

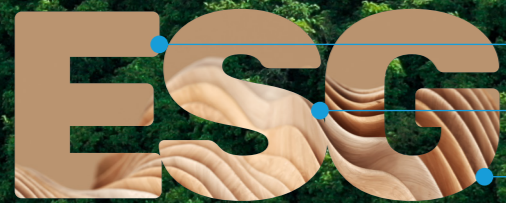


SUSTAINABILITY
REPORT



2023





environmental
social
governance

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1. Welcome message from the CEO

Péter Fekete

Group CEO
4iG Plc.

Dear Reader,

In 2023, 4iG Group further strengthened its role as the leading infocommunications group in Hungary and the Western Balkans. At the same time, our responsibility has also increased significantly. Our long-term sustainable operation is supported by our transformation program launched in the fall of 2023, which aims to increase the competitiveness and efficiency of the group. The separation of our telecommunications companies into commercial and infrastructure units, the separation of the IT/SY business unit from the holding organization supports our transition to a consolidated, simplified and efficient operating model.

Our goal is to create real and tangible value through technological development. Our HUF 150 billion network development program in Hungary will reach an additional

1.1 million households with broadband internet by 2028, One Albania is leading in launching 5G services in Albania, and our Montenegrin subsidiary, One Crna Gora, is building the country's fastest-growing fifth-generation mobile network.

In addition to all these achievements, we have a duty to pay special attention on our commitment to sustainability and to contribute to a sustainable economic ecosystem. In the past year, we have achieved significant results in reducing environmental impacts, increasing our economic performance and raising our social responsibility to a higher level.

In 2023, we managed to reduce our energy intensity by 12% and reduced our greenhouse gas emissions by more than 8% compared to the previous year. Various consumption

reduction measures contributed to the reduction, such as conversion of the vehicle fleet, modernization of office buildings and data centres, including replacement of air conditioners, chillers, and lighting.

Thankstoourwastemanagementprograms, the recycling rate of the generated waste has increased to 78%, while the amount of office waste has decreased by 14%. These results support our goal of placing our business on a sustainable basis.

Our economic performance also showed significant growth: 72% of the Group's net sales came from telecommunications and 28% from IT operations, ensuring the stability of our diversified operations. According to customer satisfaction surveys, 90% of our customers were satisfied or very satisfied, especially with the developments in our digital solutions.

In order to support the physical and mental well-being of our employees, we have introduced a new health protection system, ensuring that our employees participate in regular screening and special medical examinations in addition to occupational health services.

As an ethical company, we paid special attention to strengthening compliance and anti-corruption practices, as well as cooperation with local suppliers, where more than 80% of our purchases is from local suppliers in Hungary.

Buildingthe future means acting responsibly for 4iG Group. As a large company, we are aware that the impact of our decisions extends not only to our company, but also to our communities and our environment. We are committed to creating a sustainable, innovative and balanced future in which our communities and partners can build on our shared values with confidence.

2. About the report

GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5

Reporting period	1 January 2023 – 31 December 2023 (FY 2023)
Frequency of Reporting	yearly
Reporting standard	GRI Standards (2021) ¹
External assurance	The report has not been subject to assurance
Date of the previous report	13 December 2023

Although the subsidiaries included in the report have been members of the 4iG Group since the above dates, the 2023 sustainability report presents the subsidiaries' data for the entire years 2021-2023, ensuring comparability between the years. Questions about the sustainability report are welcomed at the following e-mail address: esg@4ig.hu.

2.1 Definition of material topics

GRI 3-1, GRI 3-2

This report presents the Group's ESG activities along topics that are of particular importance to the 4iG Group.³ We conducted a materiality assessment in order to determine the relevant topics and focus areas based on the guidance of the international GRI reporting standards (2021).

In the first stage of the assessment, we supplemented the 4iG Group's 2022 list of material topics with a benchmark analysis (identifying the material topics of international competitors and business partners) as well as with industry-specific recommendations from MSCI⁴ and SASB⁵. From these – after an impact assessment – we created a long list, which was weighted with the involvement of the stakeholders according to the system of double materiality criteria, taking into account financial and environmental-social materiality.

Double Materiality

The Corporate Sustainability Reporting Directive (CSRD), adopted by the European Parliament and coming into force from 2024, requires companies that fall within its scope to report on their sustainability activities along material topics. The principle of double materiality is decisive in determining material topics.

While financial materiality is the impact of sustainability aspects on the company's business performance, business results and position, environmental-social materiality is the company's impact on the economy, environment and society⁶.

¹ Global Reporting Initiative (GRI)

² *Since 1 January 2023, ONE Albania has been created through the merger of ALBtelecom and ONE Telecommunications

³ Environmental, Social, Governance - used in the report as a synonym for sustainability

⁴ Morgan Stanley Capital International

⁵ Sustainability Accounting Standards Board

⁶ GRI definition of materiality

COMPANIES INCLUDED IN THE REPORT AND THEIR AFFILIATION TO THE 4iG GROUP:

COMPANY NAME	JOINED THE 4iG GROUP
4iG Plc.	
Invitech ICT Services Ltd.	30 September 2021
"ANTENNA HUNGÁRIA" Plc.	31 March 2022
DIGI Telecommunications and Service Ltd.:	3 January 2022
Vodafone Hungary Plc.	31 January 2023
One Crna Gora DOO	21 December 2021
ONE Albania sh.a. ^{2*}	21 March 2022

We have also involved the stakeholders of our domestic and foreign subsidiaries – business partners, managers and employees – in the materiality assessment, which was conducted in form of a management workshop as well as employee and external stakeholder questionnaire survey. The materiality matrix and topic list of the 4iG Group has been created as a result.

The definition of the content of the sustainability report and our subsequent ESG strategy are based on the material topics.

LIST OF MATERIAL TOOPICS	RELATED CHAPTER
1 Customer satisfaction	Economic performance
2 Employee welfare	Responsible employment
3 Data protection and information security	Responsible corporate governance
4 Occupational safety and health protection	Responsible employment
5 Developing the skills and knowledge of employees	Responsible employment
6 Preventing corruption and anti-competitive conduct	Responsible corporate governance
7 Application of innovative solutions	Economic performance
8 Legal and ethical compliance	Responsible corporate governance
9 Attracting and retaining talents	Responsible employment
10 Flexible business operation	Economic performance
11 Energy efficiency and greenhouse gas emissions	Environment

3. About the 4iG Group

3.1 Our activities

GRI 2-6, GRI 2-28, GRI 2-23

Headquartered in Budapest and majority owned by Hungarians, the 4iG Group is the leading telecommunications and IT group in Hungary and the Western Balkans, and one of the leading companies in the knowledge-based digital economy. The Group's parent company, 4iG Plc, is a public company listed on the Budapest Stock Exchange.

The Group's cross-border expertise, knowledge base and capital provide a solid foundation for becoming a dominant market player. Thanks to its dynamic expansion strategy, 4iG has become a key player in the telecommunications market in Hungary

4iG PLC. - INFORMATION TECHNOLOGY

4iG Plc.'s solutions can be divided into five major groups:

- Industry-specific digitalisation solutions – business solutions, products and services promoting industrial digitalization across a range of industries;
- Managed IT services – outsourced operation and 24/7 support services for the needs of medium and large companies and state administration, with on-site and remote resources;
- Solution development, business systems – complex projects, front and backend software development, company management systems, business data analysis;
- IT Infrastructure, system integration – data centre, network, cloud and client systems, where both traditional and next-generation technological solutions are applied;
- Cyber security – active prevention and subsequent intervention from consulting to 24/7 monitoring, through technology integration to developer and application code security.

and the Western Balkans. Its innovative approach and its position as Hungary's market-leading IT system integrator makes the Group a leading provider of services to consumers and businesses in the region's digital transformation.

4iG has been present in Hungary for nearly three decades and has a significant history in the field of innovative technologies and in all segments of digital solutions. Today it is also involved in the aerospace and defence industry in addition to IT and telecommunications.

The companies included in the 2023 sustainability report is interested in IT and telecommunications, so the rest of the report focuses on them.

ANTENNA HUNGÁRIA PLC.

(HEREINAFTER: ANTENNA HUNGÁRIA) – TELECOMMUNICATIONS, BROADCASTING, PROGRAMME PRODUCTION

Antenna Hungária's core activities include broadcasting, telecommunications, programme production and multimedia, supported by a significant infrastructure. Its product and service portfolio covers the following:

- Digital terrestrial national television programme distribution and broadcasting service (Mindig TV);
- Radio broadcasting service;
- Business telecommunications service – integrated IP-based business communication service, professional Internet service, virtual private network service; utilisation of its technical objects, sale of unused real estate; Provision of IoT, IT security services, DDoS protection service, SIP (superfast internet programme) deployment
- CDN (Content Delivery Network) service ('Connectmedia', 'Mindig TV GO')

DIGI TELECOMMUNICATIONS AND SERVICES LTD.

(HEREINAFTER: DIGI) – TELECOMMUNICATIONS

- The company deals with diverse activities and provides services in the media, communication and telecommunication market. It provides fixed and mobile telecommunications services on the telephone (fixed and mobile phone service), internet (fixed and mobile internet service) and TV channels (cable TV and satellite TV service). It primarily provides domestic retail and wholesale services for both residential and business users.

INVITECH ICT SERVICES LTD.

(HEREINAFTER: INVITECH) – TELECOMMUNICATIONS

- Invitech provides telecommunication and info-communication services for medium and large companies as well as for the governmental and institutional sectors. The focus is on data transmission, telephone, server hosting and storage, cloud services and network security services.
- Among the suppliers, the role of suppliers of communication network materials, equipment, hardware and software licenses is significant, while the main customer base includes the financial services sector, logistics, manufacturing, retail chains, healthcare and other sectors, covering the entire economic horizon.

VODAFONE

- The company deals with diverse activities and provides corporate solutions as well as services in the telecommunication, internet, digital and entertainment industry markets. It provides fixed and mobile telecommunications services on telephone (fixed and mobile phone service), internet (fixed and mobile internet service) and TV channels (cable TV and satellite TV service). It primarily provides domestic retail and wholesale services for both residential and business users.

ONE ALBANIA

- The two Albanian subsidiaries (One Telecommunications sh.a. and ALBtelecom sh.a. – Telecommunications) merged in 2023 and continued to operate under a new name, ONE Albania. The two legal predecessor companies were also active in the telecommunications sector, and their main profile covered the sale of mobile, fixed, IPTV, optical network equipment and mobile network operation throughout Albania.

ONE CRNA GORA DOO TELECOMMUNICATIONS

- The primary focus of One Crna Gora, which operates in the mobile telecommunications sector and also deals with other telecommunications activities, is the provision, construction and utilisation of mobile telecommunication network traffic in the territory of Montenegro. Among the suppliers, manufacturers of telecommunication products and equipment, telecommunication service providers play an important role, while the customers are involved in distribution, order processing and delivery.

The biggest challenge in the life of the 4iG Group since 2021 is the organizational expansion and the tasks associated with it. The subsidiaries that have joined the Group have to harmonize their operations in many

areas, which requires the standardization of internal rules, policies and processes. This process is still ongoing at the time while compiling the Sustainability Report.

3.2 Management of the organization

GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-15, GRI 2-16, GRI 2-17, GRI 2-18

The most important governing bodies of 4iG Plc. are the General Assembly and the Board of Directors, while the control functions are performed by the Supervisory Board and the Audit Committee. Their role, tasks and the method of selecting their members are described below. The data on the number of members of the bodies reflect the status for the year 2023, current information is available on our website and the relevant regulations are available in the Articles of Association.

The 4iG Group pays attention on ensuring that the comprehensive knowledge of its management and control bodies is in line with the organization's ESG aspirations. Our senior managers attend numerous compliance, energy management and quality management training schemes to ensure that they are up-to-date on sustainability topics. When selecting the members of the Advisory Board, which supports the work of the Board of Directors, key aspect is the existence of the approach and competence related to sustainability.

General Meeting

The supreme body of the company is the General Meeting of Shareholders, which consists of all shareholders. At annual (ordinary) and extraordinary general meetings, the shareholders decide on the most important issues affecting the company's operations and exercise their

rights of management and control.

The General Meeting is attended by the shareholders and, with the right to deliberate, by the members of the Board of Directors, the Supervisory Board and the Auditor. The Board of Directors proposes the officers of the General Meeting, namely the Chairman, the Secretary, the Scrutineer and the Minute-taker.

Board of Directors

The Company's Board of Directors is the executive body of the joint-stock company, whose members are the Company's senior officials. In this capacity, the senior officials cannot be instructed by the Company's shareholders or employees, the Board of Directors exercises its rights and fulfils its obligations as an independent body.

In accordance with the Articles of Association, the Annual General Meeting has the exclusive power to elect, remove and determine the remuneration of the members of the Board of Directors. In 2023, the Board of Directors of the Group consisted of six members, four of whom were independent, and elected the Chairman of the Board from among its members. The Chairman of the Board is Gellért Jászai, the main shareholder of the Group.

The members of the Board of Directors are elected by the General Assembly for an indefinite term and are eligible for re-election and may be recalled at any time. The Board of Directors acts on all issues related to

the Company's management and business which do not fall under the exclusive competence of the Company's General Assembly under the Company's Articles of Association or the provisions of law.

Supervisory Board

The Supervisory Board supervises the Company's management for the supreme body of the Company. Within this context, it may request information from the senior executives and investigate the books and documents of the company. The General Assembly decides on the election, recall and remuneration of its members.

In 2023 the Supervisory Board consisted of four independent members. Its tasks, powers and operation are laid down in the Civil Code, the Articles of Association and the rules of procedure of the Supervisory Board.

Audit Committee

The officials of the three-member Audit Committee are elected by the General Assembly from among the independent members of the Supervisory Board. At least one member of the Audit Committee shall have qualification in accounting and/or auditing. The duties, powers and operation of the Audit Committee are laid down in the Civil Code, the regulations of the Budapest Stock Exchange and the Articles of Association.

The professional biographies of the Board of Directors, the senior officials and the Supervisory Board can be found on our company's website.

3.3 Organisational management of sustainability

GRI 2-12, GRI 2-13, GRI 2-14, GRI 3-1, GRI 3-2

The goal of the 4iG Group is to develop the appropriate sustainability, environmental and quality management strategy that will apply to all member companies and will raise the sustainability-related obligations to the same level. Our ambitions are backed by the commitment of the top management: At the end of 2022 we established a Sustainability Committee to design and coordinate the Group's ESG operations. The Committee has Group-wide authority and is chaired by senior management.

In 2023 we began to create an organisational structure to support the management and implementation of ESG activities for the sake of synergy between the Group and its member companies. This supports uniform data collection, smooth data provision and reporting on sustainability as well as cooperation with related areas and the compliance of future activities with ESG aspects.

There were still significant differences in the sustainability management of the individual member companies in 2023, which are planned to be mitigated during the years 2024 and 2025.

ONE Crna Gora examines and develops ESG processes at a higher level, covering the entire value chain, which we consider exemplary within the Group. The company assesses and checks the

environmental footprint of its supply chain participants, requires responsible business and employment practices and promotes sustainable practices among suppliers with the goal of reducing risks, increasing resilience and improving overall environmental and social performance.

In addition, the Company draws the attention of consumers and other stakeholders to the importance of recycling e-waste by promoting the „Buy Back” campaign, the digital e-SIM card and electronic invoices. The management reviews the organisation's environment management system regularly, every year, ensuring its continued suitability, adequacy and efficiency. A designated senior manager is responsible for managing the effects caused by the organisation, and the related responsibilities have also been extended to lower employee levels.

3.4 Our stakeholder relationships

GRI 2-29

The 4iG Group has many stakeholders, including the European Union and the countries in which we operate, the management, employees, subcontractors, suppliers, customers, owners and shareholders are all important from the viewpoint of our activities. When identifying the requirements imposed by the stakeholders, 4iG Plc. distinguishes between mandatory requirements, non-binding expectations of stakeholders and voluntary commitments made to stakeholders. We typically use publication

via the website and e-mail communication in order to maintain the contact with the stakeholders.

Employees, suppliers, authorities and professional organisations appear as key stakeholders at all our subsidiaries, as the efficiency of cooperation with them affects our business results. Strengthening the involvement of stakeholders at group level is included in our short-term plans.



Organizational memberships

The Group considers it important that the individual member companies, in addition to their business activities, take a role in

various professional platforms, industry and other professional organisations and initiatives, and thus contribute to developing the profession as a whole.

AFFILIATE

4IG PLC.

MEMBERSHIP

Project Management Association
 Digital Europe
 CritCom
 Scientific Association for Infocommunications, Hungary
 Council of Hungarian Internet Providers (ISzT)
 Hungarian Association for Innovation (MISz)
 American Hungarian Chamber of Commerce (AmCham)
 Hungarian Business Leaders Forum
 Hungarian Association of Digital Companies (IVSZ)
 John von Neumann Computer Society
 Hungarian Defence Association (VISz)
 Business Council for Sustainable Development in Hungary (BCSDH)
 Hungarian Precision Association
 5g coalition
 O-RAN Alliance
 Drone Coalition
 GSM Association (GSMA) database/intelligence
 Blockchain Hungary Association
 Association of Hungarian Automotive Component Manufacturers (MAJOSZ)
 Association of the Hungarian Automotive Industry (MAGE)
 Electronic Payment Service Providers Association

AFFILIATE

ANTENNA HUNGÁRIA

MEMBERSHIP

5g coalition
 Council of Hungarian Internet Providers (ISzT)
 Hungarian Association for Innovation (MISz)
 Advocacy Consulting Limited Liability Company (ÉTOSZ)
 Scientific Association for Infocommunications, Hungary
 Hungarian Association of Digital Companies
 Communications Reconciliation Council (HÉT)
 Council of Hungarian Internet Providers
 LoRa Alliance
 Hungarian Association of Logistics, Purchasing and Inventory Management
 Hungarian Project Management Association
 Hungarian Advertising Association
 Hungarian Bar Association
 Hungarian District Heating Association
 MBT Organizacija
 Club of Logistics Directors
 Hungarian Advertising Self-Regulatory Board
 Saldo Financial Consulting and Informatics Plc.

AFFILIATE

DIGI

MEMBERSHIP

Communications Reconciliation Council (HÉT)
 EMF-portal
 Association (GSMA) database/intelligence
 5g coalition
 Scientific Association for Infocommunications, Hungary
 Hungarian Communications Association (MKSZ)

AFFILIATE

INVITECH

MEMBERSHIP

Communications Reconciliation Council (HÉT)
 Scientific Association for Infocommunications, Hungary
 Council of Hungarian Internet Providers (ISzT)
 American Hungarian Chamber of Commerce (AmCham)
 Association for the Digital Economy (IVSZ)
 Hungarian Cable Television and Telecommunication Association
 Organisations under the Digital Welfare Programme: 5G coalition, AI coalition

AFFILIATE

VODAFONE

MEMBERSHIP

Communications Reconciliation Council (HÉT)
 Association (GSMA) database/intelligence
 5g coalition
 Electronic Payment Service Providers Association (EFISz)
 Scientific Association (HTE)
 Council of Hungarian Internet Providers (ISzT)
 Hungarian Association for Innovation (MISz)
 Hungarian Trademark Association (MVédE)

AFFILIATE

ONE ALBANIA

MEMBERSHIP

Foreign Investors Association of Albania (FIAA)
 Connect Europe
 Association (GSMA) database/intelligence
 American Chamber of Commerce in Albania (AmCham)

AFFILIATE

ONE CRNA GORA

MEMBERSHIP

Global System for Mobile Communications Association (GSMA)
 Association (GSMA) database/intelligence
 American Chamber of Commerce (AmCham Montenegro)
 Chamber of Economy of Montenegro
 Montenegrin Foreign Investors Council (MFIC)
 Association of Montenegrin Managers
 Montenegrin Employers Federation

4. Economic performance

The dynamic growth of the 4iG Group is supported by flexible decision-making mechanisms. The Group's resilience has been greatly enhanced by diversifying its product range and integrating new capabilities. The company has continued to ensure smooth customer service throughout its expansion. The main challenge is to establish uniform internal processes and to implement operations adapted to the increased size. 4iG strives to harmonize the operations of its member companies and exploit common business opportunities to improve operational efficiency and competitiveness.

4.1 Flexible business operations

GRI 3-3, 4IG-1, GRI 201-1, GRI 201-4

Telecommunications

The change in the portfolio of member companies dealing with telecommunications affected their business performance.

As part of the optimization of **Antenna Hungária**, the company divested its event management business, which led to a reduction in revenues. However, this was offset by one-off items, notably the broadcast of the FINA World Aquatics Championships and the infrastructure provided for that purpose.

DIGI's merger processes have been completed. The company's profitability has been supported by rationalizing operating costs and increasing services in line with market trends.

Invitech's revenue continued to grow in 2022, driven by new customers, renewals of existing contracts and newly introduced services. Most of the organic growth was driven by digital utilities, with a significant increase in IT security and cloud services.

ONE Albania achieved improved business performance through cost optimization and the expansion of their subscription services. The company is focusing on the modernization of their fixed line network, which will lead to improved service quality and new sales opportunities.

The economic situation of **One Crna Gora** has also been positive thanks to the renewed brand and the successful conversion of customers to monthly subscriptions. The company is working on a technological upgrade, with plans to offer 5G services throughout the country.

Information technology

The business performance of 4iG's IT division was negatively affected by unfavourable macroeconomic trends, increasing inflation, high energy costs and a decrease in orders from the public sector. However, the negative effects were offset by competitive market sales in the market of innovative services – industrial digitalization, individual application development, cloud services – thanks to competitive market sales.

The IT division performed outstandingly in the field of IT operational services provided to the financial sector.

72% of the Group's net sales revenue came from the activities of the telecommunications division, while 28% came from the IT division.

Financial support received from the government

In 2023 4iG Plc. recorded a state support of HUF 130,894,292 with regard to the 2019-1.1.-1.-PIACI-KFI-2019-00308 project and the „Higher Education and Industrial Cooperation Centre – Research infrastructure development” R+D tender under code number

GINOP-2.3.4-15-2020-00010. „ANTENNA HUNGÁRIA” Plc. recorded a state support of HUF 84,225,300 in connection with the GINOP-2.2.1-15 „R+D competitiveness and excellence cooperation” tender. In addition, Vodafone Hungary Plc. recorded network development support of HUF 91,336,067. Antenna Hungária is owned by the Hungarian state in 23.22%. Thus, the Hungarian state also appears as owner in the ownership structure of DIGI, Invitech ONE Albania and One Crna Gora (indirectly through Antenna Hungária).

ECONOMIC VALUE PRODUCED AND DISTRIBUTED

Direct economic value produced and distributed	Group	Hungary	Albania	Montenegro	Bulgaria
Economic value produced (m HUF)	621,138	531,797	65,071	24,270	0
Distributed economic value (m HUF)					
Operating costs	312,361	263,863	36,762	11,736	7
Employee wage costs and benefits	95,569	83,138	8,628	3,803	0
Payments to investors (interest, dividends etc.)	65,337	62,890	2,109	338	24
Payments to the government (taxes, penalties)	38,627	37,207	589	831	0
Community investments (charity, CSR etc.)	208	147	61	0	0
Retained economic value (m HUF)	109,036	84,552	16,922	7,562	-31

Generated and distributed economic value at group level and per country (2023)

4.2 Procurement Practice

GRI 204-1

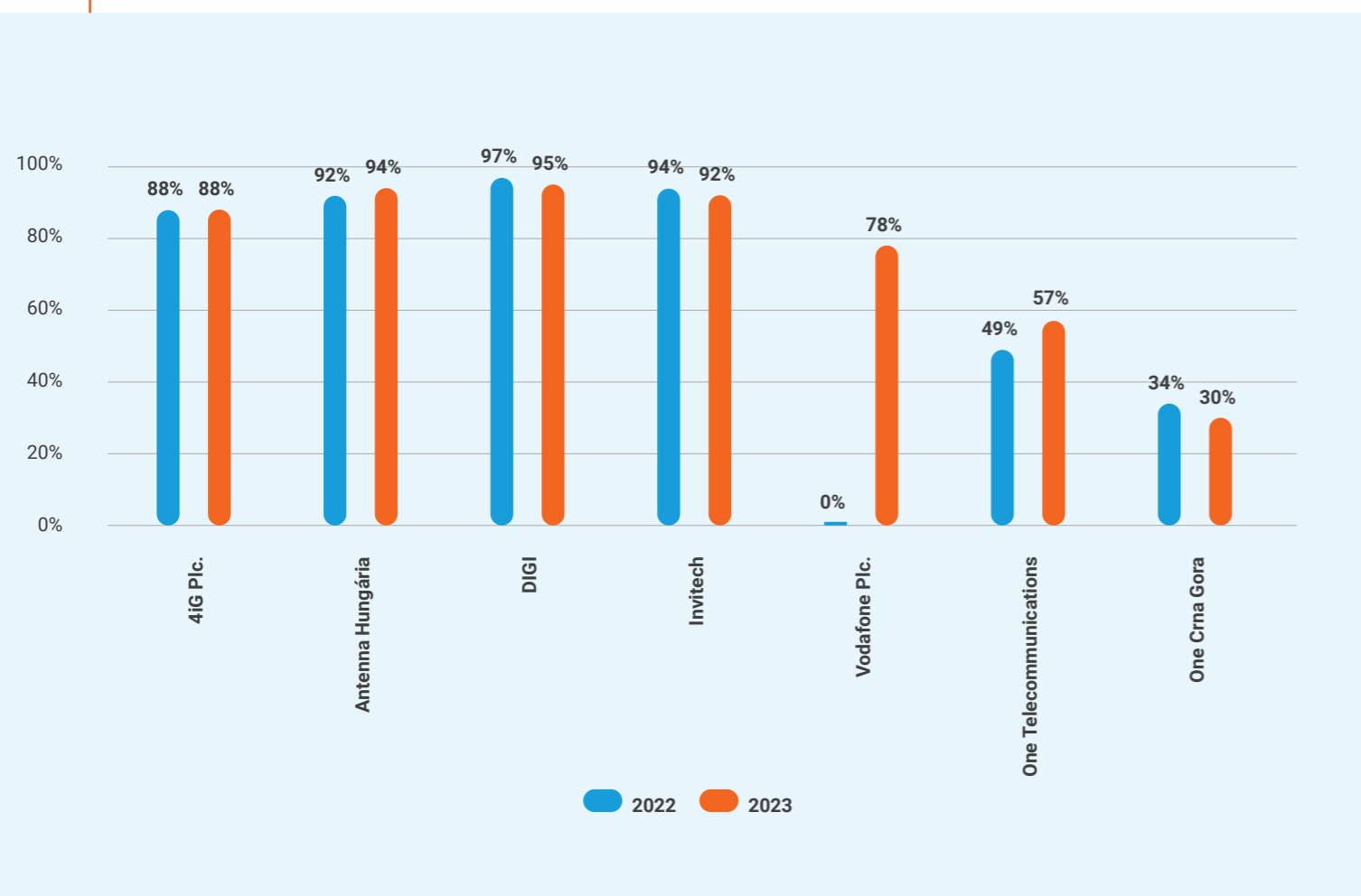
Proportion of spending on local suppliers

The Hungarian subsidiaries use domestic suppliers in the vast majority of the procurement budget. The company has strong local connections.

Comparing the years 2022 and 2023, a significant change can be observed with the joining of Vodafone, thus increasing the weight of domestic suppliers.

On the contrary, the Albanian and Montenegrin companies maintain a network of suppliers that is diversified also internationally. They paid 57% and 34% of the procurement budget to local suppliers.

PROPORTION OF SPENDING ON LOCAL SUPPLIERS



Percentage rate of the procurement budget based on financial data at member company level, paid to local suppliers at major operating locations⁷

⁷ No data are available for ALBtelecom.

Responsible procurements

The 4iG Group strives to maintain a clear and transparent procurement process. The company fully supports anti-corruption behaviour and the prevention of corrupt activities and considers it as binding on itself. The Group includes its anti-corruption clause in all group-level contracts to ensure anti-corruption behaviour. In addition, the 4iG Group's Code of Conduct for Business Partners is an extract from the 4iG Group's Code of Ethics and Business Conduct which contains the ethical standards that we consider particularly important in our business relationships and that we also expect our business partners to adhere to.

In accordance with the pre-qualification exercise that was started in 2021, we also examined the anti-corruption, security, compliance, legal and occupational safety activities of our suppliers in 2023. The Group intends to pay a lot of attention to the pre-qualification of suppliers. A dedicated process will be created for this in the IT system of the newly introduced unified procurement management system. Pre-qualifications will begin in the system in November 2024, and afterwards these qualifications will be repeated annually. In addition to the unified IT system the company plans to introduce a dedicated supplier website in order to coordinate the qualification process, initially by focusing on the ESG criteria system.

4.3 Application of innovative solutions

GRI 3-3, 4IG-2

Our unique digital products

The Company creates value for its customers with its integrated services. The company offers solutions that continuously follow-up IT and technological innovations, providing efficient support for the business processes of the clients as well as the digital transformation in all economic segments. Over the past decade, 4iG has played an active role in technological innovation-based research and development using Hungarian and EU funding. The Company has been involved in nearly two dozen of successful research projects ranging from the development of sensor systems for unmanned air vehicles (UAVs) to industrial 3D imaging technologies and to the development of bioinformatic and medical diagnostic devices. 4iG Group is proud of the products it has developed so far, such as its solution package for manufacturing companies, 4iOP as well as its unique, customer-tailored services.

4iOP is an eight-module industrial digitisation platform that can be flexibly modified according to customer needs. The technology has supported the work of around 200 people, helping to digitally empower individuals, improve manufacturing efficiency and reduce the energy used in production.

Meeting the high expectations of our customers and their partners is paramount. 4iG's Industry 4.0 solutions connect production, manufacturing, technology and logistics processes, supporting the digitalization of business processes

that contribute to customers' efficient operations. We are constantly working on developing new solutions, commercializing them and exploiting synergies from our existing portfolio.

We are constantly working on developing and selling new solutions and utilising the synergies of our existing portfolio.

Stimulating innovation

At 4iG Group we develop products and services in accordance with market needs and customer expectations. To this end, we constantly follow current industry trends, we are open to supplier developments and carry out two-way communication with customers. The Group's management and culture encourage innovative ideas.

Several member companies maintain a dedicated digital channel (website, e-mail) for formulating development proposals. The opportunity to share ideas is also offered in regular employee satisfaction surveys. In addition, the sales area has placed an idea box in the central office building. We collect the suggestions and promote the potentially successful ideas. The company's Management Committee receives the proposed development initiatives or product ideas and evaluates them under several aspects along a specific order. The committee is open to the bilateral discussion and presentation of innovative ideas.

4iG has included innovation in the recognition system, where the winners receive a monetary reward in recognition of their work as a result of employee voting. The awards support the generation of new ideas and strengthen the innovative approach in the organisation.

4.4 Customer satisfaction

GRI 3-3, 4IG-3

Achieving a high level of customer service and customer satisfaction is an essential part of everyday work. Close partnership cooperation as well as formal and informal tracking of customer satisfaction are decisive. Informal customer satisfaction survey is based on personal contacts. The Group's sales and service employees maintain a relationship of trust with customers, which includes assessing customer needs as well as understanding and dealing with problems as soon as possible.

The individual member companies use different formal customer satisfaction methodologies according to their clients and services. Each company processes the results obtained and strives to incorporate the obtained feedback into its daily operations.

4iG Plc carried out a satisfaction survey among its business partners in 2022, where around 362 customers were invited to answer general questions about the company's services. According to the results of the survey, most respondents were satisfied with the service they received. The majority of those completing the survey found that the company is cooperative and provides a wide range of services. The respondents regarded innovation as the least characteristic feature of the company. Development is clearly shown by the fact that the opinion of the vast majority of the respondents about 4iG has improved during their joint work over the past one year.

The broadcasting service is tracked at **Antenna Hungária** in every quarter by examining the qualitative and administrative indicators.

The tracking focuses on three aspects, which determine the final score:

- 1) Service outage and quality deterioration due to technical/operational reasons
- 2) Commercial complaints
- 3) Examining the fulfilment of obligations related to contract amendments

The occurrence of the above aspects reduces the maximum possible assessment of 100 points in the defined weighting system. The score achieved on the scale represents the following assessment: A score below 49.9 points means a very dissatisfied customer, points between 50 and 69.9 means dissatisfied, points between 70 and 84.9 points means indifferent, points between 85 and 94.9 means satisfied and points between 95 and 100 means very satisfied customers. The results show that all the measured customers were in the satisfied or very satisfied category throughout the year.

DIGI uses the TRI*M and NPS (Net Promoter Score) methodologies to measure customer satisfaction and attitudes towards the company. Both methods are widely used research techniques and are often used by companies with retail customers.

The TRI*M index shows the ability to retain customers and makes competitors comparable to each other. The index consists of four questions about satisfaction and loyalty.

NPS measures satisfaction with the willingness to recommend. Respondents to the NPS question can give their score on a scale from 0 to 10. A customer giving a score between 0 and 6 rejects the company's service, those giving a score between 7 and 8 are neutral, and those giving a score

between 9 and 10 are supportive. The NPS score is the percentage of supports minus the percentage of refusals. The final score is between -100 and +100. While the NPS expresses performance from the side of satisfaction, the TRI*M index also includes loyalty.

The research shows that DIGI achieved a better TRI*M index among its wired service customers than among its satellite service users, indicating to the company the area where it should make further improvements. The NPS survey highlights that the company's customers were more satisfied with the 'Mindig' TV solution compared to wired and satellite services.

Invitech also conducted an NPS-based customer satisfaction survey in 2022 and they measured high satisfaction. The company strives to establish and maintain good relations with its customers also in the future.

The Montenegrin subsidiary **One Crna Gora** collects feedback from its customers on quarterly basis also according to the NPS methodology, in accordance with its large number of residential customers. In addition to the NPS, customers also have the opportunity to answer traditional satisfaction questions. The survey is carried out on a national representative sample using rolling data collection, where 50% of the sample comes from customers of the previous quarter and the other 50% from the current quarter. Based on the results, One Crna Gora has similar or better customer satisfaction scores than its local competitors.

The Group is planning to develop its products and services, to fully serve the needs of its customers and to maintain long-term partnerships also in the future.

5. Responsible corporate governance

4iG Group, as a dominant company group in the telecommunications and IT market of Hungary and the Western Balkans, wants to set a good example also in the field of responsible corporate governance.

In accordance with the Group's dynamic expansion strategy, a number of changes took place in 2023 in order to strengthen value orientation, set up a unified structure and create harmony between central management and autonomy.

5.1 Integrity and compliance

GRI 3-3, GRI 2-15, GRI 2-23, GRI 2-24, GRI 2-27, GRI 205-1, GRI 205-2, GRI 205-3, GRI 206-1

Ethical operation and competition law compliance can be achieved through continuous monitoring. Colleagues working in the compliance area review all contracts, so there were no significant cases of non-compliance at 4iG Plc. in 2023.

In the reported year, the company responded to all inquiries received by the compliance area within the deadline, by involving the appropriate competences. In addition to accurate scheduling, 4iG continuously monitors and improves processes by using control indicators and, if necessary, reorganization.

Ethical operation

4iG Group is committed to ethical operations. The company's Code of Ethics and Business Conduct adopted in 2020 details the expectations, including

the prohibition of corruption and unfair business conduct, equal opportunities or respect of human rights. Thanks to the organisational changes in 2022, the group-level coordination of commitments began in 2023 and will continue in 2024, therefore in the year of reporting the subsidiaries were operating partly in accordance with their own commitments and partly in accordance with the Group's expectations. **4iG Group** is committed to respecting the rights specified in the Universal Declaration of Human Rights. It also adheres to the OECD guidelines for ethical business conduct and anti-corruption compliance. The compliance and quality management organisational units are responsible for compliance with commitments, and their approval is given at the highest level. The assessment, evaluation and management of risks related to commitments fall under the scope of the risk management policy. Our commitments are made available to external and internal stakeholders in our newsletter, on the intranet and on a dedicated compliance subpage at 4iG Plc.'s publicly accessible website.

Invitech also had a Code of Ethics, an Equal Treatment and Equal Opportunities policy and an Environmental Policy. All three commitment initiatives were approved at CEO level. Their compliance is the joint responsibility of the financial, control and legal contract control areas. Commitment is integrated into the organisational strategies as well as into the operational policies and procedures. Invitech implemented its commitments as

part of the contractual conditions through its business relationships, and certain elements of the commitments are also presented in the ISO 9001, ISO/IEC 20000-1 and ISO/IEC 27001 training schemes. The Compliance & Corporate Governance department was responsible for processes related to the implementation of the commitments of the **Albanian subsidiaries**, for the coordination of the implementation and for the training schemes. The committees and/or the relevant senior officer presented the measures and recommendations concerning the operational policy to the Board of Directors. The business partners were obliged to accept the Business Partner Code of Conduct and the Declaration of Compliance. In addition, the company has included several commitment passages in every contract.

The commitments made by **ONE Crna Gora's** management and Board of Directors focused on environmental policy. The company has been operating in accordance with the ISO 14001 standard for the protection of the environment. It requires compliance with the principles of due diligence and precaution, and respect for human rights in accordance with the right to a clean environment, particularly in the areas of waste and energy management.

Conflict of interest

It is the responsibility and business interest of the 4iG Group to ensure that the Group's commitments and interests do not conflict with those of its senior officers

and employees. We defined the conflict-of-interest situations and introduced a procedure in order to be able to reveal and manage the possible risks associated with them.

Employees and senior managers are required to declare any conflict of interest, the management or termination of which will be decided in accordance with the Group's Conflict of Interest Policy. Declarations and decisions are recorded by the Compliance Officer and are not made public.

We also screen whether conflicts of interest prevail at our suppliers and subcontractors, and expect our partners to comply with the provisions of the Business Partner Code of Ethics. Additional provisions on the elimination of conflicts of interest are contained in the Articles of Association, the Responsible Corporate Governance Report and Statement and the Code of Ethics and Business Conduct.

Fair competition and anti-corruption

The changes that took place in 2022 also encouraged the company to meet the new and increasingly strict owner, regulatory and customer expectations. The company group strives for complete transparency in the design, presentation and application of its processes. In the year of the report no legal proceedings were initiated against the companies of the Group with regards to anti-competitive conduct or violations of anti-trust (including anti-monopoly) legislation.

It is an outstanding milestone that 4iG Plc. was the first market player in Hungary to comply with the ISO 37001 anti-corruption standard, which provides a strong anti-corruption control and monitoring system. The company assesses and evaluates corruption risks based on organisational units. The identified significant risks include the selection of suppliers and subcontractors, risk related to suppliers and customers, risk related to public procurement, deals concluded within the framework of a consortium, relationship with other official persons as well as sponsorship, donations, gifts, acquisitions and mergers. During the reporting period there were no confirmed cases of corruption at any of the Group's companies, and in 2023 no public legal proceedings were initiated in relation to corruption with respect to either member companies or employees. Knowledge of anti-corruption policies and procedures is mandatory for all Board Members and Operative Management members.

Highlights of our achievements in 2023:

- Continuous maintenance of the ISO 37001 anti-corruption standard certification
- Creating a Group-level Code of Ethics
- Beginning the establishment of Group-level ethical and anti-corruption requirements at subsidiary level
- Establishing a supplier qualification process to assess possible risks arising from cooperation and to increase control over the supply chain

5.2 Data protection and information security

GRI 3-3, 418-1

All 4iG member companies are committed to customer data protection, compliance with information security regulations and full investigation of complaint cases. The Group's clients are constantly changing, the number of residential customers are increasing. Keeping this in mind, special attention is paid to the protection of customers by introducing and expanding new data protection requirements.

In 2023 data protection officers working at the member companies of 4iG Group investigated the validity of complaints related to data protection.

4iG Group strives to ensure with the help of data protection officers that data protection compliance is supported with appropriate professional data protection advice and data protection audits at the individual member companies. The Group conducts risk assessment for each data protection-related concern, in which the opinion of the competent data protection officer is also requested.

At the same time, 4iG Group started to develop a uniformed data protection training for the employees of Group. Within this framework, 4iG Plc. made a new training material mandatory for its employees in 2023. In addition, Vodafone Hungary Plc. maintains mandatory annual data protection training.

5.3 Regulatory compliance and risk management

GRI 3-3, GRI 2-16, GRI 2-25, GRI 2-26, GRI 2-27

As in any business, the 4iG Group will encounter issues and shortcomings, the prompt resolution and proper communication of which is essential to enhance credibility.

4iG Group has developed a Crisis Communication Handbook to ensure that problematic situations are properly communicated and to avoid possible loss of reputation. It sets out the process for preparing for critical issues, the communication processes to be used in the event of a crisis and the framework.

Neither feedback from the authorities (legal non-compliance) nor shortcomings indicated by customers and employees (complaint management) can remain

unresolved. 4iG aims to resolve problematic situations, manage negative effects and properly communicate all this to the entities involved.

The concept of „significant legal non-compliance” is defined by 4iG Plc. partly based on the liability or the amount of the financial fine imposed by the acting authority or body (fine above HUF 5m) and partly based on the reputational and strategic risk contained in the legally binding decision made by the acting authority or body. The individual member companies basically use this definition method, but they can adapt the amount of the financial fine or liability and the reputational and strategic risk to the specific communication activity. The individual member companies defined in different ways what they consider to be significant legal non-compliance, and the concept of „significant legal non-compliance” is being unified at group level.



Risk management

4iG Group is working on creating a work environment and corporate culture that is capable of recognising and preventing the danger of risks occurring as well as ensuring the settlement of damage that has occurred.

The primary forum for indicating critical risks and negative effects is the risk management system, where stakeholders have the opportunity to indicate and weigh the real and potential risks they perceive. It is the duty of all employees to deal with critical situations and risks, as stipulated in the Code of Ethics and other – for example occupational health and safety – policies. The risk list is adopted annually, and the Head of Group Compliance submits a monthly summary of the reports to the Chair of the Ethics Committee.

Restoring negative impacts

Negative effects arising during 4iG Plc.'s activities are managed in accordance with the quality management system under the ISO 9001 standard. It is the duty of all employee to discover and prevent errors and deviations related to the operational processes and to the quality of the product or service.

At **Invitech** the followings are an important part of restoring negative effects based on the lessons learned:

- updating the rules, if necessary,
- clarifying the training material,
- intranet communication, where justified.

Targeted communication comes to the foreground in the case of external partners, where transparency and honesty are key elements.

At the Albanian subsidiary the compliance and risk committees dealt with the measures to be implemented in connection with the negative effects. If the negative impact was significant, the Board of Directors was notified. Notifications related to non-compliance are handled by the customer service, the sales area and HR, who also report the notifications to the compliance area. The effectiveness of the recovery process for negative impacts is monitored through external and internal audits.

Managing complaints and whistleblowing

The Company encourages the reporting of internal non-conformities and development proposals. Employees and business partners can also report their complaints, objections and any discrepancies through anonymous channels. Our complaint management process ensures the management and evaluation of feedback from the stakeholders as well as the taking the necessary measures.

In addition to general complaint management, employees and senior officials can request guidance from the compliance officer or the Ethics Committee if they need further guidance regarding certain behavioural requirements and expectations based on the legal requirements, the Code of Ethics or internal policies.

The member companies of 4iG Group have also set up a whistleblowing system in accordance with the applicable legal requirements, where they can report any behaviour that conflicts with the relevant legislation, or the Code of Ethics and internal policies.

After reporting the independent and impartial compliance officer investigates the case, and depending on its severity, the actual or potential negative impact is managed independently or with the involvement of the Ethics Committee, and finally with the involvement of the appropriate management level.

In 2023 the compliance officer did not receive any reports on corruption. Notification about the violation of ethical standards was sent in the case of DIGI Telecommunications and Services Ltd.; however, the investigation conducted by the compliance officer established no violation of ethical standards.

In order to increase awareness, in 2023 we laid a lot of emphasis on training, on making people aware of rights and obligations and on raising awareness of the requirements set out in the Code of Ethics.

The unit responsible for whistleblowing varies from subsidiary to subsidiary, typically the legal or compliance function performs the tasks, if needed, by involving other areas to the extent necessary for conducting the investigation. Among our subsidiaries, Antenna Hungária, DIGI,

Invitech, Vodafone, ONE Albania and ONE Crna Gora operated mechanisms for protecting whistleblowers in 2023. Some of the member companies already had their independent compliance function in 2023 (e.g. 4iG, Vodafone), and some member companies (e.g. DIGI) introduced it during the year 2023. The goal of creating an independent compliance function will continue to be a top priority for member companies also during 2024.

The Hungarian subsidiaries of the Group which did not yet have a whistleblowing system established one from 2023 – in accordance with the European Union directives and the Hungarian legal requirements transposing them – where employees, partners, customers and other people possessing information about the event can submit a report. In addition, 4iG Plc. operates an ethical reporting interface that is publicly accessible at group level – parallel with the whistleblowing channels of the member companies – where the operation and the declared basic principles of the system ensure protection for the whistleblowers and anonymous reports can also be made. The system is only used for reporting abuses and irregularities.



6. Environment

We are dedicated to reducing the energy consumption and greenhouse gas emissions occurring from our activities. We pay special attention to the prevention and continuous mitigation of environmental damage caused by our operation and to the increase efficient use of energy and natural resources. In the spirit of this endeavour, 4iG Plc. has introduced and is operating management systems according to the MSZ EN ISO 14001:2015 environmental management and MSZ EN ISO 50001:2019 energy management standards.

We continuously improve the energy and environmental awareness of 4iG employees in order to improve the quality and the standards of the activities carried out by the Group and to reduce the environmental impact.

6.1 Energy efficiency

GRI 3-3, GRI 302-1, GRI 302-3, GRI 302-4

4iG Group Procurement pays special attention to energy efficiency measures and the reduction of greenhouse gas emissions. The Group operates in a highly energy-intensive industry, where it has implemented several energy saving measures without incurring significant investment costs.

In the corporate sector it is common to use agreements with energy providers that stipulate the mandatory use of the contracted energy quantity. If the company

does not use the contracted quantity, it is obliged to pay a penalty to the energy provider. 4iG Group has successfully eliminated this. Procurement ensures energy efficiency improvements through contracts that allow the company to save energy without penalty, giving room for efficiency programs.

Our Procurement Handbook requires the consideration of energy efficiency indicators, integrating sustainability considerations during the evaluation and selection of suppliers.

The organisation did not use energy from renewable sources during the reporting period (above the renewable energy in the country energy mix); however, we set the goal of purchasing green energy within the framework of long-term agreements. Antenna Hungária, DIGI and Vodafone Hungary are the Group's companies with the largest energy consumption.

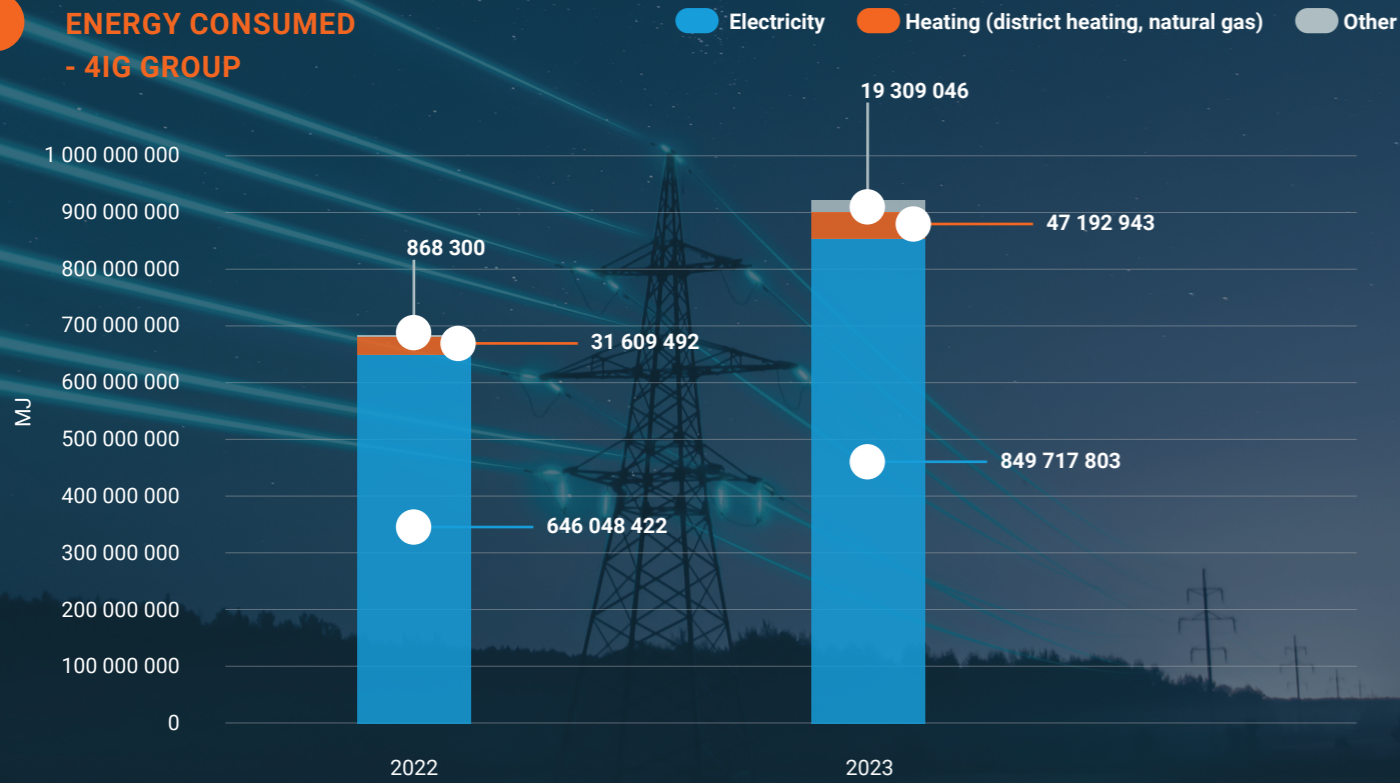
In 2023 the Group continued its car fleet reduction programme and provides electric scooters for its colleagues working in the field.

Energy consumption of the 4iG Group (2021-2022)	2022	2023
Total energy consumption within the organisation (MJ)	808,487,742	1 379 427 829
Non-renewable energy consumption (MJ)	808,487,742	1 379 427 829
Type of energy consumed (MJ)	678,526,214	983 040 350
Electric energy	646,048,422	849 717 803
Heating (district heating, natural gas)	31,609,492	47 192 943
of this: natural gas	21,180,650	26 758 522
of this: district heating	10,428,842	1 125 376
Other ⁸	868,300	19 309 046
Fuel	129,961,528	482 517 083
Petrol (MJ)	23,074,385	43 064 802
Diesel (MJ)	106,887,143	439 452 281
Renewable energy use (MJ)	0	0

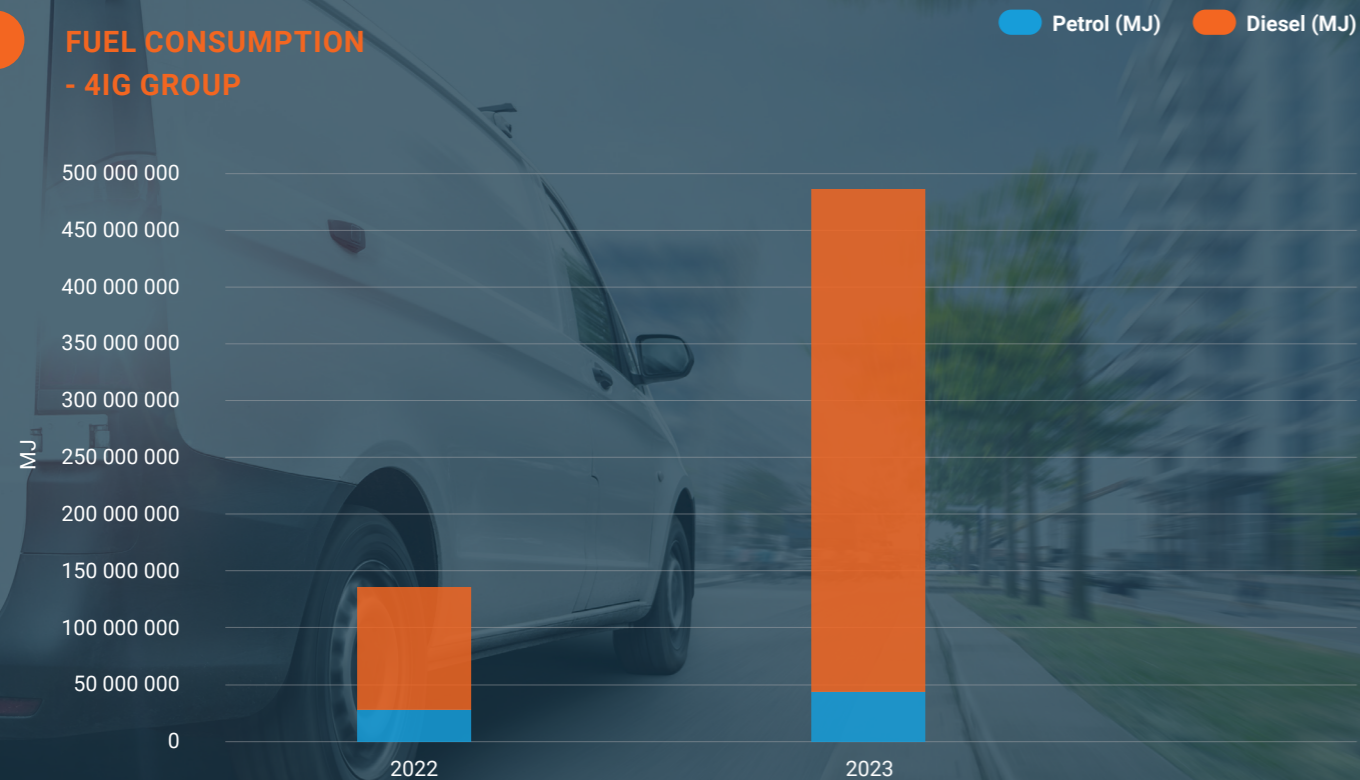
⁸ The 2021 energy consumption and emissions data only refer to One Telecommunications of the two Albanian subsidiaries, no data are available for ALBtelecom.

⁹ As for In case of Antenna Hungária: LPG and propane

ENERGY CONSUMED - 4iG GROUP



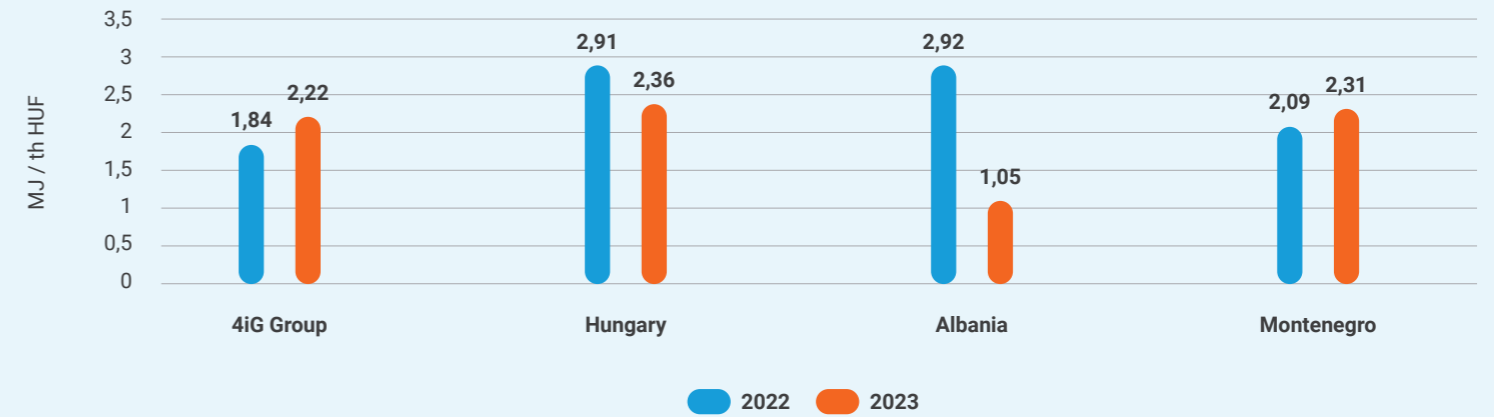
FUEL CONSUMPTION - 4iG GROUP



Energy intensity

Energy intensity is the ratio of the organisation's energy consumption and the economic value that it produces. The indicator shows how much energy consumption is required to produce a unit of income. Thus, the companies of the Group strive to reduce their energy intensity since the lower the value, the less energy is used to create a unit of economic value.

ENERGY INTENSITY



Entity	2022	2023
4iG Group	1,84	2,22
Hungary	2,91	2,36
Albania	2,92	1,05
Montenegro	2,09	2,31

¹⁰ For ALBtelecom, an energy intensity value for 2021 is not available due to the lack of energy consumption data.

Antenna Hungária also achieved a significant reduction in energy consumption as a result of the energy saving and energy efficiency initiatives. There was a significant reduction in energy consumption although the Company's energy intensity increased due to the change in sales revenue. In 2022-2023, savings of 8,948.76 GJ were achieved thanks to the application of MDCL technologies introduced on the medium frequency transmission network as well as to the heating modernisation of the buildings in Emőd, Pécs-Misina and Tárnok.

6.2 Greenhouse gas emissions

GRI 305-1, GRI 305-2, GRI 305-4, GRI 305-5, GRI 305-7

Greenhouse gases, such as carbon dioxide and methane, are warming the earth's atmosphere and reducing their emissions has become a pressing issue for all companies.

The different categories of greenhouse gas emissions are distinguished as follows.¹¹

- Own direct emissions (Scope 1) come from sources owned or controlled by the company.
- Own indirect emissions (Scope 2) come from the production of purchased energy. For example, emissions from grid electricity generation should be included in this category.

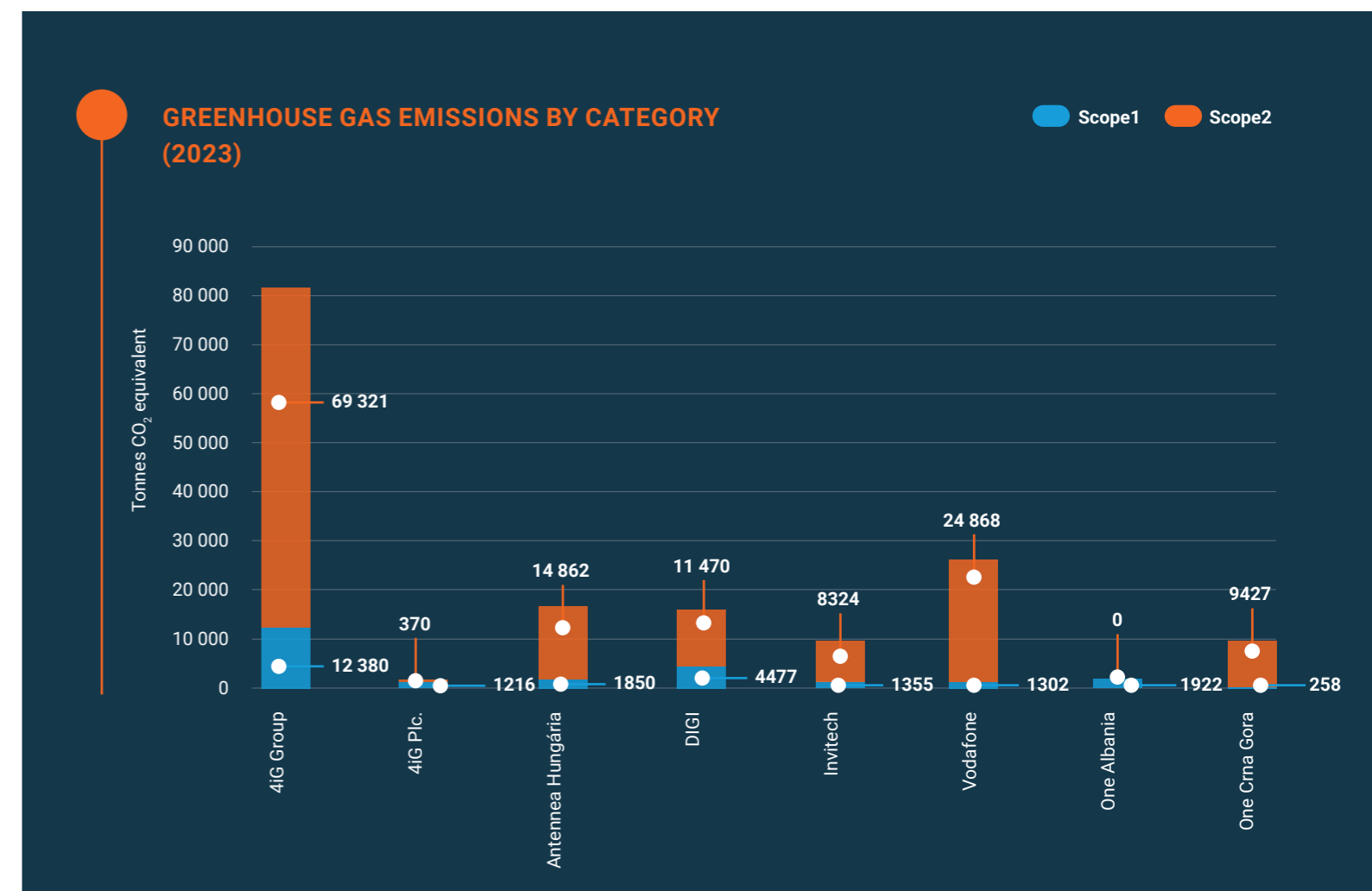
¹¹ Source of definitions: GHG Protocol.

- Indirect emissions (Scope 3) are the result of the organisation's activities, but do not originate from sources owned or controlled by the company.

During the reporting year, Group companies measured their Scope 1 and Scope 2 emissions individually, using a methodology that is not yet harmonized on Group level. In the future, the aim is to harmonize the measurement of emissions at Group level and to include Scope 3 emissions in the measurement scope.

The 2023 emission inventory of 4iG Group was prepared in accordance with the Greenhouse Gas Protocol. The rate of Scope 1 and Scope 2 emissions at member company level is presented in the table below.

Greenhouse gas emissions per company in 2023:¹²



Category (tons CO ₂ equivalent)	4iG Group	Antenna Hungária	DIGI	Invitech	4iG Plc.	Vodafone	One Albania	One Crna Gora
Scope 1 Own direct emissions	12,380	1,850	4,477	1,355	1,216	1,302	1,922	258
Scope 2 (market-based) Own direct emissions	69,321	14,862	11,470	8,324	370	24,868	0	9,427
Scope 1 + Scope 2 Emissions from own operations	81,701	16,712	15,947	9,679	1,586	26,170	1,922	9,685

¹² Emission values are presented as whole numbers according to rounding rules.

In 2023 the Scope1 and Scope2 emissions of the 4iG Group increased compared to the previous year, due to the Vodafone Hungary acquisition, which resulted in a total emission increase of 26,170 t CO₂e. The various measures launched by 4iG Plc. for energy efficiency and consumption

reduction, such as the conversion of the vehicle fleet, the reconstruction and modernisation of the office building in Montevideo Street – including the replacement of air conditioners, chillers and lighting fixtures – all result in a reduction of GHG emissions.

GHG intensity (Tonne of CO ₂ equivalent/ Revenue (billion HUF))	2023
4iG Group	131,53
Hungary	131,81
Albania	29,54
Montenegro	399,05

Intensity of greenhouse gas emissions

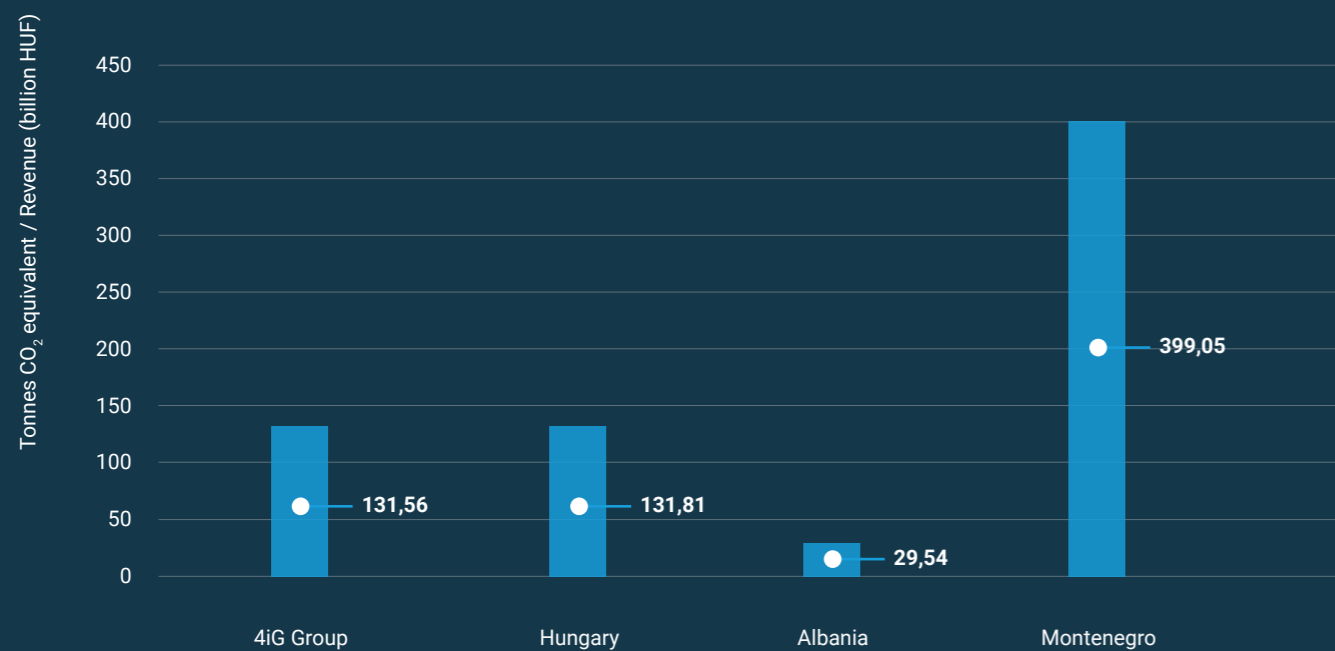
The intensity of greenhouse gas emissions (abbreviated: GHG) indicates how much greenhouse gas emission – in this case carbon dioxide equivalent – is associated with a unit (billion HUF) of economic value produced. In the year of reporting the GHG intensity of the 4iG Group was 131.53 tonnes of CO₂e/billion forints.

6.3 Waste management

GRI 306-1, GRI 306-3, GRI 306-4, GRI 306-5

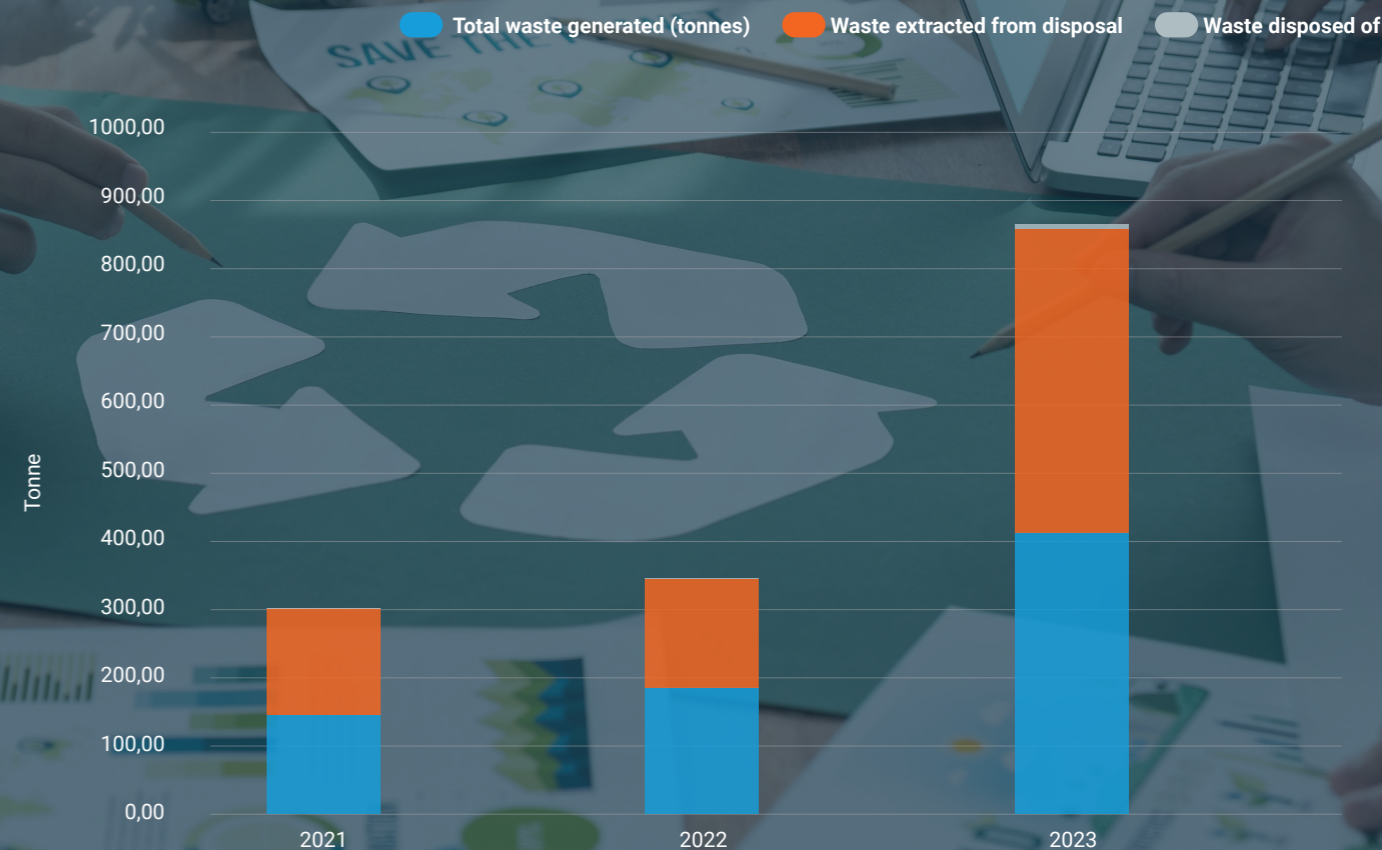
The range of activities involving significant actual and potential waste generation differs from company to company in the Group. The maintenance of the infrastructure, the IT operation and the maintenance of the networks involve the generation of electronic and other waste, such as waste from packaging materials. In addition, waste is also generated during procurement and distribution.

INTENSITY OF GREENHOUSE GAS EMISSIONS BASED ON THE ECONOMIC VALUE PRODUCED (2023)



¹³ Antenna Hungária's consolidation approach to emissions calculation took into account operational control and used a baseline as a benchmark. The methods used were based on inventory data, specialist reports, verified savings and savings sold in the EAA (MDCL technologies 2022).

PRODUCED WASTE – 4iG GROUP



Waste generated, removed from disposal and disposed (4iG Group)

Generated waste	2021 ^a	2022	2023
Total waste generated (tonnes)	154.21	185.61	440.41
of this: hazardous waste	8.20	18.77	53.17
of this: non-hazardous waste	146.01	166.84	387.24
method of treatment is unknown	0.00	0.00	0.00
Waste removed from disposal (tonnes)	148.50	181.33	428.08
Hazardous waste removed from disposal	8.01	18.43	42.03
Non-hazardous waste removed from disposal	140.49	162.90	386.05
method of treatment is unknown	0.00	0.00	0.00
Waste disposed of (tonne)	5.71	4.28	12.33
Hazardous waste disposed of	0.00	0.00	0.00
Non-hazardous waste disposed of	4.77	0.59	0.29
method of treatment is unknown	0.94	3.69	12.04

The change in the 2021-2022 data on waste generated/removed from disposal/disposed is a consequence of the fact that one of our member companies did not provide the waste data in tonnes but in the quantitative unit required by the country's legislation.

The amount of waste produced by the Group decreased by approximately 14% from 2022 to 2023. Within this, the amount of waste removed from disposal increased significantly, almost double, while the amount of waste disposed decreased by 45%. The result indicates the

Group's commitment to reducing waste generation and increasing the further use of the generated waste. The increase was caused by the integration of Vodafone Hungary within the Group. 7. Responsible employment

7. Responsible employment

7.1 Our employees

GRI 2-7, GRI 2-8, GRI 2-30, GRI 401-1, GRI 405-1, GRI 406-1

The 4iG Group regards its employees as the most important value as they contribute to the company's successful operations and continuous growth with their professional knowledge and personality.

In 2022 the biggest challenge was the dynamic growth of the corporate group. The merger of the various member companies required, and still requires significant and continuous harmonisation, especially in matters affecting employees. Thus, the year 2023 was already about construction and the establishment of the joint corporate value system, which will remain decisive in the life of the Group also in the following years. Our goal is to take advantage of the fact that each member company has strengths, knowledge bases and good practices that it can set an example for the others. We rely on these existing values when developing the corporate culture of the 4iG Group.

Numbers of employees

The total number of employees in the Group has increased significantly as a result of acquisitions. While the number of employees of the member companies included in the report was 4,741 in 2022, this value was already 7,599 in 2023, which represents a significant increase.

The majority of the employees are contracted to the member companies in Hungary. The Group welcomed more than a thousand new colleagues in Albania and Montenegro through the acquisitions, further diversifying the 4iG workforce.



¹⁴ When the GHG inventory was prepared, the two Albanian subsidiaries were treated as one.

The member companies joined the Group at different time during the year, so their activities were only partially included as part of 4iG, and the impact of the parent company's internal policies and culture on their operations is still limited. However, for the sake of comparability, we decided to publish the 2022-2023 data for the

entire calendar years of each subsidiary, ensure that we can draw the appropriate conclusions from changes in the data in the future.

The table below summarises the evolution of the number of employees in the last two years by gender and type of employment.¹⁵

Number of employees by type of employment and gender	Hungary		Albania		Montenegro		Total	
	2022	2023	2022	2023	2022	2023	2022	2023
Total number of person employed	3,556	6,548	833	698	352	353	4,741	7,599
Female							1,606	2,958
Male							3,135	4,641
Number of employees with open-ended contracts	3,551	6,485	833	698	286	353	4,670	7,536
Female							1,562	2,923
Male							3,108	4,613
Number of employees with fixed-term contracts	5	63	0	0	66	0	71	63
Female							44	35
Male							27	28
Number of people employed in non-guaranteed working hours	0	0	0	0	0	0	0	0
Female							0	0
Male							0	0
Number of full-time employees	3,477	6,313	832	698	348	350	4,657	7,361
Female							1,563	2,806
male							3,094	4,555
Number of part-time employees	79	235	1	0	4	3	84	238
Female							43	152
male							41	86

¹⁵ The number of employees reported in the report reflects the number of employees as at the last day of the respective calendar years.



At the end of 2023 the Group had a total of 2,211 non-employed workers. Most of them were students employed through a student association or workers on assignment contracts. The former help the work of internal colleagues with support, dispatching and administrative tasks in several fields, while the latter perform warehousing or other targeted tasks.

Our human resources strategy places great emphasis on the internship program, which gives young colleagues the opportunity to learn about the processes in a specific area. The company believes in nurturing young talent and aims to retain participants at the end of the program. The trainee program has a retention rate of 70-80%, making it a great success. Accordingly, the number of trainees will be deliberately increased in the future. The parent company had the largest number of trainees and workers on assignment contracts.

Employee turnover

In addition to changes in the Group, the number of employees was also affected by natural fluctuation. At Group level, the turnover rate decreased from 29.5% in 2022 to 18.8% in 2023. In 2022 some positions were merged at member company level in order to take advantage of synergies and increase efficiency, which resulted in a significant reduction in the number of employees; however, such measures were not necessary in 2023, so this fluctuation-inducing effect no longer occurred. On the other hand, the generally

high fluctuation rate characteristic of the IT and Telecommunications sector continued to have an impact on the decrease in staff. In addition to exits, many new entrants arrived: a total of 1,195 people joined the various special areas of the 4iG Group. Among the new colleagues there were career starters as well as professionals with more experience. Integrating employees into the new organization is an exciting challenge. The Group strives to meet the needs of its employees and increase their commitment.

New and departing employees ¹⁶	2022		2023	
	No.	%	No.	%
Total number of employees	4,741	100%	7,599	100%
Number of new employees	701	15%	1,195	16%
Female	294	6%	507	7%
Male	407	9%	688	9%
Under 30 years old	324	7%	510	7%
30-50 years old	319	7%	567	7%
Over 50 years	58	1%	118	2%
Hungary	536	77%	1,032	15.8%
Albania	94	13%	108	15.5%
Montenegro	71	10%	55	15.6%
Number of leaving employees	1,387	29%	1,428	19%
Female	588	42%	612	51%
Male	799	58%	816	161%
Under 30 years old	437	9%	399	58%
30-50 years old	776	16%	824	162%
Over 50 years	176	4%	205	36%
Hungary	947	68%	1,195	18.2%
Albania	401	29%	201	19.5%
Montenegro	39	3%	32	7.7%

¹⁶ The fluctuation rate is the ratio of the number of employees joining during the year to the total number of employees at the end of the year.
The turnover rate is the ratio of the number of employees leaving the enterprise during the year to the total number of employees at the end of the year.

4iG's parent company and most of its subsidiaries do not have a collective agreement. In the case of the companies included in the report, 15.1% of employees in Hungary and 100% of the employees of member companies in Albania and Montenegro had a collective agreement in 2023.

One Crna Gora DOO: The company concludes a collective agreement with the employees' representatives (trade unions) every three years, and this agreement partly covers the topic of human rights (mobbing, health etc.). The agreement specifies cooperation with employee representatives and the rights of trade union representatives. It is also specified that all employees have the right to creative input and to improve the Company's business processes. Employees can also send such proposals to the trade union. The trade union forwards these proposals to the appropriate organizational unit with professional support, which is obliged to inform the trade union about its standpoint regarding the submitted proposal.

ONE Albania concluded a collective agreement between the company and the Albania Post & Telecom workers' union. ONE Albania also applies a compliance management system certified according to the ISO 37301:2021 international standard, in which we introduce a separate policy, i.e. the code of human rights and basic social principles.

The Collective Agreement is based on the Labour Code and other ratified international agreements, and the Code

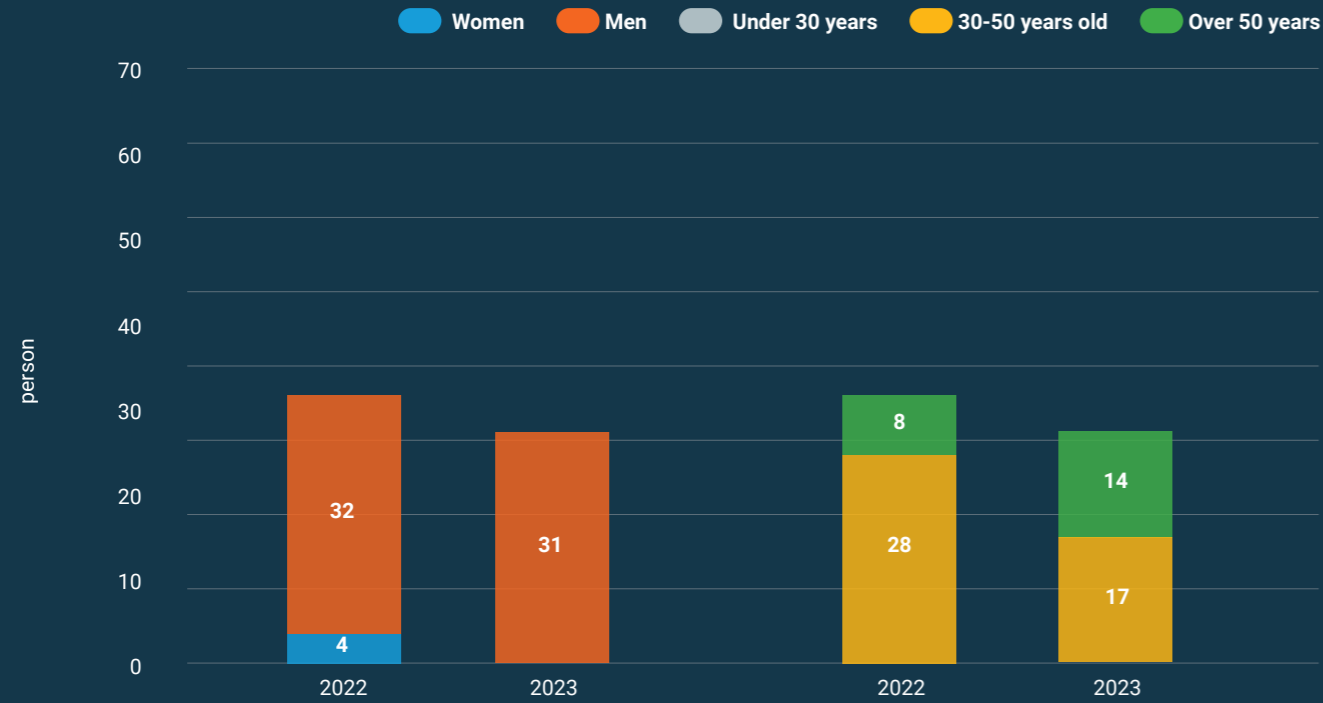
of Human Rights and Social Principles describes the company's commitment to respect and promote human rights and fundamental social principles, respecting and promoting the cultural, ethical, social, political and legal diversity in which it operates. The above Code is in line with internationally recognised norms, guidelines and standards, in particular the International Code of Human Rights, the ILO core conventions, the OECD guidelines, the UN Global Compact, the MNE Declaration and the UN Business and Human Rights Guidelines, recognising the responsibility of the company as a leading European telecommunications company to use its technology, products and services for promoting the respect of human rights.

Diversity

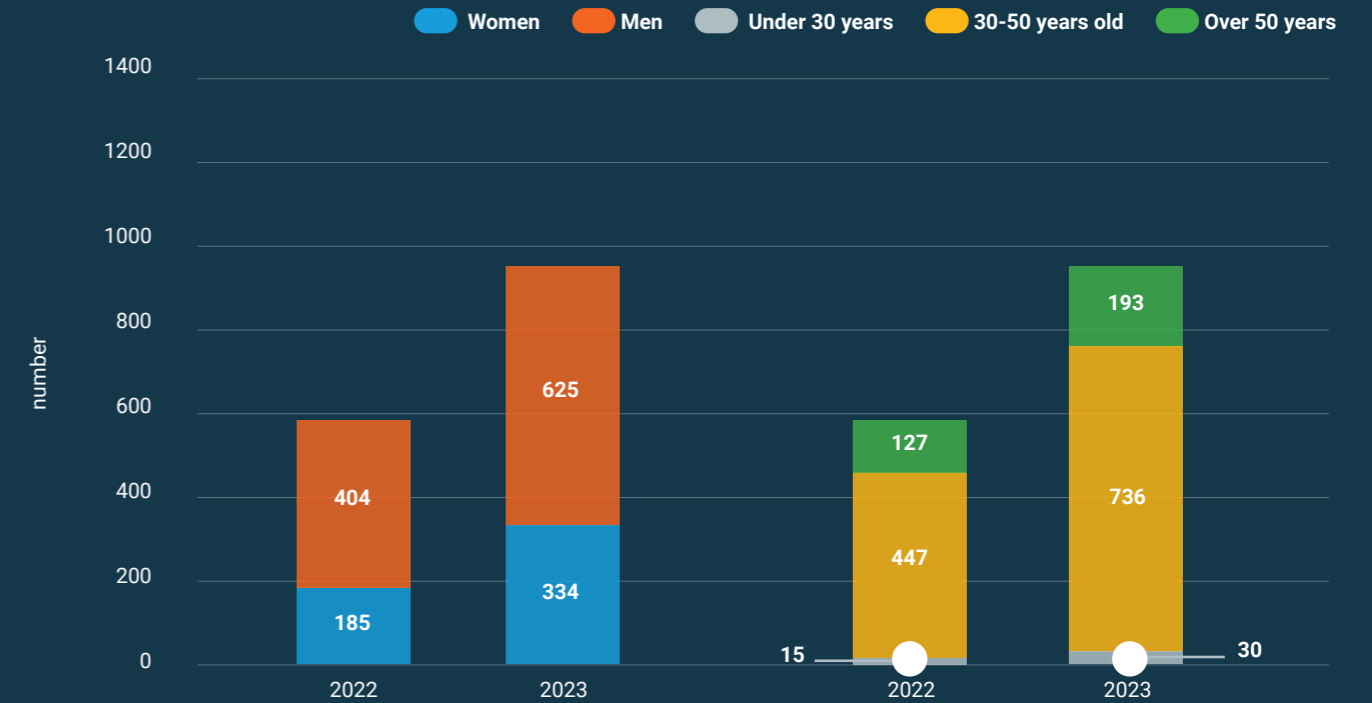
The expansion of the Group has provided a unique opportunity to embrace the value of diversity by bringing together subsidiaries with different backgrounds, experiences and cultures. The 4iG Group Code of Ethics emphasizes the promotion of diversity and equal opportunities and respect for each other.

Our aim is to ensure equal opportunities for all and to recruit and employ people regardless of their personal characteristics such as race, ethnicity, color, religion, political beliefs, origin, gender, sexual orientation, age, etc., gender identity or expression, nationality, marital status, pregnancy, maternity, genetic characteristics, health status or any other status, feature or characteristic protected by applicable law.

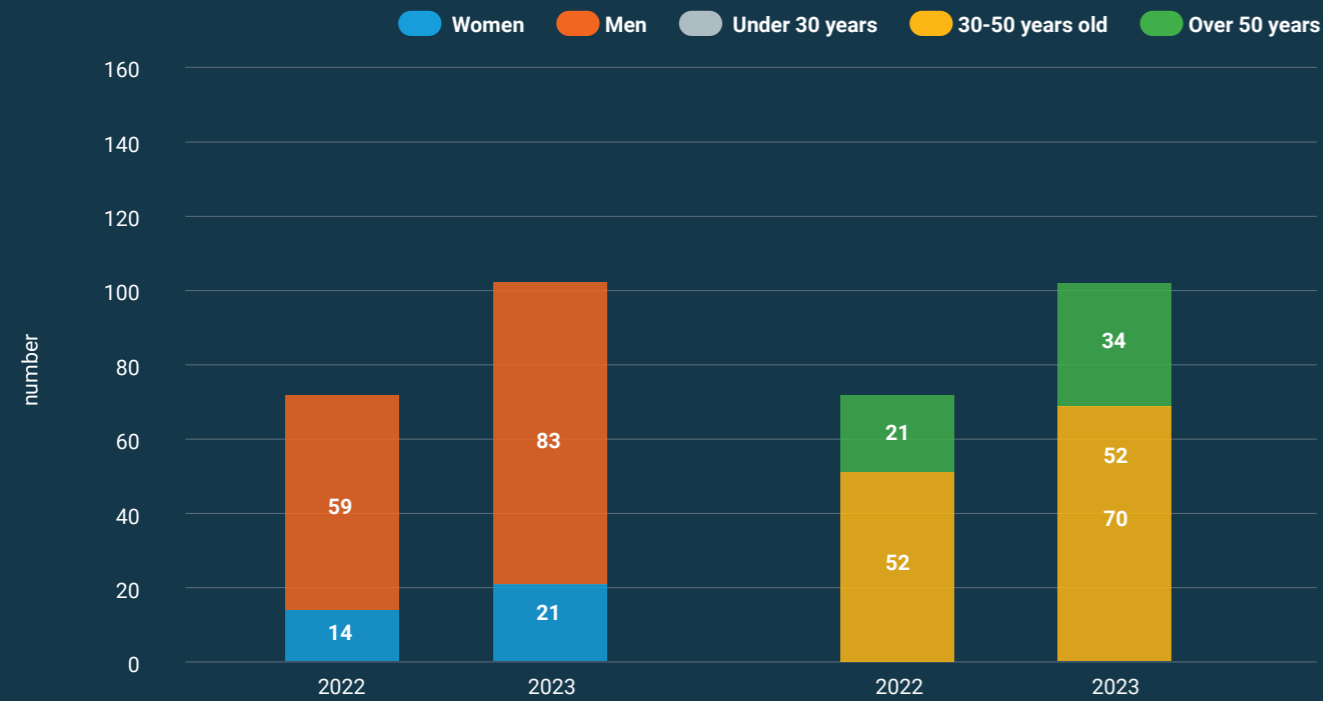
**DIVERSITY OF THE GOVERNING BODY
BY GENDER AND AGE GROUP –
4IG GROUP**



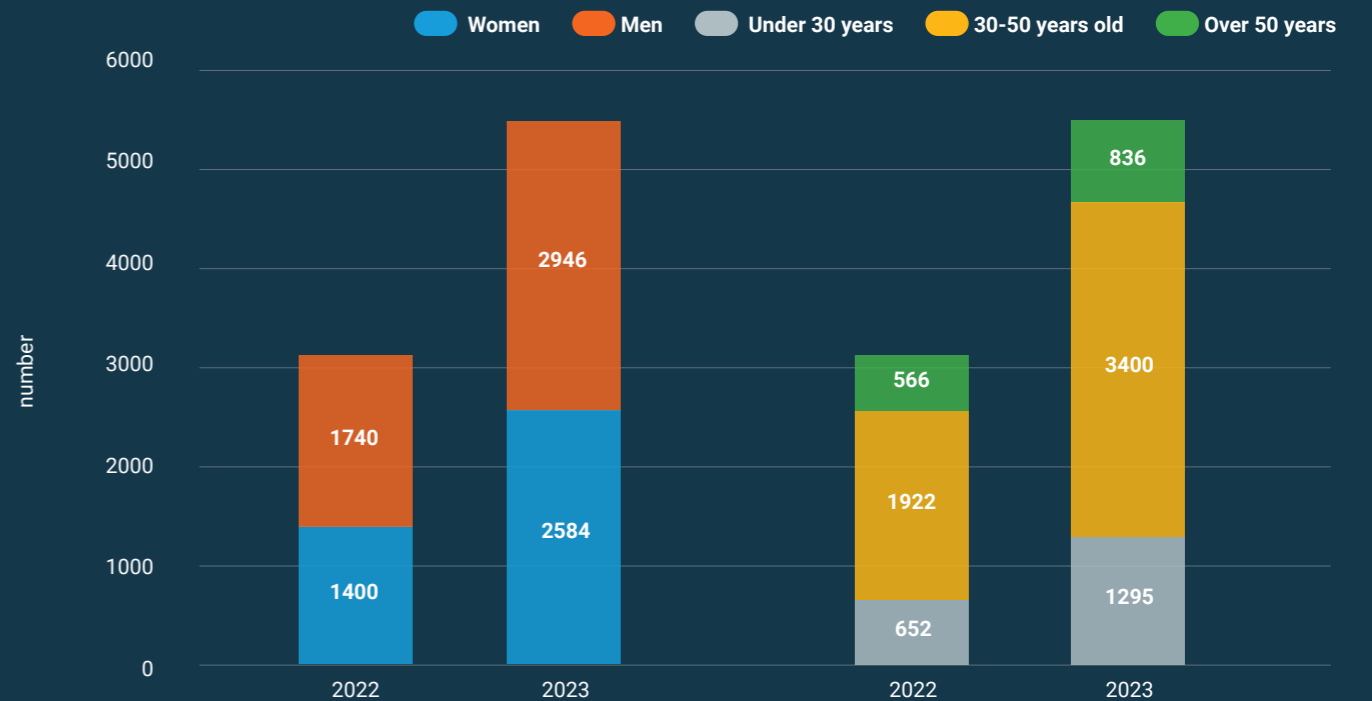
**DIVERSITY OF MIDDLE MANAGERS
BY GENDER AND AGE GROUP
4IG GROUP**



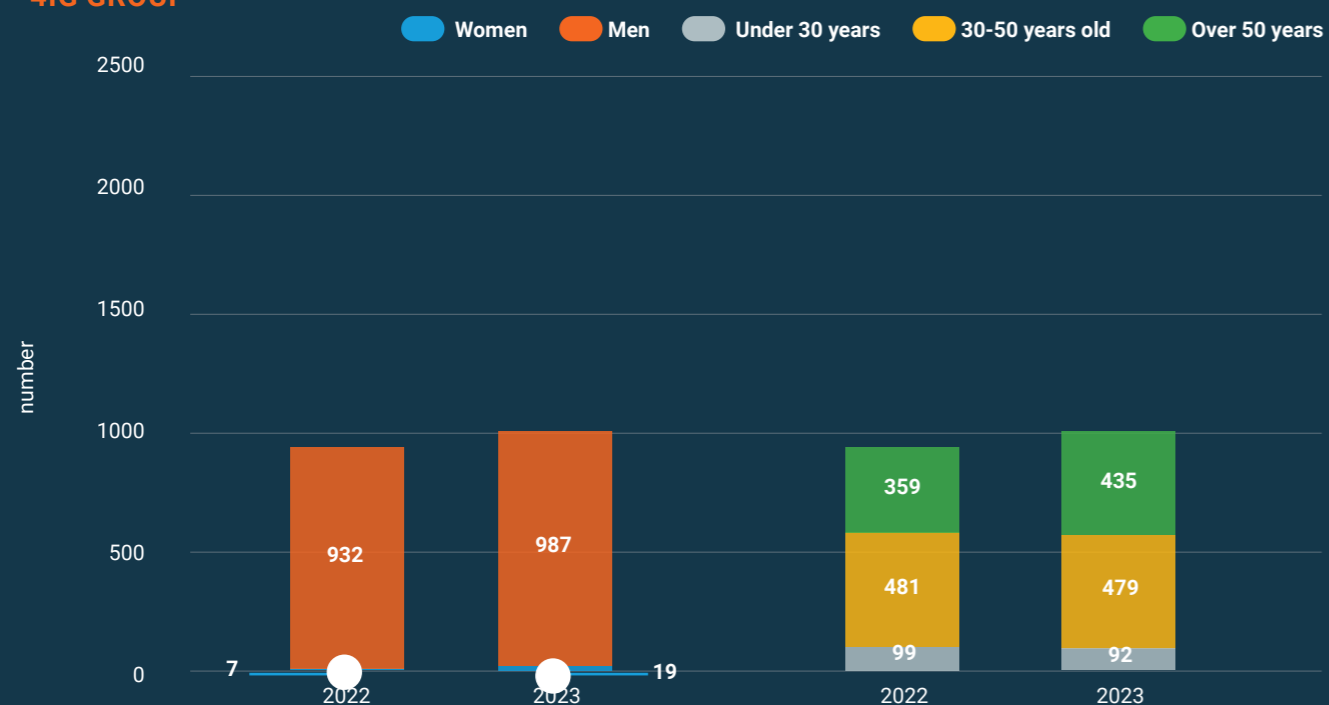
**DIVERSITY OF SENIOR MANAGERS
BY GENDER AND AGE GROUP
4IG GROUP**



**DIVERSITY OF INTELLECTUAL WORKERS
EMPLOYEES BY GENDER AND AGE GROUP –
4IG GROUP**



**DIVERSITY OF MANUAL WORKERS
EMPLOYEES BY GENDER AND AGE GROUP –
4iG GROUP**



HBLF X

4iG participated in the HBLF X mentoring programme. The aim of the programme is to connect the next generation of female leaders with international and local decision-makers and leaders.

In addition to creating equal opportunities, it is important to prevent all forms of discrimination. The 4iG Group takes firm action in all cases of suspected discrimination and expects all of its employees to refrain from any behaviour, measures, conditions, omissions, instructions or practices that lead to (direct or indirect) discrimination, harassment, ostracism, illegal segregation or retaliation. We are proud that during the reporting period there were no reported cases of discrimination at the companies belonging to the Group.

We strive to create a gender balance in our workforce, and we take this into account already upon recruiting. The percentage of women is typically lower in our industry, but it is an expectation towards the headhunters involved in recruitment that there should always be women on the list of candidates for each position.

The following tables show the overall distribution of employees of the Group member companies covered by the report as well as the distribution of the members of the governing bodies by gender and age.

Employee diversity	2022		2023	
	pcs	%	pcs	%
Governing body	36	100%	31	100%
Female	4	11.1%	0	0%
Male	32	88.9%	31	100%
Under 30 years old	0	0%	0	0%
30–50 years old	28	77.8%	17	%
Over 50 years old	8	22.24%	14	%
Senior managers:	73	100%	104	100%
Female	14	19%	21	20%
Male	59	81%	83	80%
Under 30 years old	-	0%	0	0%
30–50 years old	52	71%	70	67%
Over 50 years old	21	29%	34	33%
Middle managers	589	100%	959	100%
Female	185	31%	334	35%
Male	404	69%	625	65%
Under 30 years old	15	3%	30	3%
30–50 years old	447	76%	736	77%
Over 50 years old	127	22%	193	20%
Workers – intellectual	3,140	100%	5,530	100%
Female	1,400	45%	2,584	47%
Male	1,740	55%	2,946	53%
Under 30 years old	652	21%	1,295	23%
30–50 years old	1922	61%	3,400	61%
Over 50 years old	566	18%	836	15%
Workers – manual	939	100%	1,006	100%
Female	7	1%	19	2%
Male	932	99%	987	98%
Under 30 years old	99	11%	92	9%
30–50 years old	481	51%	479	48%
Over 50 years old	359	38%	435	43%

7.2 Remuneration, benefits

GRI 2-19, GRI 2-20, GRI 2-21, GRI 202-1, GRI 405-2

The 4iG Group is committed to pursuing a fair remuneration policy in accordance with the relevant legislation. The Group made efforts also in 2023 to reward the work of its employees with a varied and attractive package of benefits. Cafeteria, language courses, training schemes, mobile phone purchase, fleet mobile phone package extended to family members, sports and private healthcare allowance were also available in addition to wages.

Pursuant to the company's remuneration policy, the supreme governing body receives a fixed honorarium and no other benefits independent of performance. The CEO may receive only a one-off, event-triggered bonus subject to a decision by the board of directors. The top management of the Group generally has a fixed wage, and they can also receive variable remuneration in the event of achieving specific strategic

goals and tasks as well as goals tied to the financial results of the member companies. The company currently does not have a bonus component linked to ESG performance or sustainability goals. In the spirit of transparency, the compensation of the Board members is published in the remuneration report.

The process of determining remuneration is supervised by an independent remuneration committee. The general assembly can ask questions about the established remuneration policy, which the remuneration committee is obliged to answer. The finalised remuneration policy must be approved by the general meeting.

The 4iG Group also aims to set starting wages in line with the market conditions and in proportion to work with high added value. In general, entry-level wages for both female and male colleagues are much higher than the local minimum wage.

The 4iG Group conducts a survey of the differences between women's and men's wages every six months in order to promote women's equality. Due to the dynamic expansion of the Group, these surveys primarily aim to learn about the current situation and map the reasons behind the differences during the reporting period.

The 4iG Group determines wages in accordance with the market and the regulatory expectations. Hired employees have the opportunity to negotiate their wages within the salary range corresponding to their positions. In addition to the differences in the wage demands of the applicants, the wage gap between employees at the same level is determined to a significant extent by the employees' skills, qualifications or language skills.

Comparison of the basic wages of women and men	Senior managers:		Middle managers		Workers – intellectual		Workers – manual	
	2022	2023	2022	2023	2022	2023	2022	2023
4iG Plc.	70%	78%	92%	98%	76%	86%	89%	-
Antenna Hungária	-	-	103%	87%	78%	81%	-	-
DIGI	-	-	82%	83%	71%	76%	51%	68%
Invitech	-	-	85%	84%	81%	90%	-	-
Vodafone	107%	69%	110%	86%	128%	77%	110%	95%
ONE Albania	-	72%	79%	84%	84%	83%	32%	78%
One Crna Gora	80%	80%	80%	87%	84%	82%	-	-

The percentage of the general entry-level wage compared to the local minimum wage	2022		2023	
	Women	Men	Women	Men
4iG Plc.	231%	233%	219%	239%
Antenna Hungária	210%	280%	219%	280%
DIGI ¹⁷	216%	290%	153%	163%
Invitech	252%	258%	208%	235%
Vodafone	196%	203%	186%	233%
ONE Albania	172%	196%	188%	186%
ONE Crna Gora	108%	108%	126%	149%

¹⁷ As for DIGI, average entry-level wages were not available at the time of reporting.

The table below shows the rate of the annual compensation of the organization's highest paid employee compared to the median of the total annual compensation of all employees (excluding the highest paid employee) among the companies included in the report.

	2023
4iG Plc.	1,369%
Antenna Hungária	707%
DIGI	1,033%
Invitech	867%
One Albania	1,248%
ONE Crna Gora	1,186%
VFHU	1,317%

7.3 Employee well-being

GRI 3-3

Increasing employee wellbeing and satisfaction is key for the 4iG Group. We believe that committed employees represent a value that is indispensable for achieving success in business and operation.

We also pay attention to employees at team level. We supported the skills of our managers with team effectiveness training, which they can actively use to create appropriate team dynamics. Team leaders have broad discretion in initiating team-building training schemes. Short workshops or multi-day retreats, subject to the needs, are organised regularly in close cooperation with the HR department. Creating employee satisfaction is a challenge during the Group's rapid growth period, so we try to follow up the employees' attitude with Pulse Survey questionnaires at the member companies at a frequency varied year by year. We last conducted a comprehensive employee satisfaction survey in 2023 and intend to further develop its methodology in the future. The strategic goal of the organization is to create a measurement system that can help us get a more accurate picture of the areas of internal operation that need to be improved.

Several internal programmes have been introduced to improve the welfare of employees, including 4iG Care, which has been operating since the Covid-19 epidemic. The aim of the programme was initially to introduce health and life insurance covering all employees, which we continuously expanded according to the emerging needs. Today, 4iG Care provides a complex package of employee welfare services, emphasising the importance of physical and mental health. In the future we are planning to expand the range of services with health fund contributions. The Care programme has a pyramid structure. Most services are available at all employee levels. Colleagues in managerial positions can also attend additional manager screening.

The most typical health problems can be determined with the aggregated, anonymous processing of the results of the employees' fitness for work, to which we can provide answers with targeted solutions. For example, vision problems are common due to working in front of a computer – seeing the result, the Group increased the budget available for eyeglass support.

We regularly organise lectures on topics affecting physical and mental health within the framework of 4iG Care. During the summer months we drew attention to the dangers of sunbathing in the context of a lecture on skin diseases; after the outbreak of the Russian-Ukrainian war, financial

awareness supporting lectures were held in order to deal with financial uncertainties. The 4iG Care programme is also focused on promoting sports, which have excellent community-building power in addition to their health-preserving effects. Sport plays a decisive role in the life of 4iG at the level of the Group and the subsidiaries. As a result of an employee needs assessment, we started sports clubs, and several of them are run by the employees. Sports are supported from a separate budget: we spent HUF 10-10 million for this purpose in 2022 and 2023.

In addition to the sports clubs, the benefit package offers many discounted sports opportunities for employees.

Work-life balance

A good work-life balance improves wellbeing at work and prevents burnout and potential staff turnover in the long term. We continue to provide part-time employment and the possibility of partial home office work for our employees.

As a family-friendly workplace, we provide financial support for summer camp for the children of our 4iG and Invitech employees. During the year we also organise programmes for children, e.g. drawing competition and Santa Claus celebration. The Group believes that the implemented measures and practices contribute to increasing employee engagement.

7.4 Employee knowledge and skill development

GRI 3-3, GRI 404-1, 404-2, 404-3

Developing the skills and knowledge of employees

We believe that knowledge is a company's greatest asset. This is especially true in the IT and telecommunications industry, where continuous development and innovation are essential for maintaining a competitive, high-quality product and service portfolio. Developing the professional knowledge and competencies of our employees is of prime importance for ensuring their personal development and the efficiency of the organization. Accordingly, we continuously increased the training budget in recent years.

According to its training strategy, the 4iG Group applies what is called the „blended learning” approach: 70% of the employees' skills are developed during work, 20% through mentoring and coaching and 10% within the framework of training. When creating the individual training plans, attention is mainly paid to providing qualification-related training according to the legal regulations and the customers' expectations. A secondary aspect is the acquisition of other qualifications required for professional projects.

4iG Plc.'s own e-learning platform, which has been operating since 2021, offers diverse training and development opportunities for employees. In addition to training, specialised books and films as well as customised development proposals are available in specific topics. On the interface every employee can find the form of training that best suits their job.

In addition to e-learning courses, employees can also participate in professional training and language courses. The spectrum of training courses is extremely wide, you

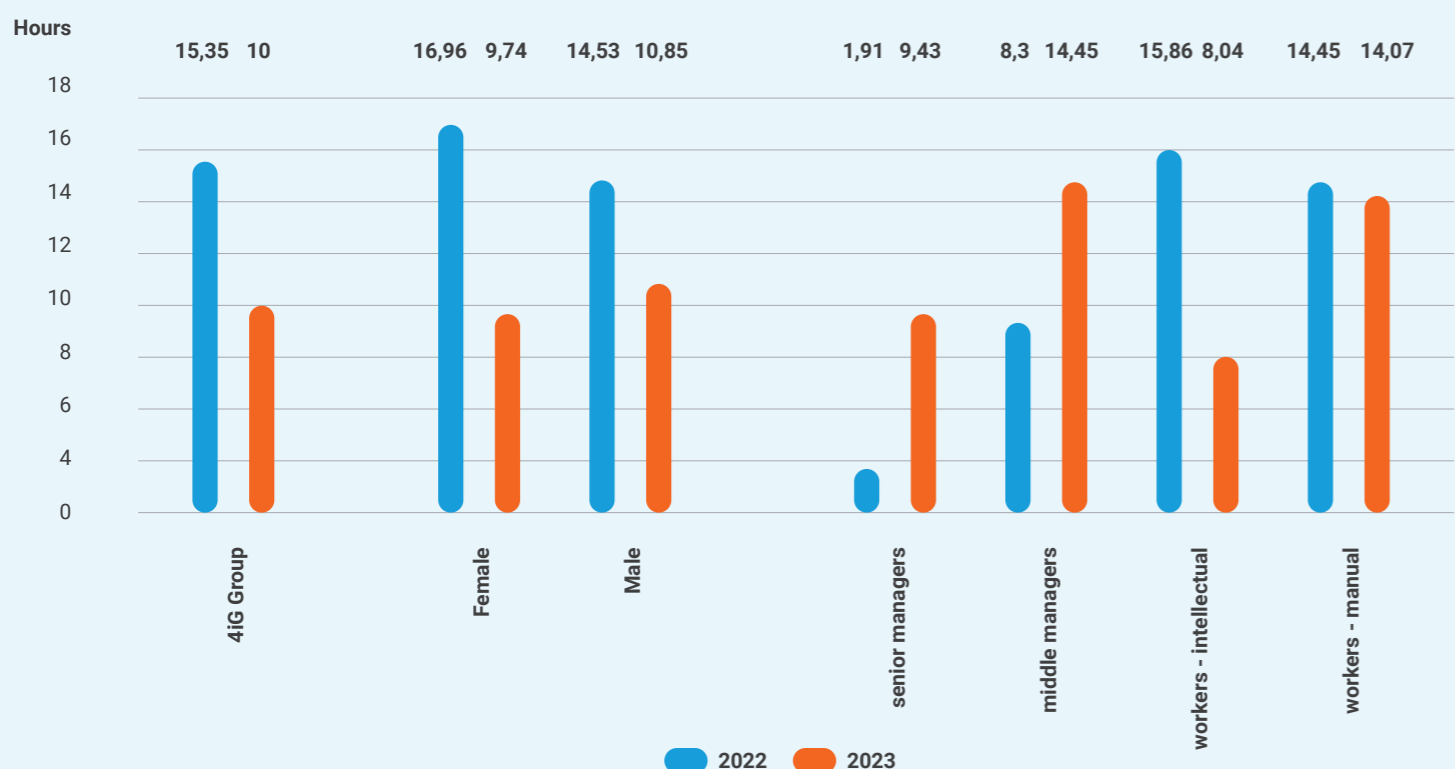
can choose from more than 1,000 different options. The Group typically relies on the expertise of external partners to conduct training. Approximately 70 percent of the training portfolio is professional training, and 30 percent is soft skill training.

The Group places particular emphasis on the training of managers. We regularly revise our management competence matrix, which summarises key capabilities, in line with the changes that take place in our company's life. Managerial training is typically organised in the form of offline

trainings and workshops designed by taking into account the needs of managers. By providing training we also meet the expectations of our customers who, for example, require 4iG Group employees to obtain various qualifications in order to successfully participate in tenders.

Supporting the individual development of our colleagues is important to us. In the spirit of this, we support several of our employees in the completion of higher studies with study contracts and we run language courses in order to develop their language skills. This also contributes to increasing the labour market value of our employees.

NUMBER OF TRAINING HOURS PER PERSON BY GENDER AND EMPLOYEE CATEGORY - 4IG GROUP



Number of training hours per gender and employee category	2022	2023
Total training hours	72,778	79,177
Number of training hours per person – total	15.35	10
Female	16.96	9.74
Male	14.53	10.85
senior managers	1.91	9.43
middle managers	8.30	14.45
workers - intellectual	15.86	8.04
workers - manual	14.45	14.07

The number of courses has increased significantly in recent years. HR has specified it as a future goal to set up a unified training management and analysis

system that can be used to more effectively monitor the interest in training as well as the effectiveness of training.

Talent Management

The expansion of the Group also posed a challenge in terms of identifying and retaining talent. To solve this problem, in 2022 we started developing various talent management programmes at parent company level, the most important is the 4iG Group Talent Programme, which we also continued in 2023.

In order to identify key talents, we started working on the creation of a unified talent management framework (model 3A) that is applicable to the entire Group. The finalisation of the model was planned for 2023, and its introduction is expected from 2024.

As one of the elements of talent management we introduced the EmpowerMe! mentoring programme, where the company managers can help the professional development of young people with their successful management experience. Mentoring also supports the organization's diversity goals: if possible, the members of the mentor-mentee pair will come from different companies, or even from different countries.

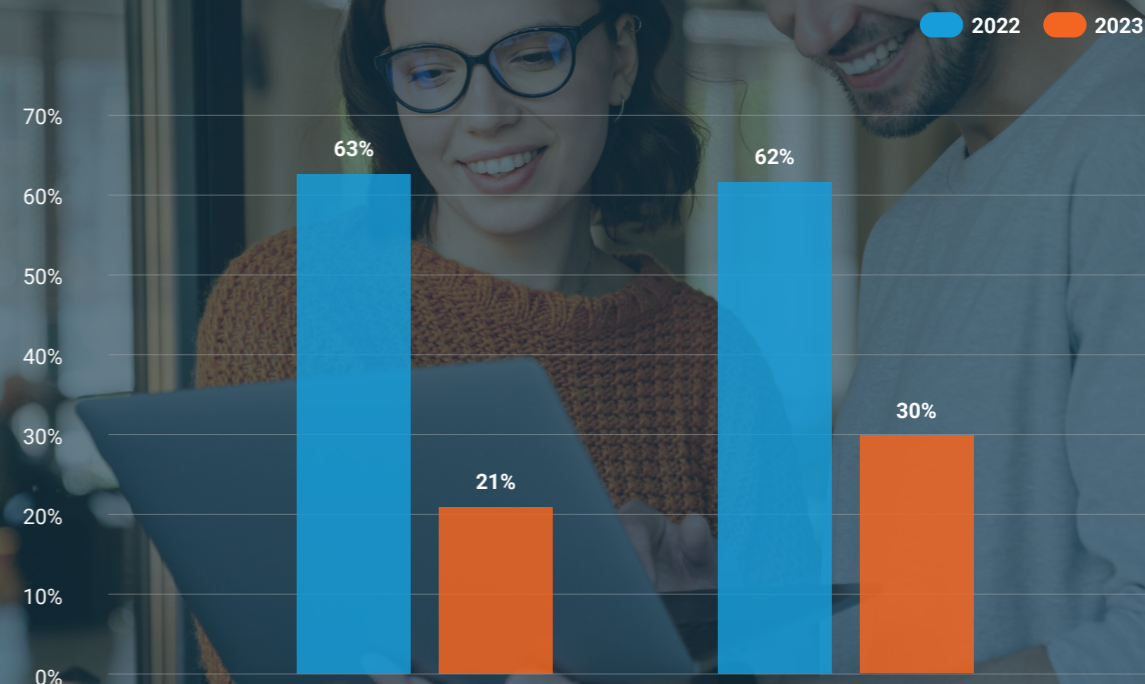
Our employees have the opportunity to use internal coaching and/or mental health support in any topic that is more challenging for them or in which they want to strengthen their individual coping strategy. The service can be accessed anonymously due to its confidential nature.

Not only talent development but also finding them outside the organization is important for the Group. The 4iG Group entered into a strategic partnership with key Hungarian universities (University of Szeged, University of Debrecen, University of Óbuda, Budapest University of Technology and Economics) to support the training of young people. Within the framework of the cooperation, the 4iG Group also provides support through lectures and practical training.

We are proud of our employees who provide outstanding performance, and we recognise them every year with the „Employee of the Year” award in the hope that their results have an inspiring effect on the company culture.

Percentage of employees receiving regular performance and career assessments	2022	2023
Total	62%	26%
Female	63%	21%
Male	62%	30%

THE PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER ASSESSMENT BY GENDER – 4iG GROUP



7.5 Occupational health and safety

GRI 3-3, GRI 403-2, GRI 403-3, 403-5, 403-9, 403-10

The 4iG Group intends to comply with the strictest occupational health and safety regulations with a view to its activities. The Group aims to prevent accidents and health risks by following the rules, by continuous inspections, by paying maximum attention to each other and by creating the culture of a safe working environment.

The occupational health and safety policy of the Group establishes the personal, material and organizational conditions of occupational health and safety. All of the

subsidiaries included in the report run a comprehensive workplace risk assessment and occupational safety system supported by an occupational safety representative and possibly by an external occupational safety service provider. The occupational health and safety risk assessment also covers the infrastructures operated by member companies – for example, mobile towers that ensure network coverage.

Depending on the activities of the member companies, we conduct risk analysis by examining the following areas and processes:

- workplaces, working environment
- machinery and equipment
- workplaces with screens, the psycho-social stress among employees
- manual transport of materials
- hazardous substances

The Group's employees regularly attend occupational health and safety training according to the local legislation in order to meet the strict occupational health and safety requirements and to create a safe workplace. In addition, the Group provides training in special jobs that require special occupational safety preparations (e.g. working at heights). Employees also receive first aid training at most member companies.

Employees are obliged to inform the employer immediately about any dangerous abnormality or malfunction, to eliminate it as expected from them or to request action from their line manager. The Group guarantees the right to refuse work in a health-threatening situation as well as protection against retaliation.

Several notification forms are available to the employees, such as:

- reporting to the immediate supervisor,
- notifying the fire and occupational safety officer,

- sending a message to a dedicated e-mail address,
- contacting the occupational health and safety officer.

During 2021-2023 there were no cases of work-related illness at the companies included in the report thanks to the occupational health and safety protection efforts. Work-related accidents also occur in low numbers among employees.

The main types of injuries experienced in 2023 were primarily: limb bone fracture and contusion, cut open and bruised limbs, pulled/torn muscles, sprained joints, electric shock.

In addition to preventing accidents, the 4iG Group also considers the preservation of the employees' physical health to be its fundamental task. Further services are also available to the employees in addition to the elements of the 4iG Care programme presented in the „Employee welfare” subsection. The subsidiaries included in the report adopt different approaches in order to prevent work-related health hazards and to reduce risks. In addition to regular occupational health examinations, 4iG Plc. employees receive a 10% discount at the parent company's healthcare provider partner. ONE Albania provides health insurance for its employees, while ONE Crna Gora and DIGI conduct regular health examinations and screenings for jobs that are deemed risky.

Work-related injuries	2021	2022	2023
Total hours worked	11,320,172	10,197,140	13,510,633
Number of fatal accidents	1	0	0
Number of fatal accidents per 1 million working hours	0.09	0	0
Number of accidents with significant consequences	0	0	1
Rate of accidents with significant consequences	0	0	0.07

8. CSR

The social responsibility activities of the 4iG Group are coordinated by the 4iG Foundation for Digital Society, which was set up for this purpose. The members of the foundation's board of trustees are the CEO and the top management, which shows the commitment of the organization at the management level.

We are convinced that there is a need for more diverse and comprehensive IT knowledge for all age groups and for both healthy and disabled people. For this reason and as a result of the 4iG Group's activities, the foundation pays special attention to digital education and development in disadvantaged regions.

The goals of the foundation are as follows:

- developing and supporting the digital infrastructure at educational institutions (kindergarten, primary school, secondary school, higher education), supporting the digital development and transition of education;
- supporting Hungarian and foreign social and professional organizations in areas related to digitisation, IT developments, training and dissemination of knowledge;
- IT education for disadvantaged and disabled people, as well as development and further training in the digital environment of disadvantaged social groups;

- scholarship-type talent management in IT and IT-related training and education fields;
- developing the IT knowledge, training, education and expertise of future generations in cross-border areas that are in line with the business policy of 4iG Plc.;
- supporting the digitisation of healthcare;
- supporting digitisation, developing the digital infrastructure in culture, sports and other fields;
- dissemination of digital knowledge;
- embracing and supporting causes of outstanding social importance.

Collaboration with the Hungarian Interchurch Aid is the 4iG Group's prominent social responsibility project. Within this framework the company donated HUF 12 million to alleviate the humanitarian disaster in Ukraine. The organization also supported the summer school of the University of Szeged with HUF 1 million, where the leading specialist of 4iG Mentor shared his knowledge of 3D printing technology with the participants.

In addition, the organization supported the Swiss Foundation for Cancer Research and for People Living with Pain with HUF 2 million, which was used for financing the operating costs of a mobile medical clinic. In addition to donations, the 4iG Group also takes an active role in sponsorship: it primarily sponsors events related to digitisation and infocommunications, such as Media Hungary or Internet Hungary.

9. EU Taxonomy Report

About the Taxonomy

The EU Taxonomy regulation (2020/852/EU) adopted by the European Commission is intended to create a classification system for sustainable economic activities. It aims to define the conditions under which certain economic activities are considered sustainable. The Regulation provides a common framework for interpretation across the EU and discourages unjustified use of the terms 'green' or 'sustainable'. The legislation also requires a range of financial and non-financial companies to report on the extent to which their activities meet the legislation's sustainability criteria. The reporting requirements are detailed in the Disclosure Delegated Act No. 2021/2178.

Companies subject to the scheme are required to report 3 financial indicators, respectively, according to two criteria: eligible and aligned economic activities..

The financial indicators to be presented for the two aspects are the turnover, CAPEX and OPEX values related to activities concerned. The exact interpretation of the indicators is detailed in Regulation 2021/2178.

Eligible economic activities

The first aspect is "eligibility", which shows the proportion of the economic activities of the reporting organisation that are included in the list of "eligible" activities compiled by the EU. This list contains the eligible/aligned activities that can be classified as sustainable under appropriate conditions. The related financial indicators can be used to calculate the proportion of an organisation's activities that are relevant in terms of the Taxonomy.

Aligned economic activities

If a company has eligible activities, it is necessary to examine in the second step whether these activities are carried out in a sustainable manner or not. The second aspect is "alignment", which shows the proportion of the aligned economic activities of a reporting organisation, i.e. those that are actually carried out in a sustainable manner based on the criteria system laid down by the EU. The alignment criteria belong exclusively to eligible activities; therefore, the ratio reported in relation to alignment cannot be higher than the ratio reported in relation to eligibility. The difference between the two ratios shows that the given organisation has activities that can be carried out in a sustainable manner according to EU criteria but the given organisation currently does not meet these conditions. In this way, this difference determines the development potential of the organisation.

Meeting the six environmental goals

The examination of alignment with the taxonomy is carried out in three steps:

1) The economic activity must significantly contribute to at least one element of six environmental protection objectives.

The six environmental protection objectives:

1. Mitigation of climate change
2. Adaptation to climate change
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Prevention and reduction of pollution
6. Protecting and restoring biodiversity and ecosystems

The suitability of the selected activities and their contribution to the environmental goals can be interpreted if the conditions defined in the technical examination criteria exist. In relation to the year 2023, for the time being, organisations have to examine the degree of alignment only with regard to the first two environmental goals.

2) The second criterion of „Alignment” is that, while supporting one environmental goal, the activity must not significantly damage the remaining five environmental goals (Do No Significant Harm – DNSH principle). The technical inspection criteria also cover the conditions for avoiding significant damage.

3) The third condition is the application of minimum safeguards. Accordingly, the company must demonstrate responsible business conduct in accordance with the international conventions on human rights, in line with the following: OECD guidelines for multinational enterprises and UN guidelines on the human rights responsibilities of business enterprises, including the principles and rights laid down in the International Human Rights Law and in the eight fundamental conventions identified in the declaration of the International Labor Organisation on fundamental principles and rights at work.

Activities aligned to the taxonomy:

Compliance with the EU Taxonomy was examined within the framework of the preparation of the sustainability report for 2023. As stated in the 4iG Group’s sustainability report, the 2032 report did not cover the entire consolidated company group; therefore, the EU Taxonomy compliance is limited to the companies included in the sustainability report (these are the following: 4iG Plc., Antenna Hungária Plc., DIGI Telecommunications and Services Ltd., Invitech ICT Services Ltd., Vodafone, ONE Albania sh.a and One Crna Gora DOO).

The following activities are relevant in the examined company circle:

6.5 Transportation by motorcycles, passenger cars and light commercial vehicles

6.6 Transport of goods by road

7.3 Installation, maintenance and repair of energy efficiency equipment

7.4 Commissioning, maintenance and repair of electric vehicle charging stations within buildings (and in the parking spaces belonging to buildings)

7.7 Purchase and ownership of buildings

8.1 Data processing service

8.2. Information technology service

8.2.M (Adapting to climate change) Data-driven solutions to reduce GHG emissions

8.3 Programming, broadcasting

9.3 Professional services related to the energy efficiency of buildings

13.3 Film, video production, television programme production, audio recording release

The taxonomic publication is detailed in the following tables based on the 2021/2139/ EU Regulation:

Economic activity	Codes	Absolute amount of sales revenue (million HUF)	Percentage of sales revenue (%)	Essential consent criteria							DNSH criterion (Do no significant harm)							Rate of sales revenue aligned with the taxonomy in 2021 (%)	Rate of sales revenue aligned with the taxonomy in 2022 (%)	Category (S: supporting activity)	Category (T: transition activity)
				Mitigation of climate change	Adaptation to climate change	Sustainable use and protection of water and marine resources	Transition to a circular economy	Prevention and reduction of pollution	Protecting and restoring biodiversity and ecosystems	Mitigation of climate change	Adaptation to climate change	Sustainable use and protection of water and marine resources	Transition to a circular economy	Prevention and reduction of pollution	Protecting and restoring biodiversity and ecosystems	Minimum safeguards					
A. Activities that can be aligned with the taxonomy																					
A.1. Environmentally sustainable (taxonomy-compliant) activities																					
Sales revenue from environmentally sustainable (Taxonomy-compliant) activities (A.1)		0	0%												0%	N/A					
A.2 Activities that can be aligned with the taxonomy but are not environmentally sustainable (activities not aligned with the taxonomy)																					
Data processing service	8.1	2 497	0,42%																		
Information technology service	8.2 A	69 023	11,61%																		
Data-driven solutions to reduce GHG emissions	8.2 M	1 784	0,30%																		
Programme composition, programme service	8.3	65 812	11,07%																		
Professional services related to the energy efficiency of buildings	9.3	59	0,01%																		
Film, video production, television programme production, audio recording release	13.3	9 928	1,67%																		
Sales revenue of activities that can be aligned with the taxonomy but are not environmentally sustainable (Activities not aligned with the taxonomy) (A.2)		149 103	25,08%	25,08%							25,08%	N/A									
Total (A.1 + A.2)		149 103	25,08%												25,08%	N/A					
B. Activities that cannot be aligned with the taxonomy																					
B. Sales revenue from activities that cannot be aligned with the taxonomy (B)		445 407	74,92%																		
Total (A+B)		594 510	100,00%																		

Economic activity	Codes	Absolute amount of CAPEX (million HUF)	Rate of CAPEX (%)	Essential consent criteria							DNSH criterion (Do no significant harm)							Taxonomy-aligned rate of CAPEX in 2022 (%)	Taxonomy-aligned rate of CAPEX in 2021 (%)	Category (S: supporting activity)	Category (T: transition activity)
				Mitigation of climate change	Adaptation to climate change	Sustainable use and protection of water and marine resources	Transition to a circular economy	Prevention and reduction of pollution	Protecting and restoring biodiversity and ecosystems	Mitigation of climate change	Adaptation to climate change	Sustainable use and protection of water and marine resources	Transition to a circular economy	Prevention and reduction of pollution	Protecting and restoring biodiversity and ecosystems	Minimum safeguards					
A. Activities that can be aligned with the taxonomy																					
A.1. Environmentally sustainable (taxonomy-compliant) activities																					
CAPEX of environmentally sustainable activities (Aligned with the taxonomy) (A.1)		0	0%													0%	N/A				
A.2 Activities that can be aligned with the taxonomy but are not environmentally sustainable (activities not aligned with the taxonomy)																					
Installation, maintenance and repair of energy efficiency equipment		7.3	65	0,15%																	
Purchase and ownership of buildings		7.7	0	0,00%																	
Data processing service		8.1	39	0,09%																	
Data-driven solutions to reduce GHG emissions		8.2 M	614	1,41%																	
Programme composition, programme service		8.3	501	1,15%																	
Film, video production, television programme production, audio recording release		13.3	57	0,13%																	
CAPEX of activities that can be aligned with the taxonomy but are not environmentally sustainable (activities not aligned with the taxonomy) (A.2)			1285	2,95%												2,95%	N/A				
Total (A.1 + A.2)			1285	2,95%												2,95%	N/A				
B. Activities that cannot be aligned with the taxonomy																					
B. CAPEX of activities that cannot be aligned with the taxonomy (B)			29 731	97,05%																	
Total (A+B)			30 633	100,00%																	

Economic activity	Codes	Absolute amount of OPEX (million HUF)	Rate of OPEX (%)	Essential consent criteria							DNSH criterion (Do no significant harm)							Share of OPEX aligned with the taxonomy in 2022 (%)	Share of OPEX aligned with the taxonomy in 2021 (%)	Category (S: supporting activity)	Category (T: transition activity)
				Mitigation of climate change	Adaptation to climate change	Sustainable use and protection of water and marine resources	Transition to a circular economy	Prevention and reduction of pollution	Protecting and restoring biodiversity and ecosystems	Mitigation of climate change	Adaptation to climate change	Sustainable use and protection of water and marine resources	Transition to a circular economy	Prevention and reduction of pollution	Protecting and restoring biodiversity and ecosystems	Minimum safeguards					
A. Activities that can be aligned with the taxonomy																					
A.1. Environmentally sustainable (taxonomy-compliant) activities																					
OPEX of environmentally sustainable activities (Aligned with the taxonomy) (A.1)		0	0%												0%	N/A					
A.2 Activities that can be aligned with the taxonomy but are not environmentally sustainable (activities not aligned with the taxonomy)																					
Transportation by motorcycles, passenger cars and light commercial vehicles		6.5	6 079	26,66%																	
Freight transport by road		6.6	39	0,17%																	
Installation, maintenance and repair of electric vehicle charging stations within buildings (and in the parking spaces belonging to buildings)		7.4	43	0,19%																	
Purchase and ownership of buildings		7.7	1 808	7,93%																	
Data processing service		8.1	616	2,70%																	
Data-driven solutions to reduce GHG emissions		8.2 M	59	0,26%																	
Programme composition, programme service		8.3	7 142	31,32%																	
Film, video production, television programme production, audio recording release		13.3	1 881	8,25%																	
CAPEX of activities that can be aligned with the taxonomy but are not environmentally sustainable (activities not aligned with the taxonomy) (A.2)			17 667	77,48%																	
Total (A.1 + A.2)			17 667	77,48%												77.48%	N/A				
B. Activities that cannot be aligned with the taxonomy																					
B. OPEX of activities that cannot be aligned with the taxonomy (B)			5 135	22,52%																	
Total (A+B)			22 802	100,00%																	

The financial indicators were calculated according to the guidelines of Delegated Regulation 2021/2178/EU.

The activities of the company group are not aligned with the taxonomy for the time being, there are deficiencies in several cases of the „Alignment” conditions. The goal of the 4iG Group is to improve these conditions in the following years in order to achieve better compliance.

10. GRI Content Index

In addition to the indicators designated by the GRI standard, the Group also used its own indicators with the designation 4IG-X to measure its sustainability performance.

GRI Standard	GRI disclosure	Page number	Comments
GRI 2: General disclosures 2021	2-1 Organisational data	5	
	2-2 Entities included in the organisation's sustainability report	5	
	2-3 Reporting period, frequency and contact	5	
	2-4 Restatements of information	5	The 2021–2023 waste data have been republished, and the range of companies included in the report has changed.
	2-5 External assurance	5	
	2-6 Activities, value chain and other business relationships	6	
	2-7 Employees	35	
	2-8 Workers who are not employees	35	
	2-9 Corporate governance structure and composition	9	
	2-10 Nomination and selection of members of the highest governing body	9	
	2-11 Chair of the highest governance body	9	
	2-12 Role of the highest governance body in overseeing management impacts	10	
	2-13 Delegation of responsibility for managing impacts	10	
	2-14 Role of the highest governance body in sustainability reporting	10	
	2-15 Conflict of interest	9, 20	

GRI Standard	GRI disclosure	Page number	Comments
GRI 2: General disclosures 2021	2-16 Communication of critical concerns	9, 23	
	2-17 Collective knowledge of the highest governance body	9	
	2-18 Evaluation of the performance of the highest governance body	9	No sustainability aspects were included in performance assessment in 2023.
	2-19 Remuneration policies	44	
	2-20 The process of determining remuneration	44	
	2-21 Total annual compensation rate	44	
	2-22 Statement on the sustainable development strategy		
	2-23 Policy commitments	6, 20	
	2-24 Embedding policy commitments	20	
	2-25 Processes to remediate negative effects	23	
	2-26 Mechanism for seeking advice and raising concerns	23	
	2-27 Compliance with laws and regulations	20, 23	
	2-28 Organisational memberships	6	
	2-29 Stakeholder engagement	11	
2-30 Collective agreements	35		
GRI 3: Material topics 2021	3-1 The process of defining material topics	5, 10	
	3-2 List of material topics	5, 10	
	3-3 Management of material topics	14, 17, 18	
Business operations 4IG	3-3 Essential topics	20, 23, 26, 46, 47, 51	
	4IG-1 Flexible business operation	14	
Innovation 4IG	3-3 Essential topics	22	
	4IG-2 Use of innovative solutions	17	
Customer satisfaction 4IG	3-3 Essential topics		
	4IG-3 Customer satisfaction	18	
GRI 201: Economic Performance 2016	201-1 Direct economic value produced and distributed	14	
	201-4 Financial assistance received from the government	14	
GRI 202: Market presence in 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	44	

GRI Standard	GRI disclosure	Page number	Comments
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	16	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	20	
	205-2 Communication and training on anti-corruption policies and procedures	20	
	205-3 Confirmed incidents of corruption and actions taken	20	
GRI 206: Anti-competitive behaviour 2016	206-1 Legal actions for anti-competitive behavior, antitrust, and monopoly practices	20	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	26	
	302-3 Energy intensity	26	
	302-4 Reduction of energy consumption	26	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	30	
	305-2 Energy indirect (Scope 2) GHG emissions	30	
	305-4 Intensity of greenhouse gas emissions	30	
	305-5 Reducing greenhouse gas emissions	30	
	305-7 Emissions of nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air pollutants	30	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	33	
	306-3 Waste generated	33	
	306-4 Waste extracted from disposal	33	
	306-5 Waste for directed to disposal	33	
GRI 401: Employer practices 2016	401-1 New employee hires and employee turnover	35	
GRI 403: Occupational health and safety 2018	403-2 Hazard identification, risk assessment and accident investigation	51	
	403-3 Occupational health services	51	
	403-5 Worker training on occupational health and safety	51	
	403-9 Work-related injuries	51	
	403-10 Work-related illness	51	

GRI Standard	GRI disclosure	Page number	Comments
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	47	
	404-2 Programs for upgrading employee skills and transition assistance programs	47	
	404-3 Percentage of employees receiving regular performance and career development reviews	47	
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity of governance bodies and employees	35	
	405-2 Ratio of basic salary and remuneration of women to men	44	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	35	
GRI 418: Consumer data protection 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	22	

An aerial photograph of a dense forest, viewed from above, with a semi-transparent blue overlay. The trees are in various shades of green, and the overall scene is centered around the text.

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