability reporting. 4iG Nyrt., - as the parent company - also publishes a separate report in accordance with legal requirements.
The 4iG Group has numerous stakeholders, including the European Union and the countries in which we operate, management, employees, subcontractors, suppliers, consumers, owners and shareholders, all of whom are of great importance to our activities. The report provides more detailed information about upstream (such as suppliers) and downstream (such as B2B and B2C customers) value chain in the relevant chapter (see: 'Our Activities and Value Chain' chapter). In the materiality assessment, the 4iG Group has assessed and considered the impacts, risks and opportunities of the upstream and downstream value chain.

During the reporting period, the 4iG Group did not make use of the option to omit specific information relating to intellectual property, know-how or innovation results. In its sustainability report, the 4iG Group has not made use of the option of exemption from disclosure of impending developments or matters during negotiation, which would be an option for our Group under Directive 2013/34/EU.

The time horizons provided in the ESRS standard are used by the 4iG Group to communicate its sustainability performance. The time horizon described in the ESRS has also been used to define the impacts, risks and opportunities assessed in the materiality assessment: short term - less than 1 year; medium term - 1-5 years; long term - more than 5 years.

In our report, we strive for factual accuracy in the numerical data presented. Where comprehensive data is not available, we have used estimates or calculations, which are detailed in the explanations of the numerical data in the relevant chapter. For data disclosures based on estimates, we indicate our assumptions and the level of estimation uncertainty in a separate descriptive section, which we believe is necessary for interpreting the estimated data. None of the metrics presented in our report have been verified by an external body other than our auditor, Ernst & Young Könyvvizsgáló Kft.

Estimations using sector averages and approximations

In the operational areas of the 4iG Group, the use of a local public service provider is mandatory for the management of municipal and selective waste. Pursuant to Government Decree 309/2014 (XII. 11.) on waste registration and reporting obligations, waste producers are not required to keep records of waste falling within the scope of waste management public service activities in accordance with Section 66(1) of Act CLXXXV of 2012. On the basis of these provisions, the public service provider does not certify the measured quantity back to the waste producer, and therefore we can only determine the amount of municipal waste collected under the public service through estimation. The municipal waste generated is calculated on the basis of the volume of the containers and the frequency of emptying in accordance with the current standard for waste containers, Msz EN 840-1:2013, and for the calculation we also used an assumption based on headcount. The standard on which the calculation is based specifies the maximum amount of waste that can be collected in standard waste bins. The size of the waste bins at the sites varies (120; 240; 1100 litres and 5 m^3 volume).

Relevant energy consumption data from local suppliers (e.g., fuel, purchased electricity and district heating) for each month of the calendar year 2024 was not available by the reporting deadline so for these months, in assessing Scope 1 and Scope 2 categories and reporting our energy consumption, we used measured consumption data from the corresponding periods of the previous year as the best available reference. This approach was only used where the energy-consuming entity reported unchanged structural and operational relationships. Where primary and historical data were not available, we estimated using 'proxy' data (operational area (m^2)). The frequency and extent of these estimates are considered to be negligible and low.

Another factor in the estimation uncertainty stemmed from application of the emission factors used. Our Group strived to calculate with the most accurate factors possible, but this was not always possible. In order to be able to make an assessment of magnitude in the absence of more accurate data, we used spend-based data collection several times in Scope 3, which is at the bottom of the credibility hierarchy, thus increasing the level of uncertainty.

Finally, a so-called scenario uncertainty factor was included for certain processes. This was mainly related to Scope 3 emissions from the use of sold product, where we had limited information on how our service is used by users (e.g. how often, for how long). This led us to make estimates based on educated guesses, which also led to increased uncertainty.

During the assessment, we established an ordinal scale based on the GHG Protocol Guidance[1]. According to this, the assumed level of assurance of the given emission source was categorised as 'high', 'good', 'fair' and 'poor, based on expert judgement.

Our aim is to significantly reduce the extent of these sources of uncertainty in the future. To this end, we plan to implement an Inventory Management Plan (IMP), which will result in more accurate, transparent and consistent data collection and reporting.

No actions were taken during the reporting period to improve the accuracy of the metrics, but this is included in our short-term objectives.

In order to provide as complete a picture as possible of the specificities of our Group of companies' activities, we also present entity-specific indicators adapted from sustainability reporting standards other than the ESRS, as listed below.

- Global Reporting Initiative (hereinafter: GRI) draft standard on remuneration and working time: indicator REWO 7 - Monitoring of working time[2]
- Indicator GRI 418-1: Substantiated complaints about breaches of customer privacy and loss of customer data[3]
- GRI Telecommunications Sector Supplement indicator on the extent of availability of telecommunications products and services[4]
- ISO 37002:2022 Whistleblowing management systems. Guidelines - Indicator showing the number of cases of incident investigated and closed[5]

The 4iG Group is exercising the omission option for first-phase reporting companies, which is the option to omit the comparison of metrics and therefore does not compare the metrics reported in the 2024 report with the metrics reported in the previous reporting period. Except in the case of the EU Taxonomy report, where 2023 data is also presented.

1.2. Our activates and value chain

The 4iG Group, a majority-owned Hungarian group headquartered in Budapest, is the leading integrated telecommunications, IT systems integration, space and technology services provider in Hungary and the Western Balkans region, and a key player in the knowledge-based digital economy. The parent company of the Group is 4iG Nyrt., a capital market company listed in the Premium Category of the Budapest Stock Exchange. 4iG's companies are leading residential and business service providers in the region's digital transformation and telecommunications development.

4iG has been present in the field of ICT technologies in Hungary for almost three decades, with a strong track record in all segments of innovative digital solutions. The company has implemented a comprehensive expansion strategy since 2020, with a series of successful acquisitions in new service areas such as telecommunications, space industry, technology and defence, as well as new markets in Hungary, Montenegro, Albania and Israel. The Group's growth and international partnerships demonstrate 4iG management's commitment to technological advancement and continuous development.

[1] reference (p. 13-15): https://ghgprotocol.org/sites/default/files/2023-03/ghg-uncertainty.pdf (GHG Protocol guidance on uncertainty assessment in GHG inventories and calculating statistical parameter uncertainty, Table 2&3)
[2] reference (p. 28): https://www.globalreporting.org/media/btfluea2/gri-topic-standards-for-labor_gri-remuneration-and-working-time-exposure-draft.pdf
[3] reference (p. 6): https://transparencylab.org/Documentation/Advocacy,%20Monitoring,%20Sustainable%20-%20Responsible%20Initiatives/Global%20Reporting%20Initiative/GRI%20418%20Customer%20Privacy_2016.pdf
[4] reference (p. 9): https://cdn.prod.website-files.com/64abf03488f32826460fe327/64dced6b4d3f0bd8a0cf3a4e_6398b14d7bfc81460de41bd4_gri_telecom-supplement-july-2003.pdf
[5] reference (p. 6): https://www.iso.org/standard/65035.html

In response to market changes, the Group of companies is constantly expanding its services, its pool of professionals and its portfolio. 4iG's integrated and interdependent telecommunications, IT, space industry and technology services provide a significant competitive advantage over traditional IT or telecommunications companies.

In 2024, the 4iG Group had 35 subsidiaries in 4 countries and 8402 employees. More detailed information on employees can be found in the "3. Social information" Chapter.

Telecommunications

By 2024, the 4iG Group has become one of the region's leading telecommunications service providers, with the majority (87.85%) of its revenues coming from telecommunications. The 4iG Group's telecommunications portfolio in Hungary and the Western Balkans will be consolidated by Antenna Hungária Zrt., in which the Hungarian state holds a 23.22 percent stake. Antenna Hungária Zrt. changed its name on 1 December 2024, and is now reported as 4iG Távközlési Holding Zrt. Domestic acquisitions made in recent years - including the acquisition of Vodafone Magyarország Zrt., DIGI Távközlési és Szolgáltató Kft. (“DIGI”), Invitech ICT Sevices Kft. and HungaroDigitel. On 31 December 2024, Vodafone Magyarország Zrt. was restructured and as a result of the rebranding process, it will continue to operate under the name One Magyarország Zrt. Accordingly, it will be referred to as One Magyarország throughout the report. 4iG Group, owner of ONE Crna Gora in Montenegro and ONE Albania in Albania, is the leading telecommunications and infocommunications operator in the Western Balkans.

Information Technology, Digitalisation

4iG Group has been operating in the IT market for almost 30 years and has been one of the significant system integrators in Hungary since 2021. The Group’s IT services include data centre and cloud services, cyber security solutions and business systems integration.
4iG operates a platform- and vendor-independent IT portfolio and collaborates with the world’s leading hardware and software vendors. Its services aim at the digitisation of the business and government sectors. The Group’s activities cover IoT solutions, data-driven systems, blockchain technology and artificial intelligence. Its infrastructure providers and suppliers meet industry standards for cybersecurity.

The 4iG Group portfolio includes the following IT services:
- Remote Assistance Services,
- Programming and Software Development,
- Data Networking and IT Security Solutions,
- Data Centre Infrastructure Management,
- Hardware Maintenance,
  SAP Integration,
- Media Platform Operation

Space industry and technology

The 4iG Group’s space industry and technology portfolio is managed by 4iG Space and Technology Zrt. (4iG S&T Zrt.), with main market areas in space industry and satellite development, drone manufacturing and defence, and defence digitalisation. 4iG’s subsidiaries are partners of some of the world’s leading space agencies such as NASA, ESA, JAXA and DLR.
The Group’s space manufacturing capacity is provided by the REMTECH Space Manufacturing Centre, a greenfield investment of REMRED Zrt., a member of the Group, dedicated to the development of space assets and the manufacturing, assembly, integration and testing of medium satellites up to 400 kg. The state-of-the-art facility, the only one of its kind in Central and Eastern Europe, will become operational in 2026.
In addition to these, 4iG’s capabilities also include drone development and manufacturing (Rotors and Cams Zrt.), satellite ground signal processing (Hungaro DigiTel Kft.) and satellite design (CarpathiaSat Zrt.).

Vision for the future

The 4iG Group aims to serve residential, business, and government needs with digital solutions and technological developments. The Group provides IT and telecommunications services in Hungary and the Western Balkans and has expanded its operations through several acquisitions in recent years. As a result, 4iG has become a converged IT and telecom service provider able to compete with the larger telecom companies in the market.

In the autumn of 2023, the 4iG Group launched its transformation programme aimed at restructuring the Group's operations and increasing its efficiency. The programme aims to create more than HUF 400 billion of added value in the medium term. The 4iG Group continues to expand its resources and enter new markets through acquisitions.

In addition to IT and telecommunications, the 4iG Group is also expanding into the space industry and technology sectors, which could provide further growth opportunities for the Group.

Since 2021, the greatest challenge for the 4iG Group has been the organisational expansion and the tasks associated with it. The subsidiaries that have joined the Group need to harmonise their operations in a number of areas, which requires the standardisation of internal rules, policies and processes. This process is still ongoing at the time of preparing this sustainability report.

Value chain

The key players in the 4iG Group value chain are detailed in the table below.

Upstream *Procurement of products and services*	**Own operations** *Network operation, development of services*	**Downstream** *Sales of products and services*
Technology partners (software providers, hardware manufacturers, IT equipment manufacturers, network developers, maintainers) **Data centre cloud solutions and systems**	**Activity** **Telecommunications:** provision of networks (mobile, internet, fixed) **Product sales:** smartphones, laptops, TV sets, other electronic devices **IT solutions:** business systems, systems integration, cybersecurity consulting/technology integration, IT systems management **Space industry and technology:** Satellite services (data transmission and broadcasting) Drone development and manufacturing	**Operators and service providers** **Vendors** **Clients (business and residential)**

Upstream: The Group's suppliers are mainly technology partners, telecom service providers (mobile phone manufacturers, mobile phone equipment and component suppliers) and network developers and maintainers. The 4iG Group's procurement strategy is based on a mix of local and international suppliers. The 4iG Group's technology partners provide IT tools, data centres, software and hardware for the Group's data centre, cloud services and cyber security solutions. Engineers build complex and secure infrastructures using hardware and software tools, data centres or services provided by the 4iG Group's telecommunications partners - including network equipment manufacturers, optical and wireless equipment suppliers and software solution providers - contribute to the 4iG Group's ability to operate modern, high-capacity communications networks.

Own operations: 4iG Group's activities include the provision of telecommunications networks, the development of IT solutions and systems integration, and the sale of technology equipment. Our activities aim to provide our customers with a stable infrastructure, advanced digital solutions and reliable services, thereby promoting digitalisation and innovation.

Main areas of activity:

Telecommunications – Providing mobile, internet and fixed networks that enable stable and reliable connectivity for residential and business customers.

Product Sales – Distribution of smartphones, laptops, televisions and other electronic devices that support modern digital lifestyles and business efficiency.

IT Solutions – Business systems development and integration for enterprises and institutions, systems integration and cybersecurity technology consulting to help customers operate efficiently and securely. IT systems operation to ensure the smooth functioning and maintenance of IT systems.

Space industry and drone technology – the 4iG Group provides advanced satellite data transmission and communications solutions, as well as innovative drone technology developments that contribute to the digital evolution of modern industries. Satellite solutions provide greater geographical coverage and rapid transmission of critical data, while drone technology developments provide sustainable and efficient tools for various industries, helping to optimise their operations.

Downstream: The Group carries out its operations, service and business sales activities through subcontractors, typically recruitment agencies. IT systems solutions and network maintenance are provided by operations and service personnel who are also subcontractors of the Group. As part of its telecommunications services, the Group operates a number of points of sale, primarily aimed at serving residential customers. These outlets are generally not staffed by the 4iG Group's own employees, but by employees of recruitment agencies.

Results, value created: Through its activities, the 4iG Group creates value for its customers by providing a stable and reliable digital infrastructure, supporting the digitalisation of businesses and public institutions, and promoting economic and social development.

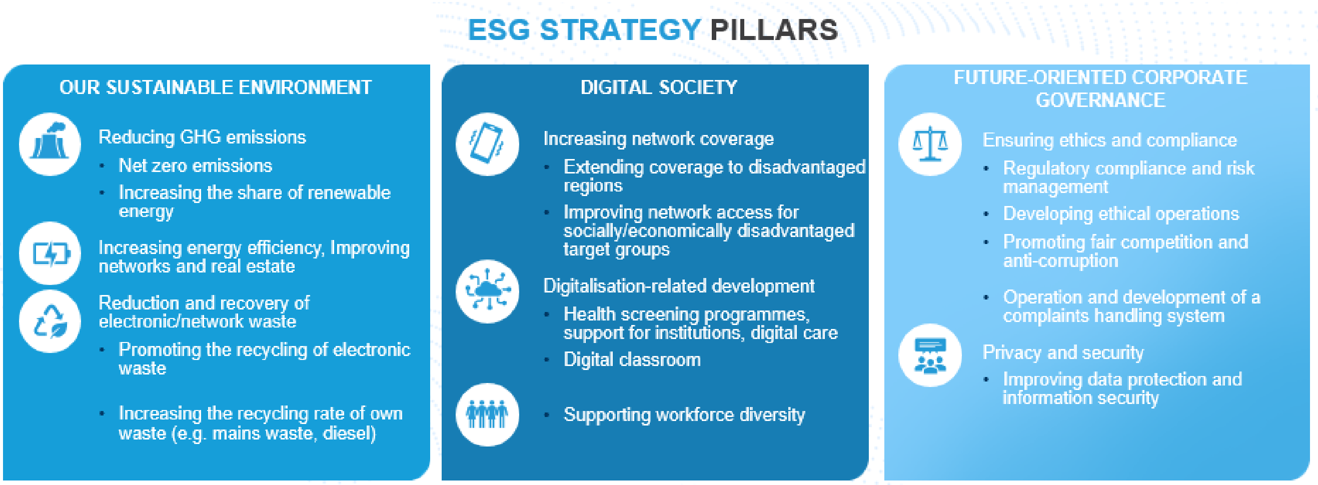
Stable network coverage (mobile, internet, fixed) in the countries where it operates, ensuring uninterrupted communications, continuous availability and access to modern digital services.

Digitisation of public institutions and enterprises through the 4iG Group's IT solutions, contributing to increased efficiency, sustainable operations and competitiveness. Digitalisation reduces the administrative burden and improves process efficiency.

The 4iG Group's goal is to support its customers in maximising the potential of the digital world through its innovative technology solutions and stable network infrastructure.

1.3. ESG strategy

During 2024, the 4iG Group developed its ESG strategy with a main focus on increasing energy efficiency, increasing renewable energy procurement, reducing generated waste, increasing digitalisation and diversity, which was unanimously approved by the 4iG Group's Sustainability Committee. We believe that through our activities and services we can contribute to meeting the challenges of climate change, e.g. by further strengthening digitalisation.



Key elements of the 4iG Group's ESG strategy:

- Increasing energy efficiency and renewable energy procurement, which play a significant role in reducing our direct (GHG emission reductions) and indirect emissions,
- Reducing the amount of electronic and operational waste generated and reusing it as secondary economic raw material to the highest extent possible, which not only supports the reduction of waste generation but also increases the proportion of recyclable materials,
- Increasing network coverage to support digital inclusion in less-developed regions (increasing coverage in disadvantaged regions and border communities, improving network access for socially / economically disadvantaged target groups)
- To support corporate diversity within the 4iG Group, the diversity of generations appearing within the 4iG Group, e.g.: between generations X, Y, Z, ensuring an appropriate balance between experience and fresh perspective,
- To ensure compliance of corporate governance with the relevant and expected legal requirements.

The results of the 2024 double materiality assessment, described in more detail in Chapter 1.7- help us to identify material impacts and risks affecting our strategy, which we address on an ongoing basis. Our short-term goal is to fully integrate these results and resulting actions into our strategy and sustainability reporting. We plan to define the exact financial or emission reduction percentages associated with our ESG strategy for each operational area once the transformation of the 4iG Group is complete.

The ESG objectives have not yet been broken down by product and service groups, customer categories, and geographical areas. The 4iG Group did not market any products or services that are prohibited in certain markets in the reporting year.

In developing the 4iG Group's strategy, business model and value chain, we build on the internal resources and knowledge base of our Group: we conduct competitor analyses and prepare strategic forecasting, and our service provider subsidiaries regularly measure the needs of our customers and the public. We have therefore also relied on our internal documents and on information gathered and provided by our specialist departments.

Our approach to collecting, developing and providing the data needed to produce this report is constantly evolving. In practice, the data collection process involves different departments within the organisation working together to identify and collect data relevant to the 4iG Group's sustainability objectives and reporting standards. This process includes analysing internal data sources, improving existing systems and ensuring data quality and reporting.

1.4. The management of the organisation

The governing body of the 4iG Group is the Board of Directors of 4iG Nyrt., which reports to the General Meeting; the governance system is described below. The most important governing bodies of 4iG Nyrt. are the General Meeting and the Board of Directors, while the Supervisory Board and the Audit Committee perform the control functions.

Their roles, responsibilities and the method of selecting their members are described below. The figures for the number of members of these bodies reflect the situation in 2024, the current information is available on our website and the relevant provisions are set out in the Articles of Association.

The 4iG Group pays attention to ensuring that the overall knowledge of its governing and control bodies is in line with the organisation's ESG aspirations. To ensure that our executives are up to date on sustainability issues, our senior executives attend a number of compliance, energy and quality management training courses. The Group Management, in conjunction with the Sustainability Committee, reviews annually, in parallel with the materiality assessment, whether the necessary expertise and knowledge to review and assess sustainability issues is available within the 4iG Group's functions and governance bodies. Where necessary, identified knowledge gaps are addressed through training or by involving external expertise to ensure that the impacts, opportunities and risks identified in the materiality assessment are fully assessed, interpreted and, where appropriate, identified.

General Meeting

The supreme body is the General Meeting of 4iG Nyrt., which consists of all shareholders. At annual (ordinary) and ad hoc (extraordinary) general meetings, the shareholders make decisions on the most important issues affecting the Company's operations and exercise their management and control rights.

The General Meeting is attended by the shareholders and - with the right to consultation - by the members of the Board of Directors, the Supervisory Board and the auditor of the company. The Board of Directors proposes the officers of the General Meeting, namely the Chairman, the Keeper of the Minutes, the Counter of the Votes and the Certifier of the Minutes.

Board of Directors

The Board of Directors of the Company is the executive body of the public limited company, and its members are considered to be the senior executives of the Company. In this capacity, the executives cannot be instructed by the shareholders or employees of the Company, and the Board exercises its rights and performs its duties as an independent body.

In accordance with the Articles of Association, the election, recall, and determination of the remuneration of the members of the Board of Directors fall under the exclusive competence of the General Meeting. In 2024, the Board of Directors of the Company consisted of eight members, electing the Chairman from among themselves. The Chairman of the Board of Directors of the Company is Gellért Jászai, the main shareholder of the Company.

The members of the Board of Directors are elected by the Annual General Meeting for an indefinite term, are eligible for re-election and may be recalled from office at any time. The Board of Directors is responsible for all matters relating to the management and business of the Company that do not fall under the exclusive competence of the Company's General Meeting due to the provisions of the Company's Articles of Association or the law. The election of the members of the Group's Board of Directors was not open to employee participation.

	2024
Managing director	7
Non-executive	1
Percentage of independent board members	12.5%
Women	0%
Men	100%

No measures to develop sustainability expertise and skills among the Group's Board members were taken in 2024. The members of the Board of Directors have the professional experience shown in the table.

Board member	**Professional experience**
Gellért Jászai	*After graduating from the College of Public Administration, he acquired a broad range of experience in property development and investment. As the founder and majority owner of the SCD Group, he directed a leading property development, tourism and venture capital investment company of the CEE region for almost a decade. In 2011, he started to work as a consultant in the international capital market. In 2015, he became Chairman of the Board of Directors as well as minority owner of Konzum* Nyrt. *and also Managing Director of Konzum Management Ltd. After the restructuring and repositioning of the company, he directed the merger of Konzum Nyrt. and OPUS GLOBAL Nyrt.As of August 2018, he has been the President-CEO of 4iG* Nyrt. *Today his investment activity focuses solely on IT and the ICT market: after selling his previous interests, he became the main shareholder of the company in July 2020.*

Board member	Professional experience
Aladin Linczényi	*After graduating from the College of Modern Business Studies and Corvinus University of Budapest, he started his career at the General Value Turnover Bank (ÁÉB). In 2004, he joined the team of Raiffeisen Bank Ltd., where he worked as a branch director, then, from 2011, as a regional director. From 2012, he directed the property investment and property sales activity of KONZUM Management Ltd. In 2015, he became the Managing Director of KPRIA Hungary Ltd., in 2016, a member of the Board of Directors of KONZUM Plc., in 2017, a member of the Board of Directors and also the CEO of Konzum Investment Fund Management Nyrt.Since 2018, he has been the General Deputy CEO of 4iG* Nyrt. *and a member of the Board of Directors of the IT corporation.*
Blénessy László	*He graduated as a technical IT specialist from the University of Pécs. In 1997, he joined Daten-Kontor Ltd., a forerunner of today's T-Systems Hungary, where he filled several leading roles before becoming the company's managing director and co-owner. In 2011, Daten-Kontor became a subsidiary of the Magyar Telekom Group, where he kept his role as Managing Director. In the following years he directed the corporate application development business of IQSYS Ltd. as well as Daten-Kontor jointly. From 2018, he worked with the CEO of INNObyte Ltd. as his consultant. In 2020, he acquired a majority share in the company, and he was responsible for the management of commercial and production processes as well as for strategy, innovation and business development. In 2020, the majority block of shares was acquired by 4iG, following which he was elected as a member of the Board of Directors of the capital market company. In recent years, László Blénessy has played an active role in the operational management of the corporate group. Following the acquisition of Vodafone Hungary, he served as the interim CEO of the company. From April 2022, he also undertook the role of CEO at Antenna Hungária for nearly a year. Until March 2024, he held the position of Deputy CEO responsible for technology within the 4iG Group.*
Péter Fekete	*He graduated from Corvinus University in 2005. Additionally, he studied at HEC in Paris and also attended the MBA program at the University of North Carolina. He started his professional career in London, at CIBC World Markets, a Canadian investment bank. Afterwards, he worked for several renowned international investment banks such as UBS Investment Bank, Jefferies International and Houlihan Lockey, where he acquired significant experience in acquisition and corporate finance. He joined Konzum Nyrt.as Deputy CEO in September 2017. He has been working for 4iG Nyrt.since July 2019, initially as presidential consultant, and the, since summer 2020, as Deputy CEO and a member of the Board of Directors.*
Pedro Vargas Santos David	*Pedro Vargas Santos David received his degree in Economics from Universidade Nova de Lisboa in 2006, but also holds a master's degree in business administration from the university of INSEAD. Furthermore, he also studied at Harvard University receiving two degrees in different fields and is currently a PhD candidate in Political Science at the University of Católica Portuguesa. He started his career at McKinsey & Company as a management consultant in 2006 and has held numerous responsibilities throughout the years in many various market leading companies in Portugal, such as Jeronimo Martins Group and PB Colombia, in which he assumed the position of CEO. Currently he is the CEO and Managing Partner of Alpac Capital as of 2013. He is also an Adjunct Professor of Nova School of Business and Economics.*
Csaba Thurzó	*He holds a BSc degree in Business and Economics from the Budapest Business School and a complementary degree in legal studies from the Eötvös Loránd University. He started his professional career as a portfolio manager at Forrás Vagyonkezelési és Befektetési Inc., then he was the Chief Investment and Shareholder and Press Relations Officer between 2003 and 2004. In 2005, he joined Magyar Posta Ltd., where he became Chief Controlling Officer in 2011 and then he was Deputy CEO for Finance between 2017 and 2018. In September 2018, he became Deputy CEO for Finance and Operations at 4iG Nyrt.He has more than 18 years of*

Board member	Professional experience
	leadership experience. In 2016, the Budapest Business School recognised his professional achievements with a silver ring. At the 2020 Budapest Economic Forum, he was recognised as one of the best financial managers in Hungary and received the CFO Master 2020 award. Member of the Board of Directors of 4iG Nyrt.from September 30, 2024.
Gábor Tomcsányi	*After graduating from the Budapest University of Economics and the French ESSCA in 1997, he began his career at CIB Bank in the Project and Structured Finance Department as a department head. In 2001, he became the Director of Finance and later the CEO of SCD Group, a prominent real estate development, tourism, and venture capital investment firm in Central and Eastern Europe. Subsequently, he worked as a capital market advisor and co-owner of Hillside International, facilitating numerous real estate investments and developments in Hungary. From 2018, he served as the CEO of Appeninn Plc., the largest real estate investment and asset management company on the Budapest Stock Exchange. Simultaneously, he was appointed Chairman of the Supervisory Board of 4iG Nyrt.and later became an advisor to the CEO of the company. Since September 1, 2022, he has been leading the operational and support areas of the 4iG Group as the Group's Deputy CEO of Operations. He oversees corporate governance, communications, HR, security, quality management, investment and property management, legal, and procurement at the group level. Member of the Board of Directors of 4iG Nyrt.from September 30, 2024.*
Béla Zsolt Tóth	*As an IT engineer, he has more than 25 years of professional and project experience in the IT market. He started his career within the group in 1995 at HUMANsoft Ltd. He directed the professional businesses for more than a decade as a technical director, then from 2006 to 2010 he filled the role of managing director at the company. To date, he is a member of the Board of Directors of the 4iG Group and works with the CEO as his consultant.*

Supervisory Board

The Supervisory Board supervises the management of the Company for the supreme body of the Company. In this context, it may request information from senior executives and inspect the books and records of the Company. The General Meeting decides on the election, recall and remuneration of its members.

The Supervisory Board consisted of 4 independent members in 2024. Its duties, powers and operation are determined in the Civil Code, the Articles of Association and the Rules of Procedure of the Supervisory Board.

Audit Committee

The three members of the Audit Committee are elected by the General Meeting from among the independent members of the Supervisory Board. At least one member of the Audit Committee must have accounting or auditing qualifications. The duties, powers and operation of the Audit Committee shall be determined by the Civil Code, the regulations of the Budapest Stock Exchange and the Articles of Association.

1.5. Organisational governance of sustainability

Within the 4iG Group, there are several internal committees structured around professional topics, the most important of which for sustainability reporting is the Sustainability Committee. The Committee's objective is to establish and coordinate ESG operations and to develop a unified sustainability, environmental and quality management strategy that applies to all member companies and raises sustainability commitments to the same level.

The CEO of the 4iG Group has decided to establish a Sustainability Committee. The Sustainability Committee is an advisory, opinion-forming and decision-preparing body to the CEO. The Sustainability Committee is chaired by the General and Transformational Deputy Group CEO for Operation, who is responsible at the highest level for the functioning of the Sustainability Committee. The operational leadership is carried out by the Group Head of ESG and Sustainability, who ensures the coordinated implementation of ESG objectives and policies across the Group. The Committee has group-level authority, and its operation is regulated by the 4iG Group ESG and Sustainability Policy.

In 2023, we started to develop an organisational structure to support the management and implementation of ESG activities to create synergies between the Group and its member companies. This supports consistent sustainability data collection and smooth data provision and reporting. It also supports cooperation with related specialised areas and the compliance of future activities with ESG aspects. The governance function responsible for managing impacts, risks and opportunities within the Group is the Sustainability Committee. The Sustainability Committee is a Group-level support committee that provides central approaches on ESG issues and sets principles and guidelines for all our subsidiaries. The Committee specialises in dealing with ESG issues in a complex way, so no single function has a mandatory reporting line to it, but each function can consult it for guidance. Where necessary, the Sustainability Committee may seek advice from the Group's senior executives for specific decisions or information but does not take independent decisions. Where appropriate, the Sustainability Committee may initiate Group-level projects on a significant sustainability issue. The subsidiaries of the 4iG Group operate several certified ISO management systems. Our subsidiaries operating in the IT sector have ISO 9001 and ISO 14001, and our subsidiaries operating in the telecommunications sector have ISO 9001 and, if related to their operations, ISO 27001 management systems (One Magyarország Zrt., DIGI Kft.). In addition, 4iG Nyrt. has ISO 37001, 45001 and 50001 management systems. These management systems and the procedures implemented and operated on the basis of them help to effectively manage areas, including those related to sustainability, and monitor compliance with the measures identified for risks and impacts. Management processes are constantly being improved and made more efficient so that the business can respond quickly and effectively to emerging challenges and opportunities. The management reviews the organisation's governance systems regularly, on an annual basis to ensure their continuous suitability, adequacy and effectiveness.

In accordance with its annual work plan, the Sustainability Committee meets at least four times a year. The annual work plan is adopted by the Sustainability Committee at its last committee meeting preceding the year in question. The work plan includes the planned dates and agenda of the meetings as well.

The members of the Sustainability Committee are:

- Chairman: General and Transformational Deputy Group CEO for Operation
- Group Head of Procurement
- Group Head of Compliance
- Group Human Resources Director

- Group Head of Legal and Regulatory
- Group Head of Quality Management and Internal Regulatory
- Group Head of Corporate Governance and Operations Development
- Group Head of Corporate Affairs and Communications
- Group Head of Accounting
- Group Head of Treasury
- Group Head of Controlling
- Group Head of Tax
- Group Head of Finance Operations Director
- Group Head of Investment and Real Estate
- Government and International Relations Manager
- Group Head of Investor Relations and Capital Markets
- Group Head of ESG and Sustainability

Key objectives and main tasks of the Sustainability Committee:

Auditing role:

- To oversee all sustainability-related (“non-financial”) risks, policies, activities, strategies and systems;
- To check public sustainability reports in line with international standards;

Stimulating sustainability performance:

- To support continuous improvement of the 4iG Group’s ESG rating (EcoVadis). This includes assessing sustainability factors such as the environmental impact of business operations, social responsibility and governance practices, requesting information from the management of individual business units on environmental, social and long-term economic and sustainability risks and opportunities, and discussing mitigation and improvement actions related to those;
- To ensure that long-term economic, environmental and social considerations are integrated into the day-to-day operations of the 4iG Group.

The Sustainability Committee reports to the Company’s Board of Directors on the information published by the Group, while seeking information on specific topics from the relevant specialised areas. The Sustainability Committee reports to the Board of Directors on its work and results at least once a year. At one of the annual reporting meetings, the Sustainability Committee informs the Board of Directors about the impacts, opportunities and risks identified in connection with the materiality assessment, including feedback from stakeholders and the manner and outcome of stakeholder engagement in the materiality assessment process.

ESG and Sustainability Operating Model

1. **Governance and decision-making (Group level)**
   - The **Chairman's Cabinet** receives quarterly reports on performance according to ESG and sustainability KPIs.
   - There is continuous coordination between the **General Deputy Group CEO for Operations** and the **Sustainability Committee**, which meets every two months on key ESG and sustainability issues.
   - The role of the **Group Head of Quality Governance and Internal Regulatory** supports the provision of ESG compliance and regulatory frameworks.
2. **Competence Centre (Group level)**
   - The Head of **ESG and Sustainability** is a key player and reports bi-weekly on the progress of ESG and sustainability activities.
   - **Group level specialised areas** report monthly on the progress of ESG and sustainability actions, ensuring strategic alignment.
3. **Implementation (Member company level)**
   - **Designated member-company ESG officers** and **functional experts** report monthly on the progress of ESG and sustainability actions.
   - **The management of the member company** receives information quarterly on the performance according to ESG and sustainability KPIs.
4. **Coordination platforms**
   - To integrate ESG and sustainability objectives, **ESG working groups** and **functional working groups** provide continuous professional support.

     The ESG and Sustainability Working Group is a consultative platform for ESG and sustainability experts at Group and member company level. Its role is to share best practice, resolve issues and provide input into the development of Group-level ESG and sustainability objectives, policies and initiatives. It is chaired by Group Head of ESG and Sustainability. Functional Working Groups are coordination platforms for group-level and member company functional experts, which, similar to the ESG working group, help share good practices and clarify controversial issues. They also provide input for the development of specialized ESG and sustainability objectives, regulations, and initiatives. The working groups are directed by the leaders of the group-level functional specialized areas.

This structure ensures the integration of ESG and sustainability principles at an organisational level, clear lines of responsibility and regular monitoring at both group and member company level.

In 2024, there were still significant differences in the sustainability governance of individual member companies, which are planned to be mitigated during 2025 and 2026.

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

The 4iG Group's incentive mechanisms do not currently include elements of sustainability performance, including climate change considerations. Incentives need to be effective and aligned with the 4iG Group's business model and industry environment. The Group is exploring opportunities to integrate sustainability considerations into incentive mechanisms.

GOV-4 Due diligence

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	**1.5. Organisational governance of sustainability** **1.7. Double materiality assessment**
b) Engaging with affected stakeholders in all key steps of the due diligence	**1.7. Double materiality assessment** **3. Social information**
c) Identifying and assessing adverse impacts	**1.7. Double materiality assessment** **2.2. Energy, Climate Change Adaptation, Climate Change Mitigation** **2.3. Resource outflow related to products and services, Waste** **3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)** **3.2. Training and skills development** **3.3. Health and Safety** **3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment of inclusion of persons with disabilities, Diversity)** **3.5. Privacy** **3.6. Access to products and services**
d) Taking actions to address those adverse impacts	**2.2. Energy, Climate Change Adaptation, Climate Change Mitigation** **2.3. Resource outflow related to products and services, Waste** **3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)** **3.2. Training and skills development** **3.3. Health and Safety** **3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment of inclusion of persons with disabilities, Diversity)** **3.5. Privacy** **3.6. Access to products and services**
e) Tracking the effectiveness of these efforts and communicating	**2.2. Energy, Climate Change Adaptation, Climate Change Mitigation** **2.3. Resource outflow related to products and services, Waste** **3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)** **3.2. Training and skills development** **3.3. Health and Safety**

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
	3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment of inclusion of persons with disabilities, Diversity) **3.5. Privacy** **3.6. Access to products and services**

The 4iG Group applies due diligence procedures to identify, manage and monitor ESG impacts, risks and opportunities.

Key aspects and steps of the due diligence process include an annual assessment by the Sustainability Committee of the material environmental and social impacts of the Company's operations, supply chain and stakeholders. The Group engages with relevant stakeholders – employees, suppliers, investors – to ensure transparency and consideration of wider risk considerations. In addition, the 4iG Group takes into account applicable legislation, international standards and industry best practice.

Regular ESG data collection and analysis of IROs (Impacts, Risks, Opportunities) are carried out from internal and external sources. ESG impacts, risks and opportunities are discussed by the Sustainability Committee and brought to the appropriate decision forums and decisions.

1.6. Our affected stakeholder relations

The 4iG Group is one of the players in the IT and telecommunications sector in the region, with an extensive upstream and downstream value chain. The value chain structure ensures supply stability, the application of sustainability principles and efficiency of business process.

- **Employees/Managers**: Due to its main activity, the Group's most important asset is its people and the community formed by its employees and partners, as they possess the knowledge, professional expertise and experience on which 4iG's services are built. For years, the HR function has been undergoing continuous improvement with a focus on people, employee experience and service HR.

  Employee satisfaction surveys, called the "Pulse Survey", are sent to employees of the 4iG Group by the Group's central HR department. The questionnaire was sent out three times in 2024 and the results of the questionnaire are reported in detail in Chapter 3.1 of this report.

  The 4iG Group communicates with its employees mainly by e-mail and through its own intranet pages with continuous internal communication and information. This ensures that employees have first-hand knowledge of the Group's key business decisions.

- **Customers (B2B - corporate and B2C - residential)**: The 4iG Group has been present in the field of innovative technologies in the industrial and non-industrial sectors for 30 years, during which time it has been in contact with a significant portion of national public, multinational and privately-owned companies. The Company could only achieve this success by making customer focus and quality work a priority. 4iG has made personal contact, professional training and direct communication a priority in its customer service and relations with clients. We also communicate with our clients through our website and e-mail.

The relationship of trust that 4iG has built with its B2C customers just like with its business partners supports a true understanding of needs and maximises customer satisfaction.

Strategic partners, business partners, suppliers: 4iG Nyrt. has implemented the Anti-Corruption Management System in accordance with ISO 37001:2019 standard. By obtaining this certification, 4iG has implemented the improvement of its corporate culture and the translation of ethical and business values into practical operations. Accordingly, it expects its suppliers and business partners to accept the terms and conditions prohibiting corruption and unfair business practices as part of its General Terms and Conditions (GTC) and to familiarise themselves with and accept its Code of Ethics for Business Partners. The 4iG Group has an established network of suppliers and business partners in many sectors of the economy and on a global basis. It is critical to the success of the group of companies to establish long-term business relationships with partners that are trustworthy, who themselves meet sustainability standards and who are increasingly integrating sustainability into their approach and operations. The 4iG Group's supply chain is based on close collaboration, building on relationships between suppliers and member companies and exploiting synergies available at the member company level.
The vast majority of the Hungarian subsidiaries' procurement budgets are spent with domestic suppliers.

- **Shareholders, Investors**: The management of the 4iG Group is aware of its fundamental duty to represent and promote the interests of shareholders and recognises its accountability through the performance and activities of the Company. Investor confidence is the primary basis for the achievement of the Company's strategic objectives and therefore it maintains continuous and active contact with all its shareholders through regular reports and announcements, who can participate in decision-making at the General Meeting.
  For the 4iG Group, the provision of comprehensive and transparent information to our investors are of paramount importance and forms an essential part of our activities. An integral part of this is the presentation of sustainability, which is not only one of our Company's strategic priorities but also reflects our commitment as a shareholder listed in the premium category of the Budapest Stock Exchange.
  Information is provided through a wide and diverse range of channels, including:
    - Roadshows and reverse roadshows, where we meet investors and analysts directly to share our most important results and plans.
    - Analyst and investor conferences, which give us the opportunity to present our business strategy and results, while receiving valuable feedback from market players
    - Video and conference calls, which allow us to communicate quickly and flexibly with our stakeholders.
    - Annual and Extraordinary General Meetings, which provide a platform for direct dialogue with shareholders.
    - Official announcements on the Company's website and on the Budapest Stock Exchange website, which ensure wide availability and transparency of information.
    - Press releases and public press conferences, which allow media representatives to be directly informed about our Company's news.
    - Active use of social media channels, which provide a modern and interactive means of communication.

- **Governmental institutions and regulators**: The 4iG Group acts in good faith and honestly, in accordance with relevant legal requirements in its operations, applying only permitted methods. The 4iG Group seeks to establish good and transparent relations with government and EU officials, as well as other external stakeholders, including through continuous communication with representatives and members of national and international professional organisations. Examples of such organisations are the National Media and Infocommunications Authority (NMHH), the Communications Reconciliation Council (HÉT) or the Association of Digital Enterprises (IVSz).

- **Civil organisations:** Stakeholders include local, regional and national communities, as well as specific groups, NGOs, businesses, schools and universities. We actively contribute to the economic and social development and digitisation of the communities in which the 4iG Group operates. We operate a separate 4iG Foundation, through which we provide ongoing support for such initiatives.

The aim of stakeholder engagement is to understand their needs and expectations, and to identify sustainability challenges and opportunities.

As part of the double materiality assessment, we prepared a questionnaire for external stakeholders; consumers, shareholders, investors, strategic partners, business partners, suppliers, governmental institutions, regulators, NGOs, where we listed the 4iG Group's topics that had been preliminarily determined to be potentially material, marking those topics that could be considered material and reached or exceeded the threshold value, and also marking those with a definition that did not reach the threshold value and therefore could not be declared material topics.

External stakeholders could decide whether or not to accept the 4iG Group’s material issues, in which case they were given the opportunity to provide their views and insights.
The evaluable responses received were taken into account in the evaluation process as a means of channelling external stakeholder opinion. The details and results of the double materiality assessment are presented in the next chapter.

Our short-term goals include taking an even deeper consideration of our stakeholders' views.

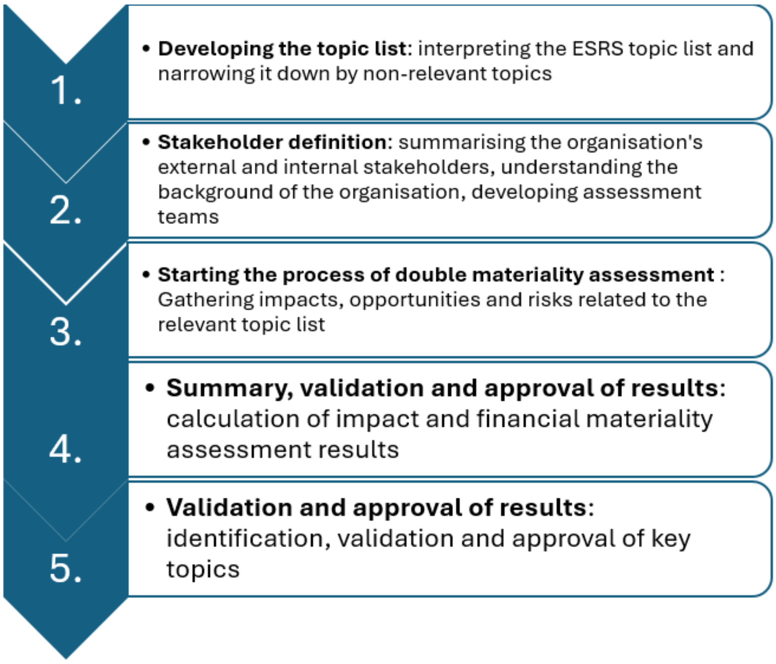
1.7. Double materiality assessment

During the preparation of our report, and in line with the requirements of the CSRD, we carried out a double materiality assessment in the last quarter of 2024 to identify the material issues on which we report our sustainability performance in line with the methodology required by the ESRS.
Sustainability reporting under the ESRS is based on the dual materiality principle of ESRS 1-21, so the materiality assessment is the starting point for sustainability reporting under the ESRS. The purpose of the analysis is to identify the material, sustainability-related impacts, risks and opportunities that need to be reported. A key element of this process is engagement with relevant stakeholders. Stakeholders are those who may have an impact on the 4iG Group, or on whom our Group may have an impact, and within this we distinguish between two main groups:

1. affected stakeholders: individuals or groups whose interests are affected or could be affected, positively or negatively, by the activities of the 4iG Group and its direct or indirect business relationships across its value chain; and

2. users of our sustainability reporting: primary users of our general-purpose financial reporting (existing and potential investors, lenders including asset managers, credit institutions, insurance undertakers) and other users of our sustainability reporting, including the 4iG Group's business partners, trade unions and social partners, civil society and non-governmental organisations, governments, analysts and academics.

The main process steps used to identify the material topic:



Following the double materiality methodology defined in the ESRS, we first identified the topics relevant to the 4iG Group's operations as defined in the so-called application requirements (ESRS 1 AR16). We divided the ESRS topics into 70 topic groups and then, in our initial analysis, classified 14 of the 70 topic groups as non-relevant because our operations do not relate to them for the double materiality assessment perspective. For the remaining 56 topics, we identified the most characteristics impacts, opportunities and risks arising from our operations or value chain, involving the relevant specialised areas and experts within the 4iG Group. Where relevant, we also considered, screened and analysed the opportunities and risks arising from the impacts, following the methodology described below.

In determining these, and subsequently in performing impact and financial materiality, we took into account the specific impacts, risks, and opportunities arising from the geographical location and activities of our group of companies and our suppliers, which may arise, for example, from a region's less comprehensive legal regulation or less developed occupational safety maturity. In addition, we benchmarked our review by examining reports prepared for the financial year of 2023 that were considered by the reporters to be ESRS-based for the steps in the process and consulted with Group level disciplines relevant to the assessments. We have also applied the due diligence process described in Chapter 1.6 – Organisational governance of sustainability – during the analysis of double materiality. Data and information related to the identification and evaluation of impacts, risks and opportunities were obtained from publicly available databases and our internal procurement records.

The resulting 48 negative impacts, 34 positive impacts, 56 risks and 56 opportunities were assessed, also with the help of our experts, using the following criteria. When identifying the risks and opportunities, we have examined the relationships arising from the dependencies and impacts of the

4iG Group and, where relevant, we have recorded and assessed them using the methodology described below.

- Impact assessment test criteria:
  - Degree of environmental and social impact (1, minimal, negligible – 5, very high);
  - Scale of environmental and social impact (1, limited – 5, global, total);
  - Likelihood of environmental and social impact (1, unlikely, almost never [<10%] – 5, guaranteed, almost certain [71%<]);
  - Where negative impacts were assessed, we also considered the reversibility of the impact (1, easily remediable – 5, irreversible);
  - In addition, we considered the following factors, which did not influence the impact rating: Location of impact (upstream, operational or downstream value chain); Time horizon of impact (short, medium or long term); Actual or potential nature of impact).
- Our assessment of financial materiality was based on our test criteria as follows[6]:
  - Probability of occurrence of risk or opportunity (1, very low, almost never – 5, almost certain);
  - Magnitude of financial impact (1, very low – 5, very high);
  - In addition, we also examined the following factors that did not influence the impact score: location of impact (upstream, operational or downstream value chain); time horizon of impact (short, medium or long term); type of financial impact (cash flow or equity).

The assessment against the above criteria has been performed using an expert judgement methodology, considering the internal information available to us on the assessment criteria. No other sources of input data or specific assumptions were used in our materiality assessment.

Following the assessment, our information materiality process determined the number of points above which an impact, risk or opportunity is considered material to the overall assessment scores. We set this threshold at 2.2 out of a maximum of 5 points for both impact materiality and financial materiality in order not to overlook an issue that is important to our business. Management’s decision to set the materiality threshold at 2.2 points was based on the results of the issue analysis and management’s view of the 4iG Group.

In validating our materiality assessment, we prepared a questionnaire for external stakeholders (consumers, shareholders, investors, strategic partners, business partners, suppliers, government bodies, regulators, NGOs), presenting our issues classified as material and non-material. By completing the questionnaire, external stakeholders could decide whether they agreed with the 4iG Group’s material issues. The evaluable responses received were taken into account in the evaluation process as a channel for external stakeholder opinion.

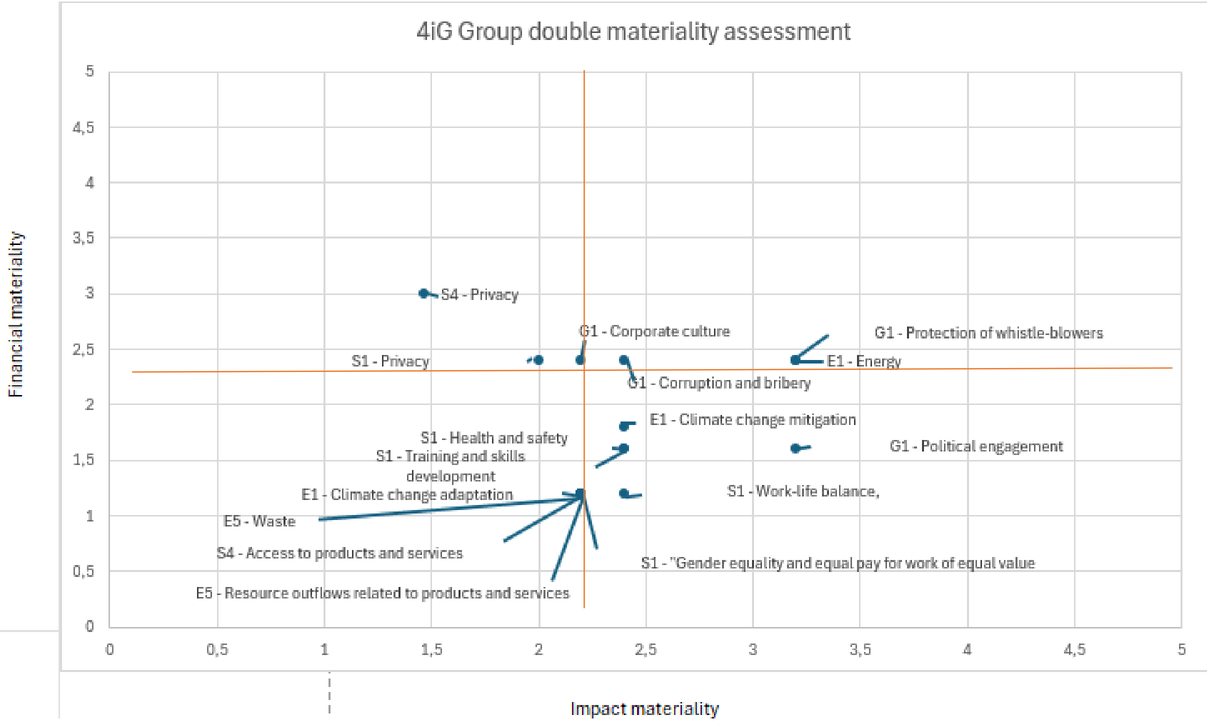
Following the validation of the list of material topics with external stakeholders, a final internal validation was carried out with the relevant specialised areas and the final list was then approved in a first round by the 4iG Group Sustainability Committee, chaired by the 4iG General and Transformational Deputy Group CEO for Operation. Following the approval by the Sustainability Committee, the Board also formally approved the 4iG Group’s double materiality assessment. This process aligns with the general approval process of the 4iG Group. The risks and opportunities identified in the double materiality assessment are not currently integrated in our standard risk

[6] *The process to identify, assess, and manage opportunities* is not currently embedded in the overall management process of the company.

management processes and will be considered in context at a later stage. Accordingly, sustainability-related risks have not been compared or ranked with other risk types or prioritised.

Following our evaluation scoring system, the figure below shows the impact and financial materiality classification of our topics identified as material

We classified a total of 10 topics as material solely based on impact, 2 topics solely based on financial materiality, and 4 topics based on both impact and financial materiality.



The results of the double materiality assessment provide a comprehensive picture of the environmental and social impacts of the organisation’s activities as well as the associated financial risks and opportunities

Topic		Impacts, risks and opportunities	Value chain	Time horizon	Chapter
E1 Climate change	(-)	The 4iG Group's infrastructure developments are aimed at mitigating the effects of extreme weather and rising temperature (e.g., new technologies, reinforced transmission towers, new energy supply systems). These may increase the demand for energy and resources, thereby increasing our own GHG emissions, which may have adverse impact on the value chain and the environment. (actual impact)	*Own operations Downstream*	*Medium term*	*2.2.*
	(+)	Lower carbon dioxide emissions thanks to energy-efficient technologies, thereby mitigating global warming and reducing local and global impacts. (actual impact)	*Upstream, Own operations, Downstream*	*Medium term*	*2.2.*
	(-)	The organisation uses more energy than necessary and emits more greenhouse gases, contributing to climate change, which could have negative consequences for the country and our customers through more extreme weather. (actual impact)	*Upstream*	*Long term*	*2.2.*
	(+)	Energy-efficient operation, reduced dependence on purchased energy. Reduction of greenhouse gas emissions, which can have a positive impact on potential investors, as there is increasing interest and expectation in investment decisions on this topic, and can also have a positive impact on customers who prioritise the 4iG Group's sustainability efforts before using products and services. (actual impact)	*Upstream*	*Medium term*	*2.2.*
	(✓)	Green financing opportunities, attracting investors and customers who consider ESG aspects.	*Own operations, Downstream*	*Short term*	*2.2.*
E5 Circular economy	(-)	The 4iG Group distributes and uses a large number of electronic equipment for infrastructure construction and services. Improper disposal of obsolete, replaced or faulty equipment can result in e-waste which may pose a threat to the environment and local communities. (potential impact)	*Upstream Downstream*	*Medium term*	*2.3.*
	(-)	Equipment handled by the 4iG Group, such as mobile phones and network equipment, may contain hazardous substances that, if not properly disposed as waste, can contaminate soil, water and air, adversely affecting local communities and the health of waste processing workers. (potential impact)	*Own operations Downstream*	*Medium term*	*2.3.*
S1 Own workforce	(+)	Good working conditions and employment practices increase employee satisfaction, engagement and productivity. (actual impact)	*Downstream*	*Short term*	*3.1.*
	(+)	Prevention of occupational accidents, minimisation of employee illnesses (e.g. provision of appropriate protective equipment) (actual impact)	*Downstream*	*Short term*	*3.3.*
	(-)	Increased turnover among talented employees, difficulty in attracting employees and lack of interest in sustainability among employees. (potential impact)	*Own operations Downstream*	*(-) Long term*	*3.2.*
	(+)	Increase retention of talented employees, making the recruitment process easier. Increase employee knowledge and engagement. (actual impact)		*(+) Short term*	

Topic		Impacts, risks and opportunities	Value chain	Time horizon	Chapter
	(-)	A lack of equality and inclusion can lead to dissatisfaction and make it difficult to attract new staff and hinders the professional advancement of some talented people. (potential impact)	*Downstream*	*Long term*	*3.4.*
	(✓)	With regard to personal data, there is an opportunity to strengthen trust between employees and the employer, as transparent cooperation strengthens the relationship and cooperation between the parties.	*Downstream*	*Short term*	*3.5.*
S4 Consumers and end-users	(!)	Fines and sanctions that may result from the misuse and mismanagement of data. Risk of loss of revenue and investment due to reduced investor and customer confidence.	*Own operations* *Downstream*	*(!) Medium term* *(✓) Short term*	*3.5.*
	(✓)	Reliable monitoring of data flows, lawful handling of personal data, high level of cyber security and avoidance of data leakage ensure greater market presence through the positive perception of the 4iG Group..			
	(-)	Market opportunities may be lost if the 4iG Group fails to provide appropriate products, services, employment and inclusion opportunities for disadvantaged groups (including older people and people with disabilities). (potential impact)	*Downstream*	*Long term*	*3.6.*
G1 Business conduct	(-)	Violation of legal and ethical rules will have a negative impact on the Group and make it a less attractive place to work for employees and investors. (actual impact)	*Own operations* *Downstream*	*Medium term*	*4.1.*
	(✓)	Maintaining/increasing competitiveness by implementing appropriate policies and practices can lead to lower adaptation costs.			
	(+)	Operating a whistleblower policy to encourage ethical behaviour and transparency can have a positive impact on our employees. (actual impact)	*Own operations* *Downstream*	*Short term*	*4.2.*
	(✓)	Ensuring whistleblower protection strengthens the 4iG Group's internal transparency and security through proper communication between the company and employees and the enforcement of policies and procedures.			
	(-)	Corruption and bribery significantly reduce the confidence of business partners and investors in the Group's supply chain and reduce transparency. (actual impact)	*Upstream* *Own operations* *Downstream*	*(-) Long term* *(+) Short term* *(✓) Long term*	*4.3.*
	(+)	The measures put in place to prevent and detect corruption and bribery, including training, reinforce the ethical standards and transparency of the 4iG Group and increase the confidence of partners and users. (actual impact)			
	(✓)	Anti-corruption measures protect the reputation of the 4iG Group and the reliability of our services, strengthen our business relationships and can provide a long-term competitive advantage.			

Topic		Impacts, risks and opportunities	Value chain	Time horizon	Chapter
	(-)	Any unethical political involvement by the 4iG Group could lead to allegations of corruption, which could have a negative impact on the perception of the Group by its stakeholders. (potential impact)	*Upstream* *Own operations* *Downstream*	*(-) Long term*	*4.4.*
	(+)	Maintaining transparency helps to preserve trust in the 4iG Group and avoid corruption risks. (actual impact)		*(+) Medium term*	

Legend: positive impact (+), negative impact (-), risk (!), opportunity (✓)

A detailed presentation of the impacts, opportunities and risks that form the basis of our assessment, and their implications for our operations and strategy, is provided in the chapter sections on each of the relevant topics.

Our Group's ESG strategy, described in more detail in Chapter 1.3, was approved by the Sustainability Committee in 2024 and subsequently by the Group Management Committee. The strategy addresses the majority of the impacts now identified as material issues, but a resilience assessment of our strategy, which looks in more detail at the resilience of the strategy to the risks identified in the material issues assessment, has not yet been completed.

Our assessment is that there are no financial risks that would require a material adjustment to the carrying value of assets and liabilities in the relevant financial statements in the next reporting period.

For the disclosure requirements set out in the ESRS we have included in our report all the mandatory disclosures for our material topics that are relevant to our business and reporting practices. The exact location of each indicator within the report is described in detail in the ESRS Index chapter at the end of our report. For ease of identification, the disclosure codes are provided in curly brackets at the beginning of each chapter.

In order to provide organisation-specific information on the 4iG Group's activities within the relevant topics, we also report data according to the GRI indicator definitions, which are also included in the index. The organisation-specific indicators are applied in the following thematic groups to present the 4iG Group's performance through additional sustainability reporting and sector-specific standards in the absence of sector-specific EU standards. The topics covered are:

- Working time of our own employees
- Protection of our consumers' data
- Access of our consumers and potential consumers to our products and services
- Protection of whistle-blowers

We have identified three groups of topics (pollution, water resources and biodiversity) that are not considered material, but which are required to be disclosed under the ESRS disclosure requirements, based on the results of our double materiality assessment.

In order to identify and assess the impacts, opportunities and risks of pollution, the 4iG Group has conducted due diligence of its own operations and sites based on an analysis of the information available to it, including a review of the technologies and materials applied that could be identified as hazardous and potentially polluting sources. Taking into account the results of the due diligence, the low level of historical contamination and the fact that the 4iG Group has no manufacturing or production activities, the associated risks, opportunities and impacts were rated low in our analysis. In identifying the impacts, opportunities and risks related to water resources, we examined the 4iG Group's activities in terms of the technologies and processes applied and the location of our sites. Our analysis concluded that the Group does not use water-intensive technologies or have any connection to or use of marine resources. To identify impacts, risks and opportunities related to biodiversity and ecosystems, we used a questionnaire survey and map analysis to assess whether our sites are located in or near national parks or Natura 2000 protected areas. Given that only 5 of the 4iG Group sites touch such areas in terms of land use rights, no systemic risks or opportunities, dependence on biodiversity, ecosystems and their services, risks of displacement and physical risks or opportunities were identified. Based on the information available to us, the 4iG Group's sites do not affect biodiversity sensitive areas and we do not operate any technology or equipment in relation to our land use rights in such areas that would result in damage to natural habitats and species habitats or disturbance of species for which a protected area has been designated. The 4iG Group assesses the need for environmental permitting procedures for its construction and installation works in accordance with applicable EU legislation and carries out these procedures according to the regulations. In 2024, we did not receive or have any

obligation that would have required us to implement environmental or conservation mitigation measures. We consulted with our internal stakeholders in carrying out the due diligence described above and did not conduct specific consultation with our external stakeholders specifically on this issue.
The impacts, risks and opportunities identified in our dual materiality assessment were considered by the 4iG Group Board of Directors in 2024 when they became acquainted with the assessment material. The entire assessment, including the impacts, opportunities and risks identified, was presented to and accepted by them.

Conducting the assessment was the responsibility of the Sustainability Committee, so through the committee's work – whose leader is also a board member – our highest decision-making body could also learn about the identified list.

1.8. Risk management

The 4iG Group is committed to creating a working environment and corporate culture capable of recognizing and averting the danger of risks occurring and ensuring the settlement of damages that have occurred. In this spirit, we also managed the risks associated with the development of our sustainability report. It is in this spirit that we have managed the risks associated with the development of our Sustainability Report. Since this is the 4iG Group’s first ESRS-based Sustainability Report, a standardised and documented Group-level risk management system is still being developed, but we have already applied a number of methods to ensure that the completeness and accuracy of the information and data reported is as reliable as possible. In preparation for the 2024 Sustainability Report, a data collection guide was developed, and indicators were agreed with the relevant specialised areas. The cross-checking of data presented in the report and the approval of individual sections of the report was the responsibility of the 4iG Group’s line managers. During the compilation of the 2024 sustainability report, our risk management focused on the following factors:

- Completeness of reported data
- Accuracy of reported data and information
- Verifiability of reported data and information

For all three factors, a second set of eyes was used as a control, i.e. all data was checked by at least two independent experts. In order to clarify the scope of the report, data requests were sent to our reporting units with the exact subsidiaries concerned to avoid the risk of incomplete information being reported. With regard to the accuracy of the data, we asked the reporting parties to indicate whether the information was based on verifiable evidence, calculations or estimates. In the case of calculations, the four-eye principle meant checking the application of the appropriate calculation methodology and, in the case of estimates, checking the known or suspected inaccuracy of the estimate. In the case of verifiable data reported from our internal systems, our data providers have also verified the data by reproducing the data and cross-checking the data with the results of reports for other purposes. If we became aware of any information that may affect the reliability or completeness of the data, we indicate this in the specific data release.

We have not applied any specific risk prioritisation methodologies in relation to our sustainability risk management and we are not aware of any significant risks that could affect the accuracy or reliability of the reported data and therefore no such risks have been disclosed to management.
Our calculation of Scope 3 GHG emissions is the most imprecise due to its methodology, as it is based on assumptions and estimates.

2. Environmental information

We believe that our efforts in environmental protection and energy efficiency guarantee our company's operations, competitiveness, and continuous sustainable development. In pursuit of this goal, 4iG Nyrt.has committed to implementing and operating management systems according to the ISO 14001 environmental management and ISO 50001 energy management standards. In 2024, these standards were implemented at 4iG Nyrt., 4iG Távközlési Holding Zrt., One Magyarország Zrt., ACE Network Zrt., and two foreign subsidiaries, ONE Albania and ONE Crna Gora. In 2025, we plan to extend our management systems to other subsidiaries.

As stated in the integrated environmental management and energy management system policy[7] of 4iG Nyrt., we are committed to reducing the energy consumption needed for our services and, consequently, greenhouse gas emissions, in line with our commitment to sustainable development. Our vision is to create a balance between achieving our business goals, protecting the environment, and efficient energy use. To improve the quality and standards of 4iG's activities and reduce environmental impact, we continuously develop the energy and environmental awareness of 4iG's employees.

The 4iG Group currently does not have a unified corporate policy, measures, or goals for the material topics listed in this chapter (Energy, Climate Change Mitigation, Climate Change Adaptation, Resource Outflows, Waste) that apply across the entire group. The reason for this is that in 2024, our operational focus was on corporate integrations following acquisitions, and a unified policy will be defined and implemented after the completion of the integration process.

2.1. EU Taxonomy[8]

1. Regulation

The EU Taxonomy Regulation adopted by the European Commission (2020/852/EU) is designed to establish a classification system for sustainable economic activities. Its aim is to determine under what conditions specific economic activities can be considered sustainable. The regulation provides a common interpretative framework within the EU, with the purpose of eliminating the unfounded use of terms like 'green' or 'sustainable.' Additionally, the regulation imposes reporting obligations on certain financial and non-financial companies regarding the extent to which their activities align with the sustainability criteria set forth in the regulation.

The reporting obligations are detailed in the Disclosure Delegated Act (2021/2178). Entities falling under the regulation must present three financial indicators for two categories—aligned and eligible economic activities—namely CapEx, which indicates the company's investments; OpEx, which reflects maintenance costs; and turnover data (although the word ‘turnover’ is used in the taxonomy, the Group uses the more common term ‘revenue’ in its accounting policy and EU Taxonomy report). The precise interpretation of these indicators is outlined in EU Regulation 2021/2178.

An activity is classified as eligible under the Taxonomy Regulation if it supports one of the six environmental objectives of the EU:

1. Climate Change Mitigation
2. Climate Change Adaptation

[7] https://www.4ig.hu/sw/static/file/4iG_Nyrt-Kornyezet-es-energiairanyitasi-politika-2021-08-24.pdf
[8] EU Taxonómia

3. Sustainable Use and Protection of Water Resources and Marine Resources
4. Transition to a Circular Economy
5. Pollution Prevention and Control
6. Protection and Restoration of Biodiversity and Ecosystems

The determination of an activity's supportive nature is set out by the delegated acts of the Taxonomy Regulation, which list the activities that can be considered eligible. These acts contain specific rules regarding the criteria (known as technical screening criteria) that must be met for the activity to be classified as aligned. One of the conditions is that the execution of the activity must not significantly jeopardize the achievement of any of the six EU objectives (known as the – does not significantly harm - DNSH criteria), and that the specified minimum safeguards must also be applied to ensure compliance with human rights and responsible business conduct.

2. Identified economic activities

The 4iG Group, during the determination of the Taxonomy indicators, first identified the activities carried out by the subsidiaries of the Group and matched them with the list of economic activities outlined in the Taxonomy Regulation. In these preliminary assessments, the Group used the NACE codes of the activities performed by the subsidiaries. Activities that could not be matched with the economic activities listed in the EU Taxonomy Regulation were classified as non-eligible. For those activities that received an eligible classification, we examined the technical screening criteria, DNSH criteria, and minimum safeguard expectations necessary to demonstrate compliance.

As a result of the above assessments, we identified the following eligible activities:

CCA 8.2 - Computer programming, consultancy and related activities

This activity includes the revenue, capital- and operating expenditures related to the Group's IT experts and engineering activities.
The revenue includes custom software design and development that is platform-independent, the design and implementation of comprehensive enterprise IT solutions, IT operations and support, the operation of ERP (complex Enterprise Resource Planning) systems, full support for banking data services, as well as the development and management of document and case management systems.
The capital expenditure consists of the equipment needed for development, the activated costs associated with the Careful Watch development and IoT module development for 4iG Nyrt., as well as other assets related to software development.

CCA 8.3 - Programming and broadcasting activities

As part of this activity, the revenues, capital expenditures, and operating expenditures associated with the broadcasting activities of 4iG Távközlési Holding Zrt., AH Média Kereskedelmi Zrt., AH Infrastruktúra Szolgáltató Zrt.; One Magyarország Zrt., and DIGI Távközlési és Szolgáltató Kft. are included.
Revenue encompasses income generated from nationwide terrestrial television ("DVB-T services"), radio content distribution and broadcasting services. The essence of the services related to radio and television content distribution is that the entities transmit radio and television signals from the studios of radio and television service providers to clients, as well as distributing content created by these providers via terrestrial and satellite broadcasting systems. Furthermore, it offers digital satellite transmission services that facilitate connections between TV studios, mobile equipment, regional studios, and international program sources.

The operating expenditure includes the repair and maintenance costs related to broadcasting activities. The capital expenditures consist of the costs incurred in the current year for the establishment and modernization of the wired network associated with broadcasting, which were activated in 2024. Additionally, CapEx also includes the capitalized broadcasting rights, which consist of fixed payments to media providers (such as TV2 and HBO) that are not dependent on viewer numbers.

CCA 13.3 - Motion picture, video and television programme production, sound recording and music publishing activities

As part of this activity, there are revenue, capital expenditures, and operating expenditures associated with the production of media (program) content, provided by 4iG Távközlési Holding Zrt. and AH Média Kereskedelmi Zrt.

The revenue comprises income generated from live broadcasts, program recordings, and signal transmission provided to external partners (such as MTVA, AMC cable channel, and domestic sports associations) during program production services. The respective entities primarily focus on the production of sports events, cultural events, concerts, as well as TV studio productions and entertainment shows, both in the domestic and international markets.

Starting from 2024, the entities utilize state-of-the-art technology (up to 24 cameras) to produce television and internet broadcasts, as well as programs, using HD and UHD (4K) ready OB production vehicles that offer unique capabilities in the domestic markets. As a result, the operating and capital expenditures include costs related to the equipment used for program production.

CCM 8.1 - Data processing, hosting and related activities

In this activity, the revenue, capital expenditures, and operating expenditures related to the GDPR data removal services provided by 4iG Távközlési Holding Zrt. and AH Média Kereskedelmi Zrt., along with the cloud-based services and data centers of Invitech ICT Services Kft. and Invitech ICT Infrastructure Kft., have been considered.

At the end of 2021, service contracts were signed with the National Media and Infocommunications Authority for the provision of a new application that facilitates the permanent removal of data (GDPR data removal service). Within the framework of this activity, the revenue derived from the GDPR data removal services provided by the respective entities are accounted for on a net basis.

Invitech ICT Services Kft. and Invitech ICT Infrastructure Kft. ("Invitech") offer cloud-based services that are accessible to users, allowing them to flexibly and securely store, manage, and access their data from anywhere, at any time. Additionally, Invitech's data center capabilities extend to six geographically separate locations, which are located in Budapest and the Southern Great Plain. These facilities primarily serve the needs of commercial, current, and future business and institutional clients. Invitech's data centers are built based on international recommendations defined by the Uptime Institute, which pertain to technological details, capacities, redundancy levels, and maintainability. The key features of these specialized facilities include high capacity and highly redundant telecommunications connections with exceptional transmission capabilities.

The operating expenditures covers the costs of maintenance and repairs related to the data centers, whereas the capital expenditures include the purchase of equipment and servers required for network development, along with the IT equipment acquired for the data centers.

CEY 5.2 - Sale of spare parts

This activity consists of revenue generated from the sale of spare parts, which operates as a separate business unit within 4iG Nyrt., providing both warranty and non-warranty repairs, as well as selling associated spare parts.

CEY 5.5 – Product-as-a-service and other circular use- and result-oriented service models

For entities One Magyarország Zrt., a DIGI Távközlési és Szolgáltató Kft. and ONE Albania sh.a., the capitalized value of CPE assets - including set-top boxes (such as the Vodafone Mediabox, which provides Vodafone TV service to subscribers), modems, and routers - is classified as capital expenditures. These assets are owned by the respective entities and are leased to customers during the provision of TV services.

Since the revenue from CPE devices does not qualify as a distinct performance obligation under IFRS 15 (given that the provider uses the set-top boxes to connect the customer to its service), we do not allocate separate revenue to the lease component of the transaction (leasing of CPE assets) that could be presented within this economic activity under the EU taxonomy.

During our assessment, we did not identify any taxonomy-aligned activities, considering that the 4iG Group has not yet conducted an assessment in 2024 regarding several fundamental requirements for compliance (e.g., the resilience of the activity to climate mitigation change). We plan to carry out these assessments necessary for demonstrating compliance during 2025.

The verification of the compliance criteria for the economic activities identified as eligible was carried out on a Group-level by the ESG team, with the involvement of subsidiary environmental experts. As a first step, the technical screening criteria related to each activity, focusing on different environmental objectives, were interpreted, as a result of which 1-1 examination questionnaire was compiled for each activity. These included the criteria for relevant significant substantial contribution criteria and DNSH criteria (does not significantly harm). The questions of the questionnaire were answered on a Group level by the ESG department in consultation with the relevant subsidiary environmental experts. The expectations regarding minimum safeguards were interpreted and answered with the involvement of a Group-level by the Compliance team.

3. **Accounting principles**

General principles

The key performance indicators (KPIs) represent the amount ascribed to taxonomy-eligible or taxonomy-aligned activities as a percentage of total revenue, CapEx, or OpEx of the Group. The Group determined the numerator and a denominator for each KPI. The purpose of the KPIs is to show the extent to which the Group's revenue, CapEx, and OpEx during a financial year are associated with sustainable economic activities. Only the revenue, CapEx, and OpEx of the subsidiaries in the consolidated Group's financial statements are included in the denominator of the KPIs. Revenue, CapEx and OpEx from economic activities performed by the Group's investments accounted for in accordance with the equity method are not included in the required KPIs. *When collecting the financial data for the identified taxonomy-eligible economic activities, the Group has taken into consideration eliminations and adjustments made during the consolidation process.*

Double counting

When calculating KPIs, the Group avoided double counting in the numerator ensuring that the same revenue, CapEx, or OpEx was not allocated to more than one taxonomy-eligible economic activity. *In the current reporting period, the Group did not identify any amount of revenue, CapEx, or OpEx that would be relevant to more than one eligible economic activity.*

Contribution to multiple objectives

When an economic activity contributes to several environmental objectives (as listed above), the Group must demonstrate that the economic activity complies with all relevant criteria for the applicable objectives to which it contributes. In the reporting templates, any revenue, CapEx, or OpEx related to such an activity must be disclosed as contributing to all objectives to which the activity contributes substantially. *In the current reporting period, the Group identified economic activities, where the relevant amount can be directly allocated to one economic activity supporting one objective.*

Disaggregation of KPIs

In some cases, it may be appropriate for the Group to disaggregate an item of revenue, CapEx, or OpEx to allocate parts of that item to different economic activities so that no more than 100% of that item is allocated to the different economic activities. *In the current reporting period, the Group did not identify any item related to revenue, CapEx, or OpEx where allocation would have been necessary; therefore, no allocation method was applied to distribute the amounts among different economic activities.*

4. Calculation of key performance indicators (KPIs)

Revenue

The denominator of the revenue KPI should generally be the same as the amounts presented as revenue in the Grorup's financial statements in accordance with IAS 1.82(a). The Group's *Net sales revenue* line in the consolidated statement of comprehensive income can be reconciled to the denominator of the revenue KPI presented in the EU Taxonomy report, which amounts to HUF 687 176 million in the financial year 2024 (refer to Note 3 – Net sales revenue).

At the Group, the typical revenue transactions include those that the Group recognised in accordance with *IFRS 15 Revenue from contracts with customers* and *IFRS 16 Leases*. Income that is not presented as revenue is not included in the denominator. For example, proceeds from the sale of non-current assets and government grants are not included in the definition of revenue under IAS 1 and these incomes are excluded from the denominator of the revenue KPI.

The numerators of the eligible, non-aligned KPI are determined by aggregating the revenue associated with eligible, non-aligned economic activities. As a general principle, the Group considers revenue to be associated with an eligible economic activity if that revenue is derived directly from the output of that eligible activity.

The information related to revenue (KPIs) is presented in tabular form, using the table specified in Annex II of Commission Delegated Regulation (EU) 2021/2178 (without any significant modifications) as follows:

				Substantial contribution criteria*						DNSH criteria (Does Not Significantly Harm)									
Economic activity	**Code**	**Turnover (Million HUF)**	**Proportion of turnover 2024 (%)**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover 2023 (%)** *Not audited*	**Category enabling activity**	**Category transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities *(Taxonomy-aligned)*																			
		0	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data processing, hosting and related activities	CCM 8.1	4,561	0.66%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.42%		
Data-driven solutions for GHG emissions reductions	CCM 8.2	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.30%		
Professional services related to energy performance of buildings	CCM 9.3	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.01%		
Computer programming, consultancy and related activities	CCA 8.2	51,972	7.56%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								11.61%		
Programming and broadcasting activities	CCA 8.3	77,306	11.25%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								11.07%		
Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	4,824	0.70%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								1.67%		
Sale of spare parts	CEY 5.2	227	0.03%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.00%		
Sale of second-hand goods	CEY 5.4	6	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.00%		
A.2. Turnover of Taxonomy-eligible but not environmentally sustainable activities *(Not Taxonomy-aligned activities)*		**138 896**	**20.20%**														**25.08%**		
A. Turnover of Taxonomy-eligible activities (A.1. + A.2.)		**138 896**	**20.20%**														**25.08%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**548 280**	**79.80%**														**74.92%**		
TOTAL (A+B)		**687 176**	**100%**														**100%**		

** EL – Taxonomy-eligible activity for the relevant objective; N/EL – Taxonomy-non-eligible activity for the relevant objective.*

Capital expenditure (CapEx)

The denominators in the CapEx KPIs consist of additions to tangible and intangible assets during the financial year before any depreciation, amortisation, or any re-measurements, including those resulting from revaluations and impairment. The denominator also includes additions to rights of use assets, and tangible and intangible assets resulting from business combinations.

At the Group, CapEx covers costs that are accounted for based on:

- IAS 16 Property, Plant and Equipment, paragraph 73(e)(i) and (iii)
- IAS 38 Intangible Assets, paragraph 118(e)(i)
- IFRS 16 Leases, paragraph 53(h)

The denominator in the CapEx KPI equals the sum of additions to tangible and intangible assets and right of use assets in the Group's consolidated financial statements. The assets additions are disclosed in the following notes:

- Additions to tangible assets – *Note 17 – Property, plant and equipment*
- Additions to intangible assets – *Note 19 – Other intangible assets*
- Additions to right of use assets – *Note 20 – Right of use assets*

The total CapEx of the Group for the year 2024 amounts to HUF 187 964 million.

The Group identified only economic activities that are taxonomy-eligible but not taxonomy-aligned; the related CapEx items are also classified as eligible, non-aligned.

The Group did not identify any CapEx that is part of a CapEx plan to expand taxonomy-aligned economic activities or to enable taxonomy-eligible economic activities to become taxonomy-aligned; therefore, the requirements associated with the CapEx plans to disclose such plans are not applicable.

The information related to capital expenditure (KPIs) is presented in tabular form, using the table specified in Annex II of Commission Delegated Regulation (EU) 2021/2178 (without any significant modifications) as follows:

				Substantial contribution criteria*						DNSH criteria (Does Not Significantly Harm)									
Economic activity	**Code**	**CapEx (Million HUF)**	**Proportion of CapEx 2024 (%)**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx 2023 (%)** *Not audited*	**Category enabling activity**	**Category transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities *(Taxonomy-aligned)*																			
		0	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.15%		
Acquisition and ownership of buildings	CCM 7.7	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Data processing, hosting and related activities	CCM 8.1	615	0.34%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.09%		
Data-driven solutions for GHG emissions reductions	CCM 8.2	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.41%		
Computer programming, consultancy and related activities	CCA 8.2	11 313	6.29%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Programming and broadcasting activities	CCA 8.3	22 190	12.35%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								1.15%		
Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	1 797	1.00%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0.13%		
Product-as-a-service and other circular use- and result-oriented service models	CEY 5.5	3 542	1.97%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.00%		
A.2. CapEx of Taxonomy-eligible but not environmentally sustainable activities *(Not Taxonomy-aligned activities)*		**39,457**	**21.94%**														**2.93%**		
CapEx of Taxonomy-eligible activities (A.1.+A.2.)		**39,457**	**21.94%**														**2.93%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**148 507**	**79.00%**														**97.07%**		
TOTAL (A+B)		**187 964**	**100%**														**100%**		

** EL – Taxonomy-eligible activity for the relevant objective; N/EL – Taxonomy-non-eligible activity for the relevant objective.*

Operating expenditure (OpEx)

In case of OpEx there is no requirement to apply direct reference to the related line items in the Group's consolidated financial statements as the OpEx definition in the EU taxonomy may deviate from how OpEx is defined under different accounting frameworks.

According to the EU Taxonomy Regulation, the denominator in the OpEx KPIs consists of direct non-capitalised costs that are related to:

- research and development
- building renovation measures
- short-term leases
- maintenance, repair and materials related to maintenance
- any other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment by the entity or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets

In addition, expenses incurred due to training and other human resources adaptation needs that are related to the items in the list above are also part of the denominator.

Costs that are not included in the denominator of the OpEx KPIs are raw materials, costs related to employees operating assets, costs related to managing R&D projects, and costs related to electricity fluids or reagents needed to operate property, plant, and equipment. Generally, the Group also excludes overhead costs, such as administrative expenses, from the denominator of the OpEx KPIs.

Similar to CapEx, if an item of OpEx qualifies as taxonomy-eligible, that item is reported as taxonomy-eligible within the respective economic activity and is considered in the numerator of the OpEx KPIs.

The information related to operating expenditure (KPIs) is presented in tabular form, using the table specified in Annex II of Commission Delegated Regulation (EU) 2021/2178 (without any significant modifications) as follows:

				Substantial contribution criteria*						DNSH criteria (Does Not Significantly Harm)									
Economic activity	**Code**	**OpEx (Million HUF)**	**Proportion of OpEx 2024 (%)**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx 2023 (%)** *Not audited*	**Category enabling activity**	**Category transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activity (Taxonomy-aligned)																			
		0	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
A.2. OpEx of Taxonomy-eligible but not environmentally sustainable activities (Not Taxonomy-aligned activities) (A.2.)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								26.66%		
Freight transport services by road	CCM 6.6	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.17%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.19%		
Acquisition and ownership of buildings	CCM 7.7	83	0.24%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								7.93%		
Data processing, hosting and related activities	CCM 8.1	162	0.47%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.70%		
Data-driven solutions for GHG emissions reductions	CCM 8.2	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.26%		
Computer programming, consultancy and related activities	CCA 8.2	164	0.48%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Programming and broadcasting activities	CCA 8.3	988	2.87%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								31.32%		
Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	88	0.26%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								8.25%		
A.2. OpEx of Taxonomy-eligible but not environmentally sustainable activities *(Not Taxonomy-aligned activities)*		**1 485**	**4.32%**														**77.48%**		
OpEx of Taxonomy-eligible activities (A.1. + A.2.)		**1 485**	**4.32%**														**77.48%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**32 956**	**95.68%**														**22.52%**		
TOTAL (A+B)		**34 441**	**100%**														**100%**		

** EL – Taxonomy-eligible activity for the relevant objective; N/EL – Taxonomy-non-eligible activity for the relevant objective.*

2.2. Energy, Climate Change Adaptation, Climate Change Mitigation

The considerate management of natural resources and energy is a defining element of our Group's ESG strategy. Our long-term goal is to develop and implement technical solutions and processes that lead to both material and energy savings while simultaneously reducing environmental impact and mitigating environmental risks.

The 4iG Group currently does not have a transition plan. After the completion of the ongoing transformation within the Group, we intend to define the transition plan, the climate change mitigation policy, as well as the related targets and action plans in 2026. In 2024, the 4iG Group assessed its Scope 1, Scope 2, and Scope 3 emissions (within Scope 3, all relevant categories were assessed, which are as follows: 3.1 Purchased goods and services, 3.2 Capital goods, 3.6 Business travel, 3.11 Use of sold products). The 4iG Group defines 2024 as its base year and will publish future comparative data accordingly.

Impacts, risks and opportunities assessment

Energy	
Material Impact / Opportunity	**Time horizon**
Negative impact: The organisation uses more energy than necessary and emits more greenhouse gases, thereby contributing to climate change, which, with its more extreme weather effects, can have negative consequences for both the country and our customers.	Long term
Positive impact: Energy-efficient operation, reduced dependence on purchased energy. Reduction of greenhouse gas emissions, which can have a positive impact on potential investors, as there is increasing interest and expectation in investment decisions on this topic, and can also have a positive impact on customers who prioritise the 4iG Group's sustainability efforts before using products and services.	Long term
Opportunity: Green financing opportunities, attracting investors and customers who consider ESG aspects.	Short term

During our double materiality assessment regarding energy use and energy efficiency, we identified a long-term negative impact primarily on the environment and indirectly on people: the failure to identify or implement certain potential energy efficiency investments in our supply chain or operations further increases our GHG (Greenhouse Gas) emissions and thereby exacerbating global warming. If we can strengthen the Group's energy efficiency through various energy efficiency initiatives, this can increase trust in our Group from investors, the public, and customers as a positive impact, and we can also reduce GHG emissions from our energy consumption. For the 4iG Group, a short-term opportunity lies in leveraging of green financing sources and attracting investors and customers who prioritise ESG aspects. We primarily observe these impacts and opportunities concentrated mainly in our supply chain (manufacturing processes related to product procurement) and in our energy-intensive activities (operation of mobile relay stations and servers). As part of our strategy, the ISO 50001 energy management system presented in the chapter "1. Policy - Energy, Climate Change Adaptation, Climate Change Mitigation" is designed to manage these impacts, risks, and opportunities; the management of the relevant subsidiaries makes annual decisions on the implementation of identified energy efficiency investment opportunities and ensures the necessary financial resources are made available for these projects. The impacts, risks, and opportunities were identified as part of the double materiality assessment in 2024, therefore, their expected financial performance implications have not yet been assessed.

Climate Change Adaptation	
Material impact	**Time horizon**
Negative impact Infrastructure developments implemented by the 4iG Group aimed at mitigating the effects of extreme weather events and temperature increases (e.g., by introducing new technologies, reinforced data towers, or building new energy supply systems) may increase energy and resource demands. This increases GHG emissions from our own operations, which has a negative impact on our entire value chain and the environment.	Medium term

The determination of group-level impacts on and resulting from climate change was primarily based on the impacts, risks, and opportunities identified during our double materiality assessment. The impacts, risks, and opportunities were determined with the involvement of expert departments, incorporating their perspectives into the assessment. Regarding climate adaptation, the data and observations used for the analysis were based on historical records; future climate models are currently not available to our Group for identifying either physical or transition risks, neither in relation to our suppliers, our own operations, nor our customers. As a result, we have not conducted climate scenario analysis when assessing our impacts, opportunities, and risks either. Regarding our own operations, during the preparation of the double materiality assessment, we identified a medium-term relevant negative impact in the form of additional GHG emissions associated with our infrastructure expansion, which exacerbates global warming. The impact is real and medium-term, which through continuous measures provides significant advantages in ensuring uninterrupted operation, therefore the magnitude of the impact is moderate. We have not yet conducted a climate change resilience assessment regarding our group's strategy, as the Group is still undergoing transformation in 2024 and 2025. Our expectations suggest that the identified impacts and risks will not result in material financial effects that would be significant in the context of our risk management processes.

Climate Change Mitigation	
Material impact	**Time horizon**

Positive impact: Lower carbon dioxide emissions thanks to energy-efficient technologies, thereby mitigating global warming and reducing local and global impacts.	*Medium term*

In the medium term, we identified lower carbon dioxide emissions resulting from energy-efficient technologies as an actual positive impact, which contributes to mitigating global warming and reducing local and global impacts. This impact is most present in our own operations and indirectly affects the environment and people through the development of global warming. We do not expect the presented transition impacts and risks to have a significant financial impact in the short term that would be relevant to our risk management procedures.

In our Group, we track our implemented and to-be-implemented energy efficiency projects that impact the reduction of our Scope 2 emissions through the ISO 50001 energy management systems introduced and operated at our subsidiaries presented in “*Chapter 1. Policy - Energy, Climate Change Adaptation, Climate Change Mitigation*”. The previous year’s specific energy data always serve as the baseline for our performance measurement.

1. **Policy - Energy, Climate Change Adaptation, Climate Change Mitigation**

In 2024, due to its intensive acquisition activities, the 4iG Group did not have a unified group-level climate change and energy management policy applicable to all its subsidiaries. Activities related to climate change adaptation and climate change mitigation are currently implemented through the operation of energy management systems.

4iG Nyrt.has had a consolidated Environmental and Energy Management Policy since 2021. In addition to 4iG Nyrt., One Magyarország Zrt. and 4iG Távközlési Holding Zrt., also have independent energy management policies. The applicable subsidiary-level energy management regulations set out the personnel, material, and organisational conditions of energy management. All subsidiaries with policies operate energy risk assessment systems, which are supported by an energy specialist as an external contracted partner, as well as by the group-level risk management and the energy department.

4iG Nyrt. has an energy management policy related to the ISO 50001 energy management system certified by the external party. The policy confirms our commitment to reducing the energy consumption and the emission of greenhouse gases necessary for our operations. The policy's scope extends to the trade of IT equipment and solutions, service activities, IT system development, system integration, IT operations, software development, consulting, prime contracting, project management carried out at the company's headquarters, and related supporting activities, including all employees, subcontractors, and stakeholders associated with 4iG Nyrt.

Compliance with the provisions of the Policy is the responsibility of all employees; however, the managers of 4iG Nyrt. bear special responsibility for communicating, observing, and enforcing the provisions. Employees and other relevant stakeholders, including subcontractors where necessary, are actively involved (e.g., through specialist workshops and email feedback) in identifying energy-related risks and regulatory compliance issues. The policy is communicated to all employees and subcontractors and made accessible on the Company's internal network (intranet). It is reviewed annually to ensure its effectiveness and alignment with our corporate group's objectives.

One Magyarország Zrt. and 4iG Távközlési Holding Zrt. also had their own energy management policies and internal regulations by the end of 2024. These policies address making energy management sustainable, reducing and optimising energy use, complying with legal requirements, and maintaining a balance between achieving our business objectives, ensuring efficient energy use, and thereby protecting our environment.

2. Actions, Targets – Energy, Climate Change Adaptation, Climate Change Mitigation

Certain member companies of the 4iG Group qualify as large enterprises under the 2015 Act LVII on Energy Efficiency. The law imposes several obligations for large enterprises, such as the obligation to perform an energy audit every four years. A large enterprise that implements and operates an energy management system in compliance with the ISO 50001 standard is exempt from the mandatory audit obligation every four years.

In 2024, among the 4iG Group's large enterprises, DIGI Távközlési és Szolgáltató Kft. and Invitech ICT Services Kft. complied with the legal obligation through a comprehensive energy audit carried out in 2023, while 4iG Nyrt., One Magyarország Zrt., and 4iG Távközlési Holding Zrt. complied through the audit of their system operated according to the ISO 50001 standard.

Energy audits and internal and external audits under the ISO 50001 standard have identified opportunities to improve energy efficiency, contributing to sustainable operations and cost reduction.

- Simple measures (requiring little or no investment), such as reducing consumption outside operating hours, setting appropriate temperature, improving vehicle efficiency, introducing an energy monitoring system, training employees, and checking bills.
- Cost-optimal investments (economically viable without subsidies) such as introducing sub-metering systems, lighting modernisation, improving cooling system, consolidating network equipment (HUB), installing solar panel systems, or energy-efficient equipment procurement.
- Cost-intensive investments (with longer payback or requiring subsidies), such as building renovation, mechanical engineering developments, installation of condensing boilers.

The 4iG Group has set as a short-term goal the formulation of a unified group-level energy management policy for all our member companies and employees following the transformation period currently underway at the Hungarian member companies.

In 2024, the 4iG Group began to assess its greenhouse gas emissions for the year 2023, partly due to the inclusion of One Magyarország Zrt. in the corporate group that year. The 4iG Group plans to define its climate change emission reduction targets and the remuneration ratios related to their achievement in 2026, after the completion of the Group's transformation. At that time, we also intend to review whether to take climate-related considerations into account in the remuneration of members of the administrative, executive, and supervisory bodies, which are not currently included.

Metrics

[E1-5] Energy Consumption and Structure
On the global scale, the ICT sector is not classified as a high climate-impact sector; our Group's total energy consumption is presented in the table below, including energy use related to our operations, technology, transportation, and energy management.

Energy consumption and mix	**2024**
Total fossil energy consumption (MWh)	114 668.45
Share of fossil sources in total energy consumption (%)	*36.8%*
Consumption from nuclear sources (MWh)	90 274.34
Share of consumption from nuclear sources in total energy consumption (%)	28.9%
Energy consumption and mix	**2024**
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	*0*
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	107 015.69
The consumption of self-generated non-fuel renewable energy	*0*
Total renewable energy consumption (MWh)	107 015.69
Share of renewable sources in total energy consumption (%)	34.3%
Total energy consumption (MWh)	311 958.47

Given that the 4iG Group did not have dedicated green electricity procurement in 2024, we project our Hungarian operations onto the national energy mix, while for our Montenegrin operations, we took a conservative approach and considered all energy consumption – whether natural gas-related, petroleum product-based, or electricity-type – as 100% fossil-based. The electricity consumption of One Albania was calculated as renewable, considering that Albania produces the country's electricity needs 100% on a renewable basis – largely using hydropower.

Energy Production Data

By non-renewable energy production, we mean the energy produced by stationary point sources, combustion equipment, and generators located at the 4iG Group's sites. The combustion equipment primarily serves to meet the heating and hot water needs of our buildings, while the generators produce the electricity necessary for uninterrupted technologies (server rooms, network operation equipment in cases where external power sources are unavailable. For Hungarian member companies, there was no renewable energy production in 2024.

The data of renewable and non-renewable energy production are detailed in the table below.

Renewable energy production (MWh)	0
Non-renewable energy production (MWh)	11 528

During the reporting period, the 4iG Group, in the case of One Albania, produced its entire electricity demand from renewable energy sources. The largest energy-consuming companies within the Group are 4iG Távközlési Holding Zrt., DIGI, and One Magyarország.

Scope 1, 2, and 3 Gross and Total GHG Emissions

Greenhouse gas (GHG) emissions are categorized as follows:[9]

- Direct Emissions (Scope 1): Emissions originating from sources owned or controlled by the company.
- Indirect Emissions (Scope 2): Emissions resulting from the generation of purchased energy. For example, emissions from grid electricity production fall into this category.
- Other Indirect Emissions (Scope 3): Emissions that result from the company's operations but originate from sources not owned or controlled by the company.

In the reporting year, the Group's companies assessed their Scope 1, Scope 2, and Scope 3 emissions according to a unified methodology.

From 2024 onwards, for member companies co-locating on transmission towers within the Group, the owner of the main meter reports the emissions in all cases, thereby avoiding double counting.
The 4iG Group's 2024 emission inventory was prepared in accordance with the Greenhouse Gas Protocol, following the principle of financial control, according to which the enterprise is responsible for – and thus must report – all emissions related to assets under its financial control. The Scope 1-2-3 calculation applied the “GHG Emission Calculation Tool” provided by the GHG Protocol (WRI, 2014). The calculation methodology follows the guidance of the Greenhouse Gas Protocol: “Technical Guidance for Calculating Scope 3 Emissions"(version 1.0) and “Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard” (WRI, WBCSD, 2013).

Emission Factors Applied:
Scope 1:
- Stationary combustion: EPA, "Emission Factors for Greenhouse Gas Inventories[10]"
- Mobile combustion: EPA, "Emission Factors for Greenhouse Gas Inventories"
- Fugitive emissions: IPCC Sixth Assessment Report, 2020 (AR6)

Scope 2:
- Location-based electricity: IEA data from the IEA (2024) EmissionFactors 2024[11]
- Market-based electricity: AIB, European Residual Mixes 2023, May 30, 2024
- Purchased district heating: EPA, "Emission Factors for Greenhouse Gas Inventories"

Scope 3:

[9] Source of the definitions: GHG Protocol.
[10] reference: EPA - Emission Factors for Greenhouse Gas Inventories - https://www.epa.gov/system/files/documents/2025-01/ghg-emission-factors-hub-2025.pdf
[11] reference: IEA - www.iea.org/statistics

Purchased goods and services:

- Applied source: US EPA: US Environmentally-Extended Input-Output (USEEIO) database (Ingwersen, 2024b)

Capital goods:

- Applied source: US EPA: US Environmentally-Extended Input-Output (USEEIO) database (Ingwersen, 2024b)

Business travel:

- DEFRA: Greenhouse gas reporting: conversion factors 2024 (DEFRA, 2024)
- For expenditure-based data: US EPA: US Environmentally-Extended Input-Output (USEEIO) database (Ingwersen, 2024b)

Use of sold products:

- Location-based electricity: IEA data from the IEA (2024) Emission Factors 2024

Assumptions and estimates used in the calculations:

- Fugitive emissions of refrigerants: if the refrigerant is a mixture, we calculated its global warming potential (GWP) from the GWP data of the gases constituting the mixture;
- GHG emissions from fire extinguishers and equipment was assumed to be zero; based on the data submissions indicating no such emission in 2024;
- Electricity consumption-related GHG emissions: we used reference data from the International Energy Agency (IEA) for location-based calculations, and reference data from the Association of Issuing Bodies (AIB) for market-based calculations.
- If electricity consumption data for the given period was not available in the reporting year, and no operational and structural changes occurred, we used the consumption data of the same period from the previous year as an estimate.
- In the calculation, we considered CO_2, CH_4, N_2O, and HFCs as relevant GHGs.

The criteria applied for the Scope 3 calculation were based on industry-specific guidelines. A sector-specific framework was used (ITU, GESI, GSMA, SBTI, 2020), which emphasises that the most significant Scope 3 environmental impact categories for ICT companies are likely to be:

- 3.1 Purchased goods and services;
- 3.11 Use of sold products;
- 3.2 Capital goods due to significant financial exposure and related emissions
- 3.6 Business travel as the Group has expanded internationally.

The table below presents our emissions in Scope 1, 2, and 3 categories:

	Total emissions / scope (t CO2e)
Scope 1	**12 678**
of which stationary combustion	2 423
of which mobile combustion	9 649
of which fugitive emissions from refrigerants	606
of which under EU ETS	0
Scope 2 – market-based	**78 543**
of which purchased electricity	77 653
of which purchased district heating	890
Scope 2 – location-based	**38 644**
of which purchased electricity	37 754
of which purchased district heating	890
Scope 3	**79 034**
3.1 Purchased goods and services	40 311
3.2 Capital goods	27 774
3.6 Business travel	378
3.11 Use of sold products	10 571
Total GHG emissions Scope 1,2,3 – market-based	**170 255**
Total GHG emissions Scope 1,2,3 – location-based	**130 356**

There is no company over which the 4iG Group exercises operational control, so there are no GHG emissions associated with them.
None of the 4iG Group's member companies conduct activities subject to EU ETS.

Planned measures for the future in Scope 1,2,3 categories:
For Scope 1,2 and 3 emissions, the level of uncertainty is low, but supporting data collection with a software solution is a planned measure of the Group.

Purchased goods and services, as well as capital goods:
- All expenditures must be categorized.

- Relevant stakeholders of the company must be involved in linking procurement categories and EEIO database factors.
- Scope 1 and 2, as well as product-related greenhouse gas (GHG) data, must be requested from key suppliers.

Business travel:

- The distance-based method must be mandatorily applied, and activity data must be collected accordingly.
- The travel class (e.g., business, economy) and the exact departure/destination location (e.g., airport name, IATA codes) must be tracked.

Use of sold products:

- The list of relevant products must be re-evaluated based on their assumed impact to improve the representation of services.
- The specification of products and services must be elaborated in more detail (e.g., energy consumption, assumed lifespan, indirect emission potential).
- Research findings from surveys or secondary data must be applied to define more accurate product usage scenarios.

Disclosure of the impacts of significant events and changes in circumstances between the reporting date of the economic entities in its value chain and the general-purpose financial statements of the enterprise (related to its GHG emissions). The 4iG group has no subsidiary with a different reporting year.

Greenhouse Gas Emission Intensity

The intensity of greenhouse gas (GHG) emissions indicates how much greenhouse gas – expressed as carbon dioxide equivalent– emissions are associated with the creation of one unit (billion HUF) of economic value. In the reporting year, the 4iG Group's total GHG intensity on a market-based basis was 247.76 tonnes CO_2e/billion; total GHG intensity on a location-based basis was 189.70 tonnes CO_2e/billion HUF relative to the total net revenue (687.18 billion HUF).

2.3. Resource Outflow Related to Products and Services, Waste

In the second half of 2023, a new waste management system was established in Hungary, according to which MOHU MOL Hulladékgazdálkodási Zrt. (hereinafter: MOHU) has rights and obligations (collection, disposal, recycling, etc.) for certain waste streams. Accordingly, the Hungarian member companies of the 4iG Group have contracts with MOHU for these waste streams, For other waste types (municipal waste), we are in contact with service providers who ensure the highest possible rate of recycling of the collected waste. According to Government Decree 197/2014 on waste management activities related to electrical and electronic equipment, we provide our residential customers and business partners with the option to return electronic devices (such as mobile phones, routers, boxes, landline telephones, laptops, etc.) at retail premises, by postal return, or in case of malfunction, colleagues performing on-site installation take them away. These devices are then documented and handed over to authorized recycling partners for recycling. Municipal waste is collected by the respective municipal public service provider as part of the mandatory public service.

Impacts, risks and opportunities assessment

Resource Outflow Related to Products and Services	
Material impact	**Time horizon**
Negative impact: The 4iG Group trades and uses a significant amount of electronic devices for infrastructure development and service provision. The e-waste generated from device obsolescence, replacement, malfunction, or improper disposal/recycling can pose risks to local communities and the environment.	Medium term
Waste	
Material impact	**Time horizon**
Negative impact: Devices handled by the 4iG Group, such as mobile phones and network equipment, may contain hazardous materials, the improper waste management of which can contaminate soil, water, and air, negatively affecting the health of local communities and waste processing workers.	Medium term

In the double materiality assessment regarding resource outflow related to products and services, we identified the depletion of non-renewable resources and e-waste generated from distributed products as medium- and long-term impacts affecting both people and the environment within our upstream value chain, which may pose a threat to the environment. We see this negative impact concentrated mainly in our supply chain (manufacturing processes related to product procurement). We anticipate that in the medium- to long-term, we must prepare for procurement price increases resulting from the scarcity of raw materials, for which we currently do not have a management plan.

The scope of activities within the 4iG Group that generate significant actual and potential waste varies by company. Our highest waste-generating activities include infrastructure maintenance, IT

operations, and network maintenance, which result in electronic and other waste, such as packaging materials. Additionally, packaging waste is generated during procurement and distribution.
A key element of our ESG strategy is reducing waste generated during our operations. We aim to achieve this by maintaining and increasing the recycling rate of waste and by prioritizing suppliers whose products and services have less packaging material, higher energy efficiency, and longer lifespans.
The 4iG Group manages waste generated during its work in compliance with current legislation. The 4iG Group fulfils its manufacturer and distributor obligations by using the state recycling system while paying the product fee for electronic devices subject to the product fee law. We pay EPR fees for packaging materials, batteries, and electronic devices procured from abroad. The Hungarian subsidiaries of the 4iG Group have the mandatory environmental liability insurance prescribed by Government Decree 681/2023 (XII.29) on the detailed rules of financial guarantee, provision, and environmental insurance requirements related to waste management.

1. Resource Outflow Related to Products and Services, Waste

In 2024, the 4iG Group did not have a unified policy related to resource outflow and waste management for products and services applicable to all its subsidiaries.

4iG Nyrt.has had a combined Environmental and Energy Management Policy since 2021. After the completion of the Group's transformation project in 2025, we intend to issue a unified, group-level environmental policy for the subsidiaries. At the end of 2024, in addition to 4iG Nyrt., ACE Network Zrt., One Montenegro, and One Albania had environmental management policies and a certified ISO 14001 management systems. The existing environment management-related regulations 4iG Távközlési Holding Zrt., 4iG Nyrt., One Magyarország Zrt. - Integrated Management Manual, Environmental and Energy Management Regulation) set out the personnel, material, and organisational conditions for environmental protection activities. Subsidiaries with established policies operate a risk assessment system related to environmental factors, which is supported by an environmental consultant as an external contracted partner, as well as by Group-level risk management and the environmental department.

The management of the 4iG Group is committed to protecting the environment, and within this framework, we pay special attention to preventing and continuously mitigating the environmentally harmful impacts arising from our operation.

4iG Nyrt.has an environmental policy within the framework of its externally certified ISO 14001 environmental management system. The policy demonstrates our commitment assessing the environmental impact of our activities and developing environmental programmes to address significant impacts. The policy's scope extends to the trade of IT equipment and solutions, service activities, IT system development, system integration, IT operations, software development, consulting, prime contractor activities, project management carried out at the company's headquarters, and related supporting activities, including all employees, subcontractors, and stakeholders associated with 4iG Nyrt.

Compliance with the provisions of the Policy is the responsibility of all employees; however, the managers of 4iG Nyrt.bear special responsibility for communicating, observing, and enforcing the provisions. We actively involve employees and other stakeholders – subcontractors when necessary – in identifying environmental risks and legal compliance issues. We communicate the policy to all employees and subcontractors and make it accessible on the Company's internal network (intranet). The policy is reviewed annually to ensure its effectiveness and alignment with the Group's objectives.

2. Actions, Targets - Resource Outflow Related to Products and Services, Waste

Whitin our Group, we monitor the implementation of environmental protection measures through the ISO 14001 environmental management systems introduced and operated for our subsidiaries presented in the Chapter "1. Policy - Resource Outflow Related to Products and Services, Waste," with annual remeasurement. An important pillar of the 4iG Group's ESG Strategy adopted in 2024 is reducing waste generation and promoting the recycling of electronic waste generated, such as increasing the recycling rate of our own waste (e.g., network waste, maintenance waste, etc.). The specific objectives related to this strategy are intended to be determined in 2025, based on the volume of waste generated in 2024.

During our double materiality assessment, we identified the potential negative environmental impact of our waste and waste management practices as a medium-term concern. Specifically, if hazardous materials were to be released into the environment from our operations or from products distributed to customers, this could pose a significant risk. Types of waste and secondary raw materials characteristic of our operations include: for broadcasting: transmitter equipment frames, switches, routers, feeder cables, antennas, antenna mounting towers and metal supporting brackets, as well as secondary raw materials resulting from the modernisation and replacement of other equipment necessary to ensure continuous operation; for telecommunications: mobile phones, landline devices, setup boxes, Wi-Fi routers, outdoor units, batteries/accumulators, dismantled cables, other devices and equipment necessary for continuous service.

We recognise opportunities in maximising waste recycling and preventing waste generation within our own operations (our daily operations, routers placed at customers, etc.), or across our waste management value chain. Measures aimed at waste reduction have been introduced, such as in the case of One Magyarország, the introduction of electronic contracting, invoicing, e-communication, e-SIM, and device trade-in programmes when purchasing a new device.

These directions are supported by the ISO 14001 environmental management system introduced at our parent company, within the framework of which we pay attention first to improving our own waste management practices, as well as to the activities of selected waste management service providers. We see these impacts, risks, and opportunities concentrated in our supply chain (manufacturing processes related to product procurement, for example, considering the proportion of recycled packaging material, the proportion of recycled material content in products in the case of tenders) and in our internal waste management practices. As part of our strategy, the ISO 14001 management system presented in the Chapter "1. Policy - Resource Outflow Related to Products and Services, Waste" is designed to manage these impacts, risks, and opportunities. Decisions on identified waste management opportunities are made annually by the leadership of the affected subsidiaries, ensuring the necessary financial resources are allocated accordingly.

Metrics - Resource Outflow Related to Products and Services, Waste

Municipal (selective and mixed) waste generated at our sites is collected through mandatory public waste services and transported by the designated service provider, MOHU. According to the law on waste registration, the obligation to keep records related to the transported waste lies with MOHU; the basis of the public service contract is not the weight of the waste but the number and frequency of collection of waste collection containers of a given volume. Thus, we only have an estimated quantity for these waste streams, calculated based on the volume of the containers, emptying frequency, and the currently valid Msz EN 840-1:2013 standard for waste collection containers. The standard sets the maximum amount of waste that can be collected in standard waste collection containers, which forms the basis of the calculation. The size of waste collection containers at the sites varies (120; 240; 1100 litres and 5 m³ size), so we also took these into account in the calculation.

Selective waste collection is conducted at 11 sites, with an estimated total annual waste volume of 176.8 tonnes, based on container capacity, emptying frequency, and the allowable waste volume per the standard.

The MSZ EN 840 standard mandates that only compliant waste containers may be used for public waste services and collected by standardised collection vehicles.

The Msz 840-1 standard applies to containers with volumes of 120 and 240 liters, the 840-2 standard to containers with volumes of 500; 770 and 1100 liters, and the 840-3 standard to containers with convex lids of 770 and 1100 liters.

Maximum waste amount that can be placed according to the standard depending on the volume: 70 liters-20 kg, 120 liters-40 kg, 240 liters-60 kg, 1100 liters-300 kg, 3 m³-800 kg, 5 m³-1000 kg.

For the two affected member companies (4iG Távközlési Holding Zrt. and Invitech), the waste volume was determined by calculation, based on the number of collection containers, emptying frequency, and the maximum amount of waste that can be placed according to the standard.

As the actual weight of emptied waste is unknown and the waste collection vehicles (rotopress, variopress) only regulate collection based on overloading rather than weighing waste, calculations were based on the maximum allowable waste volume.

Data and Information on Waste:

	2024	Related activity, waste source
Total waste produced (tonnes)	**1661.58**	
of which hazardous waste	**18.35**	
Lead battery	11.49	UPS battery replacements at broadcasting stations
Used motor oil	0.66	
Electronic waste	1.14	Vehicle maintenance
Battery	5.07	
of which non-hazardous waste	**1643.23**	Contaminated IT-related waste
Mixed waste	0.51	Office waste
Industrial mixed metal waste	0.63	
Other plastic-containing waste	42.97	Unsorted construction and demolition waste
Electronic waste	206.87	Construction and demolition waste
Industrial metal waste	293.41	Packaging and other technological waste
Municipal waste	781.25	IT and technology-related waste
Selective waste	179.92	Construction and demolition waste
Electronic waste	11.51	Estimated quantity, communal-type office waste
Wood waste	15.93	Office selective waste, mainly packaging material and paper

	2024	Related activity, waste source
Electronic equipment	0.66	Telecommunications maintenance
Paper waste	37.0	Pallets and wooden poles resulting from operations and maintenance
Cable	24.58	Telecommunications maintenance
Copper, bronze, brass	3.73	Packaging and office waste
Aluminium	29.54	
Iron and metal waste	12.29	Telecommunications maintenance and construction
Mixed metal	2.46	Telecommunications maintenance and construction
Total amount of radioactive waste (tonnes)	0	-

The table above contains all relevant waste types generated by 4iG Group's activities.

	Unit	2024		
		On site	*Outsourced*	*Total*
The total amount of waste diverted from disposal	**tonnes**	**23.32**	**857.01**	**880.33**
Hazardous waste diverted from disposal	**tonnes**	**6.63**	**11.73**	**18.35**
Preparation for reuse	tonnes	0	0	0
Recycling	tonnes	1.56	11.73	13.28
Other recovery operations	tonnes	5.07	0	5.071
Non- hazardous waste diverted from disposal	**tonnes**	**16.69**	**845.28**	**861.97**
Preparation for reuse	tonnes	0	0	0
Recycling	tonnes	16.69	845.28	861.97
Other recovery operations	tonnes	0	0	0

	Unit	2024		
		On site	*Outsourced*	*Total*
The total amount of waste directed to disposal	**tonnes**	**0**	**781.25**	**781.25**
Hazardous waste directed to disposal	**tonnes**	**0**	**0**	**0**
Incineration	tonnes	0	0	0
Landfill	tonnes	0	0	0

	Unit	2024		
		On site	*Outsourced*	*Total*
Other disposal operations	tonnes	0	0	0
Hazardous waste directed to disposal	**tonnes**	**0**	**0**	**0**
Incineration	tonnes	0	0	0
Landfill	tonnes	0	781.25	781.25
Other disposal operations	tonnes	0	0	0

For non-hazardous waste, all landfilled waste consists of municipal waste. Selective waste collection bins are in place at our sites and offices. More than 50% of hazardous and non-hazardous waste generated during operations is sent for recycling. Based on the above table, the total amount of non-recycled waste is 781.25 tonnes, representing 47% of total waste generated.

3. Social information

For the 4iG Group, the most valuable assets are its employees, who contribute to the Group's successful operation and continuous growth with their professional knowledge and individual competencies. In recent years, including 2024, the greatest challenge for the 4iG Group's human resources area has been the transformation process taking place in the group and its dynamic growth, especially in terms of the integration of various member companies. This process required and continues to require continuous harmonization, especially in areas affecting employees.
The aim of the process is to create a common corporate value system that plays a defining role in the life of the group in the long term.
Our strategic goal is to harness the unique strengths, knowledge base, and proven practices of our member companies, thereby promoting the establishment of a unified corporate culture. Building on these existing values, we strive for the sustainable growth and efficient operation of the 4iG Group.

During the double materiality assessment, the 4iG Group identified five material topics related to its workforce:

- Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)
- Training and skills development
- Health and safety
- Equal treatment and opportunities for all (Gender equality and equal pay for equal work of equal value, Employment and inclusion of persons with disabilities, Diversity)
- Privacy (*presented in Chapter 3.5*)

The topics presented in the following subtopics and the impacts and opportunities described there affect all employees of the 4iG Group, so we do not make distinctions between them during the presentation; the descriptions apply to the entire employee group. In 2024, the 4iG Group had few non-employee colleagues, approximately 5% of the total workforce. They are in equal proportion student workers hired through student cooperatives, and those with contract-based employment relationships. The number of our Employees, who make up the vast majority (95%) of our workforce, is thus more than 8,000.
The 4iG Group is a company group built on a knowledge-based workforce, so the well-being, health, and safety of our colleagues is a key focus area of our operations. Our operations have mostly positive impacts on our employees; our goal is to strengthen these positive impacts, reduce the likelihood of potential negative impacts and risks, and exploit related opportunities as we carry out our tasks.
The main negative impact on our own employees is the occurrence of workplace accidents. In each of our subsidiaries, work is predominantly office-based, however, One Magyarország, Digi, and 4iG Távközlési Holding Zrt. also employ a larger number of technicians. According to our workplace accident records, negative impacts occur only sporadically, not at a system-level.
The most tangible positive impact of our operation is increasing employment and providing fair compensation for our colleagues. Currently, we offer different benefit packages at the subsidiary level within our group, which share the common feature of being competitive, attractive packages that serve employee needs and support our recruitment and employee retention goals. We strive for effective, open communication with our employees, providing opportunities for their involvement and incorporating their feedback into operations. Our subsidiaries currently have different regulations but uniformly provide opportunities for our employees to complete the training necessary for their job positions, which even in the short term carries the potential for increasing the group's knowledge base and success. Our group currently does not engage with unified equal opportunity or female quota-

linked programs, which has been identified as a medium-term risk during our analyses. Due to corporate acquisitions in 2024 and the significantly expanded operational holding structure, one of the most important tasks for 2025 will be - among other things in matters affecting our own employees - the development of a unified 4iG Group operational structure. Our group has not identified specific group-related impacts, risks, or opportunities arising from different geographical locations - especially regarding Albania and Montenegro.

We have not identified material impacts on our own workforce resulting from transition plans aimed at reducing negative environmental impacts and implementing greener and climate-neutral operations. The 4iG Group does not employ, either directly or indirectly, in a status other than employee status, persons with specific characteristics, those working under certain circumstances, or those performing specific activities who would be exposed to significantly greater danger than what is generally associated with their job position.

The 4iG Group actively cooperates with its employees in order to ensure that their opinions are taken into account and incorporated into decision-making processes.
The Group maintains open communication channels that encourage feedback and provide opportunities for meaningful participation in decision-making processes related to workplace conditions and organizational goals.
The 4iG Group has established regular contact opportunities through various platforms:

- **Employee surveys (Pulse Survey):** These surveys allow the 4iG Group to collect feedback on key issues related to the commitment of the entire workforce such as career development opportunities and overall well-being. The questionnaire was sent out three times in 2024, with a completion rate of 71% the first time, 76% the second time, and 73% of the group completed the most recent survey. Based on the received feedback, the Group implements measures to enhance employee well-being (e.g., shortening lunch breaks). The feedback is, where appropriate, incorporated into the development of policies and initiatives, and is treated confidentially in compliance with GDPR. The survey results help identify areas with risks and opportunities. Actions resulting from the survey are implemented by individual team leaders within their organisational units or through group-wide initiatives coordinated by our central HR department.

- **Employee forums**: The management of the 4iG Group regularly holds employee forums; during the transformation, the Project management reports on all significant results to employees in person, via email, or through video messages, as well as on the current status of the transformation. Separate subsidiary forums are also held by the individual member companies: One Magyarország and Invitech held three forums, 4iG Távközlési Holding Zrt. and Digi held five forums, and 4iG Informatikai Zrt. held one employee forum for their own employees. The internal transformation and Change management email address is available to the entire employee group, ensuring that employees' questions are answered. The forum was organised twice in 2024 for the strategic management areas of the 4iG Group, with the main topic being the progress of the 4iG Group's transformation process and future rebranding. The purpose of these forums is to inform employees about Group-level results, guidelines, and the Group's future prospects.

In addition, we use communication platforms and channels, such as the intranet and our so-called "Viva Engage" platform, to communicate measures and provide opportunities for employees to raise their questions.
Regarding decisions affecting larger groups of employees, representative groups were informed. In 2024, among the 4iG Nyrt.'s subsidiaries, One Magyarország Zrt., 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft. had occupational safety and health representatives. The other subsidiaries did not have representatives in the reporting year. Employees can contact the occupational safety and health representatives via email, or in person if needed. The contact person is included in the annual mandatory occupational safety and health training.
At the operational level, the Group Head of HR is responsible for ensuring that these collaborations take place and that the results permeate the approach applied by the 4iG Group.
The 4iG Group has not published any global framework agreement or other agreement with employee representatives specifically aimed at respecting the human rights of its own workforce.

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

The correction of negative impacts affecting employees, as well as channels allowing employees to voice concerns, are primarily provided by the Group HR Directorate. The employees of the 4iG Group are obliged to report any unsafe work environment, accident, or other occupational safety issue to their direct supervisor or HR manager by phone or email. The Group currently does not conduct evaluations on how well its own employees know and trust the structures or processes for raising and addressing their concerns or needs.
Employees are also entitled to submit whistleblowing reports to the Compliance organisation if they experience any perceived or actual illegal conduct or conduct that violates the requirements of the Code of Ethics and Business Conduct or internal regulations. Detailed information about the availability of the whistleblowing channel and the handling of whistleblowing reports can be found in Chapter 4.2. The whistleblowing channel does not replace the channels available to employees for expressing concerns, but operates independently and in parallel with them.

3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)

Vision

Maintaining an appropriate balance between work and private life is crucial for employee well-being, as it helps prevent burnout in the long term and reduces the risk of employee turnover. To this end, the 4iG Group continued to provide part-time employment for its employees in 2024, and we remain committed to the hybrid work model (on-site and remote work) throughout the whole Group. In addition, the group-level Code of Ethics and Business Conduct (hereinafter: Code of Ethics or Code) also includes forms of behaviour to be followed and avoided regarding fair working conditions, as well as labour principles, respect for working hours, and work-life balance.
Respect for human rights is a fundamental aspect of the 4iG Group's business model. The 4iG Group's Code of Ethics and Business Conduct integrates the guiding principles of the United Nations Universal Declaration of Human Rights, which serve as the basic framework for its labour policies. Although not explicitly stated in the Code of Ethics, it adheres to internationally recognised human rights standards, including the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The 4iG Group ensures compliance with labour laws, fair wages, non-discrimination, and the provision of an adequate work environment.

The 4iG Group does not tolerate any form of forced labour, child labour, or other forms of unethical employment, such as withholding wages, denying sick leave or daily rest periods, or abuse of alternative forms of employment.
To support these commitments, individual member companies of the 4iG Group have implemented policies such as health and safety regulations, remote work regulations, remuneration policies, and guidelines included in the Code of Ethics, such as well-being, inclusion, diversity, and equality, which

Impacts, risks and opportunities assessment

Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	
Material Impact	**Time Horizon**
Positive Impact Increased employee satisfaction, commitment, and productivity through appropriate working conditions and employment practices.	Short term

Work-life balance and appropriate working conditions have a direct impact on employee well-being. To mitigate turnover, the 4iG Group ensures fair working conditions, competitive compensation, and work-life balance; some member companies have developed mitigating measures, including labour policies, to address negative impacts (more detailed description in subsection "1. Policies"). Excessive impacts concentrating on employees reduce their motivation and increase stress levels. These factors can contribute to the development of mental and physical health problems.
The identified positive impact is directly linked to the 4iG Group's strategy and business model, as human capital is one of the most important factors in the Group's sustainable growth. The 4iG Group's own operations are affected by impacts related to working conditions, as these impacts may appear within its own employee group.

1. **Policies - Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)**

Due to the 4iG Group's transformation process, unified group-level policies were not yet available in all areas in 2024. However, the member companies already had their own labour policies and practices in place independently, which ensured the regulation and compliance of their operations.

4iG Nyrt. and One Magyarország have company-level remote work regulations that define the conditions for home-based work, the work order, and related procedures. For DIGI and 4iG Távközlési Holding Zrt., the Human Resources Policy includes working time management and home-based work requirements. Invitech regulates both office and home-based work, which is documented in the Computer-Based Work Regulation.
In the area of fringe benefits and incentives, the companies applied different regulations. 4iG Nyrt. introduced a Cafeteria Regulation, which provides the opportunity for fringe benefits tailored to individual needs. DIGI operates a so-called Variable Salary Regulation, which defines the framework for employee bonuses and benefits. In the case of 4iG Távközlési Holding Zrt., the Employee Handbook records fringe benefits – including bonuses – and in addition, Invitech, One Magyarország, ONE

Albánia, and ONE Crna Gora have Bonus and Remuneration Regulations, which record the details of incentive programs and remuneration criteria.
Different regulations were in effect at various companies of the 4iG Group for the regulation of leave management and working time records in the reporting year. 4iG Nyrt. apply a dedicated Leave Regulation, which provides a unified framework for employees to request and manage leave. In the case of 4iG Távközlési Holding Zrt. and DIGI, the Human Resources Policy contains provisions for leave management. One Magyarország's leave management appears integrated in their Home-Based Work Regulation.
The policies and regulations applied by the given member company cover all employees employed by it. The main internal stakeholders of labour policies are employees and managers, while from the perspective of external stakeholders, it is the legislators. The 4iG Group's central remuneration area regularly monitors that employees do not receive wages below the specified reference value of the given country (minimum wage or guaranteed minimum wage). This also ensures maintaining the feeling of a stable workplace and appreciation. In 2024 - in line with our stock exchange remuneration report - sustainability-related incentives were not built into remuneration at the Group's subsidiaries.

The managerial levels responsible for implementing and monitoring labour policies vary by company. In the case of 4iG Nyrt., the HR director oversees compliance with regulations, while at 4iG Távközlési Holding Zrt., the HR organization and the professional manager are responsible. At DIGI, the HR Business Partner (HRBP) leader, while at Invitech and One Magyarország, the deputy CEO and HR director carry out this task. In implementing the regulations, the companies respect various third-party standards and initiatives, including management systems introduced and certified according to ISO 9001 and ISO 27001 standards, OECD guidelines, and EU employment rules.
Regarding the availability of the aforementioned labour regulations, every member company where there is a regulation in effect makes it available to its employees through internal systems, such as intranet or SharePoint platforms.

Some subsidiaries did not yet have approved labour policies for specific sustainability issues in 2024, as the centralisation process was concluded in September 2024 in the organisation of the 4iG Group, and the formulation of policies could begin afterward. Additionally, the size of the affected member companies did not yet necessitate the introduction of these labour policies. The member companies are actively carrying out the development process and, where it is justified, they plan to introduce these policies in the short term.
Affected member companies:

- Hungaro Digitel Kft. (HDT)
- Poli Computer PC Kft.
- Innobyte Zrt.
- ACE Network Zrt.
- BRISK Digital Group Kft.
- CarpathiaSat Zrt.
- Rotors&Cams Kft.

2. Actions - Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)

In the 4iG Group, our policies, procedures, and processes serve as the basis for our activities aimed at preventing potential negative impacts and promoting positive outcomes. These frameworks help identify and implement measures to address potential negative and positive impacts on our workforce. By conducting regular assessments and incorporating feedback from employees through channels such as employee surveys (Pulse Survey) and internal channels, platforms (intranet, Viva Engage), they ensure that our efforts align with their needs and contribute to a supportive and inclusive workplace. Our goal is to ensure that our practices do not cause or contribute to significant negative impacts on our workforce.

In the reporting year, we provided a unified group-level health insurance benefit for all employees in Hungary to preserve and improve their health. To support families with young children, we provide extra paternity leave for our eligible employees beyond the legal requirements. Additionally, in 2024, our Pulse Survey covered topics that support work-life balance. As a result, based on employee feedback, the lunch break was shortened, thereby reviewing and changing working hours.

The member companies of the 4iG Group ensure the protection of employee rights and employment conditions through specific measures while complying with local labour regulations. The measures applied include:

- Working hour regulation, leave: Management of working hours and overtime in accordance with local regulations, including ensuring appropriate rest periods and days off. The 4iG Group expects this from all its member companies. Additionally, employees can take "Father's Day" leave; we provide fathers with an extra 10 days of paid leave when a child is born. For mothers, we provide extra supplementary leave beyond the statutory maternity leave. Those whose employment has existed for at least 1 year are entitled to 44 working days of parental leave until their child turns three years old.
- Wages and benefits: The company develops its employee remuneration system in accordance with minimum wage requirements and industry standards.
- Working conditions: Based on the principle of equal treatment, opportunities for all and a non-discriminatory environment are ensured during the selection and employment processes as an operational principle prescribed in the Code of Ethics.
- Work-life balance: Remote work and flexible working opportunities are available to employees of the companies mentioned in the "1. Policies" Chapter, where the nature of the job allows it.

These measures ensure that the member companies of the 4iG Group comply with legal requirements while supporting employee well-being and long-term commitment.

All measures implemented in 2024 are subject to continuous evaluation due to the 4iG Group's transformation process.

After the intensive group-level transformation, in the coming years, we will focus on maintaining a high standard of workplace practices in working conditions that align with legal requirements and ethical guidelines, ensuring that all employees receive fair and respectful treatment.

3. Targets - Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)

In 2024, due to group-level transformations, we did not set specific objectives; however, as part of our business operations, we evaluate our initiatives and their impacts at appropriate management levels. We record our established processes within the functions that have daily responsibility for ensuring compliance with our policies, and our continuous engagement channels and channels for raising concerns are also available. This decision reflects our commitment to strategic focus and industry-specific priorities. The 4iG Group plans to define objectives in the medium term after the completion of the transformation project, which it aims to achieve at the Group level.

Metrics - [S1-6] Characteristics of the undertaking's employees

The headcount data presented in the Social Chapter reflect the sets of statistics of the 4iG Group as of December 31, 2024, except in cases where the ESRS requests different data (e.g., S1-15 and S1-16).
When providing headcounts – where the ESRS does not request otherwise – the report is prepared considering those in employment who belong to the statistical headcount according to the KSH (Hungarian Central Statistical Office) guide - thus employees who are absent due to childbirth, absence due to illness longer than 30 days, exemption from work, and those on unpaid leave are not taken into account. Furthermore, employees employed for less than 60 hours per month according to their employment contract are also not taken into account.
The data are given in Headcount, the number of employees according to the full-time equivalent (FTE) was only used in the calculation of the remuneration indicators (pay gap and total remuneration, S1-16 indicators).
The most characteristic data for the year-end 2024 headcount presented here is the statistical average headcount appearing in the personnel expenses chapter of the financial statement.

S1-6 Distribution by gender

Number of own employees by gender (persons)	**2024**
Male	5 261
Female	3 141
Other	0
No information	0
Total employees	**8402**

Calculation method - Distribution by gender
"Distribution by gender" means the number of employees whose legally recognized gender is female or male. At the 4iG Group, "distribution by gender" is calculated by summing the total number of women and men across all operating countries.

S1-6 Geographical distribution

Number of own employees (persons)	**2024**
Hungary	7 314
Albania	712
Montenegro	376
Total employees	**8 402**

Calculation method - Geographical distribution

We calculate the geographical distribution of employees by summing the total number of employees at each geographical location where our companies are located. The Albanian and Montenegrin employment regulations do not contain different definitions for own employees in terms of the S1-6 metric.

S1-6 Employee characteristics by contract type

	2024				
Characteristics of employees (persons)	Female	Male	Other	No information	Total
Employees	3 141	5 261	0	0	**8 402**
Permanent employees	3 057	5 204	0	0	**8 261**
Temporary employees	84	57	0	0	**141**
Number of non-guaranteed hours employees	2 812	4 674	0	0	**7 486**

Calculation method - Employee characteristics by contract type

Permanent employees: permanent employees are defined as employees with permanent contract. For the 4iG Group, the number of "permanent employees" is calculated by summing up the number of permanent employees in all member companies.

Temporary employees: By temporary employees, we mean the number of employees whose employment contract is for a specified period. At the 4iG Group, the number of "temporary employees" is calculated by summing up the number of temporary employees working in all member companies.

Non-guaranteed hours employees: an employee whose contractual working hours are not irregular and whose daily working schedule is therefore predetermined. In addition, the employer may order on-call time, standby duty or downtime. The number of non-guaranteed hours employees is calculated by summing up the number of employees by gender whose contractual working time is not irregular.

S1-6 Employee turnover

Employee turnover	**2024**
Turnover rate (%)	13.5%
Number of employees who offboarded the company (persons)	1132

Calculation method – Employee turnover

The "number of employees who offboarded the company" represents the total number of employees who left the 4iG Group, while the "turnover rate" is the percentage of employees leaving the 4iG Group. The total number of employees leaving the 4iG Group is calculated by summing up departures in all operating countries during the reporting period. By employees leaving the 4iG Group, we mean those who had an employment relationship with any member company of the group and this employment relationship was terminated during 2024 in any way (by mutual agreement, notice, immediate termination, expiration of fixed-term, or due to employee's death). Employees who established an employment relationship with another member company of the group on the day following the termination – considering group employment – are not included among those who left.

To determine the percentage of departing employees, we divide the total number of offboarding by the total statistical headcount as of December 31, 2024.

[S1-7] Characteristics of non-employee workers in the undertaking's own workforce

S1-7 Non-employee workers

	2024
Number of non-employees (persons)	516
Interns	295
Individuals with contract-based employment relationships	221

Calculation method - Non-employee workers

Interns and individuals with contract-based employment relationships are not considered employees. They are individuals whose work contributes to the 4iG Group, but who are not in an employment relationship with us. The total number of interns and individuals with contract-based employment relationships (typically self-employed individuals hired for temporary or seasonal project work) is presented according to the closing date of the reporting period.

[S1-10] Adequate wages

All employees of the 4iG Group receive adequate wages compared to the applicable reference wages (minimum wage and guaranteed minimum wage).

[S1-15] Work-life balance

Work-life balance	2024
Proportion of employees eligible for family leave (%)	37.09%
Proportion of men taking family leave (%)	55.03%
Proportion of women taking family leave (%)	44.97%
Total proportion of employees taking family leave (%)	29.35%

Calculation method - Work-life balance

Family leave includes maternity leave, paternity leave, additional child leave and carer's leave guaranteed by law. The number of employees who took family leave was determined by examining which employee was entitled to family leave and which employee took family leave in 2024 among the employees in the labour law staff (employed on 31 December 2024). The resulting headcount was divided by the total number of employees in the labour law staff. In the course of the calculations, employees with legal relationships with several member companies were taken into account only once in order to avoid headcount bias. The proportion of employees taking family leave is calculated by adding up the number of employees taking family leave, maternity leave, paternity leave, parental leave and carer's leave by gender and then dividing it by the total number of employees entitled to family leave.

Group-specific indicator - Working time monitoring

	2024		
	Hungary	Montenegro	Albania
Proportion of employees with flexible working time arrangements (%)	9.1%	66%	83%
Proportion of non-employees with flexible working time arrangements (%)	0	0	0

The 4iG Group presents information on working time according to point 'd.' of the GRI REWO-7 (working time monitoring) indicator. Accordingly, we present the proportion of our employees and non-employee workers who are entitled to flexible working time arrangements. The data have been aggregated separately for our most significant operational areas, namely Hungary, Montenegro, and Albania. Point 'd.' of GRI REWO-7 asks the Group to report the percentage of employees and non-employee workers working in flexible working time arrangements by significant operational locations. In the case of Albania and Montenegro, the higher figure is due to the fact that, in addition to core working hours, the start time of the working day is flexible, as stipulated in the employment contracts. Accordingly, the employees concerned are classified as flexible working time employees.

Calculation method - Working time monitoring
By flexible working time arrangements, we mean employees classified in flexible work schedules. In their case, the employer has specified their daily working time but has transferred the right to schedule daily working time to the employee. The percentage of employees with flexible working time arrangements is calculated by dividing the number of employees with flexible working time arrangements by the total number of employees and multiplying by 100. The proportion of non-employees with flexible working time arrangements is calculated by dividing the number of non-employees with flexible working time arrangements by the total number of non-employees and multiplying by 100. The data were provided based on the status as of December 31, 2024.

3.2. Training and skills development

Vision

Our company group's activities are centred on the customer, and the basic condition of our operation is correct and accurate customer service. To this end, we continuously train our professionals so that we can handle our clients' needs using technologies and with a short response time, regarding any segment of our industries.

Impacts, risks and opportunities assessment

Training and skills development	
Material impacts	Time horizon

Negative impact	
Increased turnover among talented employees, difficulty in attracting employees, development of employee disinterest in sustainability.	*Long term*
Positive impact	
Increased commitment of talented employees, easier recruitment process. Increased related knowledge and commitment of employees.	*Short term*

The 4iG Group is committed to attracting and retaining talent, as well as strengthening the organisational presence of sustainability. Its goal is to provide employees with appropriate training and skills development opportunities. Furthermore, the goal is that the Group's own practices do not cause material negative impacts on its workforce and do not contribute to such material impacts.
Potential negative impacts include increasing turnover of talented employees and disinterest due to lack of sustainability knowledge. These can impact the Group's expertise and operational efficiency in the long term.
The impacts have long-term effects and are primarily concentrated on the Group's operations, i.e., its own employees, and its downstream value chain (e.g., those working in stores who are not its own employees).
The 4iG Group aims to further develop its training and skills development strategy, ensuring the integration of sustainability competencies into decision-making and organisational operations, thereby supporting long-term business success and employee satisfaction.

1. **Policies - Training and skills development**

The operational condition of the 4iG Group is to fully comply with current legal requirements and the requirements of its qualifications. To this end, it is mandatory for all employees to complete e-learning courses upon entry and annually. Compliance is checked by regular labour and ISO audits, which may result in fines and business risks in case of non-compliance. The training regulations of the individual member companies ensure the regulation of corporate operations and the continuous professional development of employees.

In 2024, as a consequence of the 4iG Group's centralization process, there was no approved group-level policy regarding the management of material impacts related to training and skills development for its own workforce, but the Group flexibly applied measures to support the workforce, adapting to continuous changes and needs.

The training regulations of the member companies were as follows in 2024:

Policy	Main content elements of the policy	Scope of the policy*	Highest level responsible for enforcement	Internationally applied standards	Availability
Training and skills development regulation	The training regulation describes in detail and monitors training processes, participation conditions, and relevant training programs. Details the conditions of study contracts – in the case of One Magyarország, Digi Kft.	One Magyarország, 4iG Távközlési Holding Zrt., Digi, Invitech	Group Head of HR Board and MNC grade managers are responsible for implementation. - In the case of Invitech	-	Intranet
E-learning regulation	Process of participation in mandatory e-learning courses, responsibilities, obligations Related process steps Consequence management	4iG Nyrt.**	Group Head of HR	The E-learning regulation takes into account the MSZ ISO 45001, ISO 27001, ISO 14001 standards	Intranet

**At the listed member companies, the scope of the policies extends to all employees employed by them.*
***The scope of the Regulation extends to the employees of 4iG Nyrt., as well as to its employees in other employment relationships in terms of training according to point 2.5 of the Regulation.*

In the case of One Magyarország, the content of the policy extends to the basic principles, available education and development opportunities, application guidelines, cancellation and absence, evaluation of training and feedback, study contract, compliance with the regulation.
When developing the future group-level policy, we will request the contribution of key stakeholders in reviewing the policy before finalization. The entry into force is preceded by an approval process.

New entrants had a total of 14 days to complete the mandatory e-learning courses, including the day of entry.
Recurring mandatory e-learning courses must be completed every calendar year according to the specified performance conditions. Employees who work under onsite (office and site-based work) or remote work contracts, i.e., who do not work in the 4iG group's office buildings, were also not exempted from this. In the case of onsite work, it may happen that certain mandatory training must be completed at the service location (at the client) if the client requires it. In such cases, the employee must comply with both requirements. Completion of occupational and fire safety training is also mandatory for individuals employed in contractual and internship legal relationships at the beginning of the legal relationship, and then annually. New employees who entered in 2024 had no further obligations after the completion of the prescribed courses. Employees who did not join the company in 2024 had the opportunity to complete the annual refresher, mandatory e-learning training in December. The Training-Development Department notified employees by email about the available courses and completion deadlines. The departments responsible for the content of the courses had to update the content of the materials before the refresher training period. The allocation of mandatory

e-learning courses, the provision of access, and the information of employees about technical and other information were performed by the Training-Development Department according to the policy. The following mandatory training was defined for 4iG Nyrt.

- Occupational and fire safety training
- Information security awareness training
- Information security regulation training
- Anti-corruption and bribery regulation training
- Code of Ethics training
- Energy management system training
- Integrated management system training
- Employee Data Protection and Data Management training

According to the training policy adopted by Digi, Invitech, 4iG Távközlési Holding Zrt., and One Magyarország, in the case of group-organised training affecting multiple participants, the organisation of the training included contact with the external partner, coordination, consultation between the training partner and the participating organisation, notification of employees, initiation of the procurement request, and if necessary, the conclusion of a study contract, taking into account the current legislation.

No approved training policy was available for the other member companies included in the consolidation scope in 2024.

2. Actions - Training and skills development

4iG Nyrt. provided access to the e-learning platform for all new employees from the day of entry and also provided them with all mandatory online courses. Occupational and fire safety training was held in person on the first day of the employees, and beyond this, every new employee had to complete the e-learning course related to this on the day of entry and pass a successful exam on the material.

Generally characterise at the entire company group level that the Company monitors and evaluates feedback related to training, collects workshop satisfaction data, and colleagues receive an electronic feedback questionnaire after the training. We process participant evaluations immediately upon receipt and investigate assessment aspects below 70% and take corrective actions, which we communicate to the supplier and the leader of the participating organisational unit.
At the group level, it identifies problems based on feedback collected during training and determines measures that mitigate the impact of changes. HR supports employees in dealing with difficulties related to changes while continuously ensuring professional development. Through these processes, we determine what measures are necessary to address specific actual or potential negative impacts on our own workforce. We involve colleagues in the measures at HR events, provide information, and incorporate their observations and suggestions into management decisions.
In case the price of a training exceeds a certain amount specified in the company's regulations (different by member company, the exact amount is contained in the regulations), a study contract was concluded between the employee and employer. A basic condition for participation in the training was the signing of the study contract before the beginning of the training, the HR professional provided prior information about this to the employee. The study contract was developed based on the Labour Code.

During the supported training, the following forms of support were possible:

- Tuition and/or cost support
- Working time allowance

Participation in professional conferences was possible following prior consultation with and approval by the professional manager and/or HR manager. Within the change management challenges, the 4iG Group provided comprehensive action plans and resources as a principle to effectively manage material impacts, risks, and opportunities on its own workforce. As part of this, we organised a large-scale Change Management workshop for 120 top managers at the beginning of 2024 to support a major transformation project, which focused on managing human risks and exploiting opportunities. We subsequently expanded the program to middle management level, and then involved a wider range of employees, thus ensuring a change management strategy covering the entire organisation. The purpose of these measures is to support effective organisational transformation and promote the continuous development and adaptability of employees. 4iG Nyrt., One Magyarország Zrt., Invitech, 4iG Távközlési Holding Zrt., and DIGI participated in this program.
The scope of the measures extends to management, middle managers, and the entire workforce, thereby ensuring that unified goals and guidelines are applied at all levels during the transformation. The planned time horizon for implementing change management measures is short-term, which ensures that changes and developments are implemented at an appropriate pace and efficiently.
Part of the annual corporate cost planning is that each member company determines its training framework for the given year.

4iG Nyrt. has taken steps to manage impacts and ensure correction for the entire company group. We launched mentoring programs to ensure that new employee and organisational changes happen smoothly. In 2024, we ensured that employees successfully adapted to the new structures through change-supporting mentoring and training programs.
We support our colleagues with targeted training (skill development training: time management training, stress management, adaptability development training, professional training closely related to their field). We have extended our "Coach Corner" - internal coaching program service to all our member companies, where internal colleagues support those colleagues who would like to work on their work-related struggles. The Navigator program serves the same purpose for leaders. Employees of DIGI, 4iG Távközlési Holding Zrt., Invitech, One Magyarország Zrt. can access e-learning content either for mandatory or self-development purposes on their own e-learning or internal corporate communication platform, on various topics.
Resources are provided flexibly and mostly from within the company, and adapted to specific situations to manage impacts, taking into account the current needs and priorities of the 4iG Group.

3. Targets - Training and skills development

In 2024, due to group-level transformations, we did not set specific objectives. The 4iG Group plans to define objectives in the medium term after the completion of the transformation project, which it aims to achieve at the group level. Following the 2024 corporate transformation, we expect to define group-level goals on the topic in the medium term, within 2-3 years. Currently, we do not monitor the effectiveness of our policies and measures.
Although the company group did not have a defined objective, we establish principles in the policy in order to keep our training processes within frameworks.

Metrics – [S1-13] Training and skills development

	Percentage of employees participating in performance reviews; (%) 2024	Average number of training hours (per person) 2024
Female	79.8%	33.67
Male	60.1%	32.60
Total	**67.5%**	**33.00**

Calculation method

Average training hours

Training hours represent time spent on training and skills development. Training and skills development encompass various methods. We calculate the training hours per employee and by gender by dividing the total training hours recorded in the 4iG Group, and the total training hours broken down by gender, by the total number of employees, and the number of individuals of each gender, using the total employee headcount appearing in the S1-6 disclosure.

Performance evaluations

The percentage of employees participating in performance evaluation is calculated using the total employee headcount appearing in the S1-6 disclosure as the denominator. The denominator includes employees who are not eligible for performance evaluation but are part of the total headcount. Employees who received performance evaluation make up the numerator.

3.3. Health and Safety

Vision

Due to its activities, the 4iG Group interprets the topic of health and safety in two ways. At our subsidiaries where increased risks arise from the type of work, we aim to comply with strict occupational safety regulations. These companies are One Magyarország, 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft., where our colleagues performing physical work - installers, infrastructure network element installers, network system builders - may perform work at heights, tasks involving long travel, and work in shafts. We wish to prevent accidents and health risks through the Group's regulatory compliance, continuous inspections, maximum attention to each other, and the creation of a culture of a safe work environment. In the case of other employees of the 4iG Group performing office work, we also pay special attention to creating and maintaining healthy, ergonomic, and safe working conditions.

Impacts, risks and opportunities assessment

Health and Safety	
Material impact	**Time horizon**

Positive impact	
Prevention of workplace accidents, minimisation of employee illnesses (e.g., provision of appropriate protective equipment).	Short term

In connection with the topic of health and safety, during preparation for reporting, we identified workplace accidents as a material topic. We identified efforts to prevent workplace accidents, minimise employee illnesses and accidents through the provision of appropriate protective equipment as an actual positive impact. The identified material impact is felt in our company group's operations, mainly affecting our own employees, even in the short term. Although hazardous working conditions may occur during our company group's operations, especially in the case of our installer staff, the occurrence of accidents cannot be directly linked to our company's strategy or business model. With our unified occupational safety regulations planned to be developed in the coming years, we intend to respond to these accidents and reduce their number. In 2024, workplace accidents that occurred did not have a material impact on our company group's financial performance.

1. **Policies - Health and safety**

The 4iG Group in 2024 – due to its intensive acquisition activity – did not have a unified occupational safety regulation covering all its subsidiaries. On January 8, 2024, 4iG Nyrt.'s own occupational safety regulation was issued, and in 2025, we intend to issue a unified, group-level occupational safety guidance for the subsidiaries. Besides 4iG Nyrt., One Magyarország Zrt., 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft. also have their own occupational safety regulations. Our other subsidiaries, where primarily office work is performed, have not yet developed their own occupational safety regulation system, however, the relevant occupational safety regulations are complied with in the case of these companies as well. The existing occupational safety regulations establish the personal, material, and organisational conditions of occupational safety. Each subsidiary included in the report operates a comprehensive workplace risk assessment and occupational safety system, supported by an occupational and fire safety professional, possibly an external occupational and fire safety service provider. The occupational safety risk assessment also extends to the infrastructures operated by the member companies – for example, mobile towers providing network coverage. Depending on the activities of the member companies, we conduct risk analysis examining the following areas, processes:

- workplaces, workplace environment,
- technology and activities
- machines and equipment, work tools,
- screen display workplaces, psycho-social load of employees,
- manual material handling,
- hazardous substances and mixtures
- biological hazards.

One of the main goals of the 4iG Group's leadership is to provide a safe and healthy work environment for all employees, subcontractors, visitors, and other stakeholders as well. The 4iG Group does not have a group-level policy; the principles related to safe work are established in Chapter 3.2 of the Group's Code of Ethics and Business Conduct, extending to all employees and the value chain.
4iG Nyrt. has an occupational safety policy in connection with its ISO 45001 management system certified by an external party. The policy expresses our commitment to preventing work-related injuries, illnesses, and occupational diseases, as well as continuously improving workplace health protection and safety. The policy's scope extends to the trade of IT equipment and solutions, service activities, IT system development, system integration, IT operation, software development, consulting, main contractor activities, project management, and related supporting activities performed at the company's headquarters, including all employees, subcontractors, visitors, and stakeholders who are in contact with 4iG Nyrt. Compliance with the provisions of the Policy is the responsibility of all employees, however, the managers of 4iG Nyrt. bear special responsibility for communicating, complying with, and enforcing the provisions. We actively involve employees and other interested parties – subcontractors if necessary – in identifying hazards related to workplace health and safety issues, evaluating risks, and issues related to legal compliance. We communicate the policy to all employees and subcontractors and make it accessible on the Company's internal network. We review the policy annually to ensure that it is effective and appropriate to the goals of our Company Group.

One Magyarország Zrt., 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft. had their own occupational safety regulations at the end of 2024. These address the requirements for ergonomic office and hybrid work, the obligation to report accidents and rules for investigation, rules for working

in potentially dangerous environments or circumstances (work at heights, in underground shafts, or work involving long travel), and the expected preparedness and behavioural norms from our subcontractors.
We pay special attention to mandatory occupational health medical fitness examinations, occupational safety training, occupational safety inspections, the prohibition of working under the influence of alcohol or other substances, and the provision and proper wearing of appropriate personal protective equipment and work tools.
Our regulations are based on the domestic legal environment, including the Labour Code, the Act on Mandatory Health Insurance Benefits, the Act on Occupational Safety, and the dozens of related decrees and Safety regulations, and are prepared and reviewed taking these into account. The regulations presented above also contain accident prevention and risk reduction, and risk management action parts.

2. Actions, Targets - Health protection and safety

In 2024, the 4iG Group did not have top managers-approved measures or measurable goals regarding workplace health and safety that extended to the entire company group. Following the corporate transformation in 2024, our focus will be on developing group-level occupational health and safety regulations, policies, and defining measures and goals in 2025. However, for 4iG Nyrt., measures and goals were already designated in 2024, with a completion deadline in the second quarter of 2025. These were as follows:

- Increasing awareness of workplace health and safety, increasing the participation rate in annual training to 90%.
- Increasing the number of colleagues who have completed first aid training to 30 people.
- Identification, assessment, and reduction of occupational and health hazards. Elimination and/or minimization of risks through regular site visits, review of workplace risk assessment documents. Holding at least 12 site visits per year.

In addition, our company provides a complex health insurance package for our colleagues through an external service provider, about which we write more in chapter 3.1. At some of our companies, including 4iG Nyrt., 4iG Távközlési Holding Zrt., Digi Kft., and Invitech Kft., we provide free fruit to our colleagues on certain days, and we support team sports by providing venues.

The 4iG Group's central occupational safety manager continuously monitors the number of accidents occurring at the company group, as well as the number of injuries and potential fatalities resulting from these. In 2024, our company group did not experience any serious or fatal workplace accidents either among our own workforce or other employment groups. In 2024, among the subsidiaries of 4iG Nyrt., One Magyarország Zrt., 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft. had company-level occupational safety representatives. The other member companies did not have occupational safety representatives in the reporting year. Employees can contact the occupational safety representatives via email, or in person if needed. The contact person is included in the annual mandatory occupational safety training.

We also monitor the number of recordable, reportable accidents at our company group. The 34 registered workplace accidents resulted in a total of 356 days of lost working time. These accidents can typically be categorised as dislocations, sprains, bruises, cuts, bites, electric shocks, closed fractures, open wounds, surface injuries, and cuts. All accidents occurred in the Hungarian operation;

we did not register any workplace accidents in Albania and Montenegro. Employees who do not belong to the employee category (interns and seconded personnel) also did not suffer workplace accidents in 2024. Our company group did not experience any work-related recordable illnesses in the reporting year. In 2024, there were no work-related employee deaths (including employed and non-employed workers) within the 4iG Group.

Metrics [S1-14] Health and safety

	2024
Proportion of employees covered by the health and safety management system (%)	17.29%
Proportion of interns and contractors covered by the health and safety management system (%)	13.57%
Number of work-related accidents	34
Rate of recordable work accidents	2.32%
Number of days lost due to workplace injuries resulting from work-related accidents	356
Number of recordable occupational illnesses	0
Number of fatalities resulting from work-related injuries/illnesses	0

Calculation method

Number of work-related accidents: The consolidated number of accidents affecting employees recorded in the local occupational safety management systems of companies belonging to the 4iG Group during the reporting period.

Rate of recordable work accidents: This rate represents the number of work accidents per one million hours worked, calculated by dividing the number of cases registered in the reporting period by the total working hours of the 4iG Group, and multiplying by one million.

Number of recordable occupational illnesses: No occupational diseases[12] occurred in the 4iG Group in 2024.

Number of days lost: The number of days lost, starting from the first full day of absence and the last day, including all calendar days of the period (e.g., including weekends and holidays).

Number of fatalities: The number of fatalities registered among the 4iG Group and other employees working at the Group's sites, which occurred as a result of work-related injuries or work-related illnesses.

[12] Occupational disease: an acute and chronic health problem that occurs in the course of work or occupation, or that appears or develops after the exercise of the occupation

3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)

Vision

The 4iG Group expects all its employees to refrain from any behaviour, measure, condition, omission, instruction, or practice that constitutes (direct or indirect) discrimination, harassment, ostracism, unlawful segregation, or retaliation. Direct discrimination is any measure or behaviour that results in a person or group receiving less favourable treatment due to a real or perceived protected characteristic than another person or group in a comparable situation receives, has received, or would receive. These expectations are also contained in the Company Group's Code of Ethics and Business Conduct, which every employee becomes familiar with after joining.

Impacts, risks and opportunities assessment

Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)

Material Impact	Time horizon
Negative Impact Lack of opportunities for all and inclusion causes dissatisfaction and makes the attraction of new workforce and the professional advancement of some talented employees difficult.	Long term

The impacts, risks, and opportunities related to Equal treatment and opportunities for all are primarily concentrated in the Group operations, that is, in our own employee community. Material negative impacts resulting from a lack of diversity and inclusion include increased employee dissatisfaction, weakened cohesion of the workplace community, and difficulty in attracting new talent. In addition, the professional advancement of certain employee groups may face obstacles, which can hinder individual development and innovation potential. The collaboration of diverse groups can facilitate the incorporation of new perspectives into decision-making processes, which can lead to sustainable growth in the long term.

1. **Policies - Equal treatment and opportunities for all**

Currently, the Company Group's unified Diversity and Social Inclusion Policy is contained in its Code of Ethics and Business Conduct. Apart from this, none of the company group's member companies had a dedicated diversity and inclusion policy in the reporting year. Our medium-term goal is to incorporate this important area into a unified regulatory system following the transformation period currently taking place at the Hungarian member companies, and to formulate clear, measurable, and motivating goals for all our member companies and employees.

2. **Actions, Targets - Equal treatment and opportunities for all**

Due to the intensive acquisition activity in recent years, the 4iG Group has become a melting pot of companies with different backgrounds and cultures, and diversity and inclusion as a core value has

been further strengthened in everyday life. We know that without an approach based on understanding, respecting, and accepting each other, we would be less successful in retaining our existing customer base and supplier partners and acquiring new ones.
Regarding our employees, our policy is to treat them equally throughout the entire employee lifecycle, from the recruitment process through access to training, promotions, and compensation.
In 2024, we do not report specific measures related to equal treatment and opportunities for all and other social inclusion-related topics at the 4iG Group level. Although the 4iG Group aims to provide equal opportunities for all and to treat applicants and employees equally regardless of their personal characteristics, such as race or ethnicity, colour, religious or political views or lack thereof, origin, gender, sexual orientation, age, gender identity or its expression, nationality, marital status, pregnancy, childbirth, genetic trait, health condition, or other status, characteristic, or feature protected by applicable laws (hereinafter together: "protected characteristic"). These expectations are also contained in our Code of Ethics; however, we do not have a report on actually identified mitigation or promotion impacts.

At the 4iG Group level in 2024, we focused on improving the equal opportunity situation of the following employee groups:

- Support for families with young children - extra paternity leave beyond legal requirements

We plan to launch future programs in the following topics:

- Reintegration of mothers returning from home childcare into the organisation
- Supporting the employment of career starters with internship programs
- Cultural diversity – Hungarian, Albanian, and Montenegrin employees work together in our Mentoring Program.

In 2025, the further organisational and operational transformation process of the 4iG Group's member companies is taking place, aiming to establish efficiently operating new organisations and new cooperation structures. This process is accompanied by the digitalisation of group-level HR systems, the harmonisation and unification of our processes, and significant movement of employees through legal succession and organisational restructuring. Therefore, during 2025, establishing a coherent comparable base year would face great difficulties. Therefore, our plans include creating and fine-tuning processes as the main goal, so that by 2026 we will have base year data and, building on these, setting measurable short-term goals in the areas of diversity and inclusion as well.

Metrics [S1-9] Diversity metrics

S1-9 Gender distribution in top management

	2024	
Top management by gender	Headcount	Proportion
Male	70	79%
Female	19	21%
Total top management	**89**	**100%**

Calculation method - Gender distribution in top management

Top management means one level below the CEO. At the 4iG Group, the gender distribution was calculated by summing the total number of women and men working in top management. These aggregate numbers are divided by the total number of women and men working in top management to calculate the distribution ratio of each gender. This calculation is based on the closing date of the reporting period (31.12.2024).

S1-9 Distribution of employees by age group

Distribution of employees by age group in headcount	**2024**
Under 30 years	1490
Between 30-50 years	5106
Over 50 years	1806
Total employees	**8402**

Calculation method – Distribution by age group

The distribution of employees by age group is calculated by summing the total number of employees under 30 years old (29 years or younger), between 30 and 50 years old (30-49 years), and 50 years or older, as of December 31, 2024. Employees whose birthday is on December 31 were considered with the higher age on that day. The headcounts were determined based on those belonging to the statistical headcount on December 31, 2024.

S1-12 Proportion of persons with disabilities

The percentage of people with disabilities was 0,49% in the reporting year. The calculation method used: the number of employees with altered working capacity, divided by the total number of employees in the statistical headcount as of December 31, 2024. The definition of employees with altered working capacity was based on Act CXCI of 2011.

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

S1-16 Pay gap

	2024
Gender / pay ratio	22%

The gender pay gap in this statement is determined by the internal composition, as men are typically overrepresented in the composition of top management in the company group. However, it can be said that the pay difference between employees employed in the same position or job level is minimal.

Calculation method

The gross hourly wage was determined based on the contractual monthly gross base salary, taking into account the daily number of hours. When calculating the percentage ratio, the average gross hourly wage of male employees is subtracted from the average gross hourly wage of female employees, which is divided by the average gross hourly wage of male employees and finally multiplied by -100.

Total annual renumeration	2024
Total annual renumeration ratio	36.25

Calculation method

The total pay ratio is calculated by dividing the total annual remuneration of the highest paid employee in the group by the median of the annual salaries of all employees in the group. For the purpose of calculating the total annual remuneration, the monthly basic salary under the employment contract, the dedicated incentives under the rules and the cafeteria are taken into account. The resulting figure has been converted into full-time equivalents and annualised. The number of employees concerned is based on the statistical headcount as at 31.12.2024, as shown in the report. The data are presented in HUF using the monthly average exchange rates of the Hungarian National Bank (MNB) for December.

3.5. Privacy

Vision

All member companies of the 4iG Group are committed to the protection of personal data, compliance with data and information security regulations, and the comprehensive investigation of privacy complaints, as well as remedying substantiated privacy complaints, in order to ensure that the rights of data subjects related to human dignity and respect for privacy, as well as employment-related rights, are properly enforced at both the group level and the level of individual member companies. Furthermore, the 4iG Group has a significant number of employees, which stems from both the number of companies belonging to the Group and their wide range of activities. Due to these two factors, it can be said that the member companies of the 4iG Group process a significant amount of personal data, which requires them to proceed with increased caution to ensure compliance. Any unlawful data processing may entail, in addition to harmful social impacts – e.g., loss of revenue, significant loss of trust, etc. – extremely serious legal consequences at both the group and member company level. With this in mind, the 4iG Group pays special attention to the protection of personal data by introducing new data protection requirements and continuously monitoring and developing them.

The 4iG Group ensures high-level professional advice necessary for data protection compliance and the continuous and process-integrated monitoring of this compliance through the cooperation of a data protection organisation system consisting of data protection officers and persons and areas cooperating with them for the individual member companies. In 2024, the data protection officers appointed at the member companies of the 4iG Group investigated the validity of data protection complaints and, if necessary, proposed measures aimed at preventing or restoring violations. The data protection officers operating at the individual member companies carry out this activity partly within the framework of a contractual relationship, partly within the framework of an employment relationship.

In parallel, the 4iG Group has begun to develop unified data protection training for the employees of the 4iG Group. As part of this, we introduced new training material in 2023, which is mandatory for the employees of 4iG Nyrt. In addition, One Magyarország Zrt. maintains an annually recurring mandatory data protection training.

Impacts, risks and opportunities assessment

Privacy (protection of personal data of own employees)	
Material opportunity	**Time horizon**
In terms of the processing of personal data, there is an opportunity to strengthen trust between employees and the employer, as transparent cooperation strengthens the relationship and collaboration between the parties.	*Short term*

Privacy (protection of personal data of consumers and end users)	
Material Risk / Opportunity	
Risk: *Fines and sanctions that may result from improper handling of personal data and their misuse. Loss of revenue and investment due to decreasing investor and customer confidence.*	*Medium term*
Opportunity: *Reliable supervision of data traffic, legality of personal data processing, high cybersecurity, and avoiding data leakage provide the company with a greater market role through the company's positive perception.*	*Short term*

The impacts and risks threatening the fundamental rights and freedoms of natural persons (whether employees or customers (subscribers)) – such as freedom of expression – may arise with varying likelihood and severity during the processing of personal data, which may result in physical, material, or non-material damages.
Accordingly, in the reporting year, in terms of privacy (including personal data) protection, the impacts, risks, and opportunities affecting employees were examined on one hand, and the impacts, risks, and opportunities affecting consumers and end-users on the other.

In terms of employees, opportunities were identified from a materiality perspective – "*In terms of personal data processing, there is an opportunity to strengthen trust between employees and the employer, as transparent cooperation strengthens the relationship and collaboration between the parties.*" The reason for this is that an appropriate data protection framework can strengthen trust in the relationship between employees and employers. This has a positive impact even in the short term, as transparent cooperation is capable of improving relationships between the parties. This opportunity also arises from a financial perspective, as increasing trust can also increase employee commitment and reduce turnover.

In terms of consumers and end-users, significant risks were identified on one hand – "*Fines and sanctions that may result from improper handling of personal data and their misuse. Loss of revenue and investment due to decreasing investor and customer confidence,*" and opportunities on the other – *"Reliable supervision of data traffic, legality of personal data processing, high cybersecurity, and* *avoiding data leakage provide the company with a greater market role through the company's positive perception."*

The identified risks can be significant, they can have a noticeable impact on the daily lives of those who conserned beyond inconveniences, as data leakage (such as location data, traffic data, or personal data related to payroll in the case of employees) or the leakage of identification data used for service provision can have significant negative impacts on the data subjects (e.g., profiling or misuse of the service through identification data), as this allows access to information that more intrusively interferes with the data subjects' private sphere, and this data can be misused. The impact is actual, as our customers and employees are located in multiple countries, a possible data breach would have a widespread impact, and could also lead to regulatory authority proceedings or data protection authority proceedings.

The several stakeholders (including consumers, end-users) are of key importance to the 4iG Group, as the protection of personal data processed by us and the data traffic we supervise have a direct impact on the security and trust of the data subjects. Maintaining a high level of information and cybersecurity, as well as preventing data leaks and abuses, forms a fundamental part of our business strategy and extends to our entire value chain. The reasonably expected time horizon of the identified impacts and risks may already exist in the short term, as data breaches affecting customer and employee data, as well as regulatory and trust risks related to data processing, pose a continuous and immediate challenge.

The risks in the area of data protection and information security are closely related to our business strategy and operational model. The constantly changing customer base, especially the growing number of residential customers, necessitates continuous data protection requirements and developments.

In terms of consumers and end-users, opportunities were also identified alongside the risks. In terms of consumers and end-users, the trust of consumers and end-users emerges as a positive opportunity. The more consumers and end-users trust that their personal data are processed in accordance with the prescribed legal requirements, the more positive financial impact it can have for the 4iG Group, as it can prevent the migration of consumers and end-users.

The 4iG Group provides professional advice and inspections through the cooperation of data protection officers to support practical data protection compliance. In 2024, the group's data protection officers investigated complaints related to data protection and conducted risk assessments to address potential issues.

The impacts thus actually appear on both the employee and customer (subscriber) sides. The scope of those affected by the impact can thus be determined on one hand in terms of employees, and on the other hand in terms of customers (subscribers), as they can significantly prevail in relation to them. These impacts are therefore related on one hand to the services provided by the subsidiaries of the 4iG Group (electronic communications service), and on the other hand arise in connection with the member companies' own workforce (i.e., employees in an employment relationship with the individual member companies).

Physical, material, or non-material damage may be realized in a case where the data processing leads to discrimination, identity theft, fraud, financial loss, damage to reputation, loss of confidentiality of personal data protected by professional secrecy (for example, by unauthorized reversal of pseudonymized data) or other significant economic or social disadvantage.

Furthermore, a negative impact or risk may exist if data subjects are deprived of their rights and freedoms, or if they are prevented from exercising control over their personal data.
From a data protection perspective, it is also considered risky if the member companies of the 4iG Group process personal data that qualifies as sensitive personal data. This may occur to a limited extent for employees, for example in case of a workplace accident.
In relation to employees, an actual negative impact may arise if their employer, as a data controller, processes their personal data for purposes incompatible with the laws and they suffer a disadvantage as a result (e.g., if they were monitored during work and as a result the employer determines that their performance is not adequate, or they would suffer discrimination as a result of the data processing, or the employer would attempt to illegally interfere with the employees' private lives beyond its control authority). All this can lead to significant loss of trust on the part of employees. Thus, it is also considered a significant data protection risk if profiles about the data subjects' work performance, economic situation, health status, personal preferences or interests, reliability or behaviour, location or movement are created or used through the analysis or processing of personal data.
In addition, within the framework of certain services of the member companies of the 4iG Group, wider access to products and services by consumers may result in the processing of a large number of their personal data.
Based on this, it can be seen that the actual negative impacts for both groups of data subjects may arise partly from an operational perspective, and partly on the downstream side (i.e., at the next level of the supply chain). For both groups of data subjects, the significant impact may pose a risk, as the unlawful processing of personal data of customers (subscribers), or data protection incidents affecting them, may result in customer loss, whereby customers may terminate their subscription with the member companies of the 4iG Group, and in the case of employees, such loss of trust may result in the employee's migration from the company. In addition, risks may potentially arise on the financial side as well, as unlawful data processing activities may result in authority sanctions (fines), the publication of which also presents a reputational risk. It can thus be seen that negative impacts may occur even in the short term.
For both groups of data subjects, it may have a positive impact if the member companies belonging to the 4iG Group conduct their data processing activities within lawful, well-defined frameworks, providing prior, accurate, and complete information about them to both employees and customers. This can have a particularly significant positive impact on employees, it can strengthen trust between the employee and the employer, as it will be clear to the employee exactly why their personal data are being processed, thereby ensuring that they can control who, why, and on what basis can access their personal data. Furthermore, appropriate data protection measures and high-level data security measures can provide a significant competitive advantage. Reliable data processing and the prevention of data protection incidents strengthen the company's market position, contributing to maintaining and increasing customer trust.

For these reasons, our applicable data protection legal requirements (which fully extend to and do not distinguish between internal data related to employees and external data related to customers) also expect a risk-based approach to the processing of personal data, taking into account the varying likelihood and severity of risks to the rights and freedoms of natural persons affected by the processing, considering the nature, scope, and purposes of the processing.

The 4iG Group accordingly fully implements the obligations set out in Articles 24-25 of the General Data Protection Regulation ("GDPR").

1. **Policies – Protection of personal data of consumers and employees**

The data protection regulation of the 4iG Group is based on applicable data protection laws, particularly the provisions of the General Data Protection Regulation ("GDPR"). It includes the obligations related to compliance with data processing principles, informing data subjects, and enforcing the data protection rights of data subjects. It also defines the requirements for the involvement of processors and further processors[13], the recording of data processing activities, the reporting of data protection incidents, and the data protection impact assessment of high-risk data processing.

The data protection regulation does not differentiate between natural persons whose personal data are processed by the member companies of the 4iG Group. Thus, the expectations laid down regarding the processing of personal data must apply equally to both employees, consumers and end-users. However, this does not mean that individual member companies cannot regulate certain specific issues for certain groups of data subjects. Examples include the adoption of internal regulations containing rules for data processing related to subscribers, or for employer controls.

The regulation is approved by the CEO of the 4iG Group, and its enforcement is also his responsibility. All organisational units that process personal data are responsible for complying with the obligations set out in the regulation. Compliance with applicable data protection laws and the requirements set out in the data protection regulation is monitored by the data protection officer. The data protection officer is a function that reports to the CEO at the member companies in the corporate hierarchy.

The regulation extends to all member companies of the 4iG Group and applies to all of our processes affected by data processing activities, particularly to processes related to employee and customer data processing.

The 4iG Group takes into account especially the following third-party laws, standards, and guidelines:

- The GDPR as a mandatory applicable law,
- The guidelines of the European Data Protection Board (EDPB) and national supervisory authorities,
- The recommendations of the WP29[14] working group.

Key stakeholders of the data protection regulation and the data processing notice are the data subjects whose personal data are processed, as well as the owners of the related business processes of the 4iG Group, i.e., the organisational units that process or plan to process personal data during the design of processes. It is particularly important for data subjects to be aware of the data processing concerning them and the circumstances of such processing (especially the purpose of the processing, legal basis, retention period of personal data, the entities (recipients) to whom the personal data are transferred, the fact and guarantees of international data transfers), their data protection rights and how to

[13] Processors are natural or legal persons who process personal data on behalf of the data controller. Employees are not considered as processors, as they act under the control of a data controller. Further processors are natural or legal persons who are involved by a processor in the processing of personal data.
[14] The Working Party on Data Protection, established under Article 29 of the former EU Data Protection Directive and composed of representatives of the national authorities of the Member States. The EDPB replaced the Working Party that dealt with privacy and personal data protection issues until 25 May 2018 (the date of mandatory application of the GDPR).

exercise them, as well as the possibility of making a data protection complaint to the relevant companies of the 4iG Group, and that their data protection complaints are properly investigated.

The data protection regulations are not public, as they contain internal processes and internal process procedures that qualify as business secrets, consequently they are only available to employees. In certain cases, considering the principle of accountability in the GDPR, the regulations must also be made available to the supervisory authority or court.

However, the member companies of the 4iG Group make data processing notices available to data subjects, which contain detailed information about the data processing purposes, legal bases, retention periods, and the possibilities for exercising data subject rights, as well as other circumstances of the processing, such as the fact of international data transfer and the guarantees applied, as well as the entities who, as recipients, process the personal data either as independent controllers or as processors.

The member companies of the 4iG Group are obliged to consider potential data protection risks arising from their activities while planning their activities, during which they must examine the varying likelihood and severity of risks posed to the rights and freedoms of natural persons affected by the processing, considering the nature, circumstances, and purposes of the processing. If a data processing activity poses a high risk to the rights and freedoms of data subjects, a data protection impact assessment must be carried out in order to identify the emerging risks, determine necessary risk-reducing measures, and ensure their implementation.

In some cases – when the relevant member company identifies legitimate interest as the appropriate legal basis – a legitimate interest assessment test must also be carried out to determine whether the rights and freedoms of the data subjects take precedence over the legitimate interests of the member companies of the 4iG Group. The legitimate interest assessment must take into account the interests of the data subjects, the potential impacts of the planned activity, the possible risks, and the applicable risk-reducing measures. The result of the legitimate interest assessment determines whether the legitimate interest of the member company of the 4iG Group acting as a controller can indeed serve as the legal basis for the processing.

The Code of Ethics and Business Conduct of the 4iG Group requires respect for human rights in all activities. From a data protection compliance perspective, this means that the rights and freedoms of data subjects must be respected during all data processing activities, and individual data processing activities must be designed with regard to these rights. This cannot be linked to a single specific human right, as it depends on the specific data processing activity which fundamental rights may be affected by the processing (e.g., right to privacy, freedom of expression, right to a fair procedure, prohibition of discrimination). The member companies of the 4iG Group are obliged to make their data processing notice available for the relevant group of data subjects in a manner easily accessible to them. If a new data processing activity is introduced or a significant change occurs in an existing activity that results in a modification of the processing, the data subjects must also be informed about these changes – through the data processing notice. In the case of consumers, end-users, these notices are publicly available on the website of the subsidiary that processes the personal data of the data subjects. For employees, the member companies make the data processing notice available on their intranet surfaces.

The executives responsible for implementing the data protection regulation are obliged to ensure that the organisation's data processing practice complies with the provisions of the GDPR and the relevant data protection requirements. The 4iG Group conducts data processing activities in accordance with the provisions of the GDPR, which defines the most comprehensive regulatory requirements for the processing of personal data.

2. Processes for engaging with consumers and end-users about impacts

In the case of all groups of data subjects, the member companies of the 4iG Group are obliged to consider potential data protection risks arising from their activities during the planning of their activities and must apply risk-reducing measures proportionate to the risks. To this end, the Group Compliance at the group level, and the data protection officer designated at each member company, cooperate with the professional areas that have a defining role in terms of the data processing activity.

If a data processing activity poses a high risk to the rights and freedoms of data subjects, a data protection impact assessment must be carried out. Its purpose is to identify risks to the rights and freedoms of data subjects, determine necessary risk-reducing measures, and ensure their implementation.

The data subjects (including consumers, end-users, and employees) are entitled to exercise their data protection rights – such as the right of access, the right to rectification, or the right to object – at any member company of the 4iG Group that acts as a controller and processes the personal data of the data subjects. In addition, they are entitled to submit a data protection complaint to the individual member company for investigation to determine whether the processing was carried out lawfully.

If a member company acts as a processor, it is obliged to inform the organisation acting as a controller about the requests received, and provide information to the data subjects about the controller. Those member companies of the 4iG Group that process personal data for a large number of data subjects - in accordance with Article 24 of the GDPR and the practice of the National Authority for Data Protection and Freedom of Information - have adopted internal regulations that govern the conditions for exercising data subject rights, the relevant procedures, and other issues.
If a member company of the 4iG Group acts as a controller, it is obliged to provide appropriate information to the data subjects about the measures related to the exercise of their data protection rights. This obligation is not limited to a specific group of data subjects; it must apply in all cases where a member company of the 4iG Group processes the personal data of the data subject and the data subject submits a request aimed at exercising rights.

Furthermore, if a data protection incident is likely to result in a high risk to the rights and freedoms of data subjects, the subsidiary of the 4iG Group is obliged to notify the data subjects without delay. The notification must contain the contact details of the data protection officer or other contact person where further information can be requested, a description of the likely consequences of the data protection incident, as well as details of the measures taken or planned to address the incident, including measures to mitigate potential adverse effects.

Beyond the above, data subjects are always entitled to request and receive individual information about such circumstances of data processing that the member companies acting as controllers would not be obliged to provide information about under the relevant laws. This additional possibility ensures that data subjects can receive appropriate and understandable information about any circumstance of the processing.

The member companies of the 4iG Group may directly or indirectly contact the data subjects (including consumers, subscribers, and employees) depending on a given activity. Those member companies that process a significant amount of personal data due to the nature, scope, or purposes of their activities have already designated data protection officers. Currently, the following member companies have a data protection officer:

- 4iG Nyrt.
- One Magyarország Zrt.
- DIGI Távközlési és Szolgáltató Kft.
- D-Infrastruktúra Távközlési Kft.
- Invitech ICT Services Kft.
- Invitech ICT Infrastructure Kft.
- 4iG Távközlési Holding Zrt.
- AH Média Kereskedelmi Zrt.
- AH Infrastruktúra Zrt.
- InviTechnokom Kft.
- HungaroDigiTel Kft.
- ONE Crna Gora
- ONE Albania

The Compliance professional area of the 4iG Group continuously monitors the activities of the member companies and, if necessary, proposes to the CEO the appointment of a data protection officer. The data subjects are entitled to contact the data protection officer in all matters related to the processing of their personal data, and to exercise their data protection rights in accordance with applicable data protection laws. For this purpose, the individual member companies provide appropriate infrastructure (e.g., dedicated email address) for the data protection officers, about which the data subjects are also informed in the data processing notice. If a member company has not designated a data protection officer, the 4iG Group Compliance provides support to the member company in handling data protection requests.

If a new data processing activity is introduced or a significant change occurs in an existing activity that results in a modification of the processing, the data subjects must also be informed about these changes – through the data processing notice. In the case of consumers, end-users, these notices are publicly available on the website of the member company that processes the personal data of the data subjects. For employees, the member companies make the data processing notice available on their intranet surfaces. The frequency of communication with data subjects cannot be determined in advance, as the modification of the data processing notice and its communication to the data subjects depends on the data processing activities introduced or modified by the individual organisational units. In terms of the exercise of data subject rights, it depends on the decision of the data subjects whether they wish to exercise their data protection rights. Direct or indirect contact may occur on a daily basis depending on the given activity or the data subject's exercise of rights.

Within the individual companies, the data protection officer reports directly to the CEO, ensuring operational independence and separation from other organisational units and business decision-makers, thereby also ensuring the implementation of cooperation with data subjects and the organisational incorporation of proposals formulated regarding data processing. The effectiveness of the cooperation can be measured through the responses and measures to the data protection requests of data subjects handled by the member companies of the 4iG Group.

The member companies belonging to the 4iG Group must plan their activities taking into account the varying degrees of data protection risks arising from them. In the event that the data processing activity poses a high risk to the rights and freedoms of data subjects, the member companies must conduct a data protection impact assessment to assess what inherent risks may arise in connection with the given data processing activity, and they must assess what necessary measures need to be taken to mitigate these risks, as well as supervise the implementation of such measures. If the planned data processing activity is directed at a vulnerable group of data subjects (e.g., children, the elderly), the data protection impact assessment must take into account their unique situation.

In individual cases, where necessary, a legitimate interest assessment test is also carried out with respect to the data subjects to check whether the rights and freedom of the data subjects take precedence over the legitimate interests of the member companies belonging to the 4iG Group, and whether the planned processing is necessary and proportionate to achieve the given processing purpose. During the legitimate interest assessment, the interests and rights of the data subjects must be carefully considered, and it must be examined whether the planned activity may involve risks, unwanted effects on the interests, rights, and freedoms of the data subjects, and it must also be checked whether such risks can be mitigated by implementing appropriate measures, and how these measures reduce such risks, thereby ensuring that the interests, rights, or freedoms of the data subjects will not override the legitimate interest of the controller.

3. Processes to remediate negative impacts and channels for own workers, consumers and end-users to raise concerns

Data subjects, whether consumers or employees, are entitled to exercise their data protection rights (e.g., right of access, right to rectification, right to object) at those companies belonging to the 4iG Group that process their personal data as controllers. If a member company of the 4iG Group acts as a processor, it is obliged to notify the organisation acting as a controller about the data subject's request, and provide information to the data subjects about the identity of the controller and the fact that the request has been forwarded. If a member company of the 4iG Group operates as a controller, it must inform the data subjects about the measures taken based on the data subject's request when exercising their data protection rights.

Measures taken based on the exercise of data protection rights may in some cases extend to non-material redress (such as an apology to the data subject), and in some cases to material redress as well (such as providing compensation to the data subject). Such non-material and material redress depends on the circumstances of the specific case, as well as the potential damage or loss suffered by the data subject.

Furthermore, in the event of a potential high-risk data protection incident (i.e., a data protection incident that is likely to pose a high risk to the rights and freedoms of natural persons), the affected member companies of the 4iG Group are obliged to inform the data subjects without delay. In such situations, the company must provide information to data subjects about the data protection officer or other contact point where further information can be requested; describe the likely consequences of the incident affecting personal data; and the measures taken or planned, including steps to mitigate potential adverse effects.

For all data subjects, the member companies of the 4iG Group that process their personal data are responsible for operating dedicated channels through which employees, as well as consumers or end-users, can contact the data protection officer.

The following companies have separate dedicated channels available:

- 4iG Nyrt. (dpo@4ig.hu)
- One Magyarország Zrt. (dpo@one.hu)
- DIGI Távközlési és Szolgáltató Kft. (dpo@digi.hu)
- D-Infrastruktúra Távközlési Kft. (dpo-infra@digi.hu)
- 4iG Távközlési Holding Zrt. (dpo@ahrt.hu)
- AH Média Kereskedelmi Zrt. (dpo-media@ahrt.hu)
- AH Infrastruktúra Zrt. (dpo-infra@ahrt.hu)
- Invitech ICT Services Kft. (dpo@invitech.hu)
- Invitech ICT Infrastructure Kft. (dpo-infra@invitech.hu)
- ONE Albania (dataprivacy@one.al)
- ONE Crna Gora (dpo@1.me)
- Rheinmetall 4iG Digital Services Kft. (dataprotection@r4ds.hu)

Those subsidiaries of the 4iG Group that process a significant amount of personal data based on the nature, scope, and/or purpose of their activities have already designated data protection officers in order to comply with the requirements of applicable data protection laws.

The subsidiaries of the 4iG Group are obliged to publish contact information for their data protection officer(s) under applicable data protection laws, if such an appointment has been made. If a given subsidiary of the 4iG Group has not appointed a data protection officer, it is still obliged to provide a specific channel through which data subjects can submit their data protection requests.

Those subsidiaries belonging to the 4iG Group that operate as controllers and directly or indirectly process the personal data of consumers have already established their own data protection channels, through which data subjects can contact the data protection officer to exercise their data protection rights.

The trust of data subjects in the data protection channels can be strengthened by data protection requests submitted through these channels. In general, data subjects are aware of the existence of data protection channels, as the subsidiaries of the 4iG Group are obliged to include these in their data protection notices and make them available to data subjects.
Data subjects also have the opportunity to submit their data protection complaint through the compliance channel designated at the companies of the 4iG Group (in the so-called whistleblowing system). Through this, data subjects enjoy protection within the general framework provided by the whistleblowing policy.

4. Actions – Protection of personal data of consumers and employees

One of the key measures of the 4iG Group is the creation and extension of a unified data protection control mechanism at the Group's subsidiaries. The purpose of the measure is to establish unified processes and standards in the area of data protection compliance, thereby increasing the effectiveness of data protection governance. In addition, it intends to create data protection control mechanisms adjusted to the ongoing transformations within the 4iG Group in order to effectively address the resulting challenges.

The subsidiaries of the 4iG Group are obliged to address, in proportion to the risks, any data protection issues that may affect the rights or freedoms of data subjects, thereby minimising actual or potential negative impacts resulting from data processing. If the subsidiary has appointed a data protection officer, it is obliged to consult with them about planned data processing activities or changes in data processing and their possible risks. If there is no designated data protection officer, the subsidiary should turn to the 4iG Group Compliance organisation. After analysing the planned processing, the data protection officer or the Compliance organisation determines detailed control requirements to reduce the risks associated with the given data processing activity. The business unit performing the data processing is responsible for implementing the control measures.

Subsidiaries must plan their activities taking into account data protection risks of varying likelihood that may arise. If a data processing activity poses a high risk to the rights and freedoms of data subjects, a data protection impact assessment must be carried out to identify the risks arising from the processing, determine the necessary risk-reducing measures, and supervise their implementation.

The data protection procedures of the 4iG Group ensure that all data processing activities are carried out in accordance with the relevant laws, and that the necessary risk assessment and risk mitigation measures are fully implemented.

The subsidiaries of the 4iG Group publish the measures they plan or implement to reduce material risks arising from impacts on consumers and/or end-users and dependencies related to them. In addition, they demonstrate how they monitor the effectiveness of these processes. The subsidiaries consider what risks the impacts on consumers and end-users may pose, including damage to reputation or legal liability in cases where, as a result of the exercise of data subject rights, it can be determined that the organisational unit involved in the data processing did not act in accordance with data protection legal expectations.

At the same time, they also identify business opportunities, such as customer retention and growth through market differentiation and the provision of secure products. When subsidiaries assess whether dependencies related to consumers can turn into risks, they take into account external factors and their impacts. When integrating them into risk management processes, they analyse to what extent and how they are incorporated into existing risk management mechanisms.

Measures aimed at exploiting business opportunities related to consumers and end-users are not relevant from the perspective of data protection controls, as their primary purpose is to mitigate risks related to data processing and protect the rights and freedoms of data subjects.

When subsidiaries assess whether dependencies related to employees can turn into risks, they take into account external and internal factors and their impacts. When integrating them into risk management processes, they analyse to what extent and how they are incorporated into existing risk management mechanisms.

Furthermore, the subsidiaries of the 4iG Group consult on their planned data processing activities in order to assess potential negative impacts on data subjects and take appropriate measures to mitigate risks.

No serious human rights issues or incidents related to consumers and end-users, as well as employees, were reported in 2024.

The time horizon for implementing the measure extends to the medium term. Within this framework, the Compliance area of the 4iG Group has already begun to develop a new data protection control mechanism, which contains unified processes and requirements (for example, internal procedures, new templates, etc.). The measure also includes multi-level training materials that take into account the characteristics of different business segments, as well as the data processing risks associated with them. The subsidiaries of the 4iG Group are obliged to comply with applicable data protection regulations based on their legal obligation, so the fulfilment of these requirements is continuously ensured.

No disclosure was made regarding this in a previous period. Ensuring data protection compliance falls within the scope of the 4iG Group Compliance function, with the related costs borne by the 4iG Group Compliance organisation and the individual member companies. For subsidiaries where data protection officers or data protection staff, experts, consultants operate, the following financial resources are available in total:

Current financial resources allocated to the action plan (OPEX)	HUF 150 000 000
Future financial resources allocated to the action plan (OPEX)	HUF 162 000 000

The 4iG Group is committed to preventing, mitigating, and correcting material negative impacts on data subjects, particularly employees, consumers, and end-users. Currently, in the current phase of implementing key measures, the most significant identified negative impact is potential data protection incidents affecting customer data (subscriber, end-user data), as well as the development of processes incompatible with data protection laws.

5. Targets – Protection of personal data of consumers and employees

The objective of extending a unified data protection compliance framework within the 4iG Group is in line with the policy, as it is in the interest of all subsidiaries of the 4iG Group to have a unified approach and processes that facilitate the effective and unified enforcement of data protection controls. Recognising this, the 4iG Group has also highlighted the development of data protection requirements in its sustainability strategy.

The measurable value of the objective from this perspective is the extension of unified group-level expectations and processes to all member companies belonging to the 4iG Group. The nature of the objective is thus measurable in the extension of unified requirements.

The scope of the objective includes those member companies belonging to the 4iG Group that process personal data. The base value is thus the establishment of unified internal processes, controls, and requirements at the regulatory level, with the base year being the 2025 business year. The period is medium-term, the timeframe has been determined in the 2025 and 2030 business years.

We are currently unable to determine specific milestones related to the objective; the 4iG Group is expected to provide information on this in the next reporting period.

A significant assumption in determining the objective is that unified processes, controls, and requirements promote the effectiveness of compliance requirements for organisational units and facilitate the transparency of processes. This objective is not linked to an environmental objective that would need to be based on convincing scientific evidence. There has currently been no change regarding the objective.

The stakeholders that the 4iG Group can involve in this process are the data protection officers operating within the Group. Consumers and end-users have not been involved in monitoring performance and identifying lessons or improvements derived from performance, as the planned processes and internal requirements are considered business secrets.

The development and extension of a unified data protection control mechanism for the subsidiaries of the 4iG Group is in line with the guidelines determined by the Group. It is beneficial for all subsidiaries to apply a unified approach and processes to ensure data protection compliance, which facilitates the improvement of the efficiency of data processing-related processes.

6. Metrics – Protection of personal data of consumers and employees

In the report, we also present indicators that derive from other reporting standards and complement the ESRS requirements. The indicator used in the consumer protection topic is the GRI standard indicator number 418-1, which presents the number of substantiated complaints regarding breaches of customer privacy and losses of customer data for the reporting period.

	2024
Complaints received from external parties (Number of complaints substantiated by the organisation, pieces)	202
Complaints received from regulatory bodies (Number of complaints received from regulatory authorities, pieces)	2
Total substantiated complaints (pieces)	204
Identified customer data leaks (Number of confirmed data leaks, pieces)	246
Identified customer data thefts (number of confirmed data thefts, pieces)	0
Identified losses of customer data (number of confirmed data losses, pieces)	0

Total identified incidents (pieces)	246
Total amount of legal sanctions related to customer privacy (in euros):	0

Calculation method - Organisation-specific indicator for the protection of consumers and end-users
By complaint, the 4iG Group means complaints received from external parties (subscribers) and data protection investigations received from regulatory bodies. Would like to highlight to the fact that regulatory bodies do not make complaints, they conduct investigations and other proceedings (data protection authority proceedings) regarding the 4iG Group. The term identified customer data leaks was evaluated by the 4iG Group as a confidentiality incident in view of the practice of the Article 29 Data Protection Working Party (WP 29 Working Party) and the European Data Protection Board. The number of these incidents is shown in the table above. All received complaints and incidents were summarized.

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

	2024
Number of severe human rights incidents affecting employees in the reporting period:	0
Number of severe human rights incidents related to the company's employees in the reporting period, including an indication of how many cases did not respect the provisions of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises.	0
Total amount of fines, penalties, and compensation imposed due to disclosed incidents:	-
Total number of discrimination incidents during the reporting period	0
Number of complaints submitted through channels maintained for employees to raise concerns	0
Total amount of fines, penalties, and compensation imposed due to disclosed incidents:	-

The member companies of the 4iG Group did not receive any data protection complaints from employees in the 2024 business year. The concept of data protection complaint is as defined above.

3.6. Access to products and services

Vision

The operations of the 4iG Group were determined by two main business segments in 2024: telecommunications activities, in the telecommunications segment, the 4iG Group provides mobile, fixed-line, and internet services to its customers. This includes providing network infrastructure, as well as operating and developing related digital and communication services. Furthermore, IT services and commercial activities, in this segment, the 4iG Group provides hardware and software sales, development, operation, support, consulting, and implementation services. This includes the integration of business systems, IT infrastructure operation, and cybersecurity solutions.

Among the Group's member companies, in 2024, One Magyarország, DIGI, 4iG Távközlési Holding Zrt., Invitech, and two foreign subsidiaries, One Crna Gora and One Albania, provided telecommunications solutions to their customers, whether it was fixed or mobile services, broadcasting, or various value-added services.

The portfolio of telecommunications services can be divided into the following main groups:

- ***Wired Internet Service:*** The 4iG Group provides broadband, stable, and up to 1000 Mbit/s maximum download speed fixed internet connection in Hungary and the Balkan regions (Montenegro, Albania) for home and business users. The service is available through optical (FTTH), coaxial (HFC), and copper-based (DSL) technologies, enabling fast and reliable data connection. The Group continuously develops its network to comply with commitments and avoid competitive disadvantage. We write about the commitments in more detail in the "*2. Measures, Objectives - Access to products and services"* section of this chapter.
- ***Landline Telephone Service:*** Landline (telephone) continues to play an important role in communication. The Group applies modern analogue and VoIP (Voice over IP) technologies, ensuring voice transmission.
- ***Broadcasting Service***: In the field of television and radio listening, the Group offers innovative solutions, whether it's cable, satellite, or IP-based (IPTV) content provision.
- ***Mobile Voice and Internet Service***: The Group's mobile communication services provide users with the opportunity for voice calls and fast internet access, provided by advanced 2G, 4G, and 5G networks.
- ***Value-Added and Supplementary Services***: The 4iG Group offers not only basic telecommunications services but also provides numerous supplementary solutions for its customers. These extra options enhance the customer experience and make the use of services more comfortable and secure. The range includes smart devices (e.g., smartwatches, tablets), network accessories that facilitate internet use (e.g., Wi-Fi routers, signal boosters), and security solutions that make internet use safer (such as antivirus software, firewalls), which help customers fully discover and utilise the digital world.
- ***Support for Disadvantaged Customers:*** One Magyarország and ONE Albania provided several services in 2024 that strengthened social responsibility, with special attention to services available to disadvantaged customers. Disadvantaged customers are natural persons or groups who have limited access to digital services, products, and infrastructure due to various social, economic, health, or technological factors. This category may include, among others, elderly customers, customers with disabilities, including people with visual, hearing, mobility, and other sensory or cognitive limitations, low-income customers, for whom access to the internet and related services may face financial barriers, and customers living in isolated or rural areas who have limited access to telecommunications and digital services due to their geographical location.

In addition, the 4iG Group's services range from data centre and cloud solutions, IT security, and artificial intelligence to data-based technologies. The 4iG Group provides integrated IT solutions and digital services spanning life cycles to its customers, about which we write in more detail in the "*1.2 Our Activities*" chapter.

Impacts, risks and opportunities assessment

Material Impact	Time horizon
Negative Impact *It can lead to the loss of market opportunities if the 4iG Group does not provide adequate products, services, employment, and inclusion opportunities for disadvantaged groups (including the elderly and people with disabilities).*	*Long term*

The 4iG Group is committed to developing products and services that promote the development of network access for socially/economically disadvantaged target groups.

The risks and opportunities identified during our materiality assessment are directly related to our business model, our own operations, and our value chain, especially downstream, in the customer-related segment. Failure to provide adequate digital access to disadvantaged groups may lead to the loss of market opportunities, reduce demand for our products and services, and weaken the social perception and competitiveness of the 4iG Group. In contrast, by promoting digital inclusion, we can not only achieve business growth but also become more attractive both in the labour market and in the investment environment. The negative impact is typically systemic and widespread, as limited digital access is a challenge affecting the entire industry. Failure to serve consumer groups facing geographical, economic, or technological barriers poses a risk not only to the 4iG Group but to the entire telecommunications and information technology sector. Furthermore, the aforementioned disadvantaged customer groups - elderly, disabled, low-income, and customers living in rural, isolated areas - may be more exposed to the risk of limited access to digital products and services.

The negative impact is estimated to occur only in the long term in the downstream value chain.

The integration of inclusive services into the 4iG Group's strategy and business model is a defining factor in the long term as well. The development of accessible solutions not only responds to current market demands but also creates opportunities to reach new customer groups and adapt to technological development. All of this receives special attention in our business decision-making to ensure the sustainable growth and competitiveness of the 4iG Group.

The impacts and measures related to ensuring accessibility are effective in the long term, as the needs of those affected and technological possibilities are constantly changing. Therefore, our goal is to continuously adapt our development strategy to new challenges and opportunities.

The 4iG Group takes an active role in managing material impacts and implementing them through business relationships. We work with our suppliers and technology partners to continuously expand and develop products and services.

1. Policies - Access to products and services

It is important for the 4iG Group that all customer groups have access to its products and services. Based on the General Terms and Conditions (hereinafter: GTC), it provides affordable and widely available services, which are particularly important for disadvantaged users. To ensure accessibility and universal service, the Group implements voluntary and mandatory measures that enable the elderly, people with disabilities, and low-income users to have continuous communication and digital access to our products and services. The availability of services extends to the full spectrum of customers, including both business and residential customers.

All relevant information about our products and services is available to customers on the Group's official website and through customer service channels. The availability of services, pricing, and fee conditions appear clearly and in an easily accessible way, ensuring informed decision-making for customers.

Through accessibility developments of the website and mobile application, visually and hearing-impaired customers can also easily use digital administration options.

The 4iG Group did not have a separate policy on access to products and services in 2024. However, the related obligations and principles were defined in the GTC, which set out the availability, accessibility, and conditions of use of services, including provisions for disadvantaged and vulnerable groups. The reason for the lack of a policy is that the requirements and commitments regarding the accessibility of services are already determined by existing regulatory frameworks, contractual obligations, and industry standards. The GTC contains the basic principles that apply to the provision of services, including the universal service obligation, affordable packages available to low-income customers, and compliance with relevant legislation, such as the provisions of Act XVII of 2022 on access for people with disabilities.

The 4iG Group continuously examines the possibility of developing a separate access policy that also covers sustainability aspects, which may be developed in the medium term if justified.

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

The 4iG Group continuously develops services and customer relationships based on identified complaint cases and feedback. Consumers and end-users can report their complaints or make observations through the following channels:

- In person at customer service offices
- By phone through customer service – (Hungary) *Free from domestic: 1270 From abroad: 1270 or +36 70 700 1270 (can be called at normal rates), (Montenegro) Can be called from both domestic and abroad: 1700, (Albania) Free from domestic: 142 / 123, or 24/7 customer service message contact: +355688000142.*
- On an online complaint submission interface
- By email - *ugyfelszolgalat@one.hu, (Montenegro) korisnickiservis@1.me, (Albania) contactus@one.al*

The complaint handling channels are operated by the company itself, without the involvement of external third parties.

The 4iG Group expects its partners to comply with industry and regulatory requirements in the areas of customer service processes and complaint handling mechanisms. The Group monitors the customer management processes of connected service providers, especially regarding the fulfilment of universal service obligations.

The 4iG Group monitors incoming complaints, the time and effectiveness of their handling. It uses customer feedback to improve the complaint handling system and identifies problems that regularly affect the customer experience.

The Group ensures that customers have access to transparent and easily accessible information about their complaint handling processes. To this end, it also details the customer service channels and complaint handling procedures on its website.
The 4iG Group has a Whistleblowing and Whistleblower Protection Policy, which is detailed in the "*4.2. Protection of Whistleblowers*" chapter. This ensures that customers and other stakeholders can report any complaint or misconduct without fear, and they cannot be subject to discrimination or retaliation in this regard. The company strictly handles such cases and ensures the protection of complainants.

2. Actions, Targets – Access to products and services

The 4iG Group continuously strives to develop innovative products and services so that all customer groups have equal access to our services. In 2024, among the services of One Magyarország and ONE Albania, there was a solution available that provided support to disadvantaged customers.
In order to make communication services accessible, One Magyarország joined the accessibility recommendation of the Communications Reconciliation Council (HÉT), which aimed to ensure barrier-free access to information and services for users with disabilities. Within the framework of digital accessibility, the company has implemented and plans to further develop the following measures:

- Customer service staff receive sensitivity training to provide effective assistance to customers with disabilities. The themes of the training were developed by HÉT organisations in consultation with the advocacy organisations for people with disabilities. The training programs began no later than four months after joining, and their aim is for all customer relationship staff to receive training on handling special customer service situations.
- To facilitate the orientation of customers with disabilities, the company provides a detailed guide on the services available to them, discounts, and locations that are accessible, both at customer service offices and on its official website. In addition, we have made the Global Accessibility Reporting Initiative (GARI) database available on the website, which provides information about devices and tools suitable for people with various disabilities. The accessibility of the website also fulfils the legal obligations of Act C of 2003[15].
- One Magyarország has completed the accessibility of its website, with the exception of the webshop, by the deadline set in the recommendation, and as a result, a significant percentage of the pages on our public website developed for residential subscribers are now WCAG compliant.
- One Magyarország provides opportunities for customers with disabilities to try out the devices offered for the services on-site at its customer service locations. This is particularly important for those who use special endpoint devices, such as phones compatible with hearing aids.

One Magyarország's accessibility measures are not only based on voluntary commitments but also fulfil legal requirements. Act XVII of 2022[16] on improving accessibility for people with disabilities requires service providers to ensure digital and physical accessibility for everyone. Accordingly, it ensures that information related to electronic communications services is easily understandable and accessible, creates barrier-free customer service interfaces and communication channels, and ensures that customers with disabilities can use all services under the same conditions.

[15] Act C of 2003 on Electronic Communications
[16] Act XVII of 2022 - General Rules on Compliance with Accessibility Requirements for Products and Services

In addition, One Magyarország has established cooperation with various organisations to enable their members to use certain electronic communications services under preferential conditions. The organisations participating in the cooperation:

- National Federation of Interest Representatives of People with Intellectual Disabilities and their Helpers (ÉFOÉSZ)
- Hungarian Federation of the Blind and Visually Impaired (MVGYOSZ)
- National Federation of Associations of People with Physical Disabilities (MEOSZ)
- Sályi Foundation for Children with Physical Disabilities
- National Association of the Deaf and Hard of Hearing (SINOSZ)

Among One Magyarország's services, the Senior Smartwatch tariff package was available, which was moved to tariff packages not available in commercial circulation with effect from December 1, 2023, but due to contracts concluded for an indefinite period, several hundred customers are still using the tariff package. The initial cost of the Senior Smartwatch tariff package is 10,000 HUF, its monthly fee with an indefinite-term contract is 4,765 HUF (2,875 HUF tariff package + 1,890 HUF internet), while with a 1-year fixed-term contract it is 4,265 HUF (2,375 HUF tariff package + 1,890 HUF internet), which includes 100 minutes of domestic and EU roaming calls, as well as 500 MB of data traffic. The purpose of the Senior Smartwatch tariff package is to facilitate the tracking of the subscriber's or their family members' movement and maintain contact. The smartwatch transmits geolocation data and can call a pre-set phone number, which can be specified and modified free of charge through a smartphone application. The watch also measures pulse and blood pressure, however, the data obtained this way are for informational purposes only and do not qualify as certified medical measurements. The use of the device is subject to the registration of the associated application and website, as well as the acceptance of third-party contractual terms.

ONE Albania is also committed to making its products and services accessible to everyone. To this end, ONE Albania's website has been designed to be accessible to all users, regardless of their language, location, or abilities. This includes considering the needs of people with hearing, mobility, and visual impairments. The website supports keyboard-based navigation, allowing browsing with the "Tab" and "Enter" keys, which is particularly useful for users with mobility limitations (e.g., users who cannot use a mouse). In addition, audio formats of ONE Albania's General Terms and Conditions are available on the website, which facilitate access to information for visually impaired users.

ONE Albania offers discounted tariff packages for people with disabilities, such as:

- "One Ultra Fiber" 60 Mbps: ~4200 HUF/month instead of ~5400 HUF
- "One Ultra Fiber" 100 Mbps: ~5900 HUF/month instead of ~6700 HUF

Furthermore, One Magyarország and DIGI, as universal service providers designated by the National Media and Communications Authority (hereinafter: NMHH), are obliged to provide accessible and affordable communications services in specified geographical areas.
Within the framework of universal service, it provides fixed broadband internet access and voice service in all designated numbering areas, with a minimum download speed of 8 Mbit/s and upload speed of 2 Mbit/s. It offers these services at a discounted price for economically challenged customers, so the establishment of telephone and internet connection is free for low-income or socially

disadvantaged users. The monthly subscription fee is 899 HUF for fixed telephone service, which includes 105 minutes of domestic calls, while the fee for fixed internet access is 1766 HUF per month. The telephone and internet service are also available in a combined package for 2665 HUF/month.
In the designated universal service areas, the 4iG Group is obliged to operate public telephone stations (phone booths), which provide the opportunity to initiate emergency calls and communicate in places where no other alternative is available.
Within the framework of universal service, the affected member companies must comply with the requirements set out in NMHH Decree 13/2011. (XII.27.) and NMHH Decree 6/2015. (X.26.), which regulate network quality and the reliability of subscriber services.

The public telephone stations provided by the 4iG Group must comply with the requirements set out in Sections 19-21 of NMHH Decree 6/2015. (X.26.). The performance data for 2024 were as follows:

- The proportion of operational coin and card public telephone stations in the primary zone is 99.99%, while the target value required by law is 90%.
- In the secondary zone, the achieved performance is 98.10%, which also exceeds the legal target value of 90%.
- At the national level, the proportion of operational stations reached 100% in 2024, so the 4iG Group fully ensures the prescribed universal service conditions.

In 2023, the 4iG Group and the Government of Hungary signed a letter of intent on the development of the digital infrastructure. The aim of the agreement is to strengthen the role of the infocommunications group in the implementation of the government's economic policy aimed at increasing domestic and international competitiveness, as well as the National Digitalisation Strategy (NDS) at the highest possible level. In line with the Government's digitalisation targets, the 4iG Group has committed to implement a mobile and fixed network investment worth HUF 150 billion in Hungary by 2028.

According to the agreement, 4iG will contribute to the digitalisation of Hungary with its IT skills and expertise and support the government's digitalisation efforts with its technological solutions, with which it will provide modern services to Hungarian citizens and economic actors, including in the fields of e-government, healthcare and education.

Supporting the Hungarian Government's digitalization goals, 4iG Group has made four key commitments in the field of mobile and fixed network investments:

- The Group will implement a mobile and fixed network investment worth HUF 150 billion in Hungary until 2028.
- As a result of the investments, 4iG will make the gigabit-enabled network available to an additional 1.1 million households by 2028 using fixed or high-capacity 5G wireless technologies.
- 4iG makes broadband internet and high-definition television services available to nearly one hundred percent of the population.
- The 4iG Group undertakes the construction of high-capacity 5G technology in Budapest and its agglomeration, in the county seats, and along the main transport routes, in the framework of which it will install the most modern 5G technology currently available at at least 1000 base stations.

In 2024, due to the Group-level transformations, we did not set specific objectives to mitigate the material negative impact. The 4iG Group plans to define objectives in the medium term after the completion of the transformation project, which it would like to achieve at the Group level. Following the 2024 corporate transformation, we expect to define Group-level goals on the topic in the medium term, within 2-3 years.

Metrics – Access to products and services

To determine the telecommunications network coverage data, we used the GRI's indicator published in the Telecommunications Sector Supplement - Availability of Telecommunications Products and Services. The indicator presents telecom network coverage data for indoor mobile and fixed network coverage rates (for mobile networks) by technology, and for fixed network coverage rates for the number of households covered in the country - in millions - and the percentage of Gigabit-capable access points.

Telecommunications network coverage

Within the 4iG Group, One Magyarország, One Crna Gora and ONE Albania have their own mobile radio telephone networks on which they provide mobile telephony, internet and other data transmission services. The mobile telephony network provides national indoor coverage of above 99% for 2G and 4G technologies in Hungary and above 50% for 5G technologies, 97% for 2G and 4G technologies and 73% for 5G technologies in Montenegro, and above 98% for 2G and 4G technologies and 46% for 5G technologies in Albania.

Mobile network - national indoor population coverage rate by technology (%)	Hungary	Montenegro (One Crna Gora)	Albania (ONE Albania)
2G	above 99%	above 97%	above 98%
4G	above 99%	above 97%	above 98%
5G	above 50%	above 73%	above 46%

Among the other member companies of the 4iG Group that do not have their own mobile network, DIGI serves its subscribers as a mobile virtual network operator (MVNO) through the mobile network of One Hungary. On 30 June 2024, 4iG Távközlési Holding Zrt. ceased to provide mobile internet services and, similarly, Invitech provides or has provided mobile internet services to its customers using the networks of other mobile operators (including the mobile radiotelephony network of One Hungary).

Number of mobile network subscriptions (SIM cards) at the end of 2024:

	One Magyarország	DIGI	Invitech	Montenegro	Albania
Mobile network - number of active subscriptions - SIMs (residential, business, mobile phone, mobile internet, M2M)	near 4,2 million	near 150 thousand	under 3 thousand	near 400 thousand	near 1,3 million

One Magyarország, in consultation with the NMHH and other mobile operators, started to switch off the outdated 3G technology in 2022, completing the phase-out of 3G networks in all parts of the country between 27 March and 10 April 2023. The 3G switch-off, which affected all mobile operators, resulted in better use of available frequencies and improved quality of 4G and 5G services.
In terms of the use of mobile technologies on the subscriber side, there are several constraints on the highest quality of service available at a given location from the handset side:

- handset configuration,
- handset network capability,
- SIM card type,
- network technology available at a given geographical location,
- weather, terrain, building structure,
- base station load and distance.

To access the 4G/5G network, you need at least a 4G capable SIM card, a 4G/5G capable device with these technologies enabled in its settings and of course the appropriate network technology available in the location.

Fixed network coverage

Within the 4iG Group, One Magyarország and DIGI have unified networks (typically within a single municipality) covering larger geographical areas. In 2024, D-Infrastruktúra Kft. will be demergedfrom DIGI, providing DIGI with access to unified networks on unchanged terms, and therefore DIGI's coverage is given as its own.
4iG Távközlési Holding Zrt. and Invitech, which are part of the 4iG Group, typically provide business subscribers with electronic communications services built to their specific needs, either through their own network construction projects or through wholesale cooperation using leased sections or sub-constructions from other network operators, but do not form a single coverage network in the locality or geographical area.
In determining the number of households covered, the most up-to-date technology available within the own or exclusive access unified network at a given endpoint was included in the aggregation - fibre-to-the-home (FTTH), Hybrid Fibre-Coax (HCF), xDSL in order of availability - where more than one was available.

The table below shows the fixed network coverage of One Magyarország, DIGI, One Crna Gora and ONE Albania, highlighting the number of households and business access points and the proportion of Gigabit-capable access points. The table also provides a technological breakdown of the network infrastructure, distinguishing between Hybrid Fibre Coax (HFC) and fibre-to-the-home (FTTH) technologies.

Provider	Covered households and business access points	Percentage of Gigabit-enabled access points (%)	Technology
One Magyarország	2.2 million	95	Hybrid Fiber Coax (HFC)
Digi	2.1 million	80	Fibre to the Home (FTTH)
Montenegro	near 650 thousand	22*	Fibre to the Home (FTTH)

Albania	near 290 thousand	75*	Hybrid Fiber Coax (HFC), Fibre to the Home (FTTH)

**For Montenegro and Albania, the figures do not represent the ratio but the number of gigabit-capable access points across the country.*

Number of fixed network subscribers at the end of 2024:

	One Magyarország	DIGI	4iG Távközlési Holding Zrt.	Invitech	Montenegro	Albania
Fixed network - number of subscribers (residential, business, telephone, internet and broadcasting services)	near 750 thousand	near 1 million	near 60 thousand	under 5 thousand	under 5 thousand	near 290 thousand

In the case of fixed networks, there are also technological constraints that can affect the quality of the subscriber service:

- technology available at the address,
- distance to the end point,
- owned or leased network: in some areas we use other operators' networks - for example leased infrastructure or wholesale access - which may provide different availability and speed,
- terminal equipment and devices: the terminal equipment deployed by the operator is determined by the technology required by the subscriber and available at a given location, the capacity of which may be heavily influenced by additional equipment used by the user, such as a Wi-Fi router, or by technical solutions such as wireless instead of wired connection.

Calculation method

The coverage rate in Hungary is 2.2 million for One Magyarország and 2.1 million for DIGI, but there is a significant overlap, so network coverage and business demand points have not been consolidated. The percentage of gigabit-capable access points for One Magyarország (95%), DIGI (80%), for Montenegro and Albania shows the number of gigabit-capable access points countrywide, 22 for Montenegro and 75 for Albania.

4. Governance information

The 4iG Group considers it necessary to establish and continuously develop an ethical framework to ensure effective and efficient corporate governance that, beyond legal compliance, also emphasizes the communication of fundamental ethical values. In the life of a company, ensuring lawful operations in itself only creates the framework for operation; these frameworks are filled with content by the ethical expectations that the 4iG Group communicates to employees and business partners during its daily activities. In view of this, the 4iG Group has established ethical operation and compliance as a corporate governance objective in its ESG strategy.

In giving substance to the legal framework, building and nurturing a corporate culture that promotes ethical, fair, and transparent behaviour within the 4iG Group is a key element. Regarding the enforcement of these core values, the 4iG Group has identified four key themes that contribute to the enforcement of these requirements.

The first theme is corporate culture, which section describes the 4iG Group's basic ethical framework (Chapter 4.1), the second theme focuses on the functioning of the whistleblowing and whistleblower protection system (Chapter 4.2), the third deals with anti-corruption and anti-bribery measures (Chapter 4.3), while the fourth theme covers political engagement and lobbying activities (Chapter 4.4).

4.1. Corporate Culture

Impacts, Risks and Opportunities Assessment

Corporate Culture		
Material Impact	**Opportunity**	**Time Horizon**
Negative impact Breaking legal and ethical rules has a negative impact on the organisation, making it a less attractive place to work for employees and investors.	Maintaining/increasing competitiveness through the application of appropriate policies and practices may lead to lower adaptation costs.	Medium term

Corporate culture includes not only following rules, but also unwritten, ethical expectations that are present in everyday life. Therefore, in terms of impacts, risks and opportunities, the given activity and location are significant to the extent that they may influence the applicable legal requirements in respect of certain member companies of the 4iG Group. On the other hand, sectors and transactions do not play a significant role, as the requirements enforced through the corporate culture are independent of the sector and the transaction, and must be enforced regardless of their nature. In the reporting year, the identified material negative impact in this topic is actual, as ethical norm violations and non-compliance issues may arise at any time. Therefore, regarding corporate culture and ethical behaviour, we place great emphasis on building an ethical framework and incorporating it into the daily operations of the 4iG Group, which contributes to preventing actual ethical norm violations and non-compliance issues and situations, as well as reducing the resulting risks. In developing requirements related to corporate culture and ethical behaviour, the 4iG Group has therefore taken into account the totality of internal and external factors that have influenced ethical operation, i.e., factors that may affect the operation of the 4iG Group, or factors on which the 4iG Group otherwise has an impact through its activities.

Regarding corporate culture, compliance with applicable legal requirements and related regulatory guidelines and expectations has been identified as a significant negative impact. Legal compliance is an essential part of the life of any organisation, as these requirements define the action frameworks within which businesses must organise their operations. These requirements have a significant impact on the operation of the 4iG Group, as non-compliance with applicable legal requirements appears as a risk in the activities of the 4iG Group. Violation of these requirements has an adverse impact on the organisation and may also have an adverse impact on persons outside the 4iG Group's member companies, such as customers, investors/owners, or suppliers.

From the investors' perspective, the negative impact arising from compliance with applicable legal requirements is most relevant for 4iG Nyrt., as 4iG Nyrt., as a listed company, is obliged to publish significant events not only concerning its own but also the member companies of the 4iG Group in order to inform investors. Legal non-compliance poses a risk to the operation of 4iG Nyrt., as it reduces investor confidence and may lead to negative investor perception.

Another internal factor is the value awareness of managers, which - as described in the Chapter on Leadership Engagement - is one of the prerequisites for creating a value-conscious corporate culture. It is expected that senior and middle managers set an example and convey corporate culture throughout the organisation, as their behaviour influences the behaviour of employees.

In terms of opportunities, developing a healthy corporate culture contributes to maintaining and increasing competitiveness. The introduction of appropriate policies, rules, and practices means lower adaptation costs, which promotes the development of legal and ethical frameworks, thereby having a positive impact on operations.

Due to the impacts identified above, and the risks and opportunities arising from them, one of the most important elements of the 4iG Group's operating model is ethical business conduct and full compliance with laws. To ensure compliance, the key players of the 4iG Group are the Compliance and Quality Management areas, whose activities are approved at the highest management level. The activities involved include employee training or, for example, ensuring ethical behaviour during cooperation with business partners.

The 4iG Group pays particular attention to managing impacts, risks, and opportunities in its strategic decisions. To maintain ethical operation, it continuously develops its internal regulations and produces regular reports as part of its transparency efforts. Such measures not only ensure legal compliance in the short term but also contribute to maintaining competitiveness and sustainable growth in the long term.

1. Policies - Corporate Culture

In order to manage the risks and opportunities arising from the impacts described in the previous section, 4iG Group has developed a business ethics compliance framework, which includes a Code of

Ethics and Business Conduct, a Code of Business Partner Ethics and six additional policies[17] which apply to all employees of the 4iG Group and other persons affected by the respective regulations.

The 4iG Group aims to create a value-conscious corporate culture. The values embraced by the 4iG Group are contained in the Code of Ethics and Business Conduct of the 4iG Group. The purpose of the Code of Ethics and Business Conduct is to set out the principles and basic norms necessary for creating an ethical culture and operation that comply with legislation and internal regulations, and to define the expected business conduct and core values of the 4iG Group. The Code of Ethics and Business Conduct, adopted in 2020, forms the basis of the 4iG Group's regulatory framework, setting out the basic operating frameworks. To this end, the Code of Ethics and Business Conduct sets out the expectations that must be enforced during daily operations.

The rules set out in the Code of Ethics and Business Conduct apply to all employees of the 4iG Group, i.e., 4iG Nyrt. and its subsidiaries under its direct or indirect controlling influence, including managers. In any company that is not part of the 4iG Group but in which 4iG Nyrt. or any of its subsidiaries has an ownership interest, efforts should be made to ensure that this company adopts the ethical standards of the 4iG Group or follows an equivalent set of rules and culture.

Within the regulatory structure of the 4iG Group, the Code of Ethics and Business Conduct is the highest level of regulator, and therefore the Governing Body and Senior Management of the 4iG Group are responsible for its implementation, and all other regulators must be in compliance with it. In the development of the Code of Ethics and Business Conduct, particular attention has been paid to international ethical and anti-corruption standards, in particular the ISO 37001: 2019 Anti-Corruption Management System Standard operated by 4iG Nyrt.

The Code of Ethics and Business Conduct is intended to provide frameworks for ethical, fair, and transparent behaviour which sets out in chapters the fundamental commitments and requirements related to human rights, ethical and fair conduct (such as non- discrimination, fair treatment of employees, healthy work environment, basic expectations for fair employment conditions, protection of corporate property, and the protection of intellectual property and personal data), as well as requirements related to transparent and fair business conduct containing obligations towards employees and management (such as zero tolerance for bribery and corruption, respect for competition law rules, respect for sanctions, import and export restrictions).

The Code of Ethics and Business Conduct provides specific guidance for employees in each chapter in order to facilitate the recognition of behaviours that may be followed or avoided in a given situation. The Code of Ethics and Business Conduct also emphasises that if employees have any questions about the assessment of a given situation, or if they encounter situations where they consider that the Code of Ethics and Business Conduct does not provide adequate guidance, they should contact the Compliance organisation.

During the development of the ethical compliance framework, the establishment of the anti-corruption management system, and the creation of the Code of Ethics and Business Conduct, we have identified the third parties involved and the interests and expectations of the stakeholders. In this context, we have identified that adherence to the principles set out in the Code of Ethics and Business Conduct and ensuring the functioning of the ethics organisation is also crucial for third parties. For this

[17] These rules are described in this chapter. These policies are the Whistleblowing and Whistleblower Protection Policy, the Ethics Committee Procedures Policy, the Anti-Corruption and Bribery Policy, the Bidding Policy, the Conflicts of Interest Policy and the Compliance Function Policy

purpose, we publish the regulations of the ethical framework relevant to interested parties (including the Code of Ethics and Business Conduct) on the Compliance.4ig.hu website, and include provisions regarding the acknowledgment of the Code of Ethics and Business Conduct and the prohibition of corruption among our contractual controls.

The Code of Ethics and Business Conduct, as the highest-level regulation, defines the operational framework of the 4iG Group. In parallel, expectations towards business partners are set out in the Code of Ethics for Business Partners . These expectations are requirements formulated towards business partners that are intended to enforce the organizational requirements of the Code of Ethics and Business Conduct "outwards", towards business partners.

The Code of Ethics for Business Partners contains the expectations that the 4iG Group considers binding for itself in its business activities arising from the principles set out in the 4iG Group's Code of Ethics and Business Conduct, and which it also wishes to enforce with its partners. Business partners of the 4iG Group are expected to take measures proportionate to the size and complexity of their organization and their risk exposure to ensure ethical operation and compliance, to be familiar with and follow the ethical and compliance principles espoused by the 4iG Group, and to apply these in their own value chain.

The 4iG Group expects its partners to promptly inform the 4iG Group through the Ethics and Compliance Line established for this purpose if they become aware of information related to a violation of the 4iG Code of Ethics for Business Partners, as well as the results of an internal procedure (self-audit) conducted based on such suspicion.

In drafting the Code of Ethics for Business Partners, the factors described for the Code of Ethics and Business Conduct have been taken into account, with the explicit aim of the Code of Ethics for Business Partners being communication to interested third parties. To this end, the Code of Ethics for Business Partners is also published on Compliance.4ig.hu.

In addition to the Code of Ethics and Business Conduct and the Code of Ethics for Business Partners, the Compliance organization has developed several regulations that, on the one hand, affect corporate culture and, on the other hand, are closely related to the prevention of corruption, the reduction of corruption risks, and the development of ethical conduct and the enforcement of ethical requirements.

In order to effectively enforce the rules of the Code of Ethics and Business Conduct and the value-conscious corporate culture, the 4iG Group has implemented an ethical compliance program and, in conjunction with this, an ISO 37001:2019 Anti-Corruption Management System in September 2020, which was also certified by an external auditor in December 2020. The 4iG Group has therefore established the rules necessary for the realization of the above, created the Ethics (Compliance) organisation, and provided the resources necessary for its operation.

This basic Compliance Framework includes the Whistleblowing and Whistleblower Protection Policy, the Ethics Committee Procedures Policy, the Anti-Corruption and Anti-Bribery Policy, the Gift Policy, the Conflict of Interest Policy, and the Compliance Function Description Policy.[18] The Group Compliance Leader is responsible for the operational implementation of these policies. The basic requirements of these policies are set out in the Code of Ethics and Business Conduct, while detailed, specific guidelines and expectations for managers and employees are set out in the individual policies.

[18] Note that the Gift Policy, the Conflicts of Interest Policy and the Compliance Function Description Policy have not been disclosed to the public, but are internal regulatory documents available to managers and employees

The Codes are fully accessible to employees via the intranet platforms and are communicated to employees when the Codes are issued (e.g., following revision).

A further key element in ensuring ethical and anti-corruption compliance is the system of process-embedded controls, which have been incorporated into internal policies for the relevant processes, as well as into contractual and other documentation.

The 4iG Group is committed to the principles of the Universal Declaration of Human Rights and the OECD Guidelines on Anti-Corruption and Ethical Business Conduct, which commitment is reflected in the principles formulated in the Code of Ethics and Business Conduct (e.g., equal opportunities, equal treatment, prohibition of discrimination, human dignity, anti-corruption requirements, fair trade and competition, respect for sanctions requirements). It regularly communicates these commitments to stakeholders through newsletters, intranet, and the Compliance sub-page available on the 4iG Group's public website. The Code of Ethics for Business Partners, the Anti-Corruption and Anti-Bribery Policy, the Whistleblowing and Whistleblower Protection Policy, and the Ethics Committee Procedures Policy are also publicly communicated on the 4iG Nyrt. website.

The Board of Directors and the CEO of the 4iG Group supervise the ethics framework, within the framework of which the Compliance organisation reports on its activities, ethics and other compliance matters and tasks within the Compliance competence, and furthermore - given that 4iG Nyrt.. also operates an ISO 37001:2019 Anti-corruption management system - it annually reviews the operation of the anti-corruption management system within the framework of a management review.

Leadership Engagement

Regarding leadership engagement and commitment, it is worth highlighting the display and communication of the ethical values and regulations espoused by the 4iG Group. In addition, we have taken steps to enforce, monitor, and control these with employees and business partners of the 4iG Group. To achieve this goal, the 4iG Group has decided to set up an ethics organization consisting of an Ethics Committee and an independent compliance function with direct access (Group Compliance), the primary task of which is to ensure the operation of the 4iG Group in accordance with laws, standards, and the Group's ethical commitment, with the aim of preserving the trust of the 4iG Group's employees, customers, shareholders, business partners, and other stakeholders, and to safeguard the good reputation of the Group.

A prerequisite for creating a value-conscious corporate culture is that senior managers ("tone at the top") and middle managers ("mood in the middle") set an example and communicate the corporate culture throughout the Organisation. To this end - among other things - the 4iG Group expects all its managers to set an example through their ethical behaviour to all employees of the Group. Given that workplace managers play a key role in establishing, evaluating, and continuously monitoring the ethical atmosphere to be created based on the Code, managers are required to be thoroughly familial with the provisions of the Code and the principles formulated therein, and to appropriately communicate and enforce them in their instructions, decisions, and daily activities. The Senior Management, by maintaining the Ethics (Compliance) Organisation, provides an opportunity for employees and other persons to report unethical behaviour through the Ethics and Compliance Line (see Section 4.2, Subsection 1) without exposing the whistleblower or employees who express problems or questions through other channels to any form of retaliation.

The above rules apply to all managers, so the 4iG Group ensures the business conduct expertise of the administrative, executive, and supervisory bodies through training, awareness-raising, the use of regulations in line with the principle of norm clarity, and the aforementioned Ethics (Compliance) Organisation.

According to the Code of Ethics and Business Conduct, the responsibilities of the 4iG Group's managers include setting a good example in ethical behaviour and compliance, familiarizing their directly supervised colleagues with the Code, ensuring that their colleagues understand it, and that respect for ethical regulations is reflected in all their actions. The 4iG Group considers the deliberate or seriously negligent disregard or non-consideration of compliance risks as a clear lack of managerial capabilities.

2. Actions – Corporate culture

To develop corporate culture, the expectation was formulated towards the member companies of the 4iG Group to adopt the group-level framework at the member company level, as well as the expectation to establish an Ethics (Compliance) organisation, in order to strengthen the presence of group-level expectations and requirements at the member company level. As a result of the organisational changes, the group-level harmonization and significant integration of certain member companies of the 4iG Group under the group-level requirements began in FY 2023 and continued in FY 2024, with subsidiaries operating partly according to their own commitments and partly according to group-level expectations. This integration into group-level expectations occurred in FY 2024 for the following member companies belonging to the 4iG Group:

- One Magyarország Zrt.;
- D-Infrastruktúra Távközlési Kft.;
- Invitech ICT Services Kft.;
- Invitech ICT Infrastructure Kft.;
- AH Média Kereskedelmi Zrt.;
- AH Infrastruktúra Zrt.
- ONE Albania
- ONE Crna Gora

Some member companies had already partially or fully adapted to the group-level requirements during FY 2023 (e.g., DIGI Távközlési és Szolgáltató Kft.). This is the case for Rheinmetall 4iG Digital Services Kft., which already had a Code of Ethics and Business Conduct, Code of Ethics for Business Partners, Conflict of Interest Policy, and Gift Policy aligned with the group-level requirements during the FY 2024. Rheinmetall 4iG Digital Services Kft. also began developing a Whistleblowing and Whistleblower Protection Policy and an Ethics Committee Procedures Policy at the member company level during the 2024 business year. Our foreign subsidiaries (ONE Albania, ONE Crna Gora) also follow the Group-level Code of Ethics and Business Conduct.

The extension of group-level Compliance requirements and codes to the member-company level coincides with the objective of extending the anti-corruption management system to the group level. The regulations related to the anti-corruption management system are closely interlinked, as the Code of Ethics and Business Conduct not only expects basic behavioural requirements from employees (e.g., human dignity, fairness, zero tolerance for harassment) but also defines basic requirements relevant to business life (e.g., zero tolerance for corruption, fair business practices), which also provide the basic framework for the anti-corruption management system. In addition, numerous Compliance policies (e.g., Compliance Function Description Policy, Gift Policy, Conflict of Interest Policy, and

Whistleblowing and Whistleblower Protection Policy) have been created, which not only play a key role in shaping corporate culture but are also an integral part of the anti-corruption management system.

Employee training also plays a significant role in this regulatory framework, the basic purpose of which is to increase employee awareness and ensure knowledge and compliance with the rules by colleagues, both from an ethical and anti-corruption perspective.

For the 4iG Group, training other than ethics and anti-corruption training, such as data protection training, is part of the corporate culture and is closely linked to the data protection compliance objectives, which can be understood as a parallel extension of the data protection compliance framework within the Group, i.e. the primary objective is to ensure that the expectations, processes and responsibilities regarding data protection obligations are known, understood by employees and enforced in their daily work.
The scope of the corporate culture measures therefore coincides with the objective of extending the anti-corruption management system and the data protection framework at the group level for those member companies that are engaged in substantive business activities on the anticorruption side, i.e. where there is transactional, business interaction with external third parties (customers, suppliers, other business partners), and on the data protection side, where personal data are processed.

The time horizon for implementing these measures (both in terms of extending the anti-corruption management system and the data protection compliance framework) is medium-term, with a target date set for 2030.

Regarding the allocation of current and future financial resources for the above objectives related to corporate culture, no separate financial resources have been identified but are included in the financial resources identified in section 4.3.

3. Targets - Corporate Culture

As described in the previous section, in terms of corporate culture, both the extension of Compliance policies and the extension of related training are closely linked to the 4iG Group's objective of enforcing a unified Compliance framework within the 4iG Group, thereby contributing to the management of risks and realization of opportunities detailed in the "Impacts, Risks, and Opportunities" section of Chapter 4.1.

The achievement of the target can be measured in two values: one value of target achievement is the establishment of an operational framework at the member-company level that aligns with the group-level Compliance policies (which are designed to define the necessary operational frameworks at the policy level), and the other is the percentage of completion of the related Compliance training by employees of the member companies where the Compliance Framework is deployed and the related awareness-raising training is introduced. Detailed information on this is provided in the "Metrics and Indicators" section of Chapter 4.1.

The nature of the target is thus measurable in terms of the consistency of the Compliance Framework and related training, i.e., that in every member company belonging to the 4iG Group that falls within the scope of the action (i.e., as described above, those that conduct transactional, business activities that may fall within the scope of the anti-corruption management framework, or that perform substantial activities related to personal data processing from a data protection perspective), the

Compliance Framework is established at the level of uniform level of standards and expectations, along with the introduction of related awareness training.

There was no change in the determination of the target and the appropriate target values in FY 2024. The base year of the designated targets, i.e., the starting year, is the financial year 2024, in which significant progress has already been made regarding the member companies affected by the transformation being carried out within the group. The period associated with the objective is medium-term, i.e., the objective is for all member companies meeting the above criteria to be integrated under the unified framework by the financial year 2030.

No specific milestones have yet been set for the achievement of the targets in FY2024, for the reason that the ongoing transformation programme in FY2024 will determine the milestones to be achieved in the medium term. For this reason, it is expected that the 4iG Group will be able to set more specific milestones in its report for the 2025 financial year.

No separate methodology has been determined for achieving the targets, as it is assumed that it is in the interest of all 4iG Group member companies covered by this scope of measures to act according to a common set of processes and rules in their day-to-day work. This results in efficiency improvement on the part of the member companies, as all member companies will thus have to comply with a uniform set of requirements, which will facilitate cooperation within the group. There are no environmental protection objectives associated with the objectives, so the existence of scientific evidence is not applicable in this respect.

Stakeholders were not directly involved in defining the targets. It can be generally stated that in terms of risks and opportunities, there is a general expectation among external stakeholders (suppliers, customers, business partners) that business partners with whom they conduct business activities should conduct their business according to similar principles and ethical standards as those they themselves hold. It is therefore common practice in international business to publish codes of ethics that reflect these fundamental commitments, and which are made available to each party on a reciprocal basis to ensure that both parties are convinced of these fundamental commitments. Another set of the stakeholders are investors, who generally expect businesses to operate in a transparent manner and in accordance with the requirements belonging to the sphere of basic ethics and business integrity, and for companies to act with appropriate awareness.

The performance achieved in terms of the objectives in FY 2024 can be considered significant, as within the framework of the ongoing transformation within the 4iG Group, the member companies affected by the demerger successfully established a Compliance Framework aligned with the group-level expectations. This covers a total of 5 member companies: D-Infrastruktúra Távközlési Kft., Invitech ICT Services Kft., Invitech ICT Infrastructure Kft., AH Média Kereskedelmi Zrt. and AH Infrastruktúra Zrt.), and One Magyarország Zrt. also completed the implementation of the 4iG Group's Compliance Framework during the 2024 business year.

The data for FY 2024 is presented in the "Metrics and Indicators - Corporate Culture" subsection of Chapter 4.1.

The standardisation of awareness-raising training related to the framework will begin in FY 2025 with the involvement of the HR organisation.

Metrics – Corporate Culture

To develop corporate culture, some member companies of the 4iG Group have already introduced training of varying depths during the 2024 financial year to promote the enforcement of ethical requirements within the companies, which also promotes the conscious action of employees. There are some member companies where the training framework has not yet been established. In the member companies where training has already been established, the Training Policy[19] also makes it mandatory for all employees to complete anti-corruption and anti-bribery training upon entry and annually.

The individual member companies are currently at different levels of development. The 4iG Group's HR organization is responsible for establishing uniform training systems and defining and communicating training obligations. During the year under review, two member companies operated a training system (online e-learning platform) based on which the Group can provide detailed metrics. Certain member companies have been partially integrated into 4iG Nyrt.'s training system (e.g. INNObyte Informatikai Zrt., PoliComputer PC Kft., Rheinmetall 4iG Digital Services Kft.). In the case of 4iG Nyrt., 99.0% of employees have successfully completed ethics training, 95.9% have successfully completed anti-corruption training, and 94.0% have successfully completed data protection training. In the case of One Magyarország Zrt., 75.2% of employees have successfully completed ethics training, 100.9% of employees have successfully completed anti-corruption training (the reason for a value exceeding 100% is the employee turnover present at the company), and 75.2% of employees have successfully completed data protection training. At other member companies, ad-hoc training is provided following employee entry, where basic Compliance requirements are presented (e.g. DIGI Távközlési és Szolgáltató Kft., D-Infrastruktúra Távközlési Kft., ONE Albania, ONE Crna Gora). There are member companies where employees are required to attend a live ethics and anti-corruption training and also complete the training in the training system (Rheinmetall 4iG Digital Services Kft.). There are also member companies where training is conducted in person (ACE Network Zrt.).

While in 4iG Nyrt. and One Magyarország Zrt., separate specialized training is available for employees with a corruption risk rating higher than low, some member companies provide uniform training for all employees. This training is issued as mandatory for everyone. In 4iG Nyrt., this ratio is the same as above, as due to the limitations of the training system, it is currently not possible to differentiate between job positions. In One Magyarország Zrt., the percentage of employees completing risk-related training in addition to the basic training was 68,7%.In the business year 2024, some areas of specialisation also indicated a specific training need for Compliance, in which case specific training "individualised" for each department was also provided.

The Group Compliance Manager provides management training for the Senior Management (senior executives responsible for operational management) and the Governing Body (i.e., the Board of Directors), after which they make a written anti-corruption declaration every year, stating their knowledge of the relevant policies. In general, the Compliance organisation has built and plans to extend this training framework to its member companies in three major areas: Ethics training (which is intended to present the basic expectations of the Code of Ethics and Business Conduct), Anti-corruption training (which presents the expectations according to the Anti-Corruption and Anti-Bribery Policy, as well as the related gift and conflict of interest requirements), and basic data protection training, which is intended to present the basic requirements of data protection laws (in particular the

[19] Note that Training Policy have not been published, they are internal regulatory documents available to managers and employees

EU General Data Protection Regulation 2016/679 - "GDPR") to employees. These three areas form the basis of the organisational-specific indicators provided below.

The anti-corruption training informs employees about what constitutes corruption, what cases of corruption can occur, what the role of the various actors within the organisation is in recognizing and managing corruption risks, presents the role of the Compliance organisation in managing corruption risks, and informs employees about the whistleblowing channel, reporting options and protection against retaliation in case of whistleblowing.

Entitiy-specific indicator: Organization-specific indicator: Number (pcs) of employees who participated in Code of Ethics training, anti-corruption training, and data protection training in the 2024 business year

Training category	2024
Number of employees who received training related to the Code of Ethics (Ethics Training, persons	3773
Number of employees who received anti-corruption training (persons)	4366
Number of employees who received data protection training (persons)	3648

The methods behind the metrics reflect the number of employees in the given member company, in the given business year, who completed the trainings of varying depths shown in the table. No significant assumptions or limitations have been identified regarding the method. The metric has not been validated by an external body.

4.2. Protection of Whistleblowers

Impacts, Risks and Opportunities Assessment

Protection of Whistleblowers		
Material Impact / Risk	**Opportunity**	**Time Horizon**
Positive impact An appropriate whistleblowing system encourages ethical behaviour and transparency.	Ensuring the protection of whistleblowers strengthens the 4iG Group's internal transparency and security through appropriate communication between the company and employees, and through the practice of policies and regulations.	Short term

We are committed to developing an effective and comprehensive ESG (environmental, social, and governance) corporate governance model, defined by the principles of ethical corporate culture. We believe that this contributes directly to the satisfaction of our employees, customers, shareholders, suppliers, and other stakeholders.

As part of our governance processes, we identify and assess governance and accountability-related risks to effectively manage and mitigate them.

The 4iG Group is committed to protecting whistleblowers, preventing any retaliation against them, thereby avoiding legal and ethical problems causing retaliation against whistleblowers and the resulting risks that can also affect the reputation of the Group.

The material positive impact identified in the reporting year - *An appropriate whistleblowing system encourages ethical behaviour and transparency* - can already manifest in the short term. A properly designed whistleblowing system can have an actual positive impact in the short term, as it encourages ethical behaviour and transparency, and has the potential to increase trust through the protection of whistleblowers.

The possibility of accepting anonymous reports has been identified as an opportunity in terms of receiving whistleblowing reports and protecting whistleblowers. The possibility of making anonymous reports (i.e., without providing any direct or indirect identification) can act as a factor increasing the effectiveness of the whistleblowing system, as there are individuals who approach whistleblowing channels with greater confidence if they can also report anonymously.

The operation of a whistleblowing system can also have a positive financial impact, as the investigation and faster handling of reported violations (e.g., in case of non-compliance with internal policies) can reduce potential costs through the introduction of appropriate measures. The probability of the impacts inherent in the opportunity occurring is high, as the 4iG Group is already addressing this issue as described in the section below.

The introduction of mechanisms for reporting violations and ensuring the protection of whistleblowers is of paramount importance to the 4iG Group. This is also significant as Act XXV of 2023 on complaints, public interest disclosures, and rules related to the reporting of violations only allows for reporting by a person who has had, has, or intends to establish a future legal relationship with the company, as defined therein. In contrast, the 4iG Group does not restrict the range of persons making reports, and therefore the protection afforded to them.

Our aim is to ensure that individuals making reports can report violations safely and free from retaliation, thereby contributing to strengthening the principles of transparency, ethical operation, and accountability. The lack of adequate protection can result in legal and ethical problems and risks arising from retaliation against whistleblowers, which can negatively affect the reputation and operations of the 4iG Group.

To prevent legal and ethical problems, our company has implemented several measures. The basis for this is provided by the Code of Ethics and Business Conduct, which establishes the basic framework for receiving and handling whistleblowing reports. The Whistleblowing and Whistleblower Protection Policy builds on these basic requirements, establishing specific procedural processes, requirements, and control mechanisms aimed at preventing retaliation against whistleblowers and ensuring the proper handling of violations. In addition, we ensure transparency and information flow for stakeholders through regular reports and disclosures.

The impacts of whistleblower protection measures are continuous and long-term, so we are committed to further developing our existing practices. The material positive impact identified affects our own operations through employees and our value chain through external stakeholders. Our goal is to establish uniform and effective standards at all levels of the value chain that strengthen the confidence of employees and other stakeholders. Through this approach, our company complies with the principles of ethical operation and transparency, while minimizing risks and maximizing stakeholder satisfaction.

1. Policies - Protection of Whistleblowers

The whistleblowing procedure is defined at a high level in the Code of Ethics and Business Conduct, the details of which are set out in the Whistleblowing and Whistlerblower Protection Policy (hereafter referred to as the 'Policy' in this subsection). The Policy sets out the detailed procedural rules for investigating whistleblowing reports, describes the reporting channels, the possibility for whistleblowers to report any potential violation or misconduct (which may relate to violations of applicable legal requirements, the Code of Ethics and Business Conduct, and internal company policies), and sets out the requirements for the protection of whistleblowers and the prohibition of any form of retaliation against whistleblowers.

The investigation of whistleblowing reports is conducted by the independent Compliance Officer operating at group level and member company level, who, if necessary, refers the matter to the Ethics Committee. For this purpose, the Rules of Procedure of the Ethics Committee has been adopted at the group level in connection with the whistleblowing procedure, which may convene as a result of conducting a whistleblowing procedure if the severity of the case (the severity of the potential violation or misconduct) necessitates its convening. Based on the conducted whistleblowing investigation, the Compliance Officer makes a recommendation for the convening of the meeting.

The 4iG Group has a two-tier whistleblowing policy. On the one hand, it covers group-level whistleblowing channels and procedures, and on the other hand, it prescribes an implementation obligation for subsidiaries of the group under Hungarian jurisdiction, which have an implementation obligation related to the policy in order to comply with Hungarian regulatory reporting requirements (e.g., Act XXV of 2023). The group-level whistleblowing channel can receive all whistleblowing reports related to the activities of the 4iG Group's subsidiaries. Reports can be made anonymously by both internal and external stakeholders, regardless of whether the whistleblower has a legal relationship with the company.

Affiliated companies to which Act XXV of 2023 is directly applicable are required to establish their own whistleblowing channel and to independently handle and investigate whistleblowing reports. In FY 2024, the following companies had their own whistleblower channels and implemented their own policies that reflects the requirements, obligations, and investigation procedures of the group-level policy:

- 4iG Nyrt. (4iG Nyrt.'s whistleblowing channel is also the group-level whistleblowing channel)
- One Magyarország Zrt.
- DIGI Távközlési és Szolgáltató Kft.
- D-Infrastruktúra Távközlési Kft.
- Invitech ICT Services Kft.
- Invitech ICT Infrastruktúra Kft.
- 4iG Távközlési Holding Zrt.
- AH Média Kereskedelmi Zrt.
- AH Infrastruktúra Zrt.
- HungaroDigiTel Kft.

- ACE Network Zrt.
- ONE Albania
- ONE Crna Gora

The Hungarian subsidiaries implement the group-level whistleblowing policy, allowing the group to provide a unified approach to handling and investigating whistleblowing through its own channels. In FY 2024, Rheinmetall 4iG Digital Services Kft. also began establishing its own whistleblowing channels, structure, and policy.

The other Hungarian subsidiaries have not yet established individual whistleblowing channels. This is because some subsidiaries do not have actual commercial activities that may be subject to compliance monitoring, or they employ fewer than 50 employees, making them exempt from the scope of Act XXV of 2023.

The 4iG Group declares zero tolerance for retaliation against whistleblowers. The Whistleblowing and Whistleblower Protection Policy details the measures that may constitute retaliation and guarantees the protection of whistleblowers. The whistleblowing channels documented in the Code of Ethics and the policy are accessible to all employees through the intranet, while external whistleblowers can access the information via the company's website.

Employees are informed about how to report whistleblowing through training as specified in the metrics provided in the Corporate Culture chapter, both within the ethics training and anti-corruption training topics. The Whistleblowing and Whistleblower Protection Policy is regularly reviewed, and the results communicated to employees.

The group-level whistleblowing channel can be accessed via:

- In writing: Compliance@4ig.hu
- By mail: to the address of 1013 Budapest, Krisztina krt. 39., addressed to the Compliance Officer
- Online: https://www.4ig.hu/etika-Compliance-bejelentes

2. Actions - Protection of Whistleblowers

The key measures to be taken regarding the protection of whistleblowers coincide with those on corporate culture (Chapter 4.1) and anti-corruption and anti-bribery efforts (Chapter 4.3). The reason for this is that the fundamental ethical considerations belonging to the sphere of corporate culture, which are at a high level in the Code of Ethics and Business Conduct, and the requirements related to the anti-corruption management system in the relevant policies (in particular the Anti-Corruption and Anti-Bribery Policy, the Gift Policy, and the Conflict of Interest Policy) are enforced. With respect to both objectives, it is expected that all persons who, in connection with the conduct of the 4iG Group's member companies, experience a situation that may indicate violations of the law, ethical standards, or corruption-related misconduct, should be investigated according to uniform processes and aspects. As a result, the continuous extension of the group-level compliance Framework includes the extension of whistleblowing procedures and the Whistleblowing and Whistleblower Protection Policy to the member-company level, including safeguards regarding the protection of whistleblowers.

The scope of the measures related to the protection of whistleblowers therefore coincides with the objective of extending the group-level corporate culture and anti-corruption management system to those member companies that carry out substantive business activities, i.e., where there is transactional, business interaction with external third parties (customers, suppliers, other business partners).

The time horizon for implementing these measures (such as extending the anti-corruption management system) is medium-term, with a target date set for 2030.

Regarding the set of requirements for the whistleblowing procedure and the protection of whistleblowers, a material impact can be identified in that, as a result of the operation of an effective whistleblowing system, employees may be held accountable or business relationships with business partners may be terminated if violations of law or internal policies are established. However, the benefits associated with the effective operation of the system outweigh these disadvantages, as several safeguards have been incorporated into the system. These include the independence and impartiality of the Compliance Officers acting during the investigation, as well as the possibility of referring the case to the Ethics Committee.

Regarding the objectives related to the protection of whistleblowers, no separate financial resources have been allocated for current and future financial resources; they are included in the financial resources specified in Chapter 4.3, Subsection 2.

3. Targets - Protection of Whistleblowers

In terms of protecting whistleblowers, both the extension of group-level Compliance policies to member companies (including the Whistleblowing and Whistleblower Protection Policy) and the alignment of whistleblowing channels with group-level expectations (in particular by ensuring the anonymity requirement) can contribute to managing the risks and realizing the opportunities detailed in Subsection 2 of Chapter 4.3.

The measurable value of achieving the target is thus the extension of group-level Compliance policies to the member-company level, and the establishment of a whistleblowing framework that meets the requirements specified in the group-level policies.

The nature of the target is thus measurable in the uniformity of the Compliance framework and whistleblowing procedures at the member-company level. This means that all member companies must build and maintain whistleblowing channels in accordance with group-level requirements and incorporate the expectations and guarantees set out in the group-level Whistleblowing and Whistleblower Protection Policy into their own operations.

The scope of the target aligns with the scope defined in the Corporate Culture chapter (4.1) and the chapter on anti-corruption and anti-bribery efforts (4.3). The scope of the objective therefore aligns with the range of member companies belonging to the 4iG Group that have a substantive activity, i.e., maintain transactional, business relationships with third parties.

No changes were made to the target and the definition of the corresponding target values during the 2024 financial year.

The base year of the designated targets, i.e., the starting year, is the 2024 business year, in which significant progress has already been made in respect of the member companies affected by the transformation being carried out within the group.

The period associated with the target is medium-term, i.e., the target is for all member companies meeting the above criteria to be integrated under the unified framework by the 2030 business year.

Regarding the achievement of the targets, specific milestones have not yet been determined in the 2024 business year due to the fact that the transformation program in progress during the business year will determine the milestones to be achieved in the medium term. Therefore, the 4iG Group will likely be able to define more concrete milestones in its report for the 2025 business year.

No separate methodology has been determined for achieving the targets, as we start from the significant assumption that it is in the interest of all member companies belonging to the 4iG Group and covered by this set of measures to follow uniform processes and rules in their daily work. This results in efficiency improvement on the part of the member companies, as each member company must thereby adhere to a uniform set of requirements, which facilitates cooperation within the group. There is no environmental protection target associated with the objectives, so the existence of scientific evidence is not applicable in this respect.

Stakeholders were not directly involved in defining the targets. It can be generally stated that in terms of risks and opportunities, there is a general expectation among external stakeholders (suppliers, customers, business partners) that the business partners with whom they do business should conduct their business according to similar principles and ethical standards as those they themselves hold. This includes the requirement that business partners themselves, their employees, are able to report misconduct involving 4iG Group member companies so that it can be investigated, ensuring that they are protected from retaliation in the course of that investigation. For employees, it is also a basic expectation that they have access to a whistleblowing framework through which they can confidently approach the Compliance organisation, with the assurance of protection against retaliation for making a report.

The performance achieved in terms of the objectives in the 2024 business year can be considered significant, as within the framework of the ongoing transformation within the 4iG Group, the member companies affected by the demerger successfully established a Compliance Framework aligned with the group-level expectations. This covers a total of 5 member companies: D-Infrastruktúra Távközlési Kft., Invitech ICT Services Kft., Invitech ICT Infrastructure Kft., AH Média Kereskedelmi Zrt. and AH Infrastruktúra Zrt.), and One Magyarország Zrt. also completed the implementation of the 4iG Group's Compliance Framework during the 2024 business year.

Metrics - Protection of Whistleblowers

Number of whistleblowing incidents received and investigated by 4iG Group member companies in the financial year 2024. The definition of whistleblowing was defined in accordance with ISO 37002:2022 (Whistleblowing management systems - Guidelines), clause 3.10.

Definition: The reporting of a suspected or actual offence by the person reporting the abuse.

	2024	
Total number of whistleblowing reports	24	
	Under investigation	**Closed**
Total number of investigated and closed whistleblowing reports	0	24

Calculation Methodology

The method behind the above metrics reflects the number of whistleblowing procedures received and investigated by the individual member companies in FY 2024, in which the protection of whistleblowers must also apply. The metrics have not been approved by an external body.

4.3. Corruption and Bribery

Impacts, Risks, and Opportunities Assessment

Corruption and Bribery		
Material Impact/Risk	**Opportunity**	**Time horizon**
Negative Impact *Corruption and bribery significantly reduce the confidence of business partners in the supply chain and the trust of investors in the company, and reduce transparent operations.* *Positive Impact* *With measures introduced to prevent and detect corruption and bribery (including training that prepares our employees to detect corrupt practices), we can strengthen the 4iG Group's ethical standards and transparency, which increases the trust of users, our partners, and suppliers.*	*With practices against corruption and bribery, we not only protect our company's reputation but also ensure the reliability of our services. This proactive approach facilitates the establishment of sustainable business relationships and contributes to strengthening our market position, which can provide a competitive advantage in the long term.*	*Long term*

The material negative impact identified in the reporting year - *Corruption and bribery significantly reduce the trust of business partners in the supply chain and the trust of investors in the company, and reduce transparent operations* - is actual. The negative impact can severely damage the 4iG Group's reputation, investor confidence, and relationships with business partners in the long term.

The fight against corruption and bribery represents an important objective for the 4iG Group, as these factors have material impact on the transparency of our business model, the quality of relationships with stakeholders, and the overall image of our company. Identifying and managing the risks of corruption and economic misconduct, as well as the practical application of the zero-tolerance principle, are fundamental elements of our strategy.

The negative impacts associated with corruption and bribery include a decrease in the company's transparency and a loss of trust among partners and investors, which in the long term impair the company's business results and reputation. At the same time, measures taken to prevent corruption, such as regular training and risk management processes, strengthen the 4iG Group's ethical standards, increase the confidence of stakeholders - customers, partners, and suppliers - and contribute to transparent and responsible operations. The magnitude of the negative impact is high, as allegations of corruption and bribery can have widespread negative consequences for business relationships and the social perception of the 4iG Group. The significant negative consequences are also difficult to remedy, as restoring a damaged reputation takes a long time.

Taking proactive measures against corruption and bribery appears as a positive impact, serving not only to protect the reputation of the group but also to ensure the reliability of services. This facilitates the establishment of sustainable business relationships and the strengthening of the market position, which can provide a significant competitive advantage for the company in the long term. Such practices have a positive impact on stakeholder satisfaction while reducing potential financial and reputational risks. The positive impacts already manifest in the short term, are capable of strengthening ethical standards, and thereby increasing trust in the 4iG Group and the business ecosystem.

Moreover, opportunities also lie in the measures taken against corruption and bribery, as these measures are capable of protecting the company's reputation, are suitable for ensuring the reliability of services, and thereby contribute to building sustainable business relationships and strengthening our market position. This represents a significant - positive - opportunity from a financial perspective. The impacts inherent in this opportunity are long-term, as building trust takes time, but they are capable of reducing legal and financial risks through positive impacts on the company's financial position.

To manage corruption risks, 4iG Nyrt. has maintained a control and monitoring system in compliance with the ISO 37001 anti-corruption standard since December 2020, which is certified annually by an external auditor. The gradual extension of this framework within the 4iG Group is a priority.

The assessment and management of corruption risks occur at the level of organisational units, with particular attention to supplier and customer relationships, public procurements, and acquisition and merger transactions.

With measures aimed at managing corruption and bribery, we ensure transparent operations and maintain the trust of stakeholders. These measures extend throughout the entire value chain and provide an opportunity to strengthen our operations.

1. **Policies - Corruption and Bribery**

As detailed in Chapter 4.1 (Corporate Culture), the 4iG Group has adopted a group-level Code of Ethics and Business Conduct, Code of Ethics for Business Partners, Anti-Corruption and Anti-Bribery Policy, Whistleblowing and Whistleblower Protection Policy, which define the basic requirements for ethical, fair, and transparent behaviour. The Code of Ethics and Business Conduct expresses zero tolerance for all forms of corruption and bribery, while the requirements related to the fight against bribery and corruption are detailed in the Anti-Corruption and Anti-Bribery Policy. The entire organisation is responsible for implementing and enforcing the requirements in the policies and the Code of Ethics and Business Conduct, with the Compliance organisation responsible for performing the specific tasks specified in the policies.

These policies reflect the 4iG Group's effort to create a work environment and corporate culture that recognises and prevents the occurrence of corruption risks and ensures that the resulting damages are remedied.

The 4iG Group explicitly prohibits and opposes all forms of corruption and is committed to developing and maintaining a corporate culture that is conductive of preventing corruption and detecting potential actions of corruption. The 4iG Group continuously strives to adopt anti-corruption good practices in accordance with industry norms and standards and to train its employees accordingly.

To this end, 4iG Nyrt. has implemented an Anti-corruption management system in accordance with MSZ ISO 37001:2019 standard, which is being continuously implemented at the subsidiary level. The main mission of the Compliance function is to operate the Anti-corruption management system according to the requirements of the MSZ ISO 37001:2019 standard. For this purpose, we have assessed and identified corruption risks and designed the Compliance Framework in such a way that the controls applied are proportionate to the corruption risks.

In its Anti-Corruption and Anti-Bribery Policy - which qualifies as an anti-corruption policy according to the MSZ ISO 37001:2019 standard - the 4iG Group has defined the framework necessary for achieving anti-corruption goals in accordance with the basic requirements established in the Code of Ethics and Business Conduct.

The 4iG Group prioritises the detection of all corruption incidents or threats thereof as soon as possible, therefore the 4iG Group operates reporting channels (e.g., the Ethics and Compliance line available on the Compliance.4ig.hu page) through which employees, partners, customers of the 4iG Group, and other persons aware of a corrupt act can report it, even anonymously. For those member companies where independent whistleblowing channels have been established (further details of which can be found in section 4.2), the member companies themselves can receive whistleblowing reports related to corruption or bribery independently.

The 4iG Group supports, encourages, and expects its employees and - in accordance with the anti-corruption provisions of contracts - its contractual partners to report every corruption event that comes to their attention. We believe that employees, contractual partners, and customers who first detect a potential act of corruption or the imminent threat of corruption play a key role in detecting and preventing it.

The acquisitions and takeovers that have taken place in recent years have also encouraged the 4iG Group to meet the increasingly stringent new owner, regulatory, and customer expectations. The group strives for full transparency in the development, presentation, and application of its processes. In the reporting year, no legal proceedings were initiated against any of the Group's companies for anti-competitive behaviour or breaches of antitrust (including anti-monopoly) laws.

The design and operation of the anti-corruption framework based on the requirements of the ISO 37001 standard ensures strong anti-corruption control and monitoring system. The company assesses and evaluates corruption risks based on organisational units. Significant risks identified include the selection of suppliers, subcontractors, risk related to suppliers and customers, risk related to public procurement, transactions in consortium, other relationships with public officials, sponsorship and donations, gifts, acquisitions and mergers. During the reporting period, no confirmed corruption case occurred at any of the Group's companies, and in 2024, there were no public legal proceedings initiated in connection with corruption at the member companies or among employees, and there were no convictions or fines for violations of anti-corruption and anti-bribery laws.

In addition, no confirmed incidents of corruption or bribery were detected at 4iG Group member companies in FY 2024. As a result, there were no confirmed corruption or bribery incidents that resulted in disciplinary action or dismissal of employees, and no confirmed corruption or bribery incidents that resulted in the termination or non-renewal of contracts with business partners. There were no corruption or bribery-related legal proceedings initiated against member companies of the 4iG Group or employees of member companies in the financial year 2024, nor were there any legal proceedings initiated prior to the financial year 2024 that were concluded in the financial year 2024.

Knowledge of anti-corruption policies and procedures is mandatory for all board members and operational management members. The 4iG Group's Training Policy makes it mandatory for all employees to complete anti-corruption and anti-bribery training upon entry and annually. The training covers the concept of corruption, its conceptual elements, situations for recognising risks, risks associated with business partners, and expects that appropriate controls are in place when entering into contracts by requiring the use of anti-corruption contractual clauses or the making of an anti-corruption declaration. The Group Compliance Manager provides leadership training for the Senior Management and the Governing Body, after which the Senior Management and the Governing Body make a written anti-corruption declaration every year, in which they declare their knowledge of the relevant policies.

The HR organization of the 4iG Group is responsible for developing the training policy within the 4iG Group. For those 4iG Group member companies where a training system is available, employees are required to complete specific training as defined in the "Metrics" section of subsection 4.1.6 on Corporate Culture including training on the prevention of corruption and bribery. Completion of the training is mandatory annually.

The 4iG Group conducts extensive risk identification, assessment, analysis, and evaluation, in particular as the individual member companies of the 4iG Group are certified according to different ISO standards, requiring them to perform these tasks to maintain certification. Part of this activity is the identification, assessment, analysis, and evaluation of corruption risks in light of the requirements of the ISO 37001 standard. The corruption risk assessment includes the corruption risk of jobs, activities, and individual functions. The methodology for corruption risk identification and assessment is contained in the Risk Management and Opportunity Planning Policy[20].

Following the completed risk identification and assessment, corruption risks are aggregated based on the individual organisational units/professional areas and corruption risk types. The highest score assigned during the corruption risk assessment is recorded for each organisational unit/professional area and corruption risk type. After that, the corruption risk classification is assigned to the individual scores. This classification forms the basis for determining the level of expected controls.

Based on the completed risk assessment, it can be stated that within the 4iG Group, the group-level and member-company-level management, financial, and procurement, sales, and technical implementation responsible professional areas are the functions most exposed to corruption risks.

[20] The Policy is not public, it is available internally to managers and employees

The investigation of corruption and bribery cases falls within the competence of Compliance. According to the Whistleblowing and Whistleblower Protection Policy, the Compliance function, the Compliance Officer, is responsible for conducting the investigation of corruption cases. The Compliance function acts as an independent, impartial function within the organisation when investigating whistleblowing. The independence and impartiality of the Compliance function are ensured by the fact that it operates under the direction of the Chief Executive Officer. This avoids professional conflict, and the independence aspects to be enforced during the investigation do not conflict with the priorities of other business or support areas. The independence and impartiality of the Compliance function are further detailed in the Compliance Function Description Policy[21], which not only expects independence from the Compliance organisation but also from the Compliance Officers working in the organisation. The requirement of independence and impartiality is also set out as a principle in the Whistleblowing and Whistleblower Protection Policy.

Similarly, if as a result of an investigation, the severity of the case necessitates the convening of the Ethics Committee, the independence of the Ethics Committee is ensured by the fact that it also operates separately from the organisation of the companies. The Board of Directors and the CEO of the 4iG Group oversee the ethical framework, within which the Compliance organisation reports at the group level on its activities, ethical and other matters, tasks within the Compliance competence (including the member companies of the group), and furthermore - given that 4iG Nyrt. also operates an ISO 37001 Anti-corruption management system - it annually reviews the operation of the anti-corruption management system within the framework of a management review. In addition, the Group Compliance Manager reports annually to the Board of Directors of 4iG Nyrt. on the previous year's activities, including presenting the activities carried out by the group's member companies, including the investigation of corruption cases and their results. If the severity of the case warrants it, following the Ethics Committee's procedure, the Group Compliance Manager can submit an extraordinary report to the Board of Directors, as the Governing Body, on the investigation results, the Ethics Committee's proceedings and their outcomes.

For those member companies where anti-corruption and anti-bribery training has been introduced, training material is distributed uniformly for all employees. Detailed information on this can be found in the "Metrics and Indicators - Corporate Culture" section of Chapter 4.1.

2. Actions – Corruption and Bribery

The 4iG Group Compliance organisation aims to continuously extend the Compliance framework at member company level and to build and develop an anti-corruption system compliant with ISO 37001.

Regarding the extension of the anti-corruption management system, the 4iG Group's subsidiaries must implement the group-level requirements related to the anti-corruption management system (including all relevant policies), establish the necessary processes, appoint Compliance Officers to manage the system, and fully align internal policies and procedures with the requirements of the ISO 37001 standard. In addition, they are expected to introduce an awareness-raising training system on the prevention of corruption and bribery, to ensure the investigation of whistleblowing reports by the Compliance Officer, and to participate in the monitoring of contractual relationships and the risk assessment of third parties.

[21] Note that the Policy is not public, it is only available internally to managers and staff.

The extension of the framework to the individual member companies continued throughout the year 2024, as the individual telecommunications member companies completed the establishment of the Compliance and anti-corruption framework. These subsidiaries are:

- One Magyarország Zrt.
- D-Infrastruktúra Távközlési Kft.
- Invitech ICT Services Kft.
- Invitech ICT Infrastruktúra Kft.
- AH Média Kereskedelmi Zrt.
- AH Infrastruktúra Zrt.

The scope of the measures includes those member companies that have substantive commercial activities, i.e., engage in activities during which they have business relationships with third parties (business partners, customers, suppliers), and thus may be exposed to corruption risks.

The time horizon for implementing the measures is medium-term, set for the financial year 2030.

The material impact identified in connection with the extension of the anti-corruption system within the 4iG Group is positive, as it allows for the promotion of fair and transparent operations of the member companies. It is also a material impact that the operation of an effective anti-corruption management system contributes to the detection of corruption cases, which may result in employee accountability or the termination of business relationships with business partners if violations of law or internal policies are established. However, the benefits associated with operating the anti-corruption management system outweigh the disadvantages, as in the long term, the system contributes to ethical and transparent corporate operations. In the FY 2024, the 4iG Group Compliance organisation's resource was HUF 214,766,093. This included 7 full-time employees and the associated employment costs (including tangible and software resources.) Software costs include the licenses of two due diligence software through which business partners are screened, as well as the maintenance costs of whistleblowing channels. The resources include costs related to training and education, as well as all other operational costs necessary for the Compliance organisation to perform its duties.

The business plan for FY 2025 includes an OPEX resource of 265,000,000 HUF.

Financial Resources	Amount of resources
2024 financial resources (CAPEX)	None
2024 financial resources (OPEX)	HUF 214,766,093
2025 financial resources (CAPEX)	No CAPEX planned
2025 financial resources (OPEX)	HUF 265,000,000

3. Targets - Corruption and Bribery

The overall objective is that by 2030, those member companies belonging to the 4iG Group that conduct substantive commercial activities, i.e., engage in activities during which they have transactional, business relationships with third parties (business partners, customers, suppliers), should align with the group-level anti-corruption policies and processes. This objective is closely related to the 4iG Group's anti-corruption policy, which is based on the ISO 37001 standard.

The measurable value of the target is therefore (similar to what is recorded in Chapters 4.1 and 4.2) the extension of group-level Compliance policies to the member-company level and the implementation of related processes at the member-company level.

The nature of the target is thus measurable in the establishment and standardisation of the Compliance Framework at the member-company level. This means that all member companies must build and operate the anti-corruption management system and all its elements in accordance with the group-level requirements, and these expectations must be incorporated into their own operations.

The scope of the target aligns with the scope defined in the Corporate Culture chapter (4.1) and the chapter on the protection of whistleblowers (4.3). The scope of the objective therefore applies to those member companies belonging to the 4iG Group that have substantive activities, i.e., maintain transactional, business relationships with third parties, thereby potentially exposing them to corruption risks in their operations.

There is currently no change in the determination of the target and the appropriate target values.

The base year of the designated targets, i.e., the starting year, is the 2024 business year, in which significant progress has already been made regarding the member companies affected by the transformation being carried out within the group.

The period associated with the objective is medium-term, i.e., the objective is for all member companies meeting the above criteria to be integrated under the unified framework by the 2030 business year.

Regarding the achievement of the targets, specific milestones have not yet been determined in FY 2024 due to the fact that the transformation program in progress during the business year will determine the milestones to be achieved in the medium term. Therefore, the 4iG Group will likely be able to define more concrete milestones in its report for FY 2025.

No separate methodology has been determined for achieving the targets, as we start from the significant assumption that it is in the interest of all member companies belonging to the 4iG Group and covered by this set of measures to follow uniform processes and rules in their daily work and for the controls of the anti-corruption management system to apply uniformly to the affected member. This results in efficiency gains on the part of the member companies, as each member company must thereby adhere to a uniform set of requirements, which facilitates cooperation within the group. There are no environmental protection objectives associated with the objectives, so the existence of scientific evidence is not applicable in this respect.

Stakeholders were not directly involved in defining the targets. It can be generally stated that in terms of risks and opportunities, there is a general expectation among external stakeholders (suppliers, customers, business partners) that business partners with whom they conduct business activities should conduct their business activities in accordance with similar principles and ethical expectations as they themselves represent. This includes the requirement that business activities should be conducted in accordance with the requirements of business integrity and transparency.

The performance achieved in terms of the objectives in the 2024 business year can be considered significant, as within the framework of the ongoing transformation within the 4iG Group, the member companies affected by the demerger successfully established a Compliance framework aligned with the group-level expectations. This covers a total of 5 member companies: D-Infrastruktúra Távközlési Kft., Invitech ICT Services Kft., Invitech ICT Infrastructure Kft., AH Média Kereskedelmi Zrt. and AH Infrastruktúra Zrt.), and One Magyarország Zrt. also completed the implementation of the 4iG Group's Compliance Framework during the 2024 financial year.

Metrics - Corruption and Bribery

Anti-corruption and anti-bribery training

Detailed information on training can be found in the "Metrics" section of the Corporate Culture chapter. (Cf. Chapter 4.1.6)

Figures on Incidents of Corruption

In the 2024 business year, the 4iG Group's Compliance organisation did not receive any reports of cases indicating corruption or bribery.

4.4. Political influence and lobbying activities

Impacts, Risks and Opportunities assessment

Material Impact/Risk	Time horizon
Negative Impact Unethical political involvment that may lead to allegations of corruption	Long term
Positive impact Maintaining transparent operations which help preserve trust in the company and avoid corruption risks.	Medium term

The potential negative impacts of the political engagement topic include unethical political engagement that may lead to allegations of corruption, resulting in economic competitive disadvantage. At the same time, participation in shaping the industry regulatory environment may present an opportunity for the 4iG Group, which can promote innovation and sustainability considerations. Furthermore, utilising opportunities has positive impacts including maintaining transparent operations, which helps preserve the trust of partners and investors in the company, as well as avoiding corruption risks.

Political engagement can have an impact on several areas of the 4iG Group's operations, including upstream (supply chain), internal operations (own employees), and downstream (customers, partners). 4iG continuously monitors the development of the regulatory environment and ensures that its comments are communicated to decision-makers in an appropriate manner through its professional working groups. The Group's long-term goal is to strengthen business transparency, which contributes to maintaining regulatory compliance and ensuring market stability.

The 4iG Group's political engagement primarily focuses on participation in shaping industry regulation and supporting international digitalization developments. Within this framework, it has signed memoranda of understanding with the governments of Hungary, Albania, North Macedonia, and Montenegro, aimed at developing digital infrastructure, promoting innovation, and supporting sustainable technological solutions. These collaborations should not be interpreted as political lobbying activities but as strategic initiatives supporting the technological development of the countries concerned.

1. **Policies – Political influence and lobbying activities**

The 4iG Group does not have a separate policy or regulation, as it conducts its activities along existing corporate guidelines and legal compliance. The Group's Legal and Regulatory Directorate is responsible for activities compatible with political engagement and lobbying activities in the 4iG Group. The area operates and performs tasks based on the provisions of the Organizational and Operational Regulations (hereinafter: OOR). Upon completion of the 4iG Group's transformation program, in the short term, if warranted, the 4iG Group may develop a separate policy or regulation for activities related to its political engagement and lobbying activities. 4iG Nyrt. is listed in the EU Transparency Register - 616062152002-13 - and under the registration number EuroAtlantic Consulting & Investment PLC - 972512343021-81.

Upon completion of the 4iG Group's transformation program, in the medium term, if warranted, the 4iG Group may develop a separate policy or regulation for activities related to its political engagement and lobbying activities. The members of the administrative, management and supervisory bodies appointed during the reporting period do not include any person who has held a similar position in public administration, including regulatory bodies, in the two years preceding their appointment.

2. **Actions and Targets – Political influence and lobbying activities**

The 4iG Group is committed to transparent and ethical business operations, with a particular focus on its political engagement and its relationship with the regulatory environment. The Group has signed strategic agreements and Memoranda of Understanding with the governments of Hungary and several Balkan countries to promote digitalisation, telecommunications network development, modernisation of digital infrastructure and support sustainable economic development.

The strategic agreement signed with the Government of Hungary on November 9, 2023, aims to expand the 4iG Group's activities in Hungary and its active participation in the implementation of the National Digitalisation Strategy's objectives until 2030. The cooperation covers several areas, including digitalisation, telecommunications network development, and increasing competitiveness. According to the agreement, the Government of Hungary abolishes the public utility tax on telecommunications providers from January 1, 2024, and phases out the telecommunications surtax from January 1, 2025. In addition, joint programs will be launched to promote the digitalisation of small and medium-sized enterprises, the development of Industry 4.0, and the support of energy and sustainability efforts. The agreement extends to innovation, research and development, and training support, and also emphasises the importance of developing social responsibility, education, healthcare, sports, and national defence.

In the Balkan region, 4iG has concluded several cooperation agreements, among which the Memorandum of Understanding (MoU) signed on February 5, 2024, with the National Agency for Information Society of the Republic of Albania and the Ministry of Infrastructure and Energy of Albania stands out. The aim of the Albanian cooperation is to promote the country's digital development and implement the sub-Mediterranean cable project, which provides a new alternative connection between Albania and other regions.

In North Macedonia, 4iG strives for long-term cooperation in the introduction of state-of-the-art mobile and broadband technologies, the integration of 5G, IoT, and artificial intelligence, and the development of the digital ecosystem. The Memorandum of Understanding promotes the region's competitiveness, economic growth, and the development of the local workforce through training programs and new employment opportunities.

With Montenegro, 4iG signed a Memorandum of Understanding to support the implementation of the 2022-2026 digital transformation strategy. As part of the agreement, the company contributes to the implementation of the 5G network, smart city projects, and e-government developments, and supports the country's telecommunications and digitalisation efforts.

Furthermore, the Group has not identified any material targets in the year 2024 that would be relevant for disclosure purposes; however, it shapes its strategy along the lines of digital infrastructure development, innovation, and sustainability efforts, with targets expected to be defined in the medium term.

Table of organisational memberships:

National trade unions/industry associations:

Organisational memberships (trade unions/industry associations)	Organisations participating in the membership
5G Coalition (5GK)	4iG Nyrt., Invitech ICT Services Kft., AH Média Kereskedelmi Zrt., One Magyarország Zrt.
Blockchain Coalition	4iG Nyrt.
Association for Critical Communications (CritCom)	4iG Nyrt.
Electronic Payment Service Providers' Association (EFISz)	One Magyarország Zrt.
Communications Reconciliation Council (CRC) (HÉT)	DIGI Távközlési és Szolgáltató Kft., Invitech ICT Services Kft., AH Média Zrt., One Magyarország Zrt., D-Infrastruktúra Távközlési Kft.
Scientific Association for Infocommunications (HTE)	4iG Nyrt., One Magyarország Zrt., DIGI Távközlési és Szolgáltató Kft., Invitech ICT Services Kft.
Council of Hungarian Internet Providers (ISzT)	AH Média Zrt., One Magyarország Zrt., Invitech ICT Services Kft.
Hungarian Association of Digital Companies (IVSz) -	4iG Nyrt., One Magyarország Zrt., 4iG Informatikai Zrt.
Hungarian Association for Innovation (MISZ)	4iG Nyrt.
Hungarian Communications Association (MKSz)	DIGI Távközlési és Szolgáltató Kft., Invitech (pártoló tag)
Hungarian Chemical Industry Association (MVEde)	One Magyarország Zrt.
Hungarian Association of Competition Law (MVE)	One Magyarország Zrt.
AI Coalition Hungary	4iG Nyrt.

European/International trade unions/industry associations:

Organisational memberships (trade unions/industry associations)	Organisations participating in the membership
American Chamber of Commerce in Hungary (AmCham)	4iG Nyrt., 4iG Informatikai Zrt., ONE Albania, ONE Montenegro
Connect Europe	4iG Nyrt., One Albania

Organisational memberships (trade unions/industry associations)	Organisations participating in the membership
Digital Europe	4iG Nyrt.
EMF-Portal	DIGI Távközlési és Szolgáltató Kft., One Magyarország Zrt.
GSM Association (GSMA) database/intelligence	DIGI Távközlési és Szolgáltató Kft., One Magyarország Zrt., ONE Albania, ONE Montenegro, 4iG Nyrt.
O-RAN Alliance	4iG Nyrt.

The 4iG Group is able to enforce its position through trade unions and industry associations, especially in relation to legislation. Organisational memberships are important players in the labour and regulatory processes, particularly in the communications, information technology and telecommunications sectors, as they act as intermediaries between companies, workers and government. Through organisational memberships, the Group can even influence the regulatory environment, which can affect its operations.

For the year 2024, the 4iG Group has not adopted measurable, outcome-oriented targets that would be relevant for disclosure purposes, as the Group does not engage in such activities, where appropriate, targets may be set in the medium term. We do not currently monitor the effectiveness of our policies and measures.

Metrics - [G1-5] Political influence and lobbying activities

The measures presented show that the Group did not make any direct or indirect financial or in-kind contributions to political parties, political campaigns or other organisations with political aims during the reporting period.

Financial contributions are defined as direct monetary contributions made to political parties, political organisations or campaigns. In-kind contributions may include, for example, the provision of free or discounted services, the provision of infrastructure or equipment, or other forms of non-monetary support. Indirect contributions could take the form of political contributions made by the Group through other organisations or third parties.

The legal departments of each of the Group's member companies were involved in the collection and verification of the data. No validation by an external body was performed during the reporting period.

Direct or indirect financial and in-kind political contributions	2024	
Country/Geographic Area	Financial contribution (million HUF)	In-kind contribution (million HUF)
Hungary	0	0
Albania	0	0
Montenegro	0	0

5. Annexes

1. Annex

Disclosure requirement		Chapter	Page	Additional information
ESRS 2 General communications				
BP-1	General basis for preparing sustainability statements	1.1. About the report	3	
BP-2	Disclosures relating to specific circumstances	1.1. About the report	3	
GOV-1	The role of the administrative, management and supervisory bodies	1.4. The management of the organisation	11	
GOV-2	Information provided to the company's administrative, management or supervisory bodies and the sustainability issues they address	1.5. Organisational governance of sustainability	14	
GOV-3	Building sustainability performance into incentive mechanisms	1.5. Organisational governance of sustainability	14	
GOV-4	Statement on due diligence	1.5. Organisational governance of sustainability	14	
GOV-5	Risk management and internal control over sustainability reporting	1.8. Risk management	29	
SBM-1	Strategy, business model and value chain	1.2. Our activities and value chain	5	
SBM-2	Interests and views of interested parties	1.6. Our affected stakeholder relations	19	
SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and business model	1.7. Double materiality assessment	21	
IRO-1	Description of procedures for identifying and assessing significant impacts, risks and opportunities	1.7. Double materiality assessment	21	

Disclosure requirement		Chapter	Page	Additional information
ESRS 2 General communications				
IRO-2	Disclosure requirements under ESRS covered by an entity's sustainability statements	Annexes	129	

Disclosure requirement		Chapter	Page	Additional information
ESRS E1 Climate change				
ESRS 2, GOV-3	Building sustainability performance into incentive mechanisms	1.5. Organisational governance of sustainability	14	
E1-1	Climate change mitigation transition plan	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and business model	1.7. Double materiality assessment	21	
ESRS 2 IRO-1	Description of procedures for identifying and assessing material climate-related impacts, risks and opportunities	1.7. Double materiality assessment	21	
E1-2	Climate change mitigation and adaption policies	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-3	Actions and resources related to climate change policies	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-4	Targets set for climate change mitigation and adaption	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-5	Energy consumption and structure	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-6	Gross and total GHG emissions in scope 1, 2, 3	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-7	GHG mitigation projects financed through GHG removals and carbon credits	N/A	N/A	Not material topic
E1-8	Internal carbon pricing	N/A	N/A	Not material topic

Disclosure requirement		Chapter	Page	Additional information
ESRS E1 Climate change				
E1-9	Expected financial impacts from significant physical and transition risks and potential climate-related opportunities	N/A	N/A	Phase-in disclosure

Disclosure Requirement		Chapter	Page	Additional information
ESRS E5 Circular economy				
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	1.7. Double materiality assessment	21	
E5-1	Policies related to resource use and circular economy	2.3. Resource Outflow Related to Products and Services, Waste	50	
E5-2	Actions and resources related to resource use and circular economy	2.3. Resource Outflow Related to Products and Services, Waste	50	
E5-3	Targets related to resource use and circular economy	2.3. Resource Outflow Related to Products and Services, Waste	50	
E5-4	Resource inflows	N/A	N/A	Not material topic
E5-5	Resource outflows	2.3. Resource Outflow Related to Products and Services, Waste	50	
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	N/A	N/A	Phase-in disclosure

Disclosure Requirement		Chapter	Page	Additional information
ESRS S1 Own workforce				
ESRS 2 SBM-2	Interests and views of stakeholders	1.6. Our affected stakeholder relations	19	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.7. Double materiality assessment	21	
S1-1	Policies related to own workforce	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment) 3.2. Training and skills development 3.3. Health and Safety 3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity) 3.5. Privacy	57 64 69 74 78	
S1-2	Processes for engaging with own workers and workers' representatives about impacts	3. Social information 3.5. Privacy	55 78	
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	3. Social information 3.5. Privacy	55 78	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57 64 69	

Disclosure Requirement		Chapter	Page	Additional information
ESRS S1 Own workforce				
		3.2. Training and skills development 3.3. Health and Safety 3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity) 3.5. Privacy	74 78	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment) 3.2. Training and skills development 3.3. Health and Safety 3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity) 3.5. Privacy	57 64 69 74 78	
S1-6	Characteristics of the undertaking's employees	3.1. Working conditions (Work-life balance, Working	57	

Disclosure Requirement		Chapter	Page	Additional information
ESRS S1 Own workforce				
		time, Adequate wages, Secure employment)		
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57	
S1-8	Collective bargaining coverage and social dialogue	N/A	N/A	Not material topic
S1-9	Diversity metrics	3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74	
S1-10	Adequate wages	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57	
S1-11	Social protection	N/A	N/A	Phase-in disclosure
S1-12	Persons with disabilities	3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74	
S1-13	Training and skills development metrics	3.2. Training and skills development	64	
S1-14	Health and safety metrics	3.3. Health and Safety	69	

Disclosure Requirement		Chapter	Page	Additional information
ESRS S1 Own workforce				
S1-15	Work-life balance metrics	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57	
S1-16	Compensation metrics (pay gap and total compensation)	3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74	
S1-17	Incidents, complaints and severe human rights impacts	3.5. Privacy	78	
Entity - specific indicator	GRI - REWO 7d Monitoring of working time	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57	

Disclosure requirement		Chapter	Page	Additional information
ESRS S4 Consumers and end users				
ESRS 2 SBM-2	Interests and views of stakeholders	1.6. Our affected stakeholder relations	19	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business mode	1.7. Double materiality assessment	21	
S4-1	Policies related to consumers and end-users	3.5. Privacy	78	
		3.6. Access to products and services	91	
S4-2	Processes for engaging with consumers and end-users about impacts	3.5. Privacy	78	
		3.6. Access to products and services	91	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	3.5. Privacy	78	
		3.6. Access to products and services	91	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and endusers, and effectiveness of those action	3.5. Privacy	78	
		3.6. Access to products and services	91	
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.5. Privacy	78	
		3.6. Access to products and services	91	
Entity - specific indicator	Indicator GRI 418-1: Substantiated complaints about breaches of customer privacy and loss of customer data	3.5. Privacy	78	
Entity - specific indicator	GRI Telecommunications Sector Supplement indicator on the extent of availability of telecommunications products and services	3.6. Access to products and services	91	

Disclosure requirement		Chapter	Page	Additional information
ESRS G1 Business Conduct				
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	4.1. Corporate Culture	101	
ESRS 2 IRO - 1	Description of the processes to identify and assess material impacts, risks and opportunities	1.7. Double materiality assessment	21	
G1-1	Corporate culture and business conduct policies and corporate culture	4.1. Corporate Culture	101	
G1-2	Management of relationships with suppliers	N/A	N/A	Not material topic
G1-3	Prevention and detection of corruption and bribery	4.3. Corruption and Bribery	116	
G1-4	Confirmed incidents of corruption or bribery	4.3. Corruption and Bribery	116	
G1-5	Political influence and lobbying activities	4.4. Political influence and lobbying activities	123	
G1-6	Payment practices	N/A	N/A	Not material topic
Entity - specific indicator	ISO 37002:2022 Whistleblowing management systems. Guidelines - Indicator showing the number of cases of incident investigated and closed	4.2. Protection of Whistleblowers	110	

2. Annex

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

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
ESRS 2 GOV-1 Gender composition of the Management Board Paragraph 21(d)	Indicator No 13 in Table 1 of Annex I		Annex II to Commission Delegated Regulation (EU) 2020/1816		1.4. The management of the organisation	11
ESRS 2 GOV-1 Percentage of independent directors referred to in paragraph 21(e)			Annex II to Delegated Regulation (EU) 2020/1816		1.4. The management of the organisation	11
ESRS 2 GOV-4 Due diligence declaration paragraph 30	Indicator No 10 in Table 3 of Annex I				1.5. Organisational governance of sustainability	14
ESRS 2 SBM-1 Participation in fossil fuel-related activities Paragraph 40(d)(i)	Indicator No 4 in Table 1 of Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Quality information on environmental risk and Table 2: Quality information on social risk	Annex II to Delegated Regulation (EU) 2020/1816		N/A	N/A
ESRS 2 SBM-1 Participation in activities related to the manufacture of chemicals Paragraph 40(d)(ii)	Indicator No 9 in Table 2 of Annex I		Annex II to Commission Delegated Regulation (EU) 2020/1816"		N/A	N/A
ESRS 2 SBM-1 Participation in activities related to disputed weapons Paragraph 40(d)(iii)	Indicator No 14 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1818 [(29)], Article 12(1) of Delegated Regulation (EU) 2020/1816, Annex II		N/A	N/A
ESRS 2 SBM-1 Participation in activities linked to tobacco growing and production Paragraph 40(d)(iv)			Delegated Regulation (EU) 2020/1818, Article 12(1) of Delegated Regulation (EU) 2020/1816 , Annex II		N/A	N/A
ESRS E1-1 A plan for a climate neutral transition by 2050 Paragraph 14				(EU) 2021/1119 rendelet, 2. cikk (1) bekezdés	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
ESRS E1-1 Enterprises excluded from the EU benchmarks aligned to the Paris MOU Paragraph 16(g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) No 2022/2453, Table 1: Banking book - Climate change adaption risk: credit quality of exposures by sector, by emission volume and by remaining maturity	Delegated Regulation (EU) 2020/1818, Articles 12(1)(d)-(g) and 12(2).		2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS E1-4 GHG emission reduction target paragraph 34	Indicator No 4 in Table 2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) No 2022/2453, Table 3: Banking Book - Climate Change Convergence Risk: Adjustment metrics	Delegated Regulation (EU) 2020/1818, Article 6		2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS E1-5 Energy use from fossil sources, by source (only sectors with significant climate impact) Paragraph 38	Indicator 5 of Table 1 and Indicator 5 of Table 2 of Annex I				2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS Energy consumption and structure, paragraph 37	Indicator No 5 in Table 1 of Annex I				2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS E1-5 Energy intensity in relation to activities in sectors with high climate impact paragraphs 40-43	Indicator No 6 in Table 1 of Annex I				Not a material topic	
ESRS E1-6 Gross and total GHG emissions in scope 1, 2, 3 paragraph 44	Indicator 1 and 2 of Table 1 of Annex I	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) No 2022/2453, Table 1: Banking book - Climate change adaption risk: credit quality of exposures by sector, emission volume and remaining maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Articles 6 and 8(1)		2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
ESRS E1-6 Gross GHG emission intensity Paragraphs 53-55	Indicator No 3 in Table 1 of Annex I	Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, Table 3: Banking Book - Climate Change Convergence Risk: Adjustment metrics	Regulation (EU) 2020/1818, Article 8(1)		2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS E1-7 GHG emissions and carbon credits Paragraph 56				(EU) 2021/1119 rendelet, 2. cikk (1) bekezdés	N/A	N/A
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks Paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II, Delegated Regulation (EU) 2020/1816, Annex II		N/A	N/A
ESRS E1-9 Amounts broken down by acute and chronic physical risk, paragraph 66(a) ESRS E1-9 Location of significant assets exposed to significant physical risk paragraph 66(c)		Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, Recitals 46 and 47; Table 5: Banking Book - Physical Risk: Exposure to Physical Risks.			N/A	N/A
ESRS E1-9. Breakdown of the carrying amount of real estate assets by energy efficiency class paragraph 67(c)		Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, Recital 34; Table 2: Banking Book - Climate change adaption risk: loans secured on real estate - Energy efficiency of collateral			N/A	N/A
ESRS E1-9 Portfolio exposure to climate-related opportunities Paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		N/A	N/A
ESRS E2-4 The quantity of each pollutant released to air, water and soil listed in Annex II of the European PRTR (Pollutant Release and Transfer Register) Regulation, paragraph 28	Indicator No 8 in Table 1 of Annex I, Indicator No 2 in Table 2 of Annex I, Indicator No 1 in Table 2 of Annex I, Indicator No 3 in Table 2 of Annex I				Not a material topic	

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
ESRS E3-1 Water and marine resources, paragraph 9	Indicator No 7 in Table 2 of Annex I				Not a material topic	
ESRS E3-1 Targeted policy, paragraph 13	Indicator No 8 in Table 2 of Annex I				Not a material topic	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator No 12 in Table 2 of Annex I				Not a material topic	
ESRS E3-4 Total recycled and reused water, paragraph 28(c)	Indicator 6.2 in Annex I, Table 2				Not a material topic	
ESRS E3-4 Total water consumption from own activities in m³/million EUR net revenue Paragraph 29	Indicator 6.1 in Annex I, Table 2				Not a material topic	
ESRS 2 - IRO 1 - E4 paragraph 16(a)(i)	Indicator No 7 in Table 1 of Annex I				Not a material topic	
ESRS 2 - IRO 1 - E4 paragraph 16(b)	Indicator No 10 in Table 2 of Annex I				Not a material topic	
ESRS 2 - IRO 1 - E4 paragraph 16(c)	Indicator No 14 in Table 2 of Annex I				Not a material topic	
ESRS E4-2 Sustainable land use/agricultural practices or policies Paragraph 24(b)	Indicator No 11 in Table 2 of Annex I				Not a material topic	
ESRS E4-2 Sustainable ocean/marine practices or policies Paragraph 24(c)	Indicator No 12 in Table 2 of Annex I				Not a material topic	
ESRS E4-2 Policies to address deforestation, paragraph 24(d)	Indicator No 15 in Table 2 of Annex I				Not a material topic	
ESRS E5-5 Non-recycled waste, paragraph 37(d)	Indicator No 13 in Table 2 of Annex I				2.3. Resource Outflow Related to Products and Services, Waste	50
ESRS E5-5	Indicator No 9 in Table 1 of Annex I				2.3. Resource Outflow Related to	50

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
Hazardous waste and radioactive waste, paragraph 39					Products and Services, Waste	
ESRS 2 - SBM3 - S1 Risk of incidence of forced labour, paragraph 14(f)	Indicator No 13 in Table 3 of Annex I				3. Social infromation	55
ESRS 2 - SBM3 - S1 Risk of child labour paragraph 14(g)	Indicator No 12 in Table 3 of Annex I				3. Social infromation	55
ESRS S1-1 Political commitments on human rights Paragraph 20	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57
ESRS S1-1 Due diligence policies on topics covered by ILO core conventions 1-8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57
ESRS S1-1 Procedures and actions to prevent trafficking in human beings Paragraph 22	Indicator No 11 in Table 3 of Annex I				3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57
ESRS S1-1 an occupational injury prevention policy or management system, paragraph 23	Indicator 1 in Table 3 of Annex I				3.3. Health and Safety	69
ESRS S1-3 complaints/grievance mechanisms, paragraph 32(c)	Indicator No 5 in Table 3 of Annex I				3. Social infromation	55
ESRS S1-14	Indicator No 2 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		3.3. Health and Safety	69

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
Number of deaths and number and rate of work-related accidents, paragraph 88(b) and (c))						
ESRS S1-14 Number of days lost due to injury, accident, death or sickness 88(e)	Indicator No 3 in Table 3 of Annex I				3.3. Health and Safety	69
ESRS S1-16 Unadjusted gender pay gap point 97(a)	Indicator No 12 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74
ESRS S1-16 Excessive CEO remuneration rates Point 97(b)	Indicator No 8 in Table 3 of Annex I				3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74
ESRS S1-17 Incidence of discrimination, point 103(a)	Indicator No 7 in Table 3 of Annex I				3.5. Privacy	78
ESRS S1-17 Non-compliance with the UN Guiding Principles on the Responsibilities of Businesses with regard to Human Rights and the OECD Paragraph 104(a)	Indicator 10 in Table 1 and Indicator 14 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12(1)		3.5. Privacy	78
ESRS 2 - SBM3 - S2	Annex I, Table 3, metrics 12 and 13				Not a material topic	

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
Significant risk of child labour or forced labour in the value chain, point 11(b)						
ESRS S2-1 Political commitments on human rights Section 17	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				Not a material topic	
ESRS S2-1 Value chain policies for employees Section 18	Annex I, Table 3, metrics 11 and 4				Not a material topic	
ESRS S2-1 Failure to comply with UN Guiding Principles on the Responsibilities of Businesses with regard to Human Rights and OECD Guidelines Paragraph 19	Indicator No 10 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12(1)		Not a material topic	
ESRS S2-1 Due diligence policies on topics covered by ILO core conventions 1-8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not a material topic	
ESRS S2-4 Human rights issues and incidents related to upstream and downstream value chains Paragraph 36	Indicator No 14 in Table 3 of Annex I				Not a material topic	
ESRS S3-1 Political commitments on human rights, paragraph 16	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				Not a material topic	
ESRS S3-1 failure to comply with UN Guiding Principles on the Human Rights Responsibilities of Business, ILO principles or OECD Guidelines Section 17	Indicator No 10 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816 Annex II, Delegated Regulation (EU) 2020/1818 Article 12(1)		Not a material topic	
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator No 14 in Table 3 of Annex I				Not a material topic	
ESRS Policies for consumers and end-users, paragraph 16	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				3.5 Privacy	78
ESRS S4-1 Ignoring the UN Guiding Principles on the Responsibilities of Businesses with	Indicator No 10 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12(1)		3.5 Privacy	78

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
regard to Human Rights and the OECD Guidelines Section 17						
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator No 14 in Table 3 of Annex I				3.5 Privacy	78
ESRS G1-1 UN Convention against Corruption, paragraph 10(b)	Indicator No 15 in Table 3 of Annex I				4.3. Corruption and Bribery	116
ESRS G1-1 Protection of whistleblowers Paragraph 10(d)	Indicator No 6 in Table 3 of Annex I				N/A	N/A
ESRS G1-4 Fines for breaches of the anti-corruption and anti-bribery laws, paragraph 24(a)	Indicator No 17 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		4.3. Corruption and Bribery	116
ESRS G1-4 Anti-corruption and anti-bribery standards Paragraph 24(b)	Indicator No 16 in Table 3 of Annex I				4.3. Corruption and Bribery	116

STATEMENT

The Issuer declares that the Management Report for the year 2024 provides a true and fair view of the Company’s position, development and performance, describing the principal risks and uncertainties, and does not omit any fact or information that is significant for the assessment of the Issuer’s position. Furthermore, the Issuer declares that the Sustainability Report included in the Management Report has been prepared in accordance with the sustainability reporting standards required by the Hungarian Accounting Act (Act C of 2000), the European Sustainability Reporting Standards (ESRS), and the provisions of Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council (EU Taxonomy Regulation).

Budapest, 11 April 2025

Gellért Zoltán Jászai
Chairman of the Board

4iG NYRT.
BUDAPEST, KRISZTINA KÖRÚT 39.
TEL: +36 1 270 7600
WEB: WWW.4IG.HU