



DUNA HOUSE GROUP



ESG REPORT - 2023

Duna House Holding Nyrt.

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Letter from the CEOs

GRI 2-22

Dear Reader!

Since the foundation of Duna House Holding Nyrt, the focus has been on value creation, and this mentality is represented by our employees and our partners. Real estate sales are fundamentally a matter of trust, the real estate market is constantly changing, but we are convinced that solid corporate operations and experience based on sound principles provide a solid foundation, while at the same time helping us to maintain our regionally dominant market position.

Transparent business operations serve the interests of our employees, our partners and our customers, and help us to provide the best service.

The past year was a successful one for the Group from a financial point of view, despite a decline in the number of property sales transactions. We have entered into a strategic partnership with the largest real estate sales network in Italy, which will exclusively sell loans via Credipass for 15 years. From this, the general recovery of the real estate market and the strategic development of the group, we see a positive growth outlook.

Environmental considerations are becoming increasingly important when it comes to property values. We strive to encourage our clients to choose the greenest, most energy efficient solutions possible. This is supported by the increasingly stringent energy certification rules that must be complied with for renovation and modernization works that involve a loan.

An analysis of the energy performance certificates of the last 7 years by Duna House shows that even the BB rating, which is the minimum level that new build properties must meet, was achieved by only 5% of properties. So, there is room for improvement, which can be well served by non-repayable state grants and subsidized loans. Improving efficiency is also in the interest of property owners, as insulation, replacement of windows and doors, heating and lighting systems can significantly reduce the energy bill. The use of renewable energy sources is also essential to reduce carbon emissions, and in order to achieve this and to serve our clients' property needs as widely as possible, we have started a strategic partnership with a solar panel installation company. This partnership will include full support in the preparation of public tenders as well as construction.

Our Group has embarked on a journey of deepening and making transparent our ESG approach, in 2023 we have further developed our internal standards and set targets for ESG in different areas to underpin continuous improvement. We see the integration of a sustainable development approach into our daily operational practices as a means to create value, and we will continue on this path, in line with the evolving regulatory requirements and our stakeholders.

Sincerely:

Gay Dymshiz and Doron Dymshiz

Co-CEOs

About the ESG report

GRI 2-3, 2-5 This report is the second ESG report of the Duna House Group, covering the financial year 2023. The report has been prepared in accordance with GRI Standards 2021. The report has not been certified by a third party.

GRI 2-14 The report has been approved by the Board of Directors. Group management has been involved in the preparation of the report throughout, from reviewing the materiality analysis, through participation in the information gathering processes, to the approval of the report.

This report covers the IFRS consolidated subsidiaries of Duna House Holding Plc and Duna House Group (DHG), with the following exceptions:

- Following the cooperation agreement signed with the Professione Casa real estate network, the Group's real estate activities in Italy have been discontinued and sustainability performance is presented without this.

A change from last year is that this report also covers the operation in the Czech Republic. However, due to the small size of the company, only numerical information is presented.

A full list of companies is included in the next chapter of this report.

To avoid duplication, we refer to the annual report, the corporate governance statement and other public documents of the Group that already contain the information required by the GRI Standards.

The reporting cycle is annual, however, in order to show trends, we also aim to present data for the year 2022.

To improve our performance in ESG (environmental, social, governance) and sustainability, we welcome any questions and comments at esg@dunahouse.com.

Key features of the Duna House Group¹

129,314 customer property buyers



54,425 real estate sales clients



29,728 clients in financial product intermediation



246 real estate franchise



18 own real estate agencies



3,860 agents and franchise partners



110 financial institution partners



1,758 energy efficiency certificates issued



0 legal proceedings concerning information provision and marketing communications



0 data protection infringements



177 applied



19% part-time employee

¹ End December 2023 data

Introduction and management of Duna House Group

Activities of Duna House Group

GRI 2-1, 2-6 Duna House Group is an important player in the real estate services sector in Central and Eastern Europe. As in previous years, the Group's profile in 2023 was again defined by real estate and credit intermediation. In Hungary, Poland, Italy and the Czech Republic, real estate agents and credit advisors assist the Group's clients in the sale and purchase of real estate. Since the launch of the Credipass brand in Hungary in 2022, the Group has harmonised its financial intermediary markets, thus unifying its financial intermediary services.

The professional work of our Group has been recognised in recent years with a number of professional awards. In 2023, our Italian member company Credipass won the Leadership Forum Award.



The mission of the group: ***We serve the people. Real estate is our passion.***

Real estate brokerage - franchise and own office network

The Group provides real estate brokerage services in Hungary, Poland, Italy and the Czech Republic, for the sale of new and second-hand residential property and the rental of residential and commercial property.

These services are available in the Duna House Group's owned offices and franchise offices. In 2023, the number of offices in terms of franchise offices decreased by 12 offices in Hungary and 6 offices in Poland. The number of owned offices decreased by 5 offices in Hungary.

Duna House Group real estate offices and agents, 31.12.2023.							
	Real estate agencies		Own offices		Number of properties in the network		Brands
	2023	2022	2023	2022	2023	2022	
Hungary	140	162	9	14	1,427	1,689	Danube House
Poland	105	111	8	8	653	724	Metro House
Czech Republic	1	1	1	1	33	-	Danube House
Italy ²	-	41	-	-	-	79	Realizza
Total	246	314	18	23	2,113	2,492	

Year-end 2023 commission income from franchises and own offices in both Poland and Hungary increased compared to the previous year-end, with the downturn in the Hungarian real estate market halting by the end of 2023. Polish franchising set new records thanks to regulatory influence and easing, but the Hungarian real estate brokerage business also grew significantly in the last quarter. The latter is reassuring after the trough of the Hungarian real estate market, with results in the last quarter of 2022 and the first quarter of 2023.

Intermediation of financial products

The Group also assists clients in Hungary, Poland and Italy with their financial decisions. The Duna House Group brokers a range of financial products to help residential and corporate clients, mainly for the purchase or sale of residential property. Home loans, home savings products, insurance and other financial products are also available.

We have 218 finance professionals in Hungary, 765 in Poland and 763 in Italy. The number of Italian intermediaries increased slightly, while the number of Polish advisors increased significantly. While at the end of 2022, loans in Poland accounted for one sixth of the intermediated loan portfolio, this rose to 50% by the end of 2023. At group level, an important result is that the segment showed steady growth throughout the year after the first quarter of 2023, with the group's intermediated loan book growing by almost 30% at the end of 2023 compared to the end of 2022.

Our top 5 most important cooperation partners in terms of intermediated volumes in 2023:

- Hungary: OTP Bank Nyrt., K&H Bank Zrt., UniCredit Bank Hungary Zrt., Erste Bank Hungary Zrt., and CIB Bank Zrt.
- Poland: PKO Bank, Pekao SA, Santander Bank, Alior Bank and ING Bank.
- In Italy: ING Bank N.V., Banca Monte Dei Paschi, Credit Agricole, Che Banca, and BCC Roma.

At the end of 2023, we offered products from 12 financial institutions in Hungary, 14 in Poland and 57 in Italy.

Related services

The Duna House Group provides a range of other real estate-related services to its clients and partners. Duna House's portfolio also includes appraisal, energy certification and real estate agent training companies. The Group aims to make real estate investments available to a wide range of private investors and has established Impact Fund Management Ltd., which managed Hungary's first and only residential real estate investment fund for many years³. The home management property

² Due to ongoing sales, the data for Realizza are no longer included in the table.

³ Note: The Group's management had planned to sell Impact Fund Management Ltd. during 2023, and after a failed transaction decided to redevelop the Fund Management.

management companies in Hungary and Poland provide services to the clients of the group who rent out their properties.

Duna House Group customer numbers 2023			
	Real estate - for sale	Real estate - buyer	Financial product - intermediation
Total - 2023	129,314	54,425	29,728
Hungary	95,955	25,563	5,091
Poland	31,971	28,408	9,563
Italy	-	-	15,067
Czech Republic*	1,388	454	7
Total - 2022	134,000	63,800	66,600
Hungary	107,700	25,500	7,100
Poland	25,900	38,000	7,300
Italy	400	300	52,200
Total - 2021	149,400	55,400	19,400
Hungary	108,000	25,800	7,900
Poland	41,400	29,600	11,500
Italy	-	-	-
<i>* 2022 figures do not include the Czech subsidiary</i>			

The table below shows the member companies and activities covered in the ESG report:

GRI 2-2 Company name	Main activities in 2023
Hungary	
Duna House Holding Plc.	the holding company of the group
Duna House Insurance Brokerage Ltd.	insurance mediation
Credipass Ltd.	financial intermediation
DH Projekt Kft.	newly constructed real estate, real estate of financial institutions and real estate for which the debtor is unable to repay the loan
Duna House Real Estate Valuation Ltd.	real estate valuation
Duna House Franchise Kft.	running the franchise network
Energy Certificate Ltd.	energy certification
Superior Real Estate Ltd.	operating own franchise offices
Home Management Ltd.	comprehensive residential property management
REIF 2000 Ltd.	franchise partner of Duna House
GDD Commercial Kft.	the sale, purchase and rental of owner-occupied commercial property
SMART Real Estate Ltd.	real estate agency
Impact Fund Management Ltd.	investment fund manager with a focus on real estate in Hungary
Home Line Center Kft.	the sale, purchase and rental of owner-occupied residential property
Akadémia Plus 2.0 Ltd.	training activities in real estate brokerage
Duna House Service Centre Ltd.	central services for subsidiaries
MyCity Residential Development Kft.	property development projects
Pusztakúti 12. Ltd.	construction and sale of housing estates
Reviczky 6-10. Ltd.	construction and sale of housing estates
MyCity Panorama Ltd.	development of the MyCity Panorama project
Poland	
Metrohouse S.A.	real estate agency
Metrohouse Franchise S.A.	own and franchise offices
Credipass Sp. z.o.o.	credit intermediation
Primse.com Sp. z.o.o.	sales service for property developers
Credipass Polska S.A.	credit intermediation
Italy	
HGroup S.p.A.	intermediation in financial products
Credipass S.r.l.	brokering financial products: mortgages and a specialised loan product, CQS
Medioinsurance S.r.l.	insurance mediation
Czech Republic	
Duna House Franchise s.r.o.	running the franchise network
Duna House Hypoteky s.r.o.	financial intermediation
Center Reality s.r.o.	real estate agency

Further information on the Group's activities is available at www.dunahouse.com and in the Group's Annual Report.

Governance structure

GRI 2-9 Duna House Holding Plc. is a company listed on the Budapest Stock Exchange and managed by a Board of Directors. The Board of Directors is responsible for decision-making on all matters that do not fall within the exclusive competence of the General Meeting. The Board of Directors decides, among other things, on annual and medium-term plans, on matters that determine the day-to-day business and on matters to be submitted to the General Meeting.

The Supervisory Board supervises the management and business activities of the company.

The operational management manages the affairs within the limits set by the legislation, the Statutes, the Rules of Procedure of the Board of Directors, the decisions of the General Assembly and the Board of Directors, with individual responsibility.

The members of the Board of Directors and the Supervisory Board are elected by the General Assembly. The members of both bodies are elected annually, with the exception of Gay Dymshiz and Doron Dymshiz, who are founders, co-CEOs and major shareholders of Duna House Holding. The term of office of the members has been extended by the General Assembly for another year. All members of the highest governance bodies are men. The CVs and competences of the members are available on the Duna House Group website: <https://dunahouse.com/hu/tarsasagiranyitas>.

GRI 2-9, 2-11 The company continues to expect no independence from the members of the Board of Directors. The Duna House Group has two Co-CEOs and, as in previous years, one of the Co-CEOs was the Chairman of the Board in 2023. One member (20%) of the Board of Directors was independent - i.e. not a director or employee of Duna House Holding or its subsidiaries.

All members of the Supervisory Board are independent. None of the CEOs is the Chairman of the Supervisory Board.

At the end of 2023, the average tenure of the members of the Board of Directors was 5.9 years, while the average tenure of the members of the Supervisory Board was 5.8 years.

The Articles of Association of the company allow the members of the Board of Directors to hold directorships and supervisory board positions in companies whose main economic activity is the same as that of the company. The main reason for this is the fact that the company is a member of the Duna House Group, within which there are a number of other entities and companies whose main activities are the same as those of the company.

The independent members of the Board of Directors and the Supervisory Board hold significant positions outside the Duna House Group as senior executives or as members of the Board of Directors or the Supervisory Board.

GRI 2-18 Each year the Annual General Meeting includes on its agenda an evaluation of the work of the Board of Directors in the previous financial year and decides on the discharge to be granted to the Board of Directors, which was granted to the Board of Directors in 2023.

The only committee of the highest governance bodies in 2023 was still the Audit Committee. The Committee supports the work of the Supervisory Board of Duna House Holding, performing review, evaluation and proposal tasks. The Committee consists of three members elected by the General Meeting from among the members of the Supervisory Board. The members of the Audit Committee are the same as those of the Supervisory Board, and this has not changed in 2023.

GRI 2-15 The highest governance body has procedures to prevent and mitigate conflicts of interest. Each director reports related parties and potential conflicts of interest to the Supervisory Board, which then takes decisions to prevent or mitigate conflicts of interest. 2023 Similarly, there is no cross-directorship with other companies and no cross-shareholdings with suppliers and other stakeholders

in Duna House Holding. Related party transactions are reported in the related party chapters of the annual report, chapters 13 and 28.⁴

The ownership structure of the company is detailed in the annual Corporate Governance Report⁵, which is also available on the BSE website and on the Duna House Group website.

The Articles of Association of the company were amended by a resolution adopted at the General Meeting of 27 April 2023. The resolution also affected the members of the Audit Committee, in that the members whose mandate expired in 2023 were reappointed for a new fixed term. The AGM also adopted amendments to the Employee Share Ownership Plans and Remuneration Policy.

Selection processes

GRI 2-10 The General Meeting gives the shareholders the opportunity to influence the company's operations. They can also influence the appointment of members to the highest governance bodies. Nominations can be made by members of the Supervisory Board and the Board of Directors, who take into account the views of stakeholders, such as shareholders.

Diversity is important in the nomination process, and competences and experience relevant to the organisation's activities are also assessed. It is essential that the highest governance body has the insight, skills and experience necessary for effective management.

Two of the three members of the Supervisory Board were appointed before the company's listing in 2016. In their selection, potential institutional investors were consulted and their views taken into account.

The role of the highest governance bodies in relation to the sustainability strategy

GRI 2-12 The Board of Directors and senior management of the company play a key role in developing, approving and updating the organisation's goals, values, mission, strategies and policies related to sustainable development.

The Board of Directors sets the overall direction of the Group, including its approach to sustainability objectives. The Board approves the organisation's objectives, co-ordinates the development of its values and mission, and provides the basis for the Group's activities and the decisions taken.

Senior managers, in collaboration with the Board of Directors, are responsible for the details of strategies and policies and for the implementation of the agreed directions. Specific, measurable, achievable, relevant and time-bound targets (SMART) to help achieve sustainable development were set in 2023 and progress towards the targets was monitored. The targets are presented in the relevant chapters of this report.

The Board of Directors and senior management have worked together to ensure that the company's commitment to sustainability is aligned with the decisions and actions taken across the Group. Senior management, but also employees at different levels of the Group, including the franchise network and the central team, can initiate actions to promote sustainability.

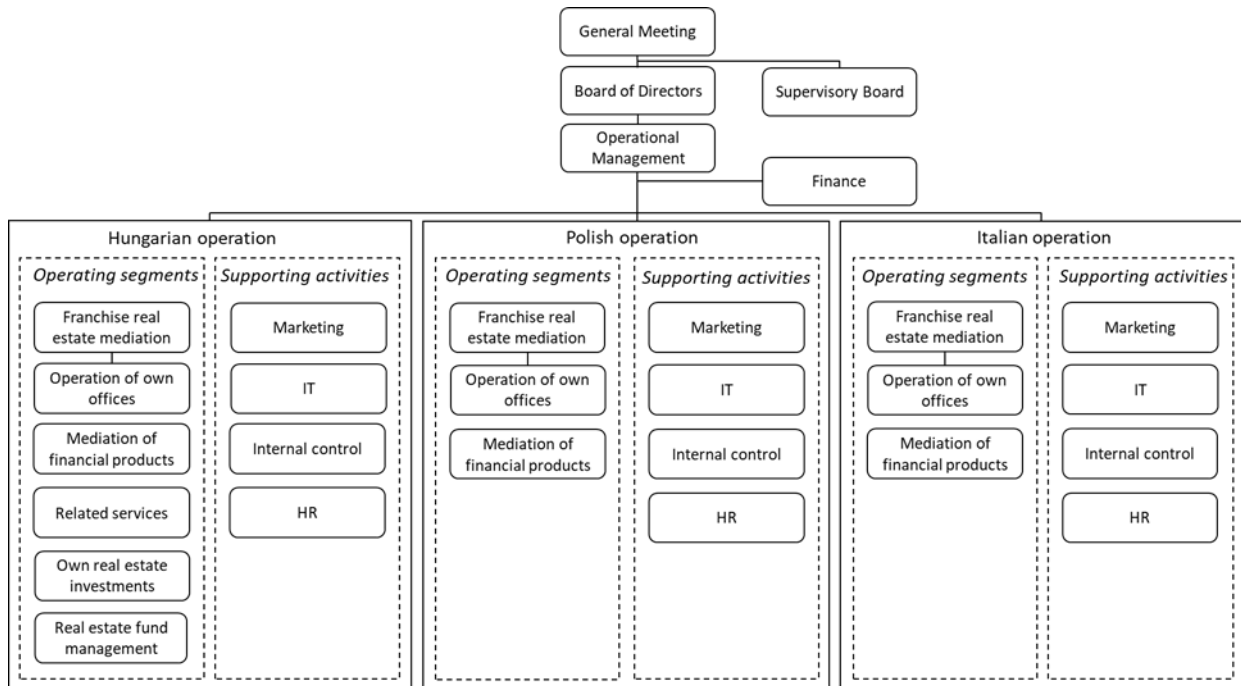
Through the design of the company's work organisation and the monitoring of due diligence processes, the Board of Directors monitors the identification and, where necessary, management of the organisation's impact on the economy, the environment and society. It works with stakeholders to address specific impacts, where necessary, and takes into account the results of these processes. In

⁴https://bet.hu/site/newkib/hu/2024.04./Duna_House_Holding_Nyrt._IFRS_szerinti_2023._evi_konszolidalt_es_egyedi_eves_jelentes__129060319

⁵ https://www.bet.hu/site/newkib/hu/2024.05./Felelos_tarsasagiranyitasi_jelentes_2023__129063621

this way it sets an example for senior management and provides guidance for informed decision making. The Board also plays a key role in informal processes to promote sustainable development. A report summarising its sustainability actions and performance was published for the first time in 2023 and the company is committed to informing its stakeholders annually.

GRI 2-13 In 2023, Duna House Holding has appointed the CFO as the manager responsible for managing ESG impacts at Group level. In addition, the following corporate managers have a key role in ESG issues: the heads of internal audit and HR functions are responsible for human resources and compliance. Impacts related to the core business are managed by the operational segments; corporate marketing activities are managed by the marketing department.



Critical concerns

GRI 2-16 Critical concerns are communicated by the CFO or other relevant directors to the Board of Directors and the Supervisory Board. No critical concerns were raised in 2023, similar to the previous year.

Duna House Group Values and Code of Ethics

GRI 2-23, 2-24 To achieve our goals, fulfil our mission and serve our customers at the highest level, we follow five core values.

Our values, which set the benchmark for all Group companies and our partner network, have not changed during 2023. These values are a key focus in our daily operations and on the Group's websites.

1. **Integrity:** in our external and internal relationships, we always adhere to human and business ethics, and we demonstrate predictable, consistent behaviour.
2. **Customer focus:** we strive to achieve maximum satisfaction for our internal and external customers, based on a thorough understanding of their needs.
3. **Synergy:** we organise our work around mutually reinforcing interactions.
4. **Growth, development:** to achieve sustainable growth, we are constantly evolving to stay at least one step ahead.
5. **Results-oriented:** we achieve our goals and objectives in the most effective way possible, based on the company's values.

These values are summarised in our Code of Conduct, which has been recognised for the professional work of our Group in recent years with a number of professional awards. In 2023, our Italian member company Credipass was awarded the Leadership Forum Award (2023).

The Duna House Group respects the 10 principles of the UN Global Compact and is committed to acting in accordance with them. We integrate responsibility for people and the planet into our daily operations, also available at <https://dunahouse.com/hu/kuldetesunk-ertekeink>. The general guidelines of the Code were approved by the Group's Co-CEOs and communicated to employees and agents in 2023. The standards set out in the Code of Ethics are binding and apply to all persons representing or acting on behalf of the Duna House Group⁶. Specific guidelines are also provided to the Centre's employees, loan brokers and real estate agents, as well as franchise partners, to help ensure that interactions with customers, suppliers and staff are in line with the standards. Managers and middle managers are expected and involved in ensuring that all employees and partners comply with the rules. The Code has been amended and slightly modified in 2023, more details of which are reported in the Compliance section.

Duna House Group expects its employees to behave respectfully and ethically towards all those with whom they come into contact in the course of their work. They must ensure that they comply with all relevant laws and regulations and strive to be professional. The Code of Ethics states that any discrimination should be avoided. The Group will not tolerate any form of corruption, bribery or any other illegal or unethical behaviour. The Group's data management practices are also strictly regulated in the Code.

In addition to the general guidelines, specific requirements apply to employees, credit intermediaries, franchise partners and real estate agents. Loan brokers, franchisees and real estate agents must provide transparent and accurate information to customers about properties and services and must not engage in deceptive or misleading practices. In the event of uncertainty or concern about the implementation of the Code, employees, franchisees and agents should contact their line manager, HR and Internal Audit.

Duna House Group has also set out in its detailed, multi-point guidelines to facilitate the implementation of the Code of Ethics that it expects its colleagues to conduct themselves in a fair, ethical and honest manner towards other market participants. In doing so, it contributes to the promotion of standards of fair and ethical business conduct within the real estate profession and thus to the strengthening of a professional real estate profession and business culture.

GRI 2-25, 2-26 Anyone to whom the Group's Code of Ethics applies must report any breach of the Code of Ethics to the Internal Audit Department. In Italy, in addition, a whistleblowing system is applied. Concerns or breaches of the Code may also be reported by external stakeholders. All reports are investigated by colleagues in the internal audit departments.

The Duna House Group respects the 10 principles of the UN Global Compact and is committed to acting in accordance with them. We integrate responsibility for people and the planet into our daily operations.

Stakeholders and organisational memberships

GRI 2-29 The Duna House Group has mapped its cooperation, business relationships and activities of the company and its subsidiaries and their impacts, and has defined its stakeholders in this way. The Group maintains contact with all stakeholders as set out in the Code of Ethics, in line with long-standing

⁶ The franchise partners and sub-franchise partners (agents) of the Duna House Group operate as independent legal entities and are responsible for their own activities.

business ethical practices. The Duna House Group is open to feedback from all stakeholder groups and aims to provide opportunities for two-way communication.

Affected group	The purpose of the contact	Characteristics of contact
Shareholders	meeting expectations	general meetings, reporting, quarterly meetings
stock market, analysts	provide information and feedback for objective analysis	quarterly meetings, analyses
clients	increasing satisfaction and engagement, raising financial awareness	regular measurement of NPS (net promoter score), customer research rating system for salespeople, handling customer complaints, providing in-depth information when serving customers, writing articles on financial topics
Employees	motivation, retaining talented staff	quarterly performance reviews in Hungary, continuous and direct feedback thanks to the flat organisational structure
banking partners	receptiveness	frequent consultation with partners
franchise partners	close cooperation, loyalty	formal, annual feedback on the existing support system, HR support
franchise partner employees	maintain a stable agent base, increase predictability, confidence and knowledge	the possibility of feedback to the centre, a wide range of professional training courses
subsidiaries	effective, fair cooperation and communication within the franchise area	bi-weekly meetings with headquarters management, monthly management meetings with country managers, thematic knowledge sharing 2-4 times a year
Suppliers	effective, fair cooperation	needs-based assistance
Authorities	compliance with legal requirements, lobbying on Hungarian laws and the adoption of Western European practices	mandatory daily and weekly reporting to the tax authorities availability in case of an official control, providing information to the Ministry's Housing Advisory Board, constructive participation in prosecution investigations into contracts and product constructions
interest representation, professional organisations	advocacy, knowledge sharing	Cooperation
supported organisations	supporting the local community	regular support for organisations
ESG certified companies	good ESG rating	fast response, cooperative attitude
media	branding	frequent and active PR communication, publication of real estate market analyses, professional articles, hundreds of publications a month

We also carry out a comprehensive customer survey to gauge customer opinion. We analyse the extent to which our customers would recommend our Group brands and the businesses we offer to their friends and business partners. Credipass brand awareness is generally low. However, the market position of Credipass, which helps people to use financial products, is important to address, as six out of ten Hungarian adults have used one of these financial products in the last 5 years or are currently using one. Most of them (42%) indicated that they have some form of insurance (home, life, pension).

GRI 2-28 The Duna House Group considers the following organisational memberships to be significant:

- In Hungary:
 - Hungarian Franchise Association;
 - International Franchise Association;
 - Association of Independent Financial Product Intermediaries.
- In Poland:
 - Association of Independent Financial Intermediaries;
 - The Polish Association of Financial Enterprises;
 - Polish Franchise Association.

Materiality analysis

GRI 3-1, 3-2 Duna House Holding carried out a detailed materiality analysis in the preparation phase of its ESG 2022 report, which has been revised in connection with this report. The principle of the analysis was to identify the issues that represent the most significant impacts of the company on the economy, environment and society. The analysis was carried out by an external consultant.

We conducted an online survey among the main stakeholder groups of the Duna House Group, inviting representatives of the following stakeholder groups:

- shareholders,
- stock market analysts,
- professional organisations, market analysts,
- supervisory authorities,
- sustainability organisations (e.g. consumer protection, environment)
- universities,
- banking partners,
- employees of Duna House,
- franchise partners,
- employees of franchise partners,
- Suppliers,
- media (journalists),
- Supported organisations.

48 respondents from all the groups mentioned above, except supervisory authorities, expressed their views. The questionnaire was completed by stakeholders in Hungary, Poland and Italy. Potentially relevant topics were identified at two levels, with respondents rating 8 broad topics and nearly 40 sub-topics.

The themes were identified based on the general themes of GRI Standards 2021, sector-specific indicators from the Sustainability Accounting Standards Board (SASB), sector benchmarks and the impact of the Group's activities. Duna House Holding staff also participated in the finalisation of the themes.

The results of the evaluation in terms of the relevant themes:

- Stakeholders expect Duna House to focus on fair employment, economic development, entrepreneurship and education, followed by access to and supply of housing.
- Of the 8 overarching sustainability themes, the following 4 themes were considered to be the most important:
 - o responsible sales,
 - o responsible employment,
 - o responsibility for franchise partners, and
 - o responsibility for the supply chain and banking partners.

The results of the evaluation have been reviewed by the consultant and Duna House, looking for issues that have not been sufficiently emphasised in terms of scope, positive or negative direction and strength of impact.

Based on these inputs, the sustainability-relevant topics were those that scored an average of at least 4 out of 5, with the addition of two additional topics as a consequence of the current and potential impacts of the Duna House Group.

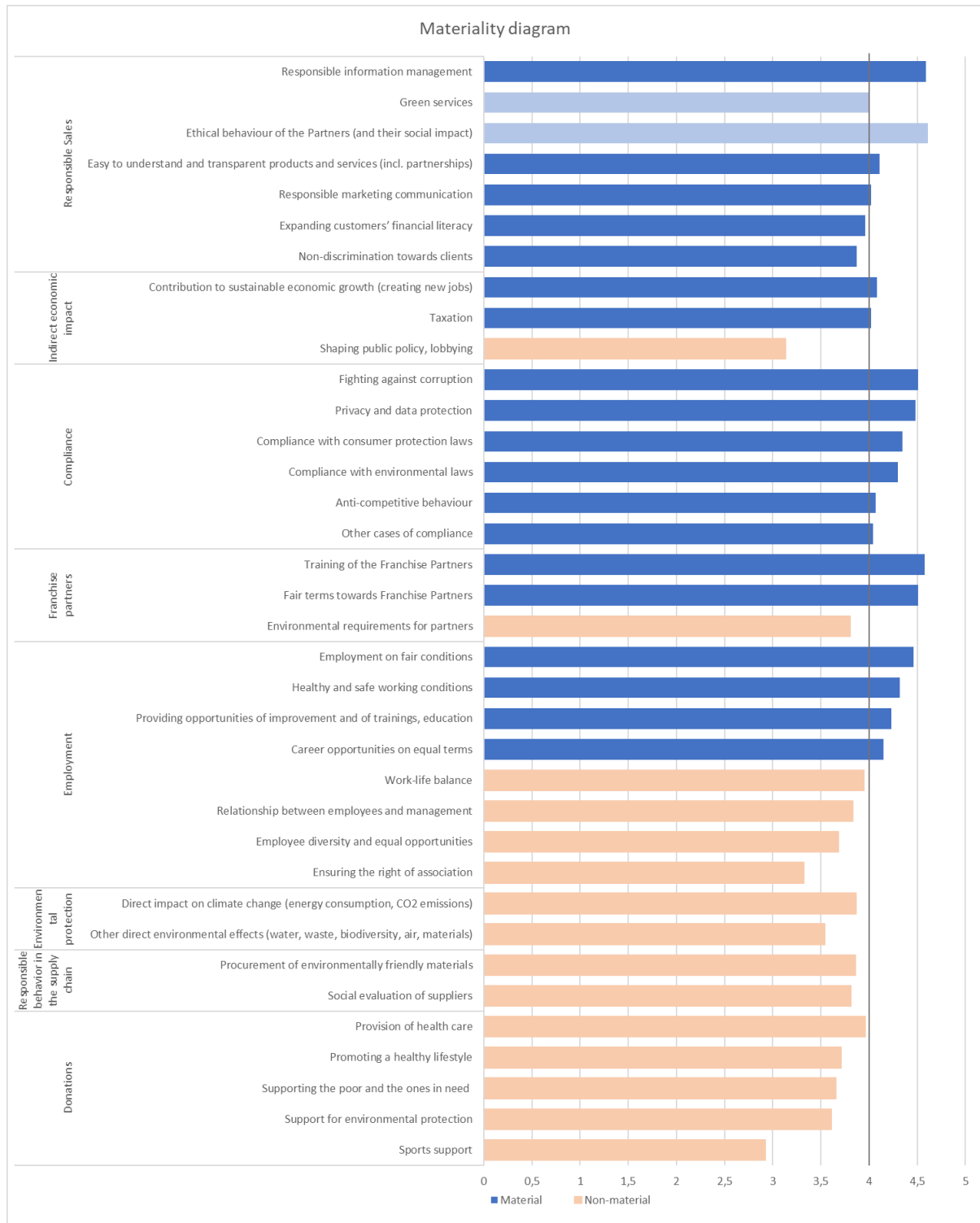
The key sustainability issues for Duna House Holding are therefore based on the company's impacts and stakeholder assessment.

In the 2023 review, we did not identify any external factors that could potentially present a new material issue for the Group. However, the treatment of sustainability issues across the Group has justified a consolidation of issues, and the following broad issues are considered to be material sustainability issues in 2023:

- Responsible marketing: covering all aspects of responsible marketing - such as responsible information, easy-to-understand, transparent products, responsible marketing communication, financial literacy, non-discrimination towards customers, and including green services and ethical operation of franchise partners, including their social impact assessment.
- Responsible employment: including decent work, healthy and safe working conditions, opportunities for development and training, and equal opportunities for advancement.
- Responsibility for franchise partners and agents: focus on ensuring fair conditions and training.
- Economic impact: covers the issue of tax payments and contribution to economic development (job creation).
- Compliance: covers legal compliance on all topics and the fight against corruption.

In the figure below, the topics in light blue have been moved from their previous broad group.

Despite the fact that carbon emissions from operations are not significant, in recognition of the importance of mitigating climate change and due to the continuous increase in transparency expectations regarding carbon emissions, the Duna House Group has also started measuring Scope 1 (direct) and Scope 2 (indirect energy consumption related) emissions, which are presented in a separate chapter of this report (Environment).



Link to the Sustainable Development Goals

The Duna House Group is committed to promoting sustainable development, with a focus on achieving equitable economic growth. It is important for the Group to explore the linkages with the Sustainable Development Goals (SDGs) and to review current processes and impacts. We believe that more sustainable business practices will contribute to the Group's long-term success and help reduce environmental impacts and create social well-being and equality.

In many ways, the group's work is linked to the promotion of inclusive development pathways, including social and climate change aspects, as defined by the 17 Sustainable Development Goals (SDGs) adopted by the UN in 2015. The SDGs and their associated indicators include overarching, complex and interlinked measures. In line with the identification of relevant sustainability issues, the Duna House Group will also assess the contribution to the achievement of the SDGs.

Sales



In its own operations and in the franchise network, the Duna House Group pays particular attention to ensuring that its employees perform their work ethically, in line with the Group's values, and in a socially and environmentally responsible manner. The application of responsible business practices helps to maintain the trust of our customers, while at the same time laying the foundations for the economic success of the Group. Our aim is to support our customers' responsible choices by providing honest and complete information, by promoting responsible marketing communication, by encouraging conscious consumer behaviour and by providing responsible services.

Economic impact



Duna House, as the leading real estate group in the region, is committed to maintaining a stable financial operation and continuous dynamic development. The direct economic impact of the target group is linked to the company's direct stakeholders and activities, while its indirect economic impact is closely linked to the application of responsible tax and brokerage practices, responsible selection of suppliers, and charitable activities that recognise social responsibility.

Regulatory compliance



Compliance with external regulations and business ethics is a core value of the Duna House Group. We prioritise full compliance with local and EU regulations, as well as internal rules and principles. We

believe that our compliance attitude contributes to the provision of higher quality and more reliable services and operations compared to market players.

Employment



The Duna House Group employs nearly 4,000 people in the region through its direct employees and franchise network. The Group is committed to equal treatment, decent working conditions and fair working conditions. In employment, we strive to ensure equal pay for equal opportunities, performance and ability and to create a framework for continuous personal and professional development opportunities for our employees.

Environment



In our operations, while maximising economic stability and social benefits, we aim to ensure that the Duna House Group's activities are environmentally friendly and take into account the responsible management of natural resources. As a result of its responsibility, the Group contributes to the development of conscious consumer attitudes and sustainable consumption habits, the reduction of environmental impacts, and the development of quality and responsible services.

Communities



The role of communities is unquestionable in achieving economically, socially and environmentally sound sustainability aspirations. In its donation activities, the group focuses on alleviating social problems and helping vulnerable groups.

Responsible sales

GRI 3-3 In order to earn the trust of our customers through our services, every aspect of the sale must be conducted responsibly. We take special care in every aspect of sales to meet our customers' expectations, their legitimate interests and to provide our products and services to those who can benefit from them. Our responsible sales practices include careful selection of our partners, responsible information and communication, developing our clients' financial awareness and handling any customer complaints.

Our commitment to responsible communication and transparent information is fundamental to our business strategy. This is underlined by our Group-wide Responsible Communication and Information Policy 2022. We ensure that all our employees comply with the policy. Our commitment to responsible communication extends to all areas of our business, including real estate, credit, insurance and corporate marketing. Our aim is to provide accurate and honest information to our customers and stakeholders and to ensure that we act professionally, fairly and impartially at all times.

In addition to the Group's Code of Ethics, a separate Code of Ethics applies to the agents of the Hungarian network. The latter sets out in more detail what is expected of them. Agents must, within the framework of business ethics, strive to satisfy the client's needs to the greatest extent possible, and communication must be clear, complete and objective (details below). They must act towards clients to the highest standards, without exception, with the same professionalism and quality of service. Abuse of a dominant position is prohibited, i.e. no unjustified unilateral advantage may be granted nor the client may be forced to accept unfavourable terms. Agents must exercise the utmost care and provide maximum security for the property and assets entrusted to them. Clients should be informed if there is a relationship with any party to the transaction that may affect the outcome of the transaction (e.g. family, friends, business or other relationship).

Responsible information and transparent products

Our main objectives in providing responsible information are:

- providing the information needed to make responsible decisions in a transparent, clear and comparable way,
- an offer tailored to the individual needs of the client,
- avoiding the sale of products that do not meet needs, and
- reliable information on the costs and possible additional requirements of banks.

We have practices in place to ensure that our customers are aware of the choices between products that serve the same or similar needs, understand the differences and are able to understand the terms and risks of the products.

The principles are implemented in different ways by the member companies within the Duna House Group, according to local legal requirements and products. We believe that the information provided to our customers during face-to-face meetings is essential to help them understand the characteristics of our products and services and to enable them to make the right decision. Our agents place great emphasis on explaining services thoroughly, answering any questions that may arise and making clear the differences between possible options. The volume and complexity of information provided in accordance with legal requirements can make it difficult for many customers to understand the full picture, and our agents can help with this.

In Hungary, the Code of Ethics for Agents states that communication should avoid exaggeration and misleading statements, and that information should always be objective. The facts of a transaction should not be concealed from clients and no false information should be given to any of the parties involved. Agents must also inform clients of any latent errors of which they are aware. Any

advertisements written by our agents must be true, fair and accurate as required by law; they must be based only on information received from clients.

In Hungary, customer communication and real estate advertising is regulated by a Handbook, which ensures that customers receive only truthful and accurate information about real estate.

Legal requirements - especially for credit products - are strict in all the countries where we operate, and detailed information about products is expected, including comparability between different products. The Group complies with the banks' guidelines on information provision. Contracts, other documents and Duna House Group websites contain all the information required (for more information on data protection, see the Compliance section).

In Hungary, information on financial products is regulated and controlled by the Hungarian National Bank (MNB).

In Italy, Credipass shares all product information in the "trasparenza" (transparency) section of its website and updates it daily, as recommended by the Organismo degli Agenti e dei Mediatori (Agents and Mediators Organisation) and the Banca d'Italia (Bank of Italy) in its Regulation on Transparency in Banking and Financial Services and on Transactions between Customers and Intermediaries. In addition, the advertising pillar has long been used in commercial offices.

Also, Italian Credipass has established a specific policy to comply with the legal transparency requirements and correct information, which is included in the Process Manual. The internal Product Governance procedure also covers product transparency. Specific procedures are supported by an internal management platform. This includes the confirmation of the brokerage contract delivery to the client, the management of expected brokerage fees and product information. Credipass uses electronic signatures to ensure that clients receive sufficient information. It is a digital signature tool that requires an active email and telephone number to work. Once the customer has signed the contract, a copy is sent to their email address.

In Poland, we continued to provide our customers in 2023 with an intermediary information brochure summarising information about the company, the organisations that work with us, the products available, as well as the insurer and policy number.

To ensure service security and maintain high standards, training will continue to be provided in 2023 to keep information flowing smoothly within the company. These training sessions provided franchise partners and agents with information on the importance of providing information to customers and on the related corporate and legal requirements.

The Duna House Group monitors the quality of information provided in several ways. Managers monitor and ensure the quality of services. In Hungary and Poland, mystery shopping continues to be a good practice. In Italy, the information handling is also followed up by the Middle Office with a so-called welcome call, checking that the client has received all the necessary information and is satisfied with the agent's behaviour.

In 2023, we have continued to use the rating system to monitor the performance of sales agents in Hungary and Poland for real estate agency services. Clients will receive automatic evaluation letters after each major event (e.g. property showing, advertisement publication) and after the closing of the transaction, who can give a general evaluation and write an opinion. The results are publicly available on local websites. In Hungary, we receive around 10 000 responses per month. In Poland, we showcase the highest rated colleagues on our Facebook page every month.

We monitor portfolio performance with agents, managers and franchise partners. Any problems that may arise with the product portfolio, such as transparency and difficulties in understanding, can be identified and addressed through this process.

Complaints about information and transparency/clarity of products are monitored and can be found in the Regulatory Compliance section.

Responsible marketing communication

The responsible communication and information policy also covers marketing communication. Our marketing materials clearly state all relevant information and include all necessary restrictions to avoid misunderstandings.

The primary purpose of marketing communication is brand building.

The Polish Metrohouse continues to operate according to detailed principles and processes for marketing communications. It expects that all promotional brand-building messages are in line with the principles of fair competition and good commercial practice. It is important that it is clearly identified as a promotional message. Messages should not violate human dignity and rights and should reflect social responsibility, diversity and sensitivity.

The Marketing and PR Director of Metrohouse is a member of the Polish Public Relations Association. He is therefore personally obliged to comply with [the Code of Ethics](#) of the Association.

In the planning of marketing communications, internal departmental consultations take place to identify the potential negative effects of communication activities. The monitoring process ensures that activities do not violate the general principles of fair competition and good commercial practice.

Decisions on the implementation of marketing communications are made after discussion with and approval by all members of the marketing department and staff involved in the project. Marketing activities are constantly monitored, both online and through the traditional press. In order to ensure that marketing communications are in line with customer interests, content is constantly monitored by external, independent monitoring systems. We analyse the activities carried out and adapt the message communicated to the changing market situation and the company's objectives. In Hungary, we measured the brand awareness of Credipass in 2023 using an external service provider. In general, awareness is still low, with 25 out of 1000 respondents having heard of it, preferably younger people.

In Italy, external communication activities are handled by an appointed partner who is expected to comply with the principles and legislation mentioned above. The marketing department will decide whether to involve other service providers.

Several Group experts and our managers have commented on market changes and regulatory decisions, we have published analyses, and we post about the availability of our offices and new loan products. You can still subscribe to our newsletter on our website.

Expectations of franchise partners and agents

The Duna House Group supports the franchise partners' operational framework through a formalised system. The Group's shared know-how, a unified brand image and support in various areas of operation - sales, marketing, IT, education, training - help the partners. The franchise agreement governs the franchisees' business and operations and obliges them to comply with a number of operational and presentation rules. The work of franchisees and agents is also governed by a non-public 27-chapter operational and regulatory manual.

The close relationship and cooperation between partners and the Group supports the Duna House Group's ability to meet its expectations, while also contributing to customer satisfaction and the interests of society. On multiple platforms and on a regular basis: the Group provides franchise forums, group and individual meetings and sales support to partners.

The Code of Ethics also provides guidance to franchisees and sub-partners (see the chapter on Introduction and Governance of the Duna House Group), and a separate Code of Ethics applies to the agents of the Hungarian network (see the chapter on Responsible Selling).

All aspects of compliance with the requirements are checked. If a complaint is received about an agent's behaviour, the Internal Audit and Compliance Departments will launch an investigation and put an end to the unethical or inappropriate behaviour as soon as possible. Inspection may include, to the extent permitted by law, mock investigations or the use of private investigators. As a consequence of unethical or improper conduct, franchisees may be liable to pay compensation. For more serious offences, contracts can be terminated and legal proceedings initiated. The terms of these procedures are clearly set out in the agency contracts. In 2023, no material breaches of the requirements were found in the course of agency activities.

Selection of partners

The Duna House Group's broad portfolio of credit and financial products provides its clients with access to the financial products related to real estate in the country of their choice.

In 2023, we have not changed our partner selection practices, which will continue to be carried out in accordance with the Group's Partner Selection Guidelines.

Duna House Group is committed to selecting partners that are in line with its values and principles. We believe in building mutually beneficial, long-term relationships with partners who share our passion for excellence, integrity and responsible business practices.

Selection criteria for bank, insurance company partners:

- Financial stability: providers of intermediated financial products must have a strong financial position and reputation.
- Licences: providers must have the necessary local and EU banking or insurance licences.
- Interest rates: the Duna House Group does not cooperate with financial institutions that offer exploitative interest rates.

The Director of the area is responsible for the selection of financial institutional partners. In selecting our partners, we take into account that banks and insurance companies are strictly regulated and controlled in all the countries where we operate.

Selection criteria for franchise partners:

- Local contractors/real estate agents: our aim is to engage partners and agents who can provide the highest possible level of service to our clients.
- Adherence to our Code of Business Ethics: our franchisees must adhere to our Code of Business Ethics and act in a fair, professional and responsible manner.

Developing financial awareness

One of the most important tasks of agents is to enable customers to understand how financial products work. We believe that in this way they make a significant contribution to improving our customers' financial literacy and knowledge. We offer a free advisory service to our clients. If our clients require it, we can help them to understand the bank's documents and requirements, and our qualified credit experts can help them to understand the details.

In addition to personal consultations, our member companies make available on their websites a link to comparative analyses and preliminary calculations, the predictability and professionalism of which contribute to the reputation of our group.

Articles and educational videos are published to raise financial awareness. These are related to and explain the most important financial products, market mechanisms and other current financial information related to real estate.

The Duna House knowledge-sharing blog in Hungary will publish more than twice as many articles in 2023 as in 2022. In 27 articles we informed our clients about the Hungarian market. The articles provided information on practices related to selling and spending on real estate, practical advice on housing and health savings. In addition, educational content in the blog section of the Credipass website was viewed by nearly 6,000 customers, 9,600 times during the year.

In Poland and the Czech Republic, financial awareness articles were also available on the websites of Duna House, Credipass and Metrohouse. Blog articles on credit ratings, interest rate changes, changes in home loans and the impact of regulatory decisions were published.

Goal: In 2024, we plan to publish an article(s) on environmental awareness to raise awareness among our customers.

Green services

Energy certification helps to identify energy efficiency and deficiencies in properties, while encouraging improvements. In 2023, Energetika Tanúsítvány Kft. issued 1758 certificates. Energy certification services are provided by independent experts.

In order to encourage the installation of solar systems in Duna House Hungary, we have started a cooperation with Altiso, a company that installs solar systems. Under the Solar Plus Programme, non-refundable state subsidies can be claimed in 2024 for the installation of solar panels with energy storage. We are working with Altiso to assist you in all steps of the application process. We have already brokered 7 deals in 2023 and the applications will be evaluated in 2024.

With the expiry of the state-subsidised Green Home Programme in 2023, several Hungarian banks have developed their own green loan products for the construction or purchase of new homes or the modernisation of existing homes. These loans offer interest rate reductions if the appropriate energy requirements are met. As a contribution to climate change mitigation, our company will make these products available to customers, but we do not yet have information on the volume of green loans intermediated for 2023, the collection of which will require internal development.

Goal: In 2024, we plan to produce an environmental awareness booklet for our customers on buying a home.

We also offer energy certification services in Poland, and support access to loans and financial instruments for green retrofitting, solar panel installation and energy efficient renovation with our financial products.

Franchise partners and agents

GRI 3-3 The Duna House Group operates on a franchise business model, but the Group also operates its own real estate agencies. Franchise partners are key to its efficient and successful operation. For its partners, the Duna House Group provides the consistent brand, infrastructure and expertise necessary to deliver high quality services.

The real estate franchise partners are independent companies that have a contractual relationship with the Duna House Group and are members of the Duna House franchise network. The partner offices operate on the basis of an agency agreement. The franchise brand is provided to the partners by the Group for an entry fee and a monthly franchise fee. Independent companies or self-employed persons working as agents under contract with the franchise partner are franchise sub-partners. Financial intermediaries operate in various ways, often independently of the office.

Responsibility towards franchise partners and agents

In addition to the requirement to adhere to strict, uniform rules across the Group, the Duna House Group aims to provide a predictable, supportive environment for its partners. The Group provides a relatively easy business start-up opportunity through the franchise partner system and flexible employment opportunities for agents. Agents can work according to their ambitions with the secure backing and support of the Duna House Group. By creating a framework for flexible working, agent work provides a good opportunity to achieve a work-life balance as well as to meet family or personal commitments. People who are generally disadvantaged in the normal labour market (e.g. women with young children, retired people) can work as intermediaries, but agency work can also support the achievement of a higher standard of living as a second job. Flexible employment also entails risks due to the lack of stable income.

Duna House Group strives to create a fair and inclusive working environment within the franchise network, as well as for its employees. The Group encourages its franchise partners to provide agents with opportunities for self-development, training, career development and knowledge exchange events, as well as fair working conditions. Agents receive the same support as employees in professional matters. The Duna House Group is committed to working closely with its partner network, developing and maintaining a corporate culture based on dialogue and mutual, open feedback. The company applies the same principles and rules to all franchise partners and agents, providing a uniform, non-discriminatory, level playing field across countries. The Group differentiates its commission rates based on business opportunities and regional differences, and may offer preferential terms for certain regions.

We believe it is important to form a team alongside the legal and business relationship, which we believe is essential for the long-term mutually successful cooperation between the Duna House Group and its partners. Corporate events strengthen togetherness, constructive working relationships and also help to spend time more informally. In line with the company's tradition, the Christmas decoration competition will be held in Hungary and Poland again in 2023. The competition helps to get in the mood for the festive season for both employees and customers, providing an opportunity for creativity. For franchise partners and salespeople in Hungary, 2023 also included the New Year Party, which honours the network's outstanding agents, the InfoDay, which provides professional development and real estate market trends, and the Duna-Party, a team-building event at the end of the summer.

The network in numbers

GRI 203-2, 2-7 - network The Duna House Group's network of real estate agents is the largest in the region. The Group's network of real estate and financial intermediaries employs a total of 3,860 people. In Poland, the number of agents has continued to increase, following a 20% increase in 2022,

while in Italy there has been a decrease of almost 9%. The group concludes fixed-term contracts with franchise partners for a period of between 2 and 5 years, while sub-partners (agents) are contracted for an indefinite period.

GRI 2-7 - network Geographical distribution of franchise partners and agents, 31.12.						
	Hungary	Poland	Italy	Czech Republic	Duna House Group 2023	Duna House Group 2022*
Franchise Partner & Office Manager	259	118	75	5	457	451
Agent	1386	1300	688	29	3403	3690
Total headcount	1645	1418	763	34	3860	4141
<i>*Data for 2022 do not include the Czech subsidiary.</i>						

GRI 401-1 - Network Higher turnover is a common feature of the real estate sector, and ease of entry and exit in the market can lead to higher turnover in the franchise network. The Duna House Group addresses the issue of turnover as a priority. The Group aims to create favourable conditions to increase the retention capacity of the network, as high turnover can have a negative impact on business results. Higher churn rates are particularly prevalent in the first 6 months of cooperation, which is why we are working to improve our training system and implement a mentoring scheme, while encouraging our office managers to place more emphasis on onboarding.

Compared to 2022, thanks to the efforts of the management, turnover has decreased by 7% in Hungary, 5% in Poland and 17% in Italy. Within the Duna House Group's operating countries, the Czech Republic and Poland have the highest turnover.

GRI 401-1 - network New hires and turnover of agents by region, 31.12.						
	Hungary	Poland	Italy	Czech Republic	Duna House Group 2023	Duna House Group 2022*
Total number of newly recruited agents (headcount)	773	855	177	31	1836	1811
Rate of new hires	47%	60%	23%	91%	48%	44%
Employees left the company (in total)	793	1023	174	27	2017	2169
Turnover rate	48%	72%	23%	79%	52%	52%
<i>*Data for 2022 do not include the Czech subsidiary.</i>						

Training and education

GRI 404-1 – network. The success of the Duna House Group depends to a large extent on the selection and retention of the right franchise partners, and therefore, in order to support and motivate franchise partners and agents, education and training is a key focus. In order to ensure a smooth integration and to work to the expectations of the Group, all new franchisees and agents are required to attend induction training. In addition, all agents are supported to acquire the necessary professional skills through coaching.

The group offers a wide range of training courses focused on professional and leadership skills and personal development. Training for sales agents covers many aspects of sales, including sales techniques, market trends, regulatory compliance, product characteristics, psychological knowledge, customer relations, etc. The online training courses, webinars and workshops are free of charge and equally accessible to all. In-person training is available at a discount compared to market prices. Participants can give direct feedback on the training through the corresponding questionnaire and partners can also evaluate the training package through an annual survey of the network. Our management training is targeted at franchise partners.

Compared to 2022, Poland and Italy show significant increases in the average number of training hours per worker. The difference is partly due to the availability of training data for financial intermediaries from this year onwards and the introduction of a new CRM system in Poland. In addition to the workshops and training sessions, a two-day training conference for network members was organised in Hungary in 2023, which was attended by 80-90% of the network. In Poland, the Franchise Workshop provides an opportunity to learn about current issues and deepen contacts.

GRI 401-1 - network Training hours within networks						
	Hungary	Poland	Italy	Czech Republic	Duna House Group 2023	Duna House Group 2022*
Average training hours per person	26,00	49,08	57,85	20,00	38,23	19,50
<i>*Data for 2022 do not include the Czech subsidiary.</i>						

Feedback from the franchise network

To support close contact and cooperation with franchise partners, franchise partners receive regular, direct feedback from the Duna House Group and we also seek feedback from them to get their views. We encourage open discussions to address issues and problems appropriately. This is ensured through franchise forums, regular group meetings within the network and individual meetings.

The franchise partners were asked to provide feedback on Duna House's performance in a formalised way, as part of the annual survey in Hungary. In the questionnaire, franchisees rated the work of the centre's support departments on a scale of 1 to 10. The results showed that loyalty to the Group remains high among partners. The majority of respondents (81%) would renew their contract, but the survey showed that partners' satisfaction (5.10/10) with their business performance has continued to deteriorate compared to 2022. The survey also showed that partners rated the financial expert's preparedness (9.03/10) and cooperation with partners (8.89/10) as outstanding, and highlighted an increase in overall satisfaction with the functioning of the internal audit department. Overall satisfaction with the functioning of the marketing department decreased by an average of 8.3% compared to previous years, but satisfaction with the brand, brand recognition by partners and quality is outstanding (8.4/10). Overall satisfaction with partner education decreased slightly by 2.5% compared to previous year (7.9/10), but respondents praised the quality of online training, webinars and talks (8.4/10) and professional workshops (8.6/10).

As part of the formalised feedback system for franchise partners, an NPS (Net Promoter Score) method-based survey was conducted in addition to the satisfaction questionnaire. The methodology assessed the extent to which members of the franchise partner network would recommend joining Duna House as a franchise partner. The level of recommendation has been steadily increasing from 2021, reaching 32 in 2023 after 31 in 2022⁷.

⁷ The NPS value can range from -100 to +100.

The results of the first survey of estate agents in 2023 were even more positive. The NPS score for the recommendation of the Duna House network of financial intermediaries was 68, while the NPS score for the recommendation of its own agency was an outstanding 82.

In 2023, no franchise partner network survey was conducted in the other countries of operation of the Duna House Group.

Direct and indirect economic impacts

The Duna House Group has a direct economic impact on the Group's direct stakeholders. Indirect economic impacts are considered to be the effects of the Group's intermediary and charitable activities, in addition to its responsible tax payments.

The economic impacts are illustrated in the table below, which shows the allocated economic value together with the payments to each stakeholder group. The economic performance of the group is summarised in the annual report.

GRI 201-1 Economic value generated and distributed		
IFRS consolidated figures for the whole group (HUF million)	2023	2022
1. Direct economic value creation: revenues	33,222	30,669
2. Allocated economic value	35,194	29,575
Operating costs (excluding depreciation, taxes and donations)	27,652	23,141
Personal expenditure	2,408	1,817
Share	4,454	3,837
Taxes (not including personal taxes)	678	776
Donations (without TAO discount)	2	4
3. Economic value retained (1.-2.)	-1,972	1,094

Tax policy and payments

GRI 3-3, 207-1, 207-2 Duna House Group has not changed its tax practices and principles in 2023. The Group has no tax strategy, but its main commitment remains that all member companies comply with local tax rules. Compliance is primarily the responsibility of the companies' Boards of Directors, their decisions are supported by the relevant departments, and the Group has continued to use external legal assistance and advisory services in 2023. The Finance Department is directly responsible for tax compliance, and meeting requirements and deadlines remained their primary responsibility in 2023.

The staff of the Finance and Internal Audit Department, with the assistance of external legal advisors, work to ensure that each member company of the Group complies with other legal requirements (e.g. anti-money laundering compliance). In addition, the finance and back-office departments provide regular data and reports to the local supervisory authority, subject to approval by the Board of Directors. An external legal agency supports the Group by regularly monitoring legislation, informing the management of changes affecting the Group and transmitting these to the Group's main departments.

The Group continues to manage tax risks proactively. The organisation's financial transactions and tax liabilities are continuously monitored by our staff, and risks are identified through analysis of these. Our accountants are also involved in this work. The assessment helps to ensure that the risk is minimised by the member company concerned. When tax risks are identified, they are reported to the Chief Accountant and the Finance Director. They are responsible for assessing the risk and determining the appropriate action to be taken. If the tax risk is considered significant, the Board of Directors is also informed. The tax advisors are also involved in the process and it is regularly assessed by our staff, making changes if necessary. Our aim is to maintain tax discipline, reduce and avoid risks. The Group will remain committed to maintaining responsible tax compliance and avoiding tax risks.

GRI 207-3 The Duna House Group remains committed to cooperating with the tax authorities, with the aim of maintaining the open and transparent relationship that has always existed. The Group and its subsidiaries aim to respond promptly to all requests from the authorities and to provide a full and comprehensive response to requests for information. The Group aims to comply fully with all relevant tax laws and regulations. In 2023, internal processes have continued to facilitate the continuity of controls and the prompt submission of responses to tax authority requests. By responding accurately

to enquiries and resolving issues in a timely manner, we help to maintain our reputation and positive relationship with the tax authorities.

The Duna House Group's activities were audited several times during 2023 for tax purposes, no fines were imposed.

207-2 Taxes due are paid on time; tax amounts are calculated and checked by the Finance Department, which follows the statements of the tax office of the country concerned. This ensures that there are no delays in payment or filing.

An external audit process of the Group's annual report also audited the tax information disclosed in 2023.

GRI 201-4 The Duna House Group has not received any funding from governments or the EU in 2023. The state is not a shareholder in Duna House Holding.

GRI 207-4 Country-by-country report							
	Hungary		Poland		Italy		Czech Republic*
	2023	2022	2023	2022	2023	2022	2023
(million HUF)							
Revenue from sales to third parties	8,271	7,706	7,365	6,621	16,955	15,569	226
Revenue from intra-group transactions between countries	33	0	-	0	-	0	-34
Profit before tax	2,679	2,555	369	-141	369	1,323	-26
Tangible assets and inventories other than cash and cash equivalents	2,454	6,771	144	1,426	144	9,641	-
Corporate tax paid on a cash flow basis	3,212	210	1,307	0	1,307	109	-
Corporation tax charged to profit after tax	284	292	327	16	327	566	-8

* The 2022 report did not include the Czech subsidiary.

Suppliers

GRI 2-6 External procurement is still not a dominant factor in the company's operations. Duna House Group worked with 518 suppliers in Hungary, 30 in Poland and 257 in Italy.

The majority of the group's suppliers provide services such as IT service providers, external training providers, office supplies suppliers. We still have no critical suppliers⁸. Duna House strives to be an honest and fair partner to its suppliers and to act according to the principles of business ethics.

The Group does not have a group-wide purchasing strategy, and the subsidiaries define their own policies. The Italian Credipass selection and management procedure governs the entire purchasing process. Part of the purchasing is centralised, but each department can order independently up to a certain value. Each year, the companies' management board reviews suppliers, their activities and contracts, re-evaluating existing relationships where necessary.

⁸ In the analysis, banking partners were not included as suppliers.

Given the order volumes and the number of suppliers, Duna House Holding does not create a significant number of jobs through its supply chain.

Donations

The Duna House Group is involved in alleviating social problems and supporting those in need. Member companies and franchise partners organise their own events independently.

As in previous years, Duna House Holding donated nearly HUF 2 million to the Bókay Children's Hospital Foundation in 2023. A team of our employees helped to sticker the emergency department of the clinic, making the wards more welcoming.



In 2023, the Polish subsidiary maintained its support for Ukrainian refugees through a dedicated Ukrainian-language page dedicated to finding rental opportunities.

Goal: In 2024, we want to support employee volunteering in Hungary.

Compliance

GRI 3-3 The Duna House Group aims to fully comply with official and regulatory requirements and to act in accordance with business ethics. By this we mean complying with, incorporating and following local and EU legislation into internal processes. We see compliance as the basis for long-term sustainability. It is the basis on which we make our business decisions. Our strong code of business ethics and the way our employees conduct themselves in this way are our differentiating features in the market.

Compliance is the responsibility of the internal audit departments, which report to the local CEOs. In Italy, Credipass takes a risk-based approach to compliance, operating under specific compliance procedures compared to other countries.

In its Code of Ethics, proposed for amendment at the end of 2023, the responsible department has set out a number of changes, including compliance changes, which will take effect in 2024. The Code is complemented by alignment with the UN Global Compact and the OECD Guidelines on Responsible Business Conduct for Multinational Enterprises. The Group has already pursued fair labour practices, but enshrining this in the Code of Ethics will be a point of alignment and an example to be followed by partners, as well as a commitment to environmental responsibility and the use of environmentally friendly technologies. To raise concerns, the Group has set up a dedicated email address and ensures that anonymous reporting is possible.

GRI 2-27, 206-1, 417-2, 417-3, 406-1, 418-1 In the past two years, several authorities have taken legal action against the Group's activities, but the low level of fines indicates the effectiveness of the Duna House Group's efforts to comply with the law.

Regulatory investigations and non-compliances	2023	2022
GRI 417-2 Non-compliance with product and service information requirements	0	0
GRI 417-3 Non-compliance with marketing communication rules	0	0
GRI 206-1 Non-compliance for breaches of competition, antitrust and monopolies provisions	0	0
GRI 206-1 Non-compliance for breaches of competition, antitrust and monopolies provisions	0	0
Cases of non-compliance with the requirements of regulatory bodies		
Environment	0	0
Consumer protection	6	3
Equal Opportunities	1	0
Privacy	1	0
Taxation	10	0
Occupational safety and health	0	0
Fines imposed for non-compliance with the requirements of regulatory bodies (HUF, thousand HUF)		
Environment	0	0
Consumer protection	0	0
Equal Opportunities	0	0
Privacy	0	0
Taxation	0	0
Occupational safety and health	0	0
Surveillance	2800	1200

During the year, the Magyar Nemzeti Bank imposed supervisory fines in 2 cases, totalling HUF 2.8 million: one for late publication of the number of voting rights attached to shares per series, and the other for breach of the obligation to provide regular information. No fines have been imposed in other areas in the last two years.

A case of suspected discrimination was reported in Hungary, but no fines were imposed. However, the case highlighted the importance of maintaining a professional approach in discussions and negotiations with our clients and partners, and of conducting all interactions in accordance with the Code of Ethics. In 2023, a data protection case was investigated in Hungary, but no fines were imposed on the Group.

GRI 205-1, 205-2, 205-3 The fight against corruption is governed by strict laws in all countries where the Group operates. The Duna House Group's goal in this area is also compliance with the law and transparency. The Group's business practices have remained unchanged in 2023 and have been developed by each company in line with the anti-corruption standards. In its Code of Ethics, the Group has stated that it will not tolerate any form of corruption. In Poland, Group-wide expectations are further reinforced by internal codes of conduct of subsidiaries.

No corruption cases were reported within the Group in 2023. Our processes in this regard have not changed during the year, we do not conduct formal risk assessments for corruption, nor have we held any training or communication at Group level.

Compliance with legal and internal rules and expectations is supported by a dedicated manual, and training and checks help employees to carry out their daily tasks in compliance with the rules.

To protect the Group's reputation and check compliance with the rules, a mystery shopping exercise is carried out in connection with sales. If necessary, private investigators will also assist in the investigation of reported concerns for individual members of the Group. The Group may also take legal action if necessary. In the event of evidence of improper procedures, the partnership/agent contract may be terminated as a last resort.

In 2023, our goal was still to prevent non-compliance and recurrence of problems, and the best way to do this is to continue to train employees and agents. In Italy, the anti-money laundering and internal audit departments produce compliance reports. These provide guidance on how to correct errors, specifying different actions to be taken. The results of the measures and their integration into daily practices are also monitored in follow-up audits.

In 2023, we have also reviewed our processes and business practices. No significant changes were considered necessary.

Complaints handling

In order to achieve the Group's core values of fairness and customer focus, the Duna House Group aims to investigate and, where necessary, resolve customer complaints quickly and efficiently. In the course of providing a full range of credit and real estate services, we are connected with our clients at many points, who can share any complaints they may have through various contact details. We also handle complaints about the partner network centrally. In the same way as in the previous year, complaints handled by the complaints and/or compliance and internal audit departments are dealt with within 30 days across the Group.

The complaints policy and the forms for filing complaints are available on the websites of the Duna House Group members, where you can also find a description of the complaints procedure. All complaints are registered and followed up.

The Duna House Group also strives to continuously improve its practices to prevent complaints. The number of justified complaints remains low compared to the volume of service.

Complaints data	Hungary	Poland	Italy
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	2023	2022	2023	2022	2023	2022
Financial products						
Total complaints received	0	0	0	0	0	4
- of these are justified	0	0	0	0	0	4
- compensation paid (thousand HUF)	0	0	0	0	0	0
Complaints about information	0	0	0	0	1	2
- of these are justified	0	0	0	0	0	2
- compensation paid (thousand HUF)	0	0	0	0	0	0
Complaints data	Hungary		Poland		Czech Republic*	
	2023	2022	2023	2022	2023	
Real estate brokerage						
Total complaints received	187	244	147	110	1	
- of these are justified	20	26	44	38	1	
- compensation paid (thousand HUF)	0	0	360	820	187	
Complaints about information	10	18	28	42	0	
- of these are justified	8	10	12	17	0	
- compensation paid (thousand HUF)	0	0	0	164	0	
<i>* 2022 figures do not include the Czech subsidiary</i>						

The number of complaints in 2023 was similar to 2022. The significant recovery of the Polish market also explains the increase in the number of complaints. Complaints about Hungarian real estate brokerage have decreased significantly, while complaints about financial products are very low in all countries.

Right to privacy and data protection

GRI 3-3 In the course of our day-to-day activities, we process a wide range of personal data. The basis for the way we handle it remains the EU GDPR (Regulation 2016/679/EU) and related local regulations, as well as our own policies. We have also reviewed the Group's related policies and practices in 2023, but have not amended them. The Privacy Notice, which covers data protection and privacy rights, also applies to our employees, agents, office managers, franchisees and customers. All our member companies have specific privacy/personal data protection policies and detailed internal instructions. In addition to GDPR compliance, these policies follow national regulations and include the following recommendations⁹.

We continue to aim to ensure that all our employees receive annual data protection training to help prevent incidents.

A flat corporate structure also helps to prevent and mitigate negative impacts related to the handling of data that may result from inappropriate procedures. A Data Protection Officer (DPO) is quickly available and accessible.

If the DPO considers that the right to privacy and data protection may be violated, he or she will contact the person responsible for the procedure. At that time, the process element will be reviewed and the controller will be informed. In the event of a data breach, a data protection incident, a strict procedure is followed, with the expected steps to be taken by all corporate departments.

⁹ Our principles in this respect have not changed in 2023: legality and fairness; transparency; limited purpose; data minimisation; fairness; integrity; accountability.

In Poland, Metrohouse places great emphasis on physical, technical and organisational protection against access to data. To this end, it continues to adhere to a set of rules established in previous years, such as the security standards for buildings related to its business. These include standards for zoning (operations department, back office), secure entrances and window openings (on all floors, front and back of the building), document storage, handling and destruction, compliance with applicable policies (fire and security, document destruction procedures and the highest level of IT data protection procedures).

If our customers have any questions about our Privacy Policy, Cookie Policy or other privacy issues, they can send them to a dedicated email address. Our Privacy Team can be contacted at kontrola@metrohouse.pl, adatvedelem@dh.hu, privacy@hgroup.company, and our detailed Privacy Policy is still available to everyone on the Group's website.

We believe that trust is strengthened by the fact that our customers have the right to complain to the Head of the Personal Data Protection Office at any time if the processing violates the provisions on the protection of personal data. We do not transfer personal data to countries outside the European Economic Area.

GRI 418-1 2023 did not receive any confirmed complaints about privacy rights or the protection of personal data. The following indicators are used to monitor the effectiveness of data protection management in Hungary and Poland:

- Percentage of employees trained in privacy and data protection, which was 100% in 2023, similar to 2022.
- Number of privacy and data security incidents: 0 after 2022 and in 2023.
- Number of customer complaints to the Personal Data Protection Office: 0 in 2023.

In Italy, effectiveness will continue to be monitored through the periodic checks planned by the DPO.

Regulatory compliance within the franchise network

GRI 2-27, 417-2, 417-3, 206-1 - network In 2023, there were no legal proceedings involving fines or other sanctions in the franchise partner network. The Duna House Group provides support to its franchisees in the event of legal proceedings, be they judicial, prosecutorial or other official proceedings. We encourage our partners to involve the centre at an early stage of the proceedings, especially if a general practice of the group is the subject of the proceedings, so that we can be better prepared to inform, justify our practice and represent the interests of the group.

Employment

GRI 3-3 The Duna House Group is committed to fair employment in all countries where it operates. We aim to create a fair and attractive working environment. The Group consists of relatively small organisations with a flat organisational structure. The flat hierarchy means both limited career development opportunities and an open and direct corporate culture based on managerial autonomy. We believe that our managers play a decisive role in shaping the company culture, and we strive to achieve a culture based on trust and mutuality. Our management has a personal relationship with all employees. Any concerns or issues can be raised with your line manager, HR or management, and are dealt with objectively and discreetly.

One of our priorities is to create a cohesive, inclusive team and working environment. To this end, we organise a number of business and informal events. Every year we celebrate and recognise the best salespeople and offices at an awards gala dinner, hold a traditional Christmas lunch, regularly organise Duna House Pub get-togethers and hold sports days. We organise business lunches to give employees first-hand information from managers on current news and the company's business performance.

Goal: Our goal for training our Hungarian staff in 2023 is to provide them with an average of at least 24 hours of training per year from next year. We also aim to launch an employee satisfaction survey.

Employment in numbers

GRI 2-7 Duna House Group employed 177 people¹⁰ in the Central and Eastern Europe region at the end of 2023. Compared to 2022, the total number of employees employed by the Duna House Group will decrease by about 17%. The decrease was mainly due to changes in the legal situation of credit advisors in Poland. Intermediary colleagues working as agents were previously employed on a part-time basis as employees, however, their employment was gradually phased out from the end of 2022.

Full-time employment is dominant in Hungary, Italy and the Czech Republic, while part-time employment is more popular in Poland. At group level, 81% of employees work full-time.

GRI 2-7, 2-8 Employment data, persons, 12.31								
	Hungary	Poland	Italy	Czech Republic	Female	Male	Duna House Group 2023	Duna House Group 2022
Full-time employees	58	30	52	3	107	36	143	157
Part-time employees	5	18	11	0	30	4	34	56
Total headcount	63	48	63	3	137	40	177	213
<i>Note: Active employees. No non-guaranteed hours of employment in the group. In addition to agents, 5 managers are contracted external workers whose work is supervised by the organisation.</i>								

Part-time employment is dominant among female workers in the group. Considering that part-time employment can be an effective tool for achieving work-life balance, we aim to make it possible. In Hungary and the Czech Republic, all employees are employed on permanent contracts, while Poland and Italy have a low share of fixed-term employment. A significant change compared to 2022 is that

¹⁰ Taking into account the range of companies covered in this report. Employment data are accurate and are taken from our internal records. Unlike the previous year, the report also includes employment data for the Czech subsidiary.

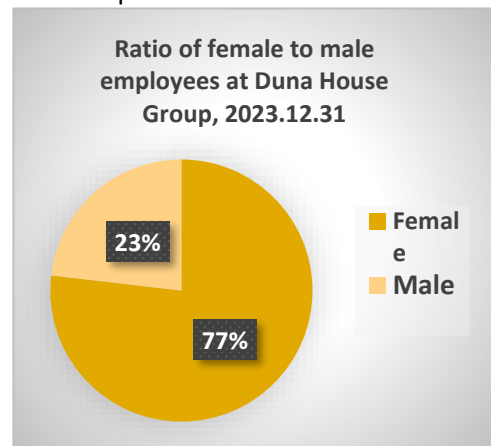
the number of employees on fixed-term contracts in the Polish subsidiary has decreased significantly from 46% to 2%.

GRI 2-7 Employment data, persons, 12.31								
	Hungary	Poland	Italy	Czech Republic	Female	Male	Duna House Group 2023	Duna House Group 2022
Permanent employees with indefinite contract	63	47	60	3	134	39	173	171
Temporary employees with definite contract	0	1	3	0	3	1	4	42
Total number of staff	63	48	63	3	137	40	177	213

GRI 3-3, 405-1, 405-2 We are committed to diversity, equal opportunities and creating conditions that give all our employees the opportunity for professional and personal development. At Duna House Group, career opportunities depend on personal skills, experience and performance.

In terms of the gender distribution of the group, the proportion of female employees exceeds the proportion of male employees in the subordinate category. However, the proportion of female employees at managerial levels is lower. The Supervisory Board and the Board of Directors of Duna House Holding have no female members.

The majority of workers are aged between 30 and 50 (73%), while the other age groups, such as under 30 (15%) and over 50 (12%), are roughly in balance. A total of 4 persons with disabilities work at Duna House Group. We employ 1 retired employee in Hungary.

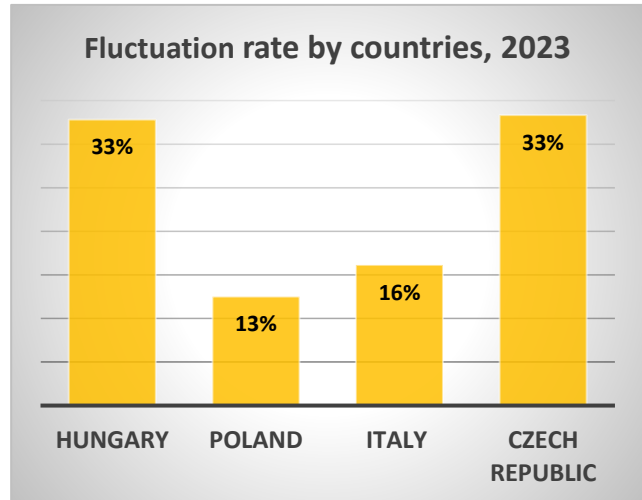


GRI 405-1 Diversity of employees and governing bodies, Duna House Group, 12.31								
	Female	Male	over 30 years	Between 30-50 years	Over 50 years	Employees, persons 2023	External representative, 2023	Employees, persons 2022
Members of the Supervisory Board ¹	0%	100%	0%	0%	100%	0	3 (independent)	3
Members of the Management Board ¹	0%	100%	0%	60%	60%	4	1 (independent)	5
Top managers	11%	89%	0%	56%	44%	9	1	4
Middle managers	50%	50%	0%	79%	21%	14	4	13
Officials	84%	16%	16%	71%	14%	154	0	196

¹Members of the boards of Duna House Holding, as they are the highest governing bodies of the Group.

Staff turnover and new recruits

GRI 401-1, 401-2 The Duna House Group's employees also experience a moderately high turnover in the franchise system, which is also a characteristic of the real estate sector. In 2023, the highest turnover was in Hungary, while in the Czech Republic, due to the low number of employees, even 1 employee leaving the company results in a high turnover. Within the Group, Hungary (-7%) and Poland (-15%) also show decreasing turnover compared to 2022, while Italy (+5%) shows increasing turnover.



In the Group, managers and key employees are committed to the company, but there are typical positions with high turnover.

In line with general trends, turnover is highest among young workers (under 30). Career development opportunities are limited due to the organisational structure, which also contributes to higher turnover. Recognising the responsibility of employers, the Group plans to mitigate turnover in management positions by offering extra benefits. In Hungary and Italy, the number of new hires is lower than the number of departures.

	Female	Male	over 30 years	Between 30-50 years	Over 50 years	Duna House Group 2023	Duna House Group 2022
Total number of newly hired persons	35	5	15	21	4	40	47
Rate of new hires	26%	12%	63%	91%	17%	23%	22%
Employees left the company	33	5	7	25	6	38	57
Turnover rate	24%	12%	29%	19%	26%	21%	27%

Remuneration and performance appraisal

The comparison of female and male compensation is based on basic wages within each employee grade. Specificities and organisational differences between countries are reflected in the table - the indicator is not calculated for all categories. In the case of Hungary, it is not applicable at middle management level as there is no middle management grade. In the Czech Republic, the indicator is not applicable due to the low number of staff. Comparability with the previous year's data for 2023 is limited because in many cases the calculation in 2022 was not based on the full year's allowance due to lack of available data, therefore the 2022 data are not presented.

	Hungary	Poland	Italy
Top managers	not applicable	not applicable	not applicable
Middle managers	98%	89%	92%
Subordinates	79%	76%	82%

GRI 2-21 The difference in pay between the highest and median income is shown in the table below. The compensation ratio is calculated based on the percentage change in the highest paid individual's per income and the percentage change in the median wage. In the case of the Czech Republic, it cannot be calculated due to the small number of employees and the limited data available.

GRI 2-21 Compensation rate, 2023						
	Hungary ¹		Poland		Italy	
	2022	2023	2022	2023	2022	2023
Ratio of the highest-paid individual to the median	3,01	2,45	2,97	1,55	2,04	2,27
Percentage increase of the ratio of the highest paid individual to the median	1,92	0,99	0,82	1,05	0,00	0,69

¹Calculated on the basis of one month's salary.

In terms of benefits, the Duna House Group does not differentiate between part-time and full-time employees. Benefits vary within the Group according to the countries of operation.

GRI 404-3 We believe in continuous feedback, however, due in part to the small size of the organisation, formal performance reviews are not carried out across the Group. In Hungary, bonuses are paid on a quarterly basis and managers value their staff accordingly. In Hungary, all employees are involved in performance appraisals. In Poland, regular and formal performance appraisals cover all senior management and 30% of subordinates, while in Italy and the Czech Republic they do not. We plan to extend performance appraisals to group level, at least annually.

For managers, we provide a wider range of fringe benefits: bonuses, share-based payment schemes and health insurance. Duna House Holding's Remuneration Report 2023 will be published at the time of the Annual General Meeting 2024. Average per capita remuneration of Board members increased by 28% between 2022 and 2023 (no increase in 2022). Average per capita remuneration of employees increased by 13% in 2023 compared to 2022 (25% increase in 2022).

Goal: In 2024, we plan to expand the range of employee benefits, giving employees a choice of use within the defined envelope.

Workers' welfare, health and safety

The Duna House Group strives to improve the well-being of its employees. The company introduced flexible working conditions during the Covid-19 pandemic, and these conditions are still in place in Hungary and Italy, while in Poland flexibility has been reduced.

GRI 401-3 Long-term parental leave for childcare purposes in 2023 was taken only by female employees in the group. Due to the relatively small number of employees in the Group, the number of employees taking and returning from parental leave in a year is low, and therefore the return rate and retention rate also varies widely from year to year. In 2023, less than a third of employees returned after the end of parental leave. The majority of returning employees left the group within a year of returning.

GRI 401-3 Long-term childcare leave		
	Duna House Group 2022	Duna House Group 2023
Number of workers entitled to parental leave	n.a.	45
Number of workers taking parental leave	10	11
Number of employees returning to Duna House after parental leave	5	3
Return rate	50%	27%
Number of employees still working at Duna House within 12 months of the end of parental leave	5	2
Retention rate	50%	18%

Goal: We plan to double the 5 working days of statutory leave for fathers in Hungary from 2024 for workers with young children.

GRI 403-2 403-3 403-5 403-6 403-9 A safe and healthy working environment is ensured in all countries of operation. Health, safety and fire protection are regulated in accordance with the relevant laws and regulations in each country and mandatory risk assessments are carried out accordingly. Health, safety and fire training is part of the induction training. Training covers both general information and company-specific aspects. Compulsory health screening is complemented by additional health services in Poland and Italy, while in Hungary health services are provided for managers.

Our priority in designing workplaces is to create a healthy, safe and comfortable working environment that meets standards and is supervised by external health and safety experts. The achievement of occupational health and safety objectives in Italy is also supported by the "Prevention and Protection System". The system tracks changes in individual workers' data on occupational safety and health and supports the periodic reporting and planning of occupational health and safety objectives. Duna House Group is committed to continuous review and improvement of the working environment in all countries of operation, including regular reporting of workplace incidents. There were no workplace accidents within the Duna House Group in 2023.

To promote a healthy lifestyle in Hungary, we organise fruit days, office massages, joint sports activities and recreational programmes for our employees. We organised a scouting day for franchise partners and head office members. Participants could test their skills and knowledge in competitions on Lake Tisza.

Environment

The amendment to the Group's Code of Ethics, which will come into force in 2024, states that although the Group's activities do not have a significant environmental impact, the Group promotes precautionary behaviour. This means environmentally responsible decision-making, a commitment to environmentally friendly solutions and the promotion of decisions made by employees in this spirit.

Goal: In 2024, we plan to develop a green procurement policy.

GRI 302-1, 305-1, 305-2 In 2023, the Duna House Group started to determine its environmental footprint by collecting and publishing data on energy consumption and carbon emissions. Data is collected at Group level, however energy consumption data is not yet fully available.

GRI 302-1 Energy consumption within the organisation (GJ)	
Total energy consumed within the organisation	1,742
Fuel from non-renewable sources	440
Petrol	259
Diesel	59
Natural gas	122
Fuel from renewable sources	0
Electricity	1,302

For the time being, we have started to collect energy consumption data for our own offices, but we do not have data on the energy consumption of our franchise partners. The offices use mainly electricity. Petrol and diesel consumption data were only available for Poland.

Energy consumption for each energy type is estimated.

The emission factors used for electricity include only carbon dioxide, this factor is country specific, the factors used for Scope 1 emissions are the same for all countries. For emission factors, we used literature data and factors from the Association of Issuing Bodies, Residual Mixes, 2022.

GRI 305-1, 305-2 Greenhouse gas emissions 2023 (Scope 1 and Scope 2), tonnes CO2eq	
Scope 1 release	19
Scope 2 emissions - location-based (GJ)	78
Scope 2 emissions - market based (GJ)	90
Total GHG emissions (location-based)	97
Total GHG emissions (market-based)	109

The energy and GHG intensity was determined on the basis of revenue.¹¹

GRI 302-4, 305-4 Energy and GHG intensity	
Energy intensity (GJ/million Ft)	0.0531
GHG intensity (tonnes CO ₂ eq/million Ft) Scope 1 and Scope 2 - projected to location-based emissions	0.0030
GHG intensity (tonnes CO ₂ eq/million Ft) Scope 1 and Scope 2 - per market-based issue	0.0033

¹¹ The consolidated annual report of the Duna House Group is available at:
[https://dunahouse.com/files/ckfinder/files/01_DHH_Konzolidalt%20Eves%20Jelentes_2022%20\(1\).pdf](https://dunahouse.com/files/ckfinder/files/01_DHH_Konzolidalt%20Eves%20Jelentes_2022%20(1).pdf)

GRI Content index

The GRI Table of Contents contains technical information on the application of the GRI standards and lists the indicators included in the ESG report.

GRI 2-3 Use of GRI standards	
Statement of use	<i>Duna House Holding Plc. has reported in accordance with GRI Standards for the period from 01.01.2023 to 31.12.2023.</i>
GRI 1 used	<i>GRI 1: Baseline 2021</i>
Applicable GRI sector standard(s)	-

Number of indicators	Description of indicator	Where to find (chapter titles)	Comment/ Reason for omission
The indicators without numbers are the Duna House Group's own indicators.			
GRI 2: General Disclosures 2021			
The organisation and its reporting practices			
2-1	Organisational details	Introduction and management of the Duna House Group	
2-2	Entities involved in sustainability reporting	Introduction and management of the Duna House Group	
2-3	Reporting period, frequency, contact details	About the ESG report	
2-4	Reloading information	GRI content index	No restatement happened.
2-5	External certification	About the ESG report	
Activities and staff			
2-6	Activities, value chain and other business relationships	Introduction and governance of Duna House Group, Direct and indirect economic impacts	
2-7	Employees	Franchise partners and agents Employment	
2-8	Workers who are not employees	Employment	
Governance			
2-9	Governance structure and composition	Introduction and management of the Duna House Group	
2-10	Nomination and selection of the highest governance body	Introduction and management of the Duna House Group	
2-11	Chair of the highest governance body	Introduction and management of the Duna House Group	
2-12	Role of the highest governance body in overseeing the management of impacts	Introduction and management of the Duna House Group	
2-13	Delegation of responsibility for managing impacts	Introduction and management of the Duna House Group	
2-14	Role of the highest governance body in sustainability reporting	About the ESG report	

2-15	Conflict of interest	Introduction and management of the Duna House Group	
2-16	Communication of critical concerns	Introduction and management of the Duna House Group	
2-17	Collective knowledge of the highest governance body	GRI content index	There has been no such practice so far.
2-18	Evaluation of the performance of the highest governance body	Introduction and management of the Duna House Group	
2-19	Remuneration guidelines	website	https://dunahouse.com/en/publications : Remuneration Report.
2-20	Process for determining remuneration	website	https://dunahouse.com/en/publications : Remuneration Report, Documents of the General Meeting.
2-21	Annual total compensation rate	Employment	
Strategies, policies, practices			
2-22	Declaration on the Sustainable Development Strategy	Letter from the CEO	
2-23	Commitment to guidelines (policies)	Introduction and management of the Duna House Group	
2-24	Embedding commitment to guidelines (policies)	Introduction and management of the Duna House Group	
2-25	Negative impact recovery processes	Introduction and management of the Duna House Group	
2-26	Working principle of seeking advice and raising concerns	Introduction and management of the Duna House Group	
2-27	Compliance with laws and regulations	Compliance	
2-28	Membership associations	Introduction and management of the Duna House Group	
Stakeholder involvement			
2-29	Approach to stakeholder engagement	Introduction and management of the Duna House Group	
2-30	Collective bargaining agreements	GRI content index	There is no collective bargaining agreement within the Group.
GRI 3: Key issues 2021			
3-1	The process of identifying key issues	Materiality analysis	
3-2	List of relevant topics	Materiality analysis	
GRI 3: Material topics 2021			
Responsible sales			
3-3	Management of material topics	Responsible sales	
417-2	Incidents of non-compliance concerning product and service information and labelling	Compliance	
417-3	Cases of non-compliance in marketing communications	Compliance	

	General rules on wording related to customer communication as well to advertisements (internal rules for real estate brokerage)	Responsible sales	
	Complaints regarding information provision	Compliance	
	Rules for choosing a partner	Responsible sales	
	Customer complaints/satisfaction with the transparency and clarity of the product	Compliance	
	Ways of financial literacy development	Responsible sales	
	Volume and characteristics of green credit intermediation	Responsible sales	
	Quantity and percentage of energy performance certificates issued	Responsible sales	
GRI 406 Non-discrimination 2016			
3-3	Management of material topics	Compliance	
406-1	Number of incidents of discrimination and measures taken to eliminate them	Compliance	
GRI 207 Tax payment 2019			
3-3	Management of material topics	Direct and indirect economic impacts	
207-1	Approach to tax	Direct and indirect economic impacts	Duna House Group has not formulated a specific tax strategy.
207-2	Tax governance, control and risk management	Direct and indirect economic impacts	
207-3	Stakeholder engagement and management of concerns related to tax	Direct and indirect economic impacts	
207-4	Country-by-country reporting	Direct and indirect economic impacts	
Contributing to economic growth			
3-3	Management of material topics	Direct and indirect economic impacts	
201-1	Direct economic value generated and distributed incl.: Amount of financial help, donation to a specific aim (or NGO)	Direct and indirect economic impacts	
201-4	Financial assistance received from government	Direct and indirect economic impacts	
203-2	Significant indirect economic impacts	Franchise partners and agents	Franchise partner employees and agents
Training of franchise partners			
3-3	Management of material topics	Franchise partners and agents	
	Average training hours for franchise employees and agents	Franchise partners and agents	Indicator 404-1 for franchise partners and agents
Ethical behaviour of franchisees			
3-3	Management of material topics	Franchise partners and agents	
	Compliance with laws and regulations of Franchise partners	Franchise partners and agents	2-27, 417-2, 417-3, 206-1 indicators for franchise partners and network
	Code of Conduct to be followed by the Franchise Partners	Introduction and management of Duna House Group, Franchise partners and agents	

Fair conditions for franchise partners			
3-3	Management of material topics	Franchise partners and agents	
	Results of the Franchise Partner Satisfaction Survey	Franchise partners and agents	
GRI 414 Supplier social assessment 2016 (Franchise partners and agents)			
3-3	Management of material topics	Franchise partners and agents	
414-2	Negative social impacts in the supply chain and measures	GRI content index	Interpreted for franchise partners. No negative social impact was identified.
	Recruitment of new franchise employees and agents and turnover of franchise employees and agents	Franchise partners and agents	401-1 indicator for agents
GRI 401 Employment 2016			
3-3	Management of material topics	Employment	
401-1	New employee hires and employee turnover	Employment	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employment	
401-3	Parental leave	Employment	
GRI 404 Training and education 2016			
3-3	Management of material topics	Employment	
404-1	Average hours of training per year per employee	Employment	
404-2	Programs for upgrading employee skills and transitions assistance programs	GRI content index	Internal and external training is also available.
404-3	Percentage of employees receiving regular performance and career development reviews	Employment	
GRI 403 Healthy and safe working conditions 2018			
3-3	Management of material topics	Employment	
403-1	Occupational health and safety management system	GRI content index	No management system.
403-2	Hazard identification, risk assessment and incident investigation	Employment	
403-3	Occupational health services	Employment	
403-5	Worker training on occupational health and safety	Employment	
403-6	Promotion of worker health	Employment	
403-9	Work-related injuries	Employment	
GRI 405 Diversity and equal opportunities 2016			
3-3	Management of material topics	Employment	
405-1	Diversity of governance bodies and employees	Employment	
405-2	Ratio of basic salary and remuneration of women to men	Employment	
GRI 205 Fight against corruption 2016			
3-3	Addressing the relevant topic	Compliance	

205-1	Operations assessed for risks related to corruption	Compliance	
205-2	Communication and training about anti-corruption policies and procedures	Compliance	
205-3	Confirmed incidents of corruption and actions taken	Compliance	
Compliance with consumer protection legislation			
3-3	Management of material topics	Compliance	
2-27	Compliance with laws and regulations	Compliance	
GRI 206 Anti-competitive behaviour 2016			
3-3	Management of material topics	Compliance	
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Compliance	
GRI 418 Data Protection 2016			
3-3	Management of material topics	Compliance	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Compliance	
Other cases of legal compliance			
3-3	Management of material topics	Compliance	
2-27	Compliance with laws and regulations	Compliance	

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Please let us know your views at esg@dunahouse.com.