

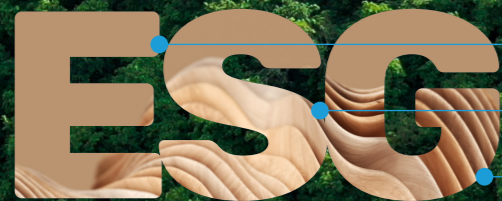


SUSTAINABILITY  
REPORT



2022





environmental  
social  
governance

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## 1. About the report

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

Reporting period	1 January – 31 December 2022 (financial year 2022)
Reporting frequency	annually
Reporting standard	GRI Standards (2021) <sup>1</sup>
External assurance	The report has not been subject to assurance.
Previous report date	01/ 09/2022

Although the subsidiaries included in the report have been part of the 4iG Group since the above dates, the 2022 Sustainability Report will include the full year data of the subsidiaries for 2021-2022 to ensure comparability between years.

Questions about the Sustainability Report are welcome at [esg@4ig.hu](mailto:esg@4ig.hu).

### 1.1 Processes to determine material topics

GRI 3-1, GRI 3-2

This report presents the Group's ESG<sup>3</sup> activities according to the issues of material interest to the 4iG Group. In order to identify material issues and focus areas, a materiality assessment was carried out, based on the guidelines of the international reporting standard, GRI Standards (2021).

In the first phase of the research, we supplemented the 4iG Group's list of 2021 material topics with benchmark analysis (determining material topics for international competitors and business partners) and industry-specific recommendations from MSCI<sup>4</sup> and SASB<sup>5</sup>. These were used to create a 'long-list', following an impact assessment and weighted by stakeholder input according to a double materiality approach, taking into account financial, environmental and social materiality.

#### Double materiality

The Corporate Sustainability Reporting Directive (CSRD), which has been adopted by the European Parliament and will come into force in 2024, requires companies covered by the CSRD to report on their sustainability activities according to material issues. The principle of double materiality is the guiding principle for defining material topics.

While financial materiality is the impact of sustainability issues on the company's business performance, results and position, environmental-social materiality is the company's impact on the economy, environment and society<sup>6</sup>.

<sup>1</sup> Global Reporting Initiative (GRI)

<sup>2</sup> \*Since 1 January 2023, ONE Albania has been created through the merger of ALBtelecom and ONE Telecommunications

<sup>3</sup> Environmental, Social, Governance - used in the report as a synonym for sustainability

<sup>4</sup> Morgan Stanley Capital International

<sup>5</sup> Sustainability Accounting Standards Board

<sup>6</sup> GRI definition of materiality

### THE COMPANIES INCLUDED IN THE REPORT AND WHEN THEY JOINED THE 4IG GROUP:

COMPANY NAME	JOINED THE 4IG GROUP
<b>4iG Plc</b>	
Invitech ICT Services Kft.	30 September 2021
"ANTENNA HUNGARIA" Zrt.	11 April 2022
DIGI Távközlési és Szolgáltató Kft.	3 January 2022
One Crna Gora DOO	21 December 2021
ALBtelecom sh.a. <sup>2*</sup>	4 March 2022
One Telecommunication sh.a.*	21 March 2022

Stakeholders from our domestic and international subsidiaries - business partners, managers and employees - were also involved in the materiality assessment, which was conducted through a management workshop, employee and external stakeholder questionnaires. This resulted in the 4iG Group's Materiality Matrix and Topic List.

The content of the Sustainability Report and our subsequent ESG strategy will be based on these topics.

LIST OF MATERIAL TOPICS	RELATED CHAPTER
1 Customer satisfaction	Economic performance
2 The well-being of our staff	Responsible employment
3 Data protection and information security	Responsible corporate governance
4 Safety and health at work	Responsible employment
5 Developing the skills and knowledge of workers	Responsible employment
6 Prevention of anti-corruption and anti-competitive behavior	Responsible corporate governance
7 Use of innovative solutions	Economic performance
8 Legal and ethical compliance	Responsible corporate governance
9 Attracting and retaining talent	Responsible employment
10 Flexible business operation	Economic performance
11 Energy efficiency and greenhouse gas emissions	Environment



## 2. Welcome message from the CEO

**Péter Fekete**

*Group CEO*  
4iG Plc

### Dear Reader,

**4iG Plc, Hungary's leading infocommunications and technology group, has undergone tremendous development in 2023. The Group has grown not only in size and revenue, but also in the number of employees, which is a huge responsibility not only for long-term strategy, but also for day-to-day decision making. As one of the largest ICT companies in the CEE region, 4iG pays special attention to the written and unwritten rules of sustainable development. For the management of the 4iG Group and all its employees, forward thinking is part of the basic philosophy.**

As our business grows, so does our impact on the environment, so social, environmental and climate standards are essential building blocks in defining our strategy. Our goals for a sustainable future are implemented through specific programs and the results are summarized in the Group's annual Sustainability Report.

Over the past two years, 4iG has not only become the leading systems integrator in the IT market but has also strategically expanded its telecoms interests. Our goal is to create an infocommunications group with a dominant position not only in Hungary but also in the region, with B2B and B2C services that build on each other. Our companies are linked by decades of expertise and industry knowledge, which can be a catalyst for sustainable development in the years and decades to come.

The 4iG Group pays particular attention to compliance and sustainability issues, especially with regard to training and the practical application of acquired skills, and accordingly their practical application is reflected in our internal policies and job descriptions.

Reducing the impact of climate change is at the heart of our Group strategy and we

are focused on building a cleaner future. As a digital company, 4iG's innovative services also contribute to the sustainable operations of our partners and customers. The 4iG Group's environmental and energy management systems comply with international standards and are gradually being extended to the new subsidiaries that have joined the Group. The company also offers its partners solutions specifically designed to optimize and reduce the use of energy and other consumption factors, thereby increasing the efficiency of industrial and agricultural production while significantly reducing the carbon footprint of these activities. The exemplary sustainability culture that has been built up in the IT sector in recent years is being extended to the telecommunications companies that have recently joined the Group. Reducing energy consumption has been made a priority project for the 4iG Group in 2022, and our existing infrastructure will be replaced with more efficient equipment as it reaches the end of its useful life. We will strive to reduce the 4iG Group's paper consumption. We will implement a post-qualification process that will allow us to expect our suppliers to strive for sustainability.

We recognize the need to find answers to questions that affect society. IT and telecoms have long been a male-dominated field, but every year 4iG companies have a higher proportion of female employees. We are taking further steps to create more attractive conditions for female employees in our companies and thus further improve

the gender balance. We regard cultural diversity as a core value of our Group and therefore reject any form of discrimination. We are committed to creating and maintaining a safe working environment and, in addition to the Occupational Health Service, we encourage our employees to participate in regular screening and medical examinations. We are introducing a new occupational health and safety system to help our colleagues protect their health.

The 4iG Group will do its utmost to meet its commitments and create a more sustainable environment for its employees, investors, partners and communities. Our priority is to minimize the impact of climate change on the Group's operations. We believe that digitalization is the key to a fairer society and a greener future!

## 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, knowledgebase and capital strength 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 and the Western Balkans. Its innovative approach and position as the leading IT systems integrator in Hungary make the Group a leading provider of services to consumers and businesses in the region's digital transformation.

4iG has been present in Hungary for almost three decades, with a strong track record in innovative technologies and all segments of digital solutions. Today, it has a presence in the aerospace and defense industries, as well as in IT and telecommunications.

The companies included in the 2022 Sustainability Report are interested in the first two industries, so the rest of the report focuses on them.

#### 4IG PLC - INFORMATION TECHNOLOGY

The solutions of 4iG Plc can be divided into five major groups:

- Industry-specific digitalization solutions – business solutions, products and services for industrial digitalization across a range of industries;
- Managed IT services – outsourced operations and support services for medium and large enterprises, government needs, 24/7, on-site and remote resources;
- Solution development, business systems – complex projects, front- and backend software development, ERP systems, business data analysis;
- IT Infrastructure, systems integration – data center, network, cloud and client systems, using both traditional and next generation technology solutions;
- Cybersecurity – active prevention and post-intervention, from advisory services to 7x24 monitoring, technology integration to developer, application code security.

#### ANTENNA HUNGÁRIA ZRT.

(HEREINAFTER ANTENNA HUNGÁRIA) - TELECOMMUNICATIONS

Antenna Hungária's core activities include broadcasting, telecommunications, production and multimedia, supported by a significant infrastructure. Its portfolio of products and services includes:

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

#### DIGI TÁVKÖZLÉSI ÉS SZOLGÁLTATÓ KFT.

(HEREINAFTER: DIGI) - TELECOMMUNICATIONS

The diversified Group is active in the following markets: telecommunications services; transport, infrastructure and tourism; media and communications; and telecommunications services. It provides fixed and mobile telecommunications services in the areas of telephony (fixed and mobile telephony), internet (fixed and mobile internet) and television (cable and satellite television). It provides mainly domestic retail and wholesale services to both residential and business customers.

## **INVITECH ICT SERVICES KFT.**

(HEREINAFTER REFERRED TO AS INVITECH) - TELECOMMUNICATIONS

In the field of telecommunications and infocommunications services, Invitech provides services to the medium and large corporate, government and institutional sectors. The focus is on data transmission, telephony, server hosting and hosting, 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.

## **ONE TELECOMMUNICATIONS SH.A. ÉS ALBTELECOM SH.A.** TELECOMMUNICATIONS

The two Albanian subsidiaries merged during 2023 and continue to operate under a new name, ONE Albania. The two predecessor companies were also active in the telecommunications sector, with their main profile being the sale of mobile, fixed, IPTV, and fiber devices and the operation of mobile networks throughout Albania.

## **ONE CRNA GORA DOO** TELECOMMUNICATIONS

One Crna Gora, which is active in the mobile telecommunications sector and other telecommunications activities, focuses primarily on the traffic, development and use of mobile telecommunications networks in 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 in 2021 and 2022 will be the organizational expansion and the tasks associated with it. The subsidiaries that have joined the Group will have to

harmonize their operations in many areas, which will require the standardization of internal rules, policies and processes. This process is still ongoing at the time of writing 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 main governing bodies of 4iG Plc are the General Meeting, the Board of Directors, the Supervisory Board and the Audit Committee. Their roles, responsibilities and how their members are selected are described below. The figures for the number of members of these bodies reflect the situation in 2022, the current information is available on our website and the relevant provisions are set out in the Articles of Association.

The 4iG Group is committed to ensuring that the overall knowledge of its governing bodies are in line with the organization's ESG ambitions. To ensure that our management and supporting experts are up to date with sustainability issues, they are attending a range of compliance, energy management and quality management training courses. And a strong sustainability perspective and skills are a key factor in the selection of members of the Professional Advisory Board, which supports the Board of Directors.

### **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.

### **Directorate**

The Board of Directors of the Group is the executive body of the public limited company and its members are considered to be the senior management of the Group. In this capacity, the management cannot be instructed by the shareholders or employees of the company and the Board of Directors exercises its rights and fulfils its duties 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 2022, 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 Annual General Meeting for an indefinite term, are eligible for re-election and may be removed from office at any time. The Board of Directors is responsible

for all matters relating to the management and business of the Company that are not reserved by the Articles of Association or by law for the exclusive attention of the General Meeting of Shareholders or other governing bodies of the Group.

### **Supervisory Board**

The Supervisory Board supervises the management of the Group. In this context, it may request information from the management and inspect the books and records of the company. The general meeting of shareholders decides on the election, dismissal and remuneration of its members.

In 2022, the Supervisory Board consisted of four independent members. Its tasks, powers and functioning are laid down in the Civil Code, the Articles of Association, and the Rules of Procedure of the Supervisory Board.

### **Audit Committee**

The members of the Audit Committee, which consists of three members, are elected by the General Meeting from among the members of the Supervisory Board. At least one member of the Audit Committee must be qualified as an accountant or auditor. The duties, powers and operation of the Audit Committee shall be governed by the Civil Code, the rules of the Budapest Stock Exchange and the Articles of Association.

The curricula vitae of the Board of Directors, senior executives and the Supervisory Board can be found on our website.

### **3.3 Organizational governance of sustainability**

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

The 4iG Group aims to develop an appropriate sustainability, environmental and quality management strategy applicable to all member companies and to raise sustainability commitments to the same level. Our ambition is backed by senior management commitment: a Sustainability Committee has been established to develop and coordinate the Group's ESG activities. The committee has Group-wide authority and is chaired by senior management.

Our plans for 2023 include the development of an organizational structure to support the management and implementation of ESG activities, creating synergies between the Group and its member companies. This will also help to ensure consistent sustainability data collection and smooth reporting and disclosure.

In 2022, there were still significant differences in the sustainability management of individual member companies.

ONE Crna Gora reviews and develops ESG processes at a higher level, covering the entire value chain, which is considered exemplary within the Group. The company assesses and monitors the environmental footprint of its supply chain participants, requires responsible business and employment practices, and promotes sustainable practices among

suppliers with the aim of reducing risks, increasing resilience, and improving overall environmental and social performance.

In addition, the company is raising awareness among consumers and other stakeholders about the importance of recycling e-waste through the „Buy Back” campaign, the promotion of the e-SIM digital card and e-invoicing. Management regularly reviews the organization's environmental management system on an annual basis to ensure its continued suitability, adequacy and effectiveness. A designated senior manager is responsible for the management of the organization's environmental impacts, and related responsibilities have been extended to lower levels of staff.

### **3.4 Our relationships with our stakeholders**

GRI 2-29

The 4iG Group has a wide range of stakeholders, including the European Union and the countries in which we operate, management, employees, subcontractors, suppliers, customers, owners and shareholders, all of whom have a strong presence in our business. When identifying stakeholder requirements, 4iG Plc distinguishes between mandatory requirements, non-mandatory stakeholder expectations and voluntary commitments made to stakeholders. We typically use website disclosure and email communication to engage with stakeholders.

Employees, suppliers, public authorities and professional organizations are key stakeholders in all our businesses, as the effectiveness of our engagement with them affects our business results. Strengthening stakeholder engagement at Group level is part of our short-term plans.



## Organizational memberships

The Group considers it important that, in addition to their business activities, individual member companies participate

in various professional platforms, industry and other professional organisations and initiatives, thereby contributing to the development of the profession as a whole.

### MEMBER COMPANY

#### 4iG PLC

### ORGANIZATIONAL MEMBERSHIP

Projektmenedzsment Szövetség (Project Management Association)  
American Chamber of Commerce  
Hungarian Business Leaders Forum  
Neumann János Computer Science Society  
IVSZ Association of Information Technology, Telecommunications and Electronics Enterprises  
Business Council for Sustainable Development in Hungary (BCSDH)  
Hungarian Precision Association  
5G Coalition  
MI Coalition  
Drone Coalition  
Blockchain Coalition  
Blockchain Hungary Association  
MAJOSZ  
MAGE  
Association of Electronic Payment Service Providers

### MEMBER COMPANY

#### ANTENNA HUNGÁRIA

### ORGANIZATIONAL MEMBERSHIP

Baranya County Chamber of Engineers  
Borsod-Abaúj-Zemplén County  
Budapest and Pest County Chamber of Engineers  
ÉTOSZ Interest Defence Consultancy Limited Liability Company  
Scientific Association for Telecommunications and Information Technology  
Association of Information Technology, Telecommunications and Electronics Enterprises  
Telecoms Stakeholder Council (BSE)  
Internet Service Providers Council  
LoRa Alliance  
Hungarian Logistics, Purchasing and Stockholding Company  
Hungarian Project Management Association  
Hungarian Advertising Association  
Hungarian Bar Association  
Professional Association of Hungarian District Heating Providers  
MBT Organizacija  
Logistics Managers Club for large companies  
Self-Regulatory Advertising Board  
Saldo Financial Advisory and Information Technology Ltd.

### MEMBER COMPANY

#### DIGI

### ORGANIZATIONAL MEMBERSHIP

Telecoms Stakeholder Council (HÉT)  
MKSZ - Hungarian Communication Association

### MEMBER COMPANY

#### INVITECH

### ORGANIZATIONAL MEMBERSHIP

Telecoms Stakeholder Council (HÉT)  
American Chamber of Commerce (AmCham)  
IVSZ Alliance for the Digital Economy  
Hungarian Cable Communications and Infocommunications Association  
Organisations under the Digital Agenda: 5G Coalition, AI Coalition

### MEMBER COMPANY

#### ONE TELECOMMUNICATIONS AND ALBTELECOM

### ORGANIZATIONAL MEMBERSHIP

Foreign Investors Association of Albania (FIAA)  
American Chamber of Commerce in Albania (AmCham)

### MEMBER COMPANY

#### ONE CRNA GORA

### ORGANIZATIONAL MEMBERSHIP

Global System for Mobile Communications Association (GSMA)  
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 will seek 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 the member companies involved in telecommunications has 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. The Albanian subsidiaries achieved improved business performance through cost optimization and the expansion of their subscription services. The companies are 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.

#### Informatics

The business performance of 4iG's IT division was negatively impacted by adverse macroeconomic trends, rising inflation, high energy costs and a decline in public sector orders. However, these negative effects were offset by competitive sales in the market for innovative services – industrial digitalization, custom application development, cloud services.

The IT division performed exceptionally well in the area of IT operational services for the financial sector.

72% of the Group's net sales were generated by the Telecommunications Division and 28% by the IT Division.

#### Financial assistance received from government

Among the companies of the 4iG Group, only Antenna Hungária received financial support from the State. In 2021 and 2022, the company used HUF 459 818 917 and HUF 602 939 833, respectively, which qualify as subsidies, for investments, R&D and other purposes.

The Hungarian State owns 23.22% of Antenna Hungária. The Hungarian State is also a shareholder in DIGI, ALBtelecom, One Telecommunications and One Crna Gora (indirectly through Antenna Hungária). In addition, 13.78% of ALBtelecom is owned by the Albanian Ministry of Finance.

#### Creation and distribution of direct economic value

Creation and distribution of direct economic value	Group	Hungary	Albania	Montenegro
<b>Economic value generated (th HUF)</b>	439 134	357 013	59 880	22 241
<b>Distributed economic value (th HUF)</b>				
Operating costs	303 251	201 856	87 962	13 424
Wages, benefits of employees	51 278	40 793	7 218	3 267
Payments to investors (interest, dividends, etc.)	39 003	35 281	3 401	320
Payments to government (taxes, penalties)	2 287	759	638	889
Community investment (charity, CSR, etc.)	-	-	-	-
<b>Economic value retained (th Ft)</b>	43 314	78 314	-39 339	4 342

Economic value created and allocated by group and country (2022)



## 4.2 Purchasing practices

GRI 204-1

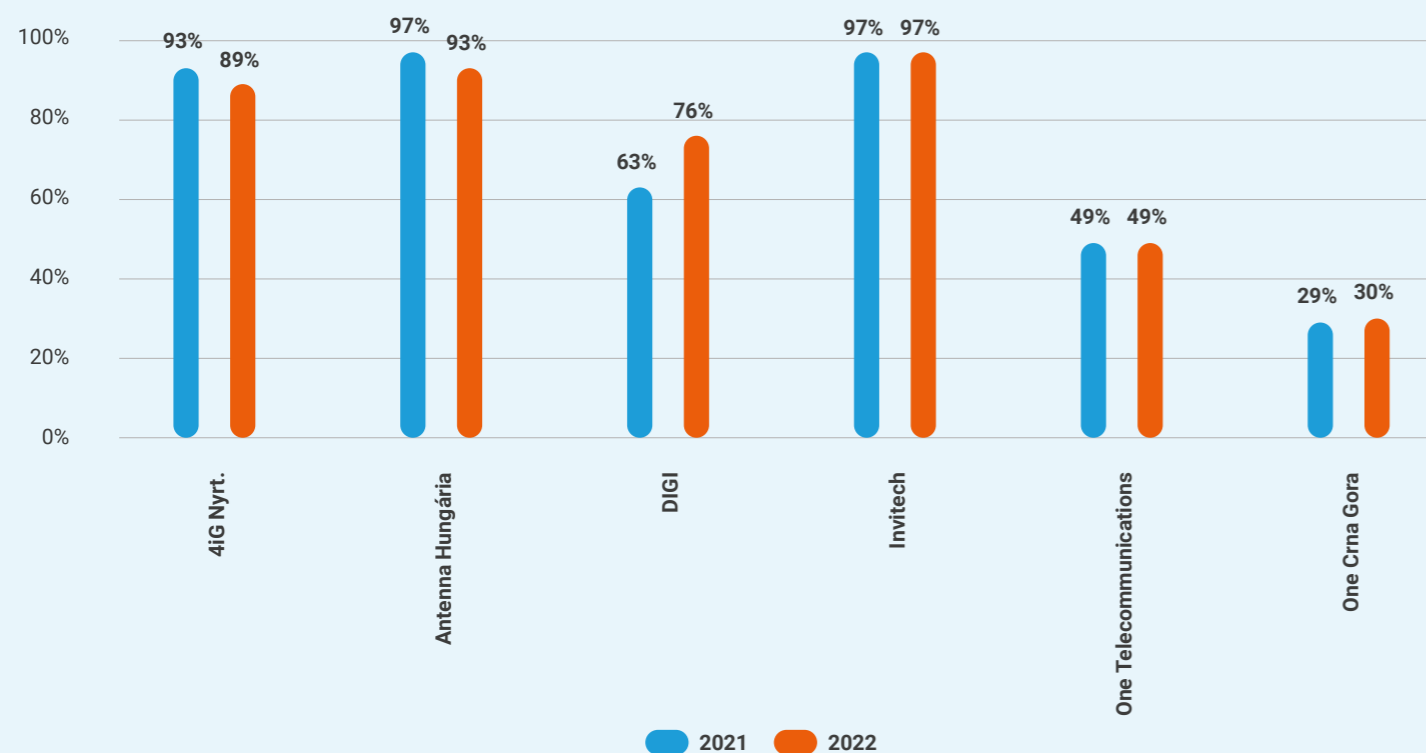
### Percentage of spending on local suppliers

The vast majority of the Hungarian subsidiaries' procurement budgets are spent with domestic suppliers. The company has a strong local presence.

Compared to 2021 and 2022, only DIGI shows a significant change, with a further increase in the weight of domestic suppliers.

In contrast, Albanian and Montenegrin companies maintain an internationally diversified network of suppliers. Local suppliers were paid 50 and 30 percent of the procurement budget respectively.

### PERCENTAGE OF SPENDING ON LOCAL SUPPLIERS



Percentage of the procurement budget spent with local suppliers at major sites<sup>7</sup>

<sup>7</sup> No data are available for ALBtelecom.

## Responsible procurement

The 4iG Group is committed to a transparent and open procurement process. The company fully supports and is committed to the fight against corruption and the prevention of corrupt activities. To ensure anti-corruption behavior at Group level, it includes an anti-corruption clause in all its contracts. In addition, the 4iG Group Business Partner Code of Ethics, an extract from the 4iG Group Code of Ethics and Business Conduct, sets out the ethical standards that we consider most important in our business relationships and that we expect our business partners to uphold.

In line with the pre-certification practice launched in 2021, we continued to audit suppliers' anti-corruption, security, compliance, legal and health and safety activities in 2022. A separate Supplier Qualification System has been established to pre-qualify suppliers. Assessments are repeated annually. A dedicated supplier website is maintained to coordinate the assessment process.

## 4.3 Use of innovative solutions

GRI 3-3, 4IG-2

### Our unique digital products

The company creates value for its customers through integrated services. It provides solutions that keep pace with IT and technology innovations, effectively supporting customers' business processes and digital transformation in all sectors of the economy. Over the past decade, 4iG has been an active participant in national

and EU-funded research and development activities based on technological innovation. The company has been involved in nearly two dozen successful research projects, ranging from the development of sensor systems for unmanned aerial vehicles (UAVs), to industrial 3D imaging technologies, to the development of bioinformatics and medical diagnostic tools. The 4iG Group is proud of the products it has developed to date, such as its suite of solutions for manufacturing companies, 4iOP, as well as its unique bespoke services.

4iOP is an eight-module industrial digitalization platform that can be flexibly adapted 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.

## Stimulating innovation

At 4iG Group we design products and services to meet market needs and customer expectations. We do this by keeping abreast of industry trends, being open to supplier developments and maintaining two-way communication with our customers. The Group's management and culture encourage innovative ideas.

Several member companies maintain a dedicated digital channel (website, email) for improvement suggestions. Regular employee satisfaction surveys also provide an opportunity to share ideas. In addition, the commercial division has installed a suggestion box in the head office building. Suggestions are collected and ideas that have the potential to be successful are taken up. The company's Management Committee receives submitted development initiatives or product ideas and evaluates them from various perspectives according to a set order. The committee is open to bilateral discussions and presentations of innovative ideas.

4iG has included innovation in its recognition scheme, with winners receiving cash prizes in recognition of their work, as a result of an employee vote. The awards encourage the generation of new ideas and strengthen the innovative approach in the organization.

## 4.4 Customer satisfaction

GRI 3-3, 4IG-3

Achieving high levels of customer service and satisfaction is an essential part of our daily work. Close partnership and formal and informal feedback on customer satisfaction are essential. Informal measurement of customer satisfaction is based on personal contact. The Group's sales and service personnel maintain a relationship of trust with customers, which includes assessing customer needs, understanding problems and resolving them as quickly as possible.

Each member company uses a different formal customer satisfaction methodology depending on its customer base and services. Each company processes the results and seeks to incorporate the feedback into its daily operations.

**4iG Plc** conducted a satisfaction survey of its business partners, asking 362 customers to answer general questions about the company's service. According to the survey results, most respondents were satisfied with the service they received. The majority of respondents found the company to be cooperative and to offer a wide range of services. On the other hand, respondents were least likely to associate the company with innovation. The improvement is illustrated by the fact that the vast majority of respondents have improved their opinion about 4iG over the past year of working together.

**Antenna Hungária** conducts a quarterly measurement of its broadcasting service, assessing quality and administrative indicators. Three criteria are taken into account to determine the final score:

- 1) **Loss of service and degradation of quality due to technical/operational reasons**
- 2) **Commercial complaints**
- 3) **Examination of the fulfilment of obligations related to the modification of the contract**

The occurrence of any of the above will reduce the maximum score of 100 points available in the defined weighting system. A score on the scale represents the following rating: below 49.9 points very dissatisfied, between 50 and 69.9 points dissatisfied, between 70 and 84.9 points indifferent, between 85 and 94.9 points satisfied, between 95 and 100 points very satisfied.

The results show that all the customers measured fell into 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. The index consists of four questions on satisfaction and loyalty.

The NPS measures satisfaction with the willingness to recommend. Respondents can rate the NPS question on a scale of 0 to 10. A customer who scores between 0 and 6 is negative towards the company's service, while those who score between 7 and 8 are

neutral and those who score between 9 and 10 are supportive. The NPS score is the percentage of supportive customers minus the percentage of negative customers. The final score is between -100 and +100. While the NPS expresses performance on the satisfaction side, the TRI\*M index includes loyalty.

The research shows that DIGI achieved a better TRI\*M index with its fixed service customers than with its satellite customers, indicating to the company where further improvement is needed. The NPS measurement shows that the company's customers were more satisfied with its always-on TV solution compared to fixed and satellite services.

**Invitech** also carried out an NPS-based customer satisfaction survey in 2022, which showed a high level of satisfaction. The company will continue to build and maintain good relationships with its customers.

In line with its large retail customer base, Montenegrin subsidiary One Crna Gora also collects feedback from its customers on a quarterly basis using the NPS methodology. In addition to NPS, customers have the opportunity to answer a traditional satisfaction question. The measurement is carried out on a nationally representative sample using a rolling survey, with 50% of the sample from the previous quarter and 50% from the current quarter. The results show that One Crna Gora's customer satisfaction is equal to or better than its local competitors.

The Group will continue to develop its products and services to meet customer needs and maintain long-term partnerships.

## 5. Responsible corporate governance

As a leading group in the telecommunications and IT market in Hungary and the Western Balkans, the 4iG Group aims to set a good example in corporate governance.

Thanks to the Group's dynamic expansion strategy, a number of changes were made in 2022 to strengthen the value focus, create a unified structure and harmonize 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 conduct and compliance with competition law is ensured through continuous monitoring. All contracts are reviewed by compliance colleagues and there were no significant instances of non-compliance in 4iG Plc during the year.

During the reported year, all enquiries received by the Compliance team were responded in a timely manner and with the involvement of the appropriate parties. In addition to accurate planning, 4iG continuously monitors and improves its processes through the use of key performance indicators and reorganization where necessary.

#### Ethical operation

The 4iG Group is committed to doing business ethically. The company's Code of Ethics and Business Conduct, adopted in 2021, details expectations in areas such as prohibiting corruption and unfair business

practices, equal opportunities and respect for human rights. Due to organizational changes in 2022, the alignment of commitments across the Group is in progress, so that in the year under review, the subsidiaries continued to operate in accordance with their own commitments.

The **4iG Group** is committed to respecting the rights set out in the Universal Declaration of Human Rights. It also adheres to the OECD Guidelines on Ethical Business Conduct and Anti-Corruption Compliance. Compliance with these commitments is the responsibility of, among others, the Compliance and Quality Management departments and is approved at the highest level. The assessment, evaluation and management of risks associated with the Commitments are covered by the Risk Management Policy. We make our commitments available to external and internal stakeholders through our newsletter, intranet platform and dedicated compliance website.

**Invitech** also had a Code of Ethics, an Equal Treatment and Equal Opportunities Policy and an Environmental Policy. All three were approved at CEO level. Compliance is the shared responsibility of the finance, control, legal and contract control functions. Commitments are integrated into organizational strategies, operational policies and procedures. Invitech has implemented its commitments as part of its contractual terms through its business relationships and elements of the commitments are also reflected in ISO 9001, 20000 and 27001 training.

The Compliance & Corporate Governance department was responsible for the processes to implement the commitments of the **Albanian subsidiaries**, for coordinating the implementation and for training. Actions and recommendations on operational policy were submitted to the Board of Directors by the committees and/or the responsible senior officer. Business partners were required to adopt the Business Partner Code of Conduct and the Compliance Statement. In addition, the company included various commitment clauses in all its contracts.

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 commitments and interests of the Group do not conflict with those of its officers and employees. Conflict of interest situations have been defined and procedures put in place to identify and manage the potential 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 our suppliers and subcontractors for conflicts of interest and expect our partners to comply with the provisions of the Business Partner Code of Ethics. Further provisions on the elimination of conflicts of interest are contained in the Articles of Association, the Corporate Governance Report and Statement and the Code of Ethics and Business Conduct.

#### Fair competition and anti-corruption

The changes implemented in 2022 have also driven the company to meet the increasingly stringent new expectations of owners, regulators and customers. The Group is committed to full transparency in the design, presentation and application of its processes. In the year under review, no legal proceedings were brought against any Group company for anti-competitive behavior, antitrust or antimonopoly violations.

An outstanding milestone is that 4iG Plc was the first company in Hungary to comply with the ISO 37001 anti-corruption standard, which provides a strong anti-corruption control and monitoring system.

Corruption risks are assessed and evaluated on a departmental basis. Significant risks identified include the selection of suppliers and subcontractors, risks related to suppliers and customers, risks related to public procurement, transactions in the consortium, other relationships with public officials, sponsorship and donations, gifts, acquisitions and mergers. During the reporting period, there were no confirmed cases of corruption in any Group company and no public corruption-related legal proceedings were initiated against either Group member companies or employees in 2022.

It is mandatory for all directors and senior management to be aware of anti-corruption policies and procedures.

#### Highlights of our achievements in 2022:

- Development of a Group-wide Code of Ethics
- Publication of a whistleblowing policy
- Establishment of a supplier rating process to assess potential risks arising from collaboration and improve control over the supply chain

## 5.2 Data protection and information security

GRI 3-3, 418-1

All 4iG member companies are committed to protecting customer privacy, complying with information security regulations and full investigation of complaints. The Group's customer base is constantly changing, with an increasing number of private customers. Keeping this in mind, the Group is paying particular attention to protecting its customers by introducing and enhancing new data management practices.

In 2022, only one member company of the 4iG Group, DIGI, received substantiated privacy complaints. One complaint was received from an external party and two from regulators, and 100 cases of customer data loss were identified.

The 4iG Group has made improvements in the area of data protection: it has appointed a Data Protection Officer who keeps records of data processing, data processors and data breaches. The officer is responsible for applying and enforcing contractual controls. The Group conducts a risk assessment whenever a data protection concern arises.

Annual data protection training is mandatory for all employees. Due to their responsibilities, we require specific privacy training for high-risk areas. Data protection training begins for all employees on the day they join the company, with a compliance-focused presentation as part of the 'Welcome Day'.

## 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.

The 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 (non-compliance) nor complaints from customers and employees (complaint handling) should be left unresolved. The aim is to resolve problematic situations, manage negative impacts and communicate this appropriately to stakeholders through 4iG.

### Significant non-compliance with legislation

In 2021, there were a total of twelve significant cases of non-compliance, which decreased to five in 2022. In the reporting year, two cases occurred at DIGI and three at the One Crna Gora subsidiary, resulting in a total of one financial penalty for DIGI. Each member company has a different definition of what it considers to be significant non-compliance in different ways, and plans are underway to standardize this across the Group.

In 2022, two investigations were opened against **DIGI** for non-compliance with the law. In one case, the Nemzeti Adatvédelmi és Információszabadság Hatóság (National Data Protection and Freedom of Information Authority) (NAIH) found in its decision that DIGI had failed to provide adequate prior information to the data subject regarding the recording of telephone calls made by its call center, and that the general data management information provided between 30 June 2021 and 9 March 2022 regarding the recording of telephone calls made by the company's call center was inadequate. The decision resulted in a fine of HUF 5 million. All three cases of non-compliance for **One Crna Gora** were the result of non-compliance with company procedures, of which the cases resulting in non-financial penalties were the result of non-compliance with procedures related to the disciplinary liability of employees.

### Risk management

The 4iG Group works to create a working environment and culture that is capable of identifying and preventing risks and ensuring that any damage that occurs is repaired.

The primary forum for signaling critical risks and adverse impacts is the risk management system, where stakeholders have the opportunity to signal and weigh the real and potential risks they perceive. All employees have a duty to manage critical situations and risks, as set out in the Code of Ethics and other regulations, such as health and safety. The risk list is adopted

annually and the Compliance Officer submits a monthly summary report to the Chairperson of the Ethics Committee.

### Restoring negative impacts

Negative impacts arising from the activities of 4iG Plc are managed in accordance with the ISO 9001 Quality Management System. It is the duty of all employees to identify and prevent errors and non-conformities in operational processes and in the quality of the product or service.

At **Invitech**, learning from mistakes is an important part of recovering from negative effects.

- updating the rules where necessary,
- clarification of training material,
- intranet communication where appropriate.

With external partners, the focus is on targeted communication, where transparency and honesty are key.

**In the Albanian subsidiaries**, the Compliance and Risk Committees dealt with the measures to be taken in relation to negative impacts. If the negative impact was significant, the Board of Directors was informed. Reports of non-compliance are handled by Customer Service, Sales and Human Resources, who also inform the Compliance department. The effectiveness of the remediation process for negative impacts is monitored through external and internal audits.

### Handling of complaints

The company encourages the reporting of internal non-compliance and suggestions for improvement. Employees and business partners can also report their complaints, grievances and concerns anonymously. Our complaint handling process ensures that stakeholder feedback is managed, evaluated and acted upon as appropriate.

Employees and business partners can also seek advice and guidance from the Compliance Officer and the Ethics Committee. Once reported, the independent Compliance Officer will investigate the matter and, depending on its seriousness, address the actual or potential negative impact either independently or with the Ethics Committee and ultimately with the appropriate level of management.

In 2021, our parent company received one report to the Compliance Officer, but it was not considered an ethics matter. Given the low number of cases, we have continued to focus on training and awareness of rights and responsibilities in 2022. No further reports were received during the reporting period.

The unit responsible for handling complaints varies from subsidiary to subsidiary, usually the legal or compliance function, in coordination with other areas as necessary. Among our subsidiaries, Antenna Hungária, ONE Telecommunications, ALBtelecom and ONE Crna Gora operated whistleblower protection mechanisms in 2022.

The Group plans to implement a whistleblowing system in line with EU directives from 2023, through which employees, partners, customers and others with information about the incident can make anonymous reports. In addition, the 4iG Group plans to operate a publicly available ethics whistleblowing platform, which will operate and have stated policies to ensure anonymity and protection of whistle-blowers. The system will only be used to report abuse or irregularities.



## 6. Environment

We are committed to reducing the energy consumption and greenhouse gas emissions required for our operations. We pay particular attention to preventing and continuously reducing the environmental impact of our operations and to using energy and natural resources more efficiently. In the spirit of these efforts, 4iG Plc has implemented and operates management systems in accordance with the MSZ EN ISO 14001:2015 environmental management standard and the MSZ EN ISO 50001:2019 energy management standard. In order to improve the quality and level of the Group's operations and to reduce the environmental impact, we are continuously improving the energy and environmental awareness of 4iG employees. In 2022, we started to transform our vehicle fleet and to completely restore and modernize one of our office buildings to reduce consumption.

### 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 contracts with energy suppliers that require the company to use the contracted amount

of energy. If the company does not use the contracted amount, it must pay a penalty to the energy supplier. The 4iG Group has successfully avoided 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 organization did not use energy from renewable sources during the reporting period, but we aim to purchase green energy through long-term contracts. The Group's largest energy consuming companies are Antenna Hungária and DIGI.

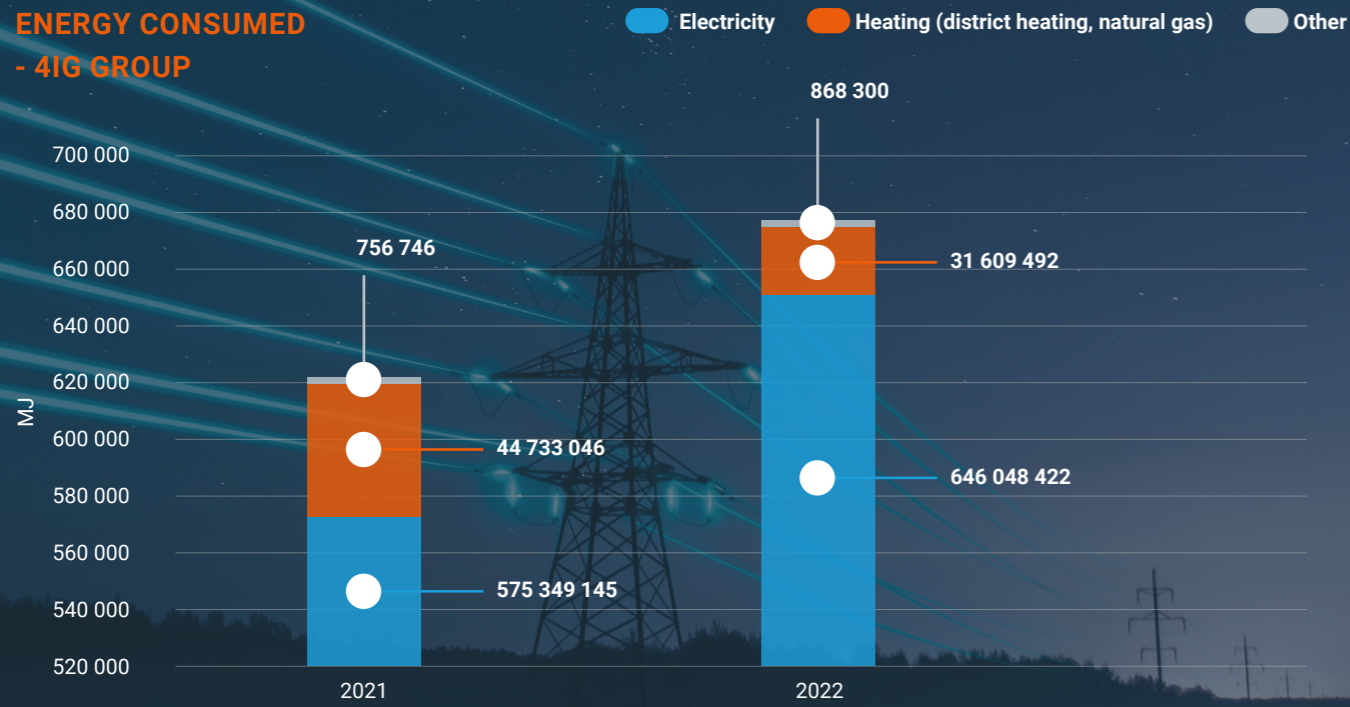
In 2022, the Group continued its fleet reduction program and will also provide electric scooters to its colleagues.

Energy consumption of the 4iG Group (2021–2022)	2021 <sup>8</sup>	2022
<b>Total energy consumption within the Group (MJ)</b>	769 802 189	808 487 742
<b>Non-renewable energy use (MJ)</b>	769 802 189	808 487 742
<b>Type of energy consumed (MJ)</b>	620 838 937	678 526 214
Electricity	575 349 145	646 048 422
Heating (district heating, natural gas)	44 733 046	31 609 492
of which natural gas	26 622 046	21 180 650
of which district heating	18 111 000	10 428 842
Other <sup>9</sup>	756 746	868 300
<b>Fuel</b>	148 963 252	129 961 528
Gasoline (MJ)	20 778 686	23 074 385
Diesel (MJ)	128 184 566	106 887 143
<b>Renewable energy consumption (MJ)</b>	0	0

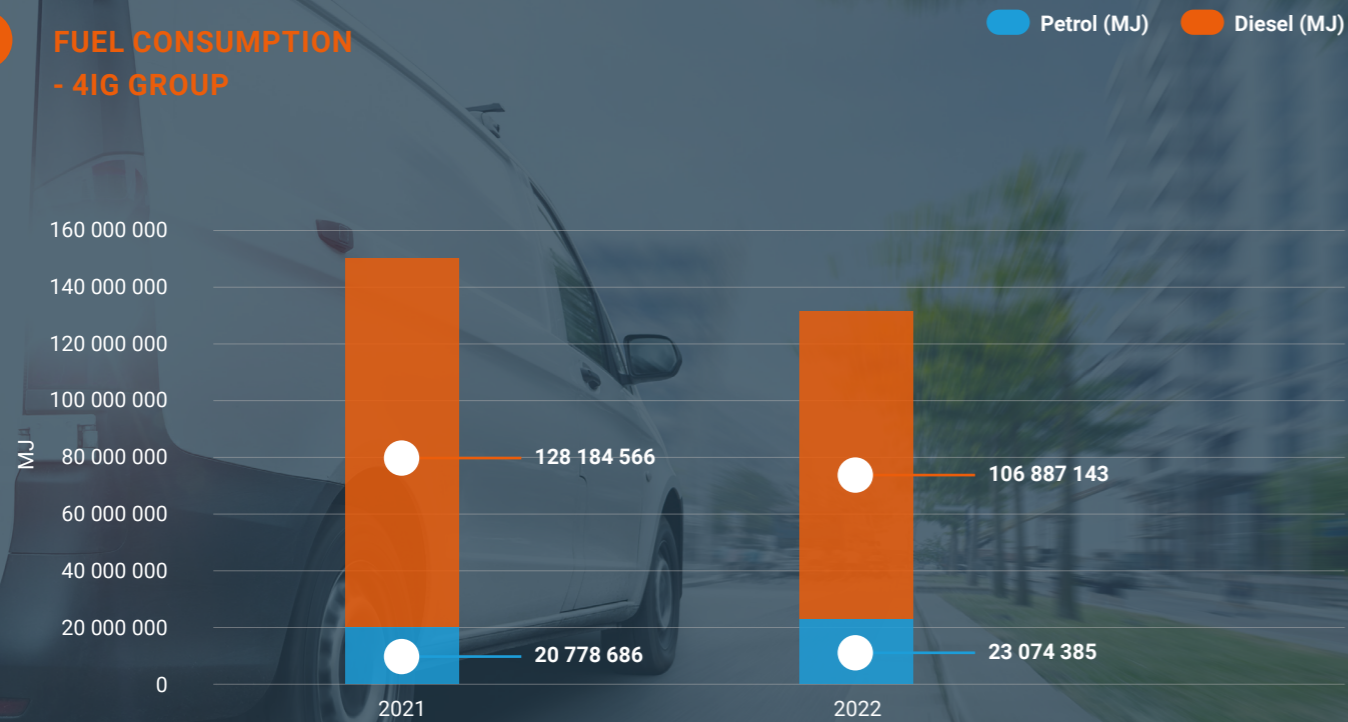
<sup>8</sup> The 2021 energy consumption and emissions data only refer to One Telecommunications of the two Albanian subsidiaries, no data are available for ALBtelecom.

<sup>9</sup> As for In case of Antenna Hungária: LPG and propane

## ENERGY CONSUMED - 4IG GROUP



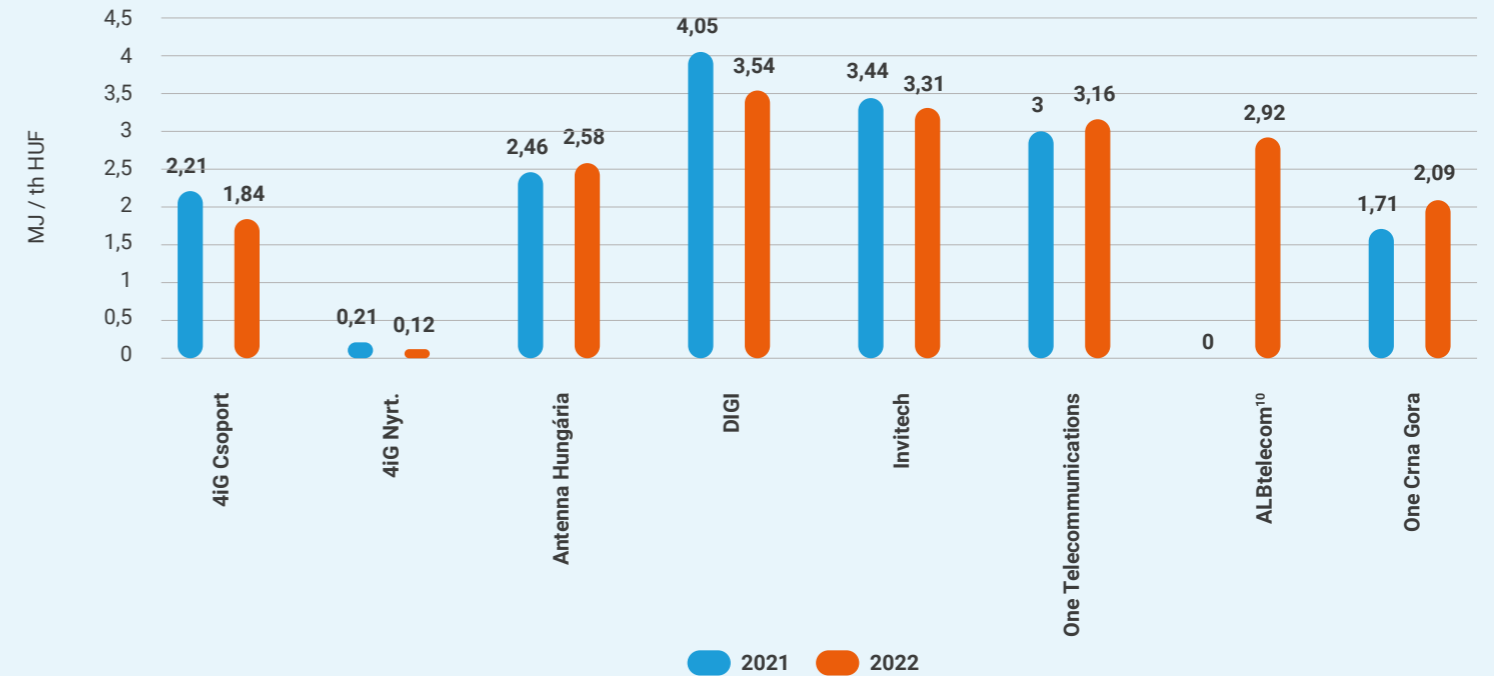
## FUEL CONSUMPTION - 4IG GROUP



## Energy intensity

Energy intensity is the ratio of the energy used by an organization to the economic value it generates. It shows how much energy is required to produce a unit of economic value. Group companies therefore strive to reduce their energy intensity, since the lower the value, the less energy is required to generate a unit of economic value.

## ENERGY INTENSITY



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

Antenna Hungária has also achieved significant reduction in energy consumption as a result of its energy saving and efficiency initiatives. Although the company's energy intensity increased due to the change in revenue, a significant reduction in energy consumption was achieved. In 2021, a reduction of 1,394,820 MJ was achieved – mainly due to the modernization of the building heating in the Petzvál József Street office, while in 2022 – 6.7 times as much, 9,413,700 MJ, was saved thanks to the application of MDCL technologies introduced in the KH transmission network and the heating modernization 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.<sup>11</sup>

- 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

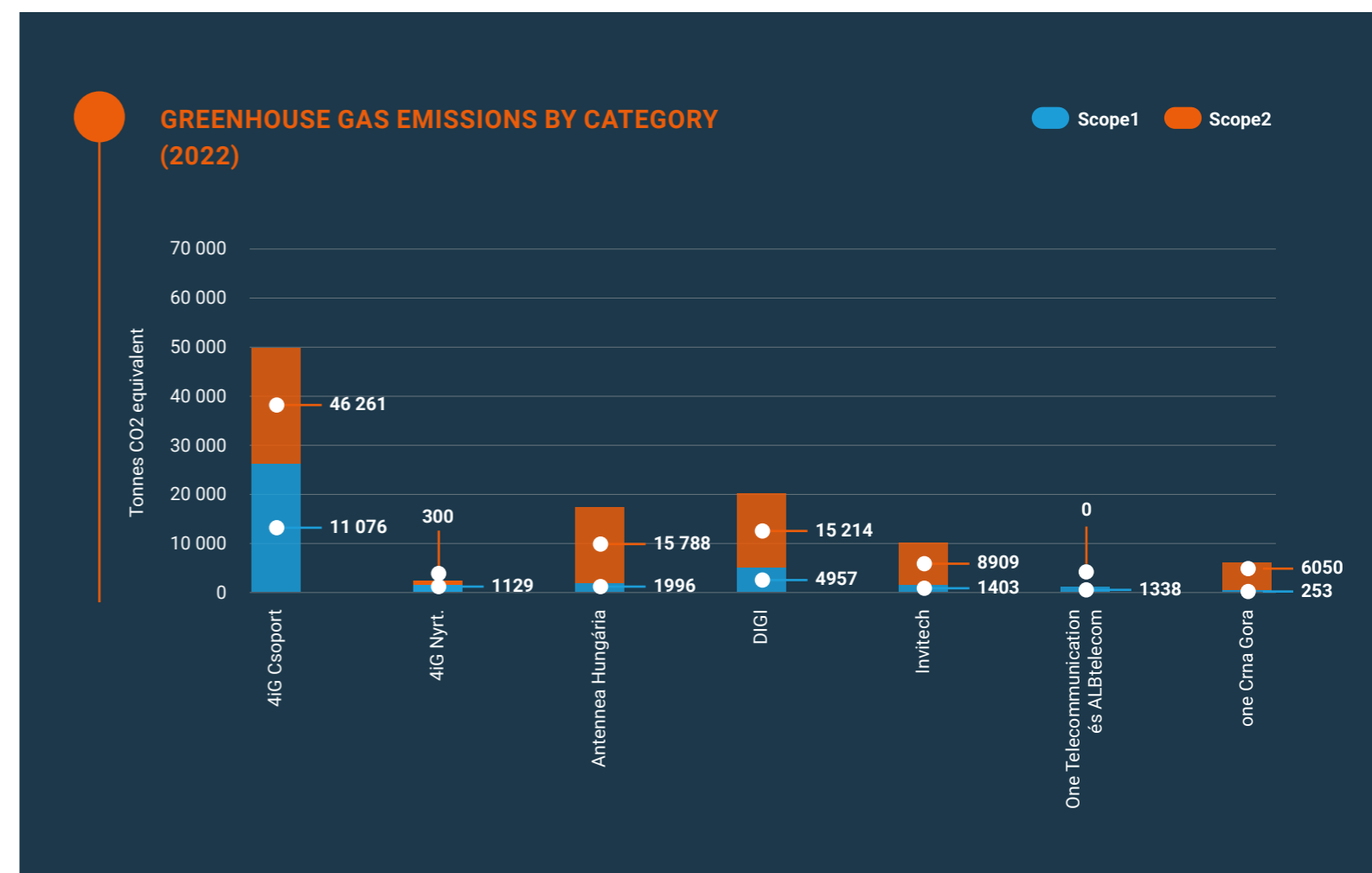
grid electricity generation should be included in this category.

- Indirect emissions (Scope 3) are the result of the organization's activities, but do not originate from a source 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 4iG Group emissions inventory for 2022 has been prepared in accordance with the Greenhouse Gas Protocol. Scope 1 and Scope 2 emissions at member company level are shown in the table below.

## Greenhouse gas emissions per company in 2022:<sup>12</sup>



Category (tons CO2 equivalent)	4iG Group	Antenna Hungária	DIGI	Invitech	4iG Plc	One Telecommunication és ALBtelecom	One Crna Gora
<b>Scope 1</b> One direct emissions	11076	1996	4957	1403	1129	1338	253
<b>Scope 2</b> (market-based) One direct emissions	46261	15788	15214	8909	300	0	6050
<b>Scope 1 + Scope 2</b> Emissions from own operations	57338	17784	20171	10312	1429	1338	6304

<sup>11</sup> Source of definitions: GHG Protocol.

<sup>12</sup> Emission values are presented as whole numbers according to rounding rules.



The direct result of the 2022 initiatives was a reduction in greenhouse gas emissions of 874.79 tons of CO2 equivalent attributable to Antenna Hungária and 9.13 tons of CO2 equivalent attributable to Invitech. The range of gases included in the calculation consisted of CO2 and HFCs (hydrofluorocarbons) for Antenna Hungária, and only CO2 for Invitech. Antenna Hungária's reduction in direct (Scope 1) emissions was due to natural gas savings and the impact from modernization of the air conditioning system, while its reduction

in indirect (Scope 2) energy emissions was due to electricity savings.

The various energy efficiency and consumption reduction measures initiated at 4iG Plc, such as the reconfiguration of the vehicle fleet, the complete refurbishment and modernization of the Montevideo Street office building, including the replacement of air conditioning, liquid chillers and lighting, are all leading to the reduction of greenhouse gas emissions (GHG).

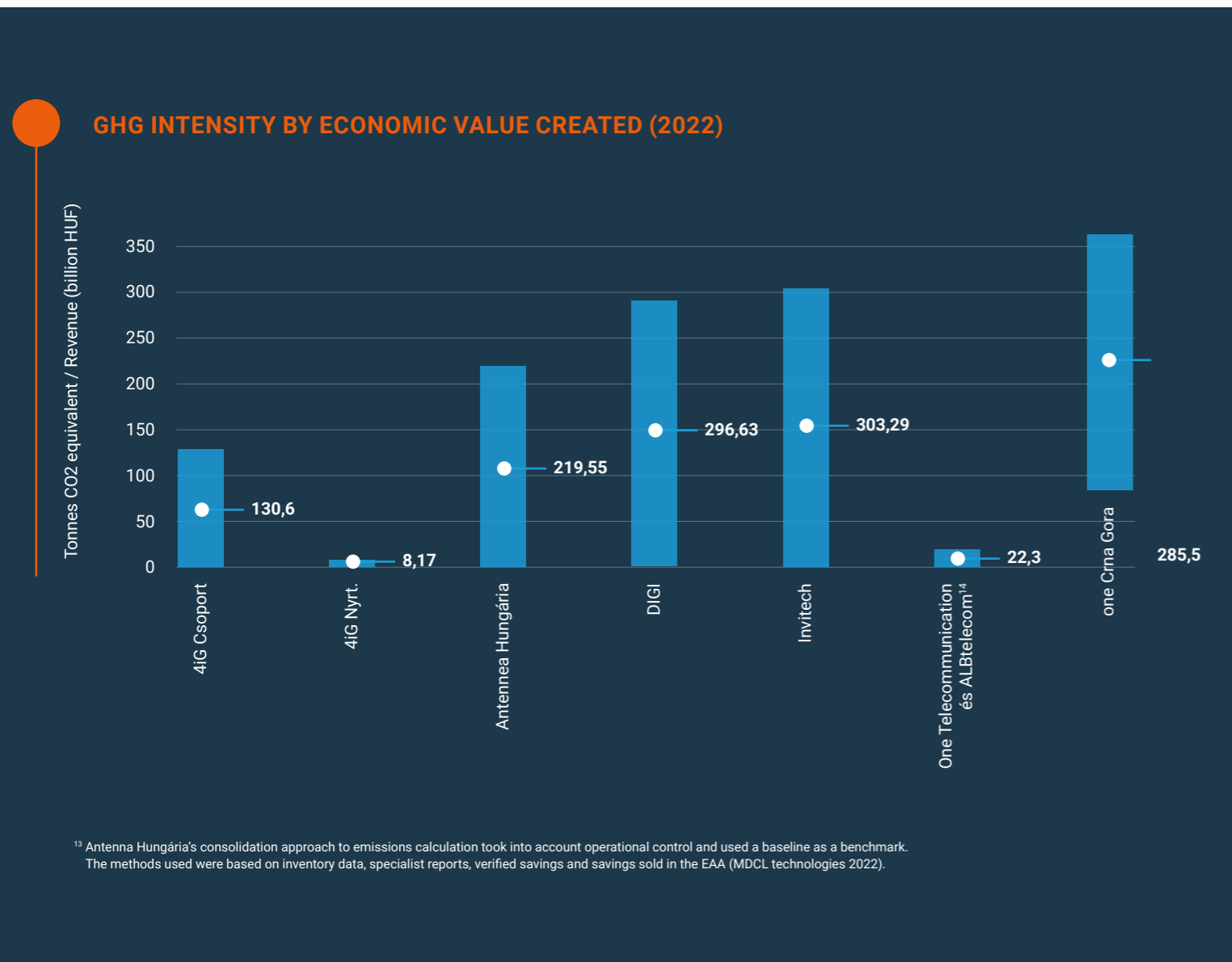
### Greenhouse gas emissions intensity

The intensity of greenhouse gas (GHG) emissions is an indicator of the amount of GHG emissions - carbon dioxide equivalent - associated with each unit (billion forints) of economic value generated. In the reported year, the GHG intensity of the 4iG Group was 130.6 tons per billion forints.

### 6.3 Waste management

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

The range of activities with significant actual and potential waste generation varies across the Group. Infrastructure maintenance, IT operations and network maintenance mainly generate electronic and other waste, such as packaging materials. Waste is also generated during procurement and distribution.



## Waste generated, withdrawn from disposal and disposed of (4iG Group)

Waste generated	2021 <sup>14</sup>	2022
<b>Total waste generated (tons)</b>	<b>58 503,7</b>	<b>50 316,1</b>
of which hazardous waste	17 260,6	23 328,4
of which non-hazardous waste	41 219,1	26 987,8
Treatment not known	24,0	0,0
<b>Waste withdrawn from disposal</b>	<b>13 313,0</b>	<b>25 551,3</b>
Hazardous waste withdrawn from disposal	9 200,9	21 448,9
Non-hazardous waste withdrawn from disposal	4 112,1	4 102,4
Treatment not known	0,0	0,0
<b>Disposed waste</b>	<b>45 190,7</b>	<b>24 764,9</b>
Disposed hazardous waste	894,0	0,1
Non-hazardous waste disposed of	1 053,0	407,0
Treatment not known	43 243,7	24 357,7

The amount of waste generated by the Group decreased by approximately 14% from 2021 to 2022, with a significant increase in the amount of waste diverted from disposal, which almost doubled, while

the amount of waste disposed decreased by 45%. This result demonstrates the Group's commitment to reducing waste generation and increasing the reuse of waste generated.

## 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 considers its most important asset to be its employees, whose professional skills and personalities contribute to the successful operation and continuous growth of the company.

The biggest challenge in 2022 was the dynamic growth of the Group. The merger of the various member companies has required, and will continue to require, significant and ongoing harmonization, with focus on employee related topics. The year 2022 was therefore already about building a common set of corporate values, which will remain a key factor in the life of the Group in the upcoming years. Our aim is to utilize the strengths, knowledge and best practices of each of our member companies, which can serve as an example to others. We are building on these existing values to shape 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 in the reporting companies was 1,395 in 2021, it almost tripled to 4,741 in 2022. The majority of the employees are contracted to the member companies

in Hungary. Through acquisitions, the Group welcomed more than 1,000 new colleagues in Albania and Montenegro, further diversifying the 4iG workforce.



<sup>14</sup> 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. In order to be able to compare the figures, we have decided to publish the 2021 and 2022 data for each subsidiary's full calendar year to

ensure that we can draw the appropriate conclusions from changes in the data in the future.

The table below summarizes the evolution of the number of employees by gender and type of employment over the last two years.<sup>15</sup>

Number of employees by type of employment and gender	Hungary		Albania		Montenegro		Entire company	
	2021	2022	2021	2022	2021	2022	2021	2022
<b>Total number of person employed</b>	3 985	3 556	1 145	833	321	352	5451	4741
Female							1 916	1 606
Male							3 535	3 135
<b>Number of employees on open-ended contracts</b>	3 978	3 551	1 127	833	273	286	5378	4670
Female							1 877	1 562
Male							3 501	3 108
<b>Number of employees on fixed-term contracts</b>	7	5	18	0	48	66	73	71
Female							39	44
Male							34	27
<b>Number of full-time employees</b>	3 901	3 477	1 144	832	320	348	5365	4657
Female							1 872	1 563
Male							3 493	3 094
<b>Number of part-time employees</b>	84	79	1	1	1	4	86	84
Female							44	43
male							42	41

<sup>15</sup> 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 2022, the Group had a total of 168 non-employed employees. The majority of these were students employed through student unions or workers on assignment contracts. The students to provide support, dispatching and administrative assistance to internal colleagues in various disciplines, while the workers with assignment contracts to perform warehousing or other target 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 contracted workers.

## 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 increased from 23.7% in 2021 to 29% in 2022. The reason for the high turnover rate was on one hand the merging of certain positions at the level of the member companies in order to exploit synergies and increase efficiency, which

resulted in a reduction in the number of employees compared to the total number of employees in 2021. On the other hand, it was also influenced by the generally high turnover rate in the IT sector.

In addition to the departing employees, there were also a number of new employees: a total of 701 people joined the 4iG Group in various areas of expertise.

New and departing employees <sup>16</sup>	2021		2022	
	No.	%	No.	%
<b>Total employees</b>	<b>5 451</b>	<b>100%</b>	<b>4 741</b>	<b>100%</b>
<b>Total new employees</b>	<b>1 023</b>	<b>19%</b>	<b>701</b>	<b>15%</b>
Female	454	44%	294	42%
Male	579	56%	407	58%
Under 30 years old	489	48%	324	46%
30-50 years old	471	46%	319	46%
Over 50 years	73	7%	58	8%
Hungary	780	76%	536	77%
Albania	205	20%	94	13%
Montenegro	38	4%	71	10%
<b>Total departing employees</b>	<b>1 290</b>	<b>24%</b>	<b>1 387</b>	<b>29%</b>
Women	470	36%	294	42%
Men	820	64%	407	58%
Under 30 years	423	33%	324	32%
30-50 years old	711	55%	319	56%
Over 50 years	156	12%	58	13%
<b>Hungary</b>	<b>1 031</b>	<b>80%</b>	<b>947</b>	<b>68%</b>
<b>Albania</b>	<b>228</b>	<b>18%</b>	<b>401</b>	<b>29%</b>
<b>Montenegro</b>	<b>31</b>	<b>2%</b>	<b>39</b>	<b>3%</b>

<sup>16</sup> 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.

The new colleagues include both newcomers and professionals with more experience. Integrating people into the new organization is an exciting challenge. The Group is committed to meet its employees' needs and increasing their engagement.

4iG's parent company and most of its subsidiaries are not covered by collective agreements. In 2022, 16.25% of the employees of the companies included in the report are covered by a collective agreement.

## 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.

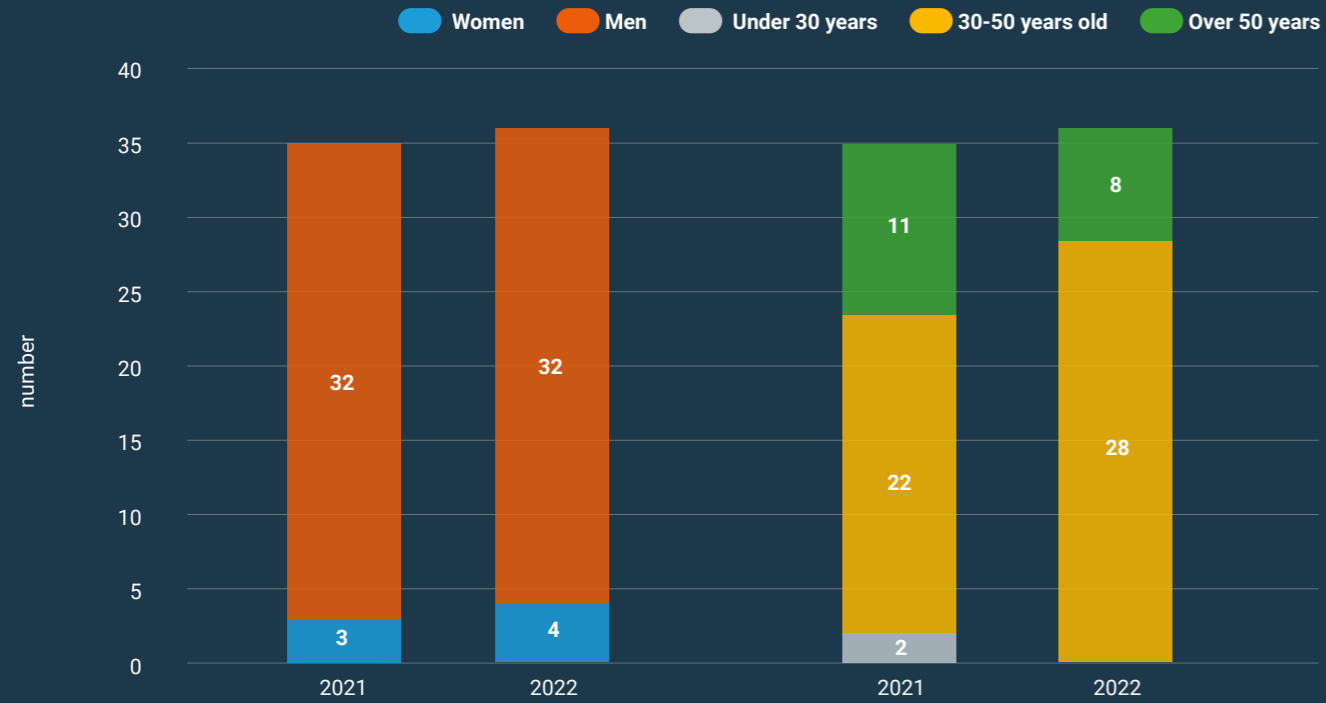
Our aim is to ensure equal opportunities for all and to recruit and employ people regardless of their personal characteristics

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.

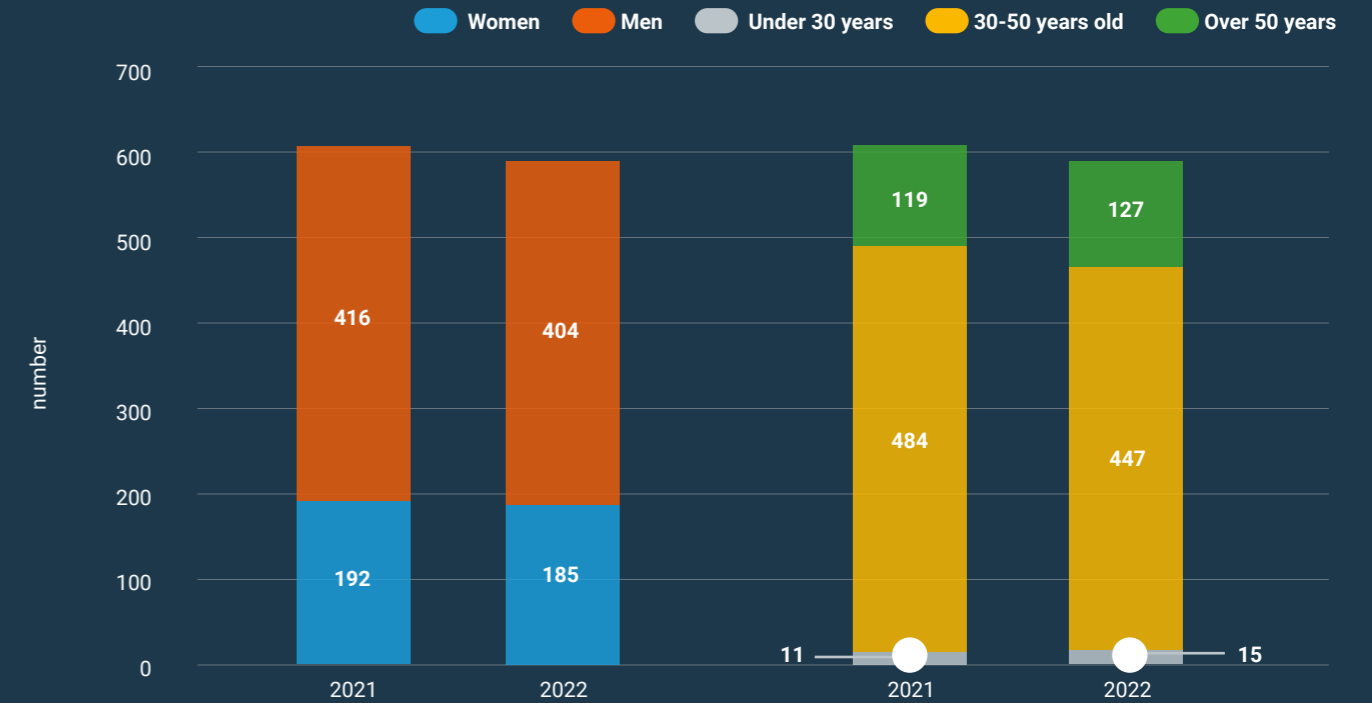
We are committed to achieving a gender balance in our workforce, and this is taken into account when recruiting. We have a lower proportion of women than our industry practice, but it is an expectation towards the headhunters who assist in recruitment that the shortlist for each position should always include a female candidate.

The tables below show the overall distribution of employees in the reporting member companies of the Group, as well as the distribution of board members by gender and age.

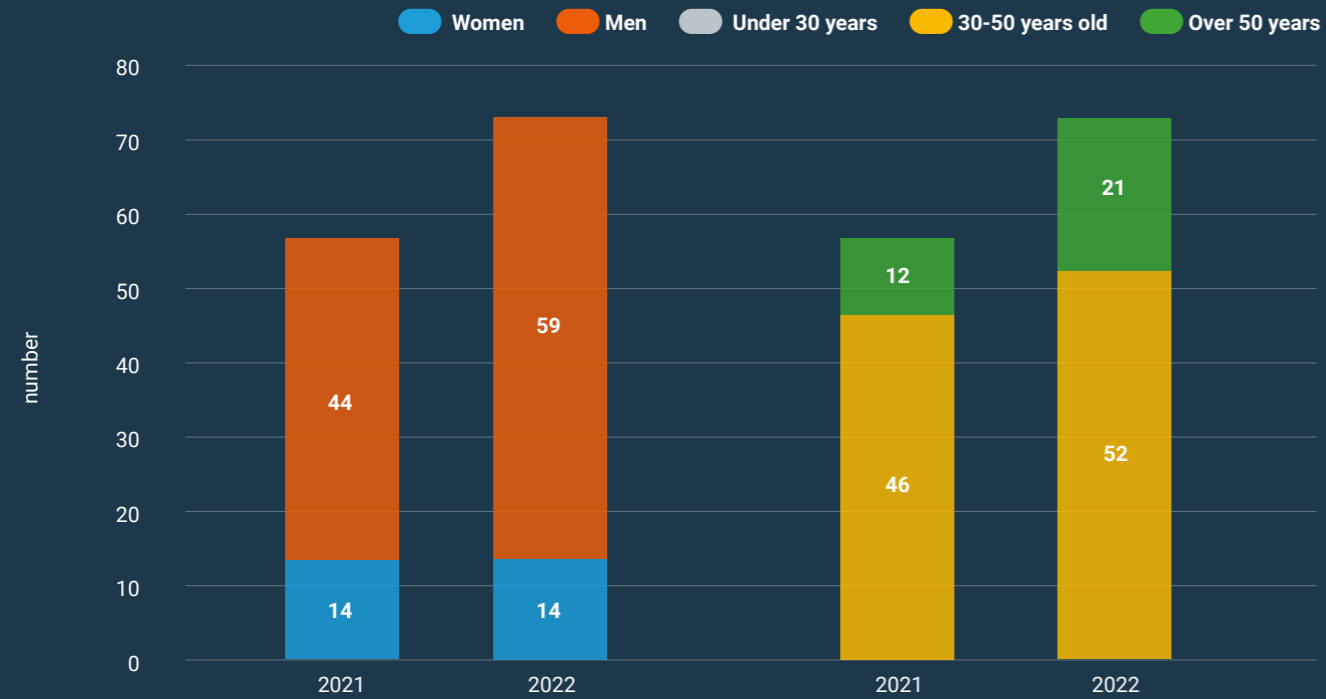
**GOVERNING BODY DIVERSITY  
BY GENDER AND AGE GROUP  
4IG GROUP**



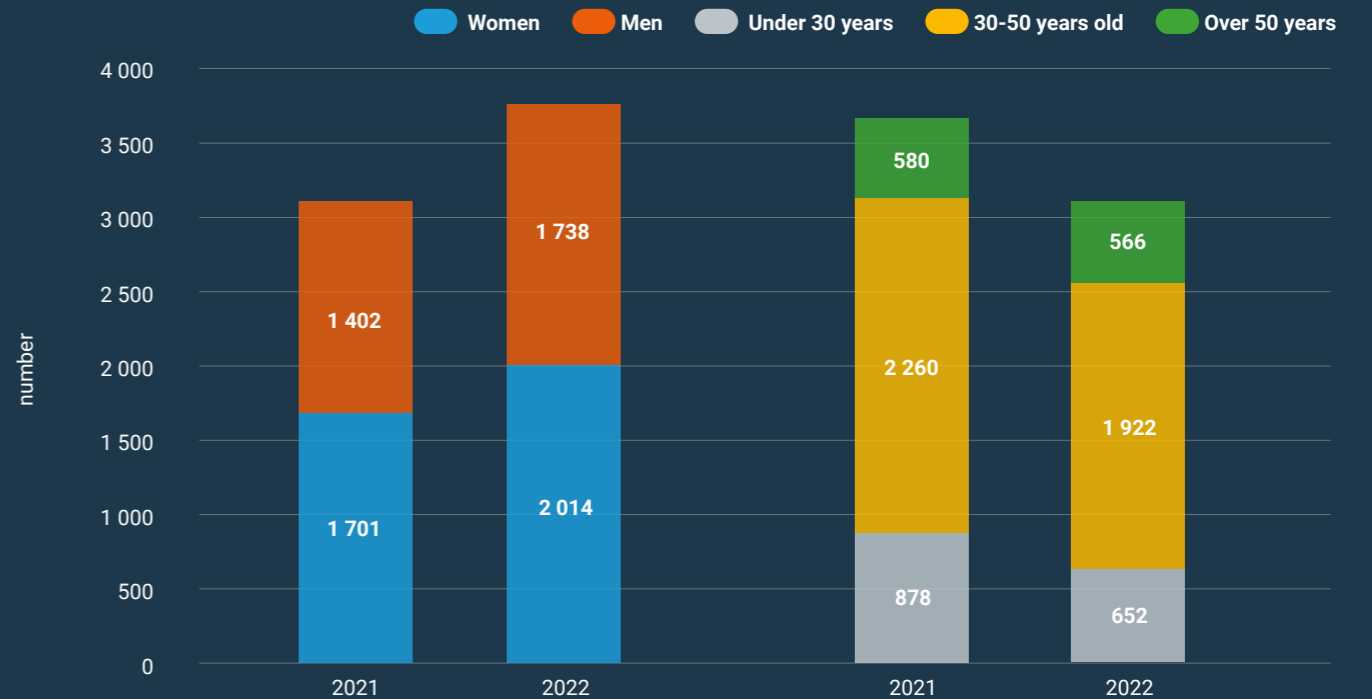
**DIVERSITY OF MIDDLE MANAGERS  
BY GENDER AND AGE GROUP  
4IG GROUP**



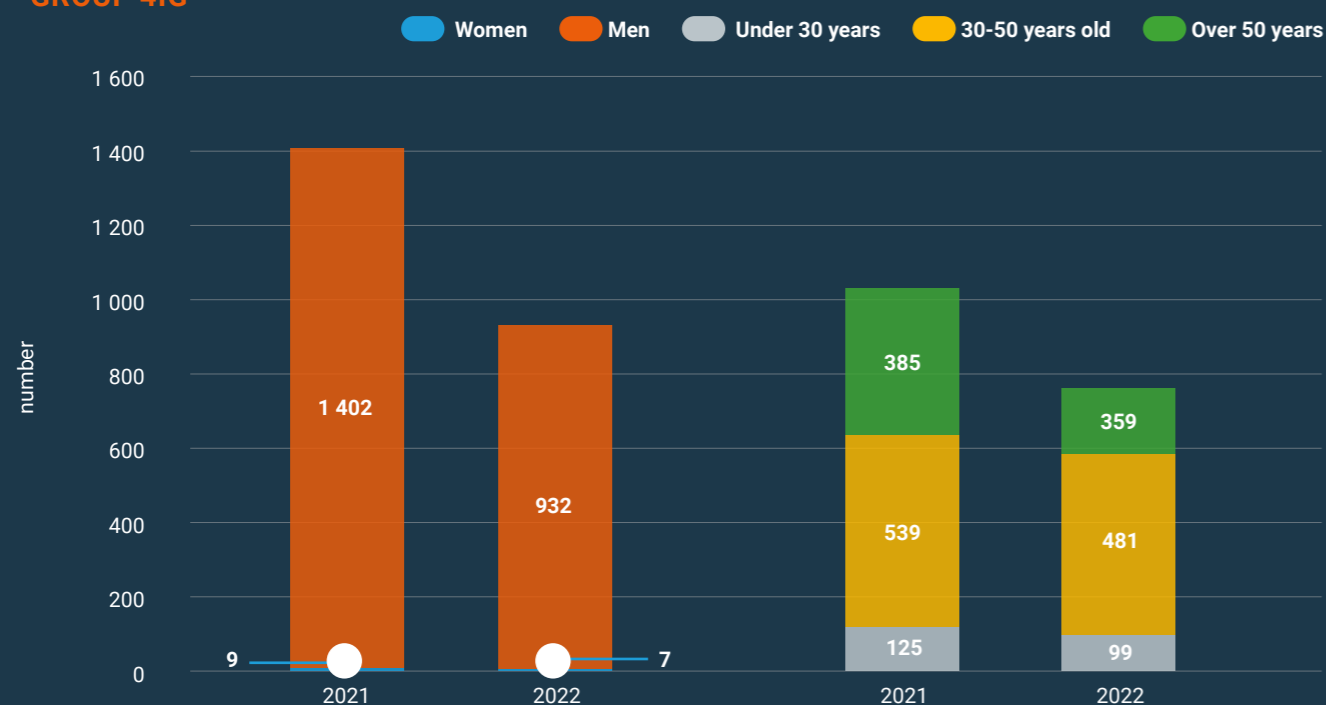
**DIVERSITY OF SENIOR MANAGERS  
BY GENDER AND AGE GROUP  
4IG GROUP**



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



## DIVERSITY OF MANUAL WORKERS BY GENDER AND AGE GROUP GROUP 4iG



## GIRLS' DAY AND HBLF X

In order to improve the representation of women in the technology sector, 4iG Group participated in the implementation of the Girls' Day program. Girls' Day is a nationwide careers day for schoolgirls promoting STEM (Science, Technology, Engineering and Mathematics) careers. On this day, senior primary and secondary school girls visit companies, universities and research institutes across the country to learn about science, technology and IT from practitioners through interactive program.

In addition to the Girls' Day initiative, 4iG is also involved in the HBLF X mentoring program. The aim of the program is to connect the next generation of women leaders with international and local decision makers and leaders.

As well as providing equal opportunities, it is important to prevent all forms of discrimination. 4iG Group will take firm action in all cases of suspected discrimination and expects all employees to refrain from any behavior, action, condition, omission, instruction or practice that may

lead (directly or indirectly) to discrimination, harassment, ostracism, illegal segregation or retaliation. We are proud that there were no reported cases of discrimination in any of our Group companies during the reporting period.

Workforce diversity	2021		2022	
	No.	%	No.	%
<b>Governing Body</b>	<b>35</b>	<b>100%</b>	<b>36</b>	<b>100</b>
Female	3	8,6%	4	11,1%
Male	32	91,4%	32	88,9%
Under 30 years old	2	5,7%	0	0%
30-50 years old	22	62,9%	28	77,8%
Over 50 years old	11	31,4%	8	22,2%
<b>Senior managers</b>	<b>58</b>	<b>100%</b>	<b>73</b>	<b>100%</b>
Female	14	24%	14	19%
Male	44	76%	59	81%
Under 30 years old	-	0%	-	0%
30-50 years old	46	79%	52	71%
Over 50 years old	12	21%	21	29%
<b>Middle managers</b>	<b>608</b>	<b>100%</b>	<b>589</b>	<b>100%</b>
Female	192	32%	185	31%
Male	416	68%	404	69%
Under 30 years old	11	2%	15	3%
30-50 years old	484	80%	447	76%
Over 50 years old	119	20%	127	22%
<b>Workers – intellectual</b>	<b>3 715</b>	<b>100%</b>	<b>3 140</b>	<b>100%</b>
Female	1 701	46%	1 402	45%
Male	2 014	54%	1 738	55%
Under 30 years old	878	24%	652	21%
30-50 years old	2 260	61%	1 922	61%
Over 50 years old	580	16%	566	18%
<b>Workers – manual</b>	<b>1 049</b>	<b>100%</b>	<b>939</b>	<b>100%</b>
Female	9	1%	7	1%
Male	1 040	99%	932	99%
Under 30 years old	125	12%	99	11%
30-50 years old	539	52%	481	51%
Over 50 years old	385	36%	359	38%

## 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 a fair remuneration policy in accordance with relevant legislation. In 2022, the Group continued to reward its employees with a varied and attractive benefits package. In addition to salary, employees were offered a cafeteria, language courses, training, the purchase of mobile phones, the extension of the fleet mobile phone package for family members, sports and private healthcare.

The company's remuneration policy provides for the highest governance body to receive a fixed fee with no other performance-related benefits. The CEO may only receive a one-off, performance-related bonus if the Board approves it. The Group's senior executives generally receive a fixed salary and may also receive variable remuneration for the achievement of specific strategic objectives, tasks or targets linked to the financial performance

of the member companies. The company currently does not have a compensation component linked to ESG performance or sustainability target. In the interest of transparency, the remuneration of the Board members is disclosed in the Remuneration Report.

The remuneration setting process is overseen by an independent Remuneration Committee. The General Meeting may ask questions about the remuneration policy once it has been established, and the Remuneration Committee is required to respond. The final remuneration policy must be approved by the Annual General Meeting.

When setting starting salaries, 4iG Group also aims to ensure that its colleagues are remunerated in line with market conditions and in line with the high added value of their work. In general, the starting salary for both male and female colleagues is well above the local minimum wage.

In order to promote equal opportunities for women, 4iG Group conducts a biannual gender pay gap survey. Due to the dynamic growth of the Group, the main purpose of these surveys during the reporting period was to understand the current situation and identify the reasons for the differences.

Within 4iG Group, salaries are set in line with market and regulatory requirements. Within the salary range appropriate to the position, recruited employees have the

opportunity to negotiate their salaries. In addition to differences in the salary requirements expressed by candidates, the salary gap between employees at the same level is largely determined by the skills, qualifications or language skills of the employees.

Ratios of basic salary and remuneration of women to men	Top managers		Middle managers		Employees - intellectual		Employees - manual	
	2021	2022	2021	2022	2021	2022	2021	2022
4iG Plc	71%	70%	79%	92%	77%	76%	-	89%
Antenna Hungária	102%	107%	100%	103%	75%	78%	-	-
DIGI	-	-	-	82%	-	71%	-	51%
Invitech	38%	52%	81%	85%	81%	81%	-	-
ONE Telecommunication	50%	60%	85%	79%	79%	84%	38%	32%
ALBtelecom	189%	99%	105%	99%	78%	80%	100%	99%
One Crna Gora	80%	80%	96%	80%	83%	84%	-	-

Ratios of standard entry level wage by gender compared to local minimum wage	2021		2022	
	Female	Male	Female	Male
4iG Plc	285%	259%	231%	233%
Antenna Hungária	197%	252%	210%	280%
DIGI <sup>17</sup>	-	-	-	-
Invitech	252%	282%	216%	290%
ONE Telecommunication	220%	264%	181%	198%
Albtelecom	163%	213%	172%	196%
ONE Crna Gora	154%	154%	108%	108%

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

The table below shows the annual compensation of the Group's highest paid employee as a percentage of the median total annual compensation of all employees (excluding the highest paid employee) in the companies included in the report.

	2022
4iG Plc	775%
Antenna Hungária	577%
DIGI	1 139%
Invitech	638%
ONE Telecommunication	130%
ALBtelecom	647%
ONE Crna Gora	927%

### 7.3 Employee well-being

GRI 3-3

Improving employee wellbeing and satisfaction is a key priority for the 4iG Group. We believe that engaged employees are an asset that is essential to achieving business and operational success.

We also look after our people on Group level. We have provided our managers' effective team leading training, which they can use to develop the right team dynamics. Team leaders have wide latitude to initiate team-building training. In close cooperation with HR, shorter workshops or even multi-day retreats are regularly organized to meet needs. Employee satisfaction is a challenge at a time of rapid growth for the 4iG Group, and we try to monitor employee attitudes with a 'Pulse Survey' questionnaire, which varies from year to year depending on the business. A comprehensive employee satisfaction survey was last conducted in 2021 and we intend to develop the methodology further in the future. The organization's strategic goal is to develop a measurement system that will help us get a more accurate picture of the areas of internal operations that need improvement.

A number of internal programs are aimed at improving employee well-being, the most prominent of which is '4iG Care', which has

been in place since the Covid-19 epidemic. Initially aimed at introducing health and life insurance for all employees, the program has been expanded as needs have arisen. Today, '4iG Care' is a comprehensive package of employee benefits that emphasizes the importance of physical and mental health. In the future, we plan to extend the range of services to include health insurance contributions.

The 'Care' program is structured as a pyramid. Most services are available to employees at all levels. Managers can also take part in a complementary management screening.

Aggregated, anonymous processing of employee wellbeing results can identify the most common health problems and provide targeted solutions. For example, vision problems are common as a result of working in front of a computer – after seeing the results, the 4iG Group has increased the budget for glasses.

As part of '4iG Care', we regularly organize presentations on physical and mental health. In the summer months we held a lecture on skin diseases to raise awareness of the dangers of sun exposure, and a series of lectures on financial awareness to address financial uncertainty following the outbreak of war between Russia and Ukraine.

In '4iG Care', we also focus on the promotion of sport, which is an excellent community builder and health promoter. Sport plays a key role in the life of 4iG, both at Group and subsidiary level. Following an employee needs assessment, we have established sports clubs, many of which are run by employees themselves. Support for sports activities is provided from a separate budget: in 2021 and 2022 we have earmarked HUF 10 million, respectively.

In addition to the sports clubs, the benefits package includes a number of discounted sports activities 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 will continue to offer part-time employment and the opportunity for employees to work part-time from home.

As a family-friendly workplace, we financially support summer camps for the children of our 4iG and Invitech employees. We also organize our own children's activities throughout the year, including a drawing competition and a Santa Claus party. The 4iG Group believes that the policies and practices put in place help to increase employee engagement.

### 7.4 Upgrading employee knowledge and skills

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

#### Upgrading the skills and knowledge of employees

We believe that knowledge is a company's greatest asset. This is particularly true in the IT and telecommunications industry, where continuous development and innovation are essential to maintaining a competitive, high-quality portfolio of products and services. Upgrading the skills and competencies of our employees is a priority to ensure their personal development and the effectiveness of the organization. Accordingly, the training budget has been steadily increased over the past few years.

The 4iG Group's training strategy is based on a blended learning approach: 70% of employees' skills are developed on the job, 20% through mentoring and coaching, and 10% through training. When designing the individual training plan, the priority is to provide training that is relevant to the qualification, in line with legal requirements and customer expectations. Secondary consideration is given to the acquisition of other qualifications required for professional projects.



4iG Plc's own e-learning platform, launched in 2021, offers employees a wide range of training and development opportunities. In addition to training courses on specific topics, it also offers textbooks and films, as well as tailored development suggestions. The platform allows all employees to find the training that best suits their job.

In addition to e-learning, employees can also take part in professional training and language courses. The range of training courses is extremely wide, with over 1,000 different options to choose from. 4iG

typically draws on the expertise of external partners to deliver training. Approximately 70 per cent of the training portfolio is vocational training and 30 per cent is soft skills training.

The Group pays particular attention to the training of its managers. Our Management Competency Matrix, which summarizes key competencies, is regularly reviewed in line with changes in the business. Management training typically takes the form of off-line training and workshops tailored to the needs of managers.

We also provide trainings to meet the expectations of our clients, who require 4iG Group employees to have a range of skills, for example, to be able to successfully take part in tenders.

Supporting the individual development of our colleagues is important to us. In this spirit, we also support several of our employees to pursue higher education through study contracts and language courses to improve their language skills.

This also helps to increase the value of our employees in the labor market.

The number of training courses has increased significantly in recent years. For the future, Human Resources has set itself the goal of implementing a single training management and analysis system to better monitor the interest in and effectiveness of training.

### NUMBER OF TRAINING HOURS BY GENDER ANY BY EMPLOYEE CATEGORY 4iG GROUP



Number of training hours per person by gender and by employee category	2021	2022
<b>Total training hours</b>	<b>58 562</b>	<b>72 778</b>
<b>Training hours per person - total</b>	<b>10,74</b>	<b>15,35</b>
Female	12,70	16,96
Male	9,68	14,53
senior managers	2,86	1,91
middle managers	3,84	8,30
workers - intellectual	13,75	15,86
workers - manual	21,95	14,45

## Talent Management

The Group's expansion has also created challenges in identifying and retaining talent. To address this, in 2022 we started to develop various talent management programs at the parent company level, the most important of which is the 4iG Talent Program.

In order to identify key talent, we have started to create a single talent management framework (Model 3A) that can be applied across the Group. The model is expected to be finalized by 2023 and rolled out from 2024.

As a second element of the talent program, we plan to create a mentoring scheme where successful leaders in the business can share their experience to help young people develop their careers. Mentoring will also support the organization's diversity objectives: where possible, mentor-mentee pairs will come from different companies and even different countries.

Our employees have access to internal coaching and/or mental health support for any issues they find more challenging or where they want to strengthen their individual coping strategies. The service is anonymous due to its confidential nature.

It is important for the Group not only to develop talent, but also to find talent outside the organization. The 4iG Group has established strategic partnerships with leading universities in Hungary (University of Szeged, University of Debrecen, University of Óbuda, Budapest University of Technology and Economics) to support the training of young talent. 4iG also provides support in the form of lectures and practical training.

We also plan to extend regular performance and career reviews across the Group. Between 2021 and 2022, the proportion of employees receiving an appraisal in the companies covered by the report increased significantly by 36 percentage points.

We are proud of our high-performing employees and recognize them each year with the Employee of the Year award, trusting that their achievements will inspire our culture.

Ratios of employees receiving regular performance and career reviews	2021	2022
<b>Total</b>	<b>26%</b>	<b>62%</b>
Women	30%	63%
Men	24%	62%



## 7.5 Occupational health and safety (OHS)

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

The 4iG Group is committed to the highest standards of occupational health and safety. The Group aims to prevent accidents and health risks through compliance, continuous monitoring, maximum attention to each other and the creation of a culture of a safe working environment.

The Group's health and safety policy sets out the personal, material and organizational conditions for health and safety. Each reporting subsidiary operates a comprehensive occupational risk

assessment and health and safety system supported by a health and safety officer and, where appropriate, an external health and safety service provider. The OHS risk assessment also covers the infrastructure operated by the subsidiaries, such as mobile phone masts that provide network coverage.

Depending on the activities of the member companies, we carry out risk analyses in the following areas and processes:

- workplaces, working environment
- machinery and equipment
- VDU workplaces, psycho-social stress among workers
- manual handling
- hazardous substances

In order to meet the strict requirements of occupational safety and to provide a safe workplace, the Group's employees regularly receive occupational safety training in accordance with local legislation. In addition, the Group provides training for specific jobs that require special occupational safety preparation (e.g. working at heights). In most member companies, employees also receive first aid training.

Workers must immediately inform the employer of any dangerous anomaly or malfunction and eliminate it as soon as possible or request action from their supervisor. In the Group, the right to refuse to work and protection against retaliation in the event of a health hazard is guaranteed.

There are several forms of reporting available to employees, such as:

- reporting to the immediate supervisor,
- notifying the fire and safety officer
- sending a message to a special e-mail address
- contacting the safety officer.

As a result of health and safety efforts, there were no work-related illnesses in the companies included in the report in 2021 and 2022. In addition, the number of work-related accidents among employees is low.

The most common types of injuries in 2022 were bruises, sprains, superficial lacerations, fractures, electric shocks, and cuts.

In addition to accident prevention, the 4iG Group considers the physical health of its employees to be of fundamental importance. In addition to the elements of the 4iG Care program described in the section on employee wellbeing, other services are available to employees. The subsidiaries included in this report have different approaches to preventing and reducing work-related health risks. In addition to regular occupational health screening, 4iG Plc employees receive a 10% discount at the parent company's healthcare partner. ALBtelecom and ONE Albania provide health insurance for their employees, while ONE Crna Gora and DIGI provide regular health checks and screenings for employees in jobs considered to be at risk.

Az ALBtelecom, illetve a ONE Albania egészségbiztosítást nyújt a munkavállalói számára, míg a ONE Crna Gora, és a DIGI

rendszeres egészségügyi vizsgálatokat és szűrővizsgálatokat tart a kockázatosnak ítélt munkakörökben.

Work-related injuries	2021	2022
Total hours worked	11 320 172	10 197 140
Number of fatal accidents	1	0
Number of fatal accidents per 1 million working hours	0,09	0
Number of accidents with significant consequences	0	0
Rate of accidents with significant consequences	0	0

## 8. CSR

The 4iG Group's corporate social responsibility activities are coordinated by the 4iG Digitális Társadalomért Alapítvány (Foundation for Digital Society), a foundation established for this purpose. The Foundation's Board of Trustees includes the CEO and top management, demonstrating the organization's commitment at the executive level.

We believe there is a need for more diverse and comprehensive IT skills across all age groups, for people of all ages, both able-bodied and disabled. For this reason, and as a result of 4iG's activities, the Foundation focuses on digital inclusion and digital education in underdeveloped regions.

### The objectives of the Foundation are:

- to develop and support the digital infrastructure of educational institutions (nursery, primary, secondary and higher education) and to support the digital development and transition of education;
- to support social and professional organizations, both national and international, in the fields of digitalization, IT development, training and awareness raising;
- IT education for disadvantaged people and people with reduced working capacity, as well as the development and training of the digital environment for disadvantaged social groups;

- scholarship-based talent management in IT and IT-related education and training;
- developing the IT knowledge, education, training and skills of future generations in areas beyond the borders in line with the business policy of 4iG Plc;
- to support the digitalization of healthcare;
- supporting the digitalization and development of digital infrastructure in culture, sport and other areas;
- digital literacy;
- promoting and supporting causes of great social importance.

Among 4iG's corporate social responsibility projects, its cooperation with the Ecumenical Relief Organization stands out. The company donated HUF 12 million to help alleviate the humanitarian disaster in Ukraine. The organization also donated HUF 1 million to the University of Szeged's summer school, where a leading expert from 4iG Mentor shared his/her knowledge of 3D printing technology. In addition, the organization supported the Swiss Foundation for Cancer Research and People Living with Pain with HUF 2 million, which was used to finance the operating costs of a mobile medical clinic.

In addition to donations, the 4iG Group also plays an active role in sponsorship, primarily sponsoring events related to digitalization and infocommunication, 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, aims to establish 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 the activities concerned. The exact interpretation of the indicators is detailed in Regulation No. 2021/2178.

### Eligible economic activities

The first criterion is 'eligibility', which indicates the proportion of the reporting organization's economic activities that are included in the EU list of 'eligible' activities.

This list includes those eligible activities that can be considered sustainable under appropriate conditions. The associated financial indicators can be used to calculate the proportion of an organization's activities that are taxonomically relevant.

### Aligned economic activities

If a company has activities that can be aligned, the second step is to assess whether or not these activities are carried out in a sustainable manner. The second criterion is 'alignment', which indicates the proportion of a reporting organization's economic activities that are aligned activities, i.e. those that are actually carried out in a sustainable manner according to the EU criteria. The 'alignment' criteria only apply to eligible activities and therefore the proportion reported for 'alignment' cannot be higher than the proportion reported for eligibility. A difference between the two percentages indicates that there are activities of the organization that could be sustainable according to the EU criteria, but that the organization does not currently meet these criteria. As such, this difference indicates the development potential of the organization.

### Meeting six environmental objectives

The taxonomic alignment test is carried out in three steps:

1) The economic activity shall contribute significantly to at least one of the six environmental objectives.

The six environmental objectives are:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

The appropriateness of the selected activities, their contribution to the environmental objectives, can be interpreted if the conditions set out in the technical evaluation criteria are met. For the year 2022, for the time being, only the first two environmental objectives related to the level of compliance should initially be assessed by organizations.

2) The second criterion for 'alignment' is that the activity must not cause significant harm to the five remaining environmental objectives while supporting one of them (Do No Significant Harm - DNSH principle). The conditions for avoiding significant harm are also included in the technical evaluation criteria.

3) The third condition is the application of minimum safeguards, which require the Group to engage in responsible business conduct in accordance with international human rights conventions, including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on the Responsibility of Business to Respect Human Rights, including the eight core conventions set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

### Activities aligned with the Taxonomy:

The EU Taxonomy compliance assessment was carried out as part of the preparation of the 2022 Sustainability Report. As stated in the 4iG Group Sustainability Report, the 2022 Report did not cover the entire consolidated Group, therefore the EU Taxonomy compliance is limited to the companies included in the Sustainability Report (4iG Plc, Antenna Hungária Zrt, DIGI Távközlési és Szolgáltató Kft., Invitech ICT Services Ltd, ALBtelecom sh.a, ONE Telecommunications sh.a and One Crna Gora DOO).

### The following activities are relevant in the scope of the business under review:

6.5 Transport by motorcycles, passenger cars and light commercial vehicles

6.6 Road freight transport

7.3 Installation, maintenance and repair of energy efficiency equipment

7.4 Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and parking spaces in buildings)

7.7 Purchase and ownership of buildings

8.1 Data processing service

8.2.A Information technology service

8.2.M (Climate change adaptation) Data-driven solutions to reduce GHG emissions

8.3 Compilation and broadcasting of programs

9.3 Professional services related to energy efficiency in buildings

13.3 Motion picture, video and television program production, sound recording publishing

**The taxonomic disclosure is detailed in the tables below, based on Regulation (EU) No. 2021/2139:**

Economic activity	Codes	Absolute amount of turnover (million HUF)	Share of turnover (%)	Material contribution criteria										DNSH criterion (Avoidance of significant harm)				Taxonomy-aligned share of turnover in 2022 (%)	Taxonomy-aligned share of turnover in 2021 (%)	Category (T: supporting activity)	Category (A: Conversion activity)
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Minimum safeguards					
<b>A. Taxonomy-eligible activities</b>																					
<b>A.1. Environmentally sustainable (taxonomy-aligned) activities</b>																					
Turnover from environmentally sustainable (taxonomy-adapted) activities (A.1)		0	0%														0%	N/A			
<b>A.2 Taxonomy-eligible but environmentally unsustainable activities (non-taxonomy-aligned activities)</b>																					
Data processing service	8.1	1 862	0.42%																		
Information technology services	8.2 A	50 981	11.61%																		
Data-driven solutions to reduce GHG emissions	8.2 M	1 307	0.30%																		
Program composition, broadcasting	8.3	48 608	11.07%																		
Professional services for energy efficiency in buildings	9.3	46	0.01%																		
Film, video production, television production, sound recording publishing	13.3	7 327	1.67%																		
Taxonomy-eligible but environmentally unsustainable activities (non-taxonomy-adapted activities) turnover (A.2)		110 131	25.08%		N/A												2.95%	N/A			
Total (A.1 + A.2)		110 131	25.08%														2.95%	N/A			
<b>B. Taxonomy-non-eligible activities</b>																					
B. Turnover from taxonomy-non-eligible activities (B)		328 999	62.89%																		
Total (A+B)		439 131	100.00%																		

Economic activity	Codes	Absolute amount of CAPEX (million HUF)	Share of CAPEX (%)	Material contribution criteria										DNSH criterion (Avoidance of significant harm)				Taxonomy-aligned share of CAPEX in 2022 (%)	Taxonomy-aligned share of CAPEX in 2021 (%)	Category (T: supporting activity)	Category (A: Conversion activity)
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Minimum safeguards					
A. Taxonomy-eligible activities																					
A.1. Environmentally sustainable (taxonomy-aligned) activities																					
CAPEX of environmentally sustainable (taxonomy-aligned) activities (A.1)		0	0%														0%	N/A			
A.2 Taxonomy-eligible but environmentally unsustainable activities (non-taxonomy-aligned activities)																					
Installation, maintenance and repair of energy efficiency equipment		7.3	46	0.15%																	
Purchase and ownership of buildings		7.7	1	0.00%																	
Data processing service		8.1	27	0.09%																	
Data-driven solutions to reduce GHG emissions		8.2 M	433	1.41%																	
Program composition, broadcasting		8.3	354	1.15%																	
Film, video production, television production, sound recording publishing		13.3	41	0.13%																	
CAPEX-e of taxonomy-eligible but environmentally unsustainable activities (non-taxonomy-aligned activities) (A.2)			902	2.95%													2.95%	N/A			
Total (A.1 + A.2)			902	2.95%													2.95%	N/A			
B. Taxonomy-non-eligible activities																					
B. CAPEX of taxonomy-non-eligible activities (B)			29 731	97.05%																	
Total (A+B)			30 633	100.00%																	

Economic activity	Codes	Absolute amount of OPEX (HUF million)	Share of OPEX (%)	Material contribution criteria										DNAH criterion (Avoidance of significant harm)		Taxonomy-aligned share of OPEX in 2022 (%)	Taxonomy-aligned share of OPEX in 2021 (%)	Category (T: supporting activity)	Category (A: Conversion activity)	
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems					Minimum safeguards
<b>A. Taxonomy-eligible activities</b>																				
<b>A.1. Environmentally sustainable (taxonomy-aligned) activities</b>																				
OPEX of environmentally sustainable (taxonomy-aligned) activities (A.1)		0	0%														0%	N/A		
<b>A.2 Taxonomy-eligible but environmentally unsustainable activities (non-taxonomy-aligned activities)</b>																				
Transport by motorcycles, passenger cars and light commercial vehicles		6.5	2 240	26.66%																
Road freight transport		6.6	14	0.17%																
Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and parking spaces in buildings)		7.4	16	0.19%																
Purchase and ownership of buildings		7.7	666	7.93%																
Data processing service		8.1	227	2.70%																
Data-driven solutions to reduce GHG emissions		8.2 M	22	0.6%																
Program composition, broadcasting		8.3	2 631	31.32%																
Film, video production, television production, sound recording publishing		13.3	693	8.25%																
CAPEX of taxonomy-aligned but environmentally unsustainable activities (non-taxonomy-aligned activities) (A.2)			6 508	77.48%																
Total (A.1 + A.2)			6 508	77.48%														77.48%	N/A	
<b>B. Taxonomy-non-eligible activities</b>																				
B. OPEX taxonomy-non-eligible activities (B)			1 892	22.52%																
Total (A+B)			8 399	100.00%																



Financial indicators are calculated according to the guidelines of Delegated Regulation (EU) No. 2021/2178.

The Group's activities are not yet taxonomy-aligned, and there are several gaps in the „Alignment“ criteria. 4iG aims to improve these conditions in later years to achieve better compliance.

## 10. GRI Content Index

In addition to the indicators defined by the GRI standard, the Group has also used its own indicators to measure its sustainability performance, called 4IG-X.

GRI Standard	GRI disclosure	Page number	Comments
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	3	
	2-2 Entities included in the organization's sustainability reporting	3	
	2-3 Reporting period, frequency and contact point	3	
	2-4 Restatements of information	3	There has been no republication, but the range of companies included in the report has changed significantly.
	2-5 External assurance	3	
	2-6 Activities, value chain and other business relationships	6	
	2-7 Employees	35	
	2-8 Workers who are not employees	35	
	2-9 Governance structure and composition	9	
	2-10 Nomination and selection of the highest governance 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	20	

GRI Standard	GRI disclosure	Page number	Comments
<b>GRI 2: General Disclosures 2021</b>	2-16 Communication of critical concerns	23	
	2-17 Collective knowledge of the highest governance body	9	
	2-18 Evaluation of the performance of the highest governance body	9	In 2022, no sustainability criteria have been included in the performance assessment.
	2-19 Remuneration policies	44	
	2-20 Process to determine remuneration	44	
	2-21 Annual total compensation rate	44	
	2-22 Statement on sustainable development strategy		
	2-23 Policy commitments	6	
	2-24 Embedding policy commitments	20	
	2-25 Processes to remediate negative impacts	23	
	2-26 Mechanisms for seeking advice and raising concerns	23	
	2-27 Compliance with laws and regulations	23	
	2-28 Membership associations	20	
<b>GRI 3: Key issues 2021</b>	3-1 Processes to determine material topics		
	3-2 List of material topics		
	3-3 Management of material topics	51	
<b>Business operations 4IG</b>	3-3 Essential issues	51	
	4IG-1 Flexible business operations	14	
<b>Innovation 4IG</b>	3-3 Essential issues	51	
	4IG-2 Use of innovative solutions	17	
<b>Customer satisfaction 4IG</b>	3-3 Essential issues	51	
	4IG-3 Customer satisfaction	18	
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	44	
	201-4 Financial assistance received from government	16	
<b>GRI 202: Market presence 2016</b>	202-1 Ratios of standard entry level wage by gender compared to local minimum wage		

GRI Standard	GRI közzététel	Oldalszám	
<b>GRI 204: Procurement Practices 2016</b>	204-1 Percentage of spending on local suppliers		
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	20	
	205-2 Communication and training about anti-corruption policies and procedures	20	
	205-3 Confirmed incidents of corruption and actions taken	20	
<b>GRI 206: Anti-competitive behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	20	
<b>GRI 302 Energy 2016</b>	302-1 Energy consumption within the organization	26	
	302-3 Energy intensity	26	
	302-4 Reduction of energy consumption	26	
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	30	
	305-2 Energy indirect (Scope 2) GHG emissions	30	
	305-4 GHG emissions intensity	30	
	3305-5 Reduction of GHG emissions	30	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	30	
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	33	
	306-3 Waste generated	33	
	306-4 Waste diverted from disposal	33	
	306-5 Waste fordirected to disposal	33	
<b>GRI 401: Employer practices 2016</b>	401-1 New employee hires and employee turnover	35	
<b>GRI 403: Occupational health and safety 2018</b>	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 ill health	51	

GRI Standard	GRI közzététel	Oldalszám	
<b>GRI 404: Training and education 2016</b>	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	
<b>GRI 405: Diversity and equal opportunities 2016</b>	405-1 Diversity of governance bodies and employees	35	
	405-2 Ratio of basic salary and remuneration of women to men	44	
<b>GRI 406: Exemption from discrimination 2016</b>	4406-1 Incidents of discrimination and corrective actions taken	35	
<b>GRI 418: Consumer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	22	



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