

**MAGYAR POSTA
ANNUAL REPORT**

2020



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FOREWORD BY THE

CHIEF EXECUTIVE OFFICER





DEAR READER,

2020 was a year of challenges for the country as a whole, including Magyar Posta. Our Company's services are essentially based on personal contact, and the delivery workers and the staff behind the counter meet a lot of customers. However, during the coronavirus pandemic, it was precisely by minimising contact and by taking protective measures that we had to carry out our duties and provide the universal postal service throughout the country without interruption.

The pandemic has fundamentally changed our work processes, and prompted us to find new ways of doing what we used to do in person at an appropriate distance while maintaining our service levels and competitiveness, thus ensuring the livelihoods of some 26,000 employees and their families. I am proud that we managed to resolve this paradoxical situation.

We took numerous measures to protect the health of our customers and employees, and made contactless receipt possible.

The pandemic caused a marked increase in parcel traffic. In the spring of 2020, we delivered as many parcels as we usually deliver during the Christmas peak period. On the other hand, in 2020, letter mail volumes and the number of bill payments fell significantly, while the volume of bills paid electronically, which customers could do in safe circumstances through our iCsekk mobile app and bill payment machines, almost tripled.

GYÖRGY SCHAMSCHULA
Chief Executive Officer

Government bonds remained the most popular savings product offered by our Company in 2020 due to the guarantee the investment provides, the high level of trust in Magyar Posta and the availability of these savings products throughout the postal network.

97% of the Hungarian population accesses our services at their local post office, and hundreds of mobile post offices bring services to the door. Thus it is no exaggeration to say that we are everywhere. In 2020, we also began modernising this extensive network to make our operations more efficient and more sustainable.

Despite the pandemic, our logistics developments did not come to a halt in 2020 either. New processing plants were opened at three locations, including the logistics depot with the largest floor area in the country in Fót. These new facilities providing more space than before ensure that the ever-increasing volume of parcels can be handled properly.

I thank our customers for standing by us in the most difficult circumstances, and for their patience and kind words in helping our staff.

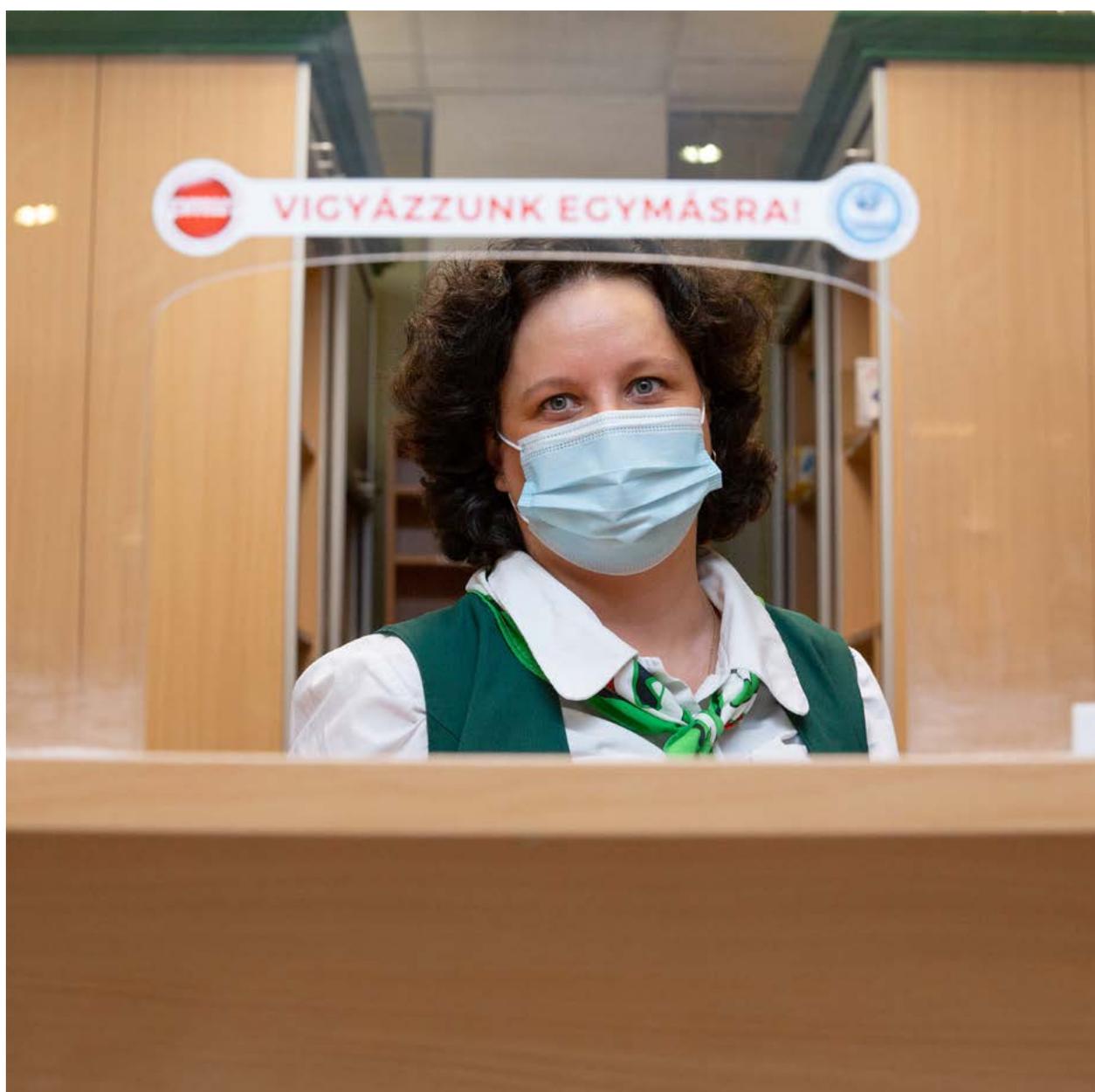
Gratitude and respect are due to all our employees for their endeavours in the shadow of the pandemic. It is thanks to them that our Company has been able to maintain its market position despite the situation and carried out its planned developments.

MAGYAR POSTA ZRT.'S MOST

IMPORTANT INDICATORS (2020)

Sales revenue	HUF 199.6 billion
Number of fixed postal outlets	2,604
Number of parcel pick-up points	2,993
Domestic parcel traffic	~ 26.6 million items
Number of addressed letter-mail items accepted in Hungary	~ 488 million items
Bill payment turnover	~ HUF 1,925 billion
Amount paid at bill payment terminals (including retail)	~ HUF 6,470 million
Advertising mail	~ 411.4 million items
Loyalty points collected by customers in 2020	~ 414 million points
Decline in average age of vehicles	1.1 years
Size of vehicle fleet	4,987 items
Annual mileage of vehicles	~ 88.1 million km
Annual mileage of vehicles involved in parcel delivery	~ 18.3 million km
Number of employees at the Company (annual average number of persons reduced by converting to full-time employees including casual employment)	26,322 persons

CHANGES IN THE DOMESTIC AND INTERNATIONAL ECONOMIC CLIMATE



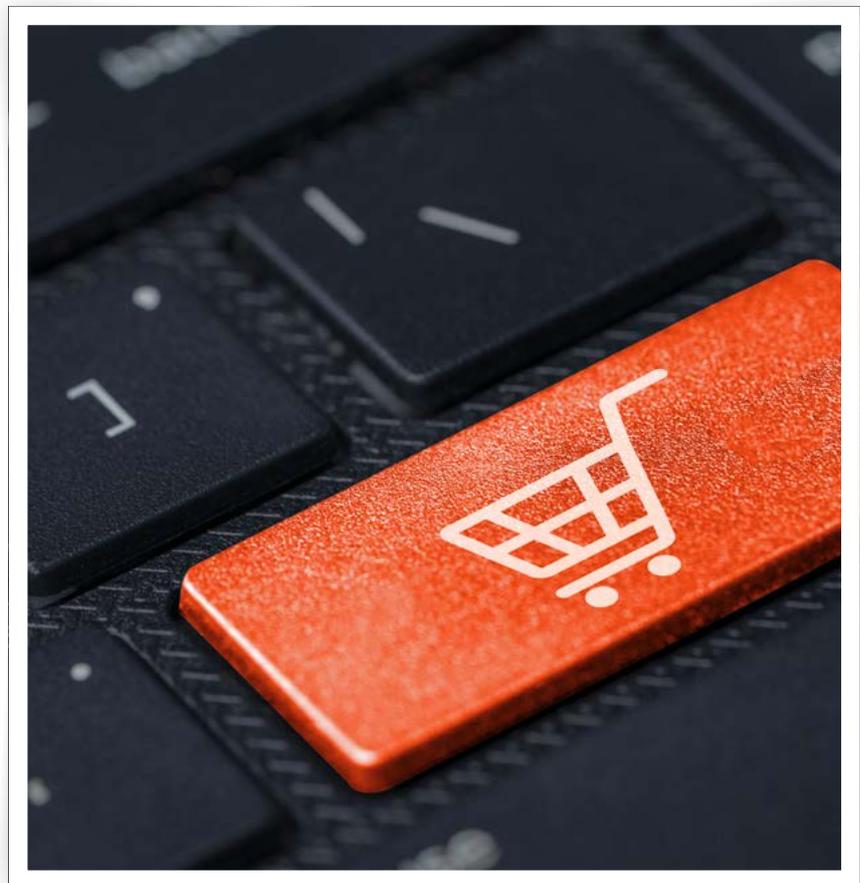
The year 2020 brought a host of new challenges for Magyar Posta, as it did for most players in the **international and domestic economy**. The start-of-year plans were considerably changed by the emergency period as the challenges required a number of unprecedented measures to be taken.

To provide protection during the COVID-19 pandemic, the Company introduced a unique waiting system at post offices whereby the number of people allowed inside the customer area had to match the number of open counter windows. Furthermore, in order to protect older people, priority service was given to those aged 65 and over for an hour after opening. These measures made post offices safer for both the public and employees. There were no infections among the more than 26,000 employees of Magyar Posta until the end of June 2020. In addition to the introduction of protective measures, our Company made remote work possible for its office staff who were able to perform their tasks outside the office without detriment to **business continuity** or customer service.

The prevailing situation spurred the acceleration of **digitisation**. The quantity of letter mail and yellow bill payments have fallen by 3 to 6% per year over recent years, but in the spring of 2020 the decline was much greater, down 30% in mail and over 15% in bill payments. To compensate for these shortfalls and to satisfy customer needs, Magyar Posta paid particular attention to modernising its activities. The acceleration of the digital switchover is illustrated by the fact that the number of bills paid electronically nearly tripled in the spring 2020 period, which is in part due to the fact that payments can now also be made from banking applications as well as through the iCsekk application.

The Company will continue the best practices of measures put into effect during the pandemic, thereby contributing to increasing employee satisfaction and improving economic performance.

Teleworking and working from home in compliance with European standards also increased substantially. Periodically, some industries and shop chains were forced to stop working either partially or completely, and to close their businesses. This prompted **significant growth in e-commerce**. For our Company, the volume of parcels reached, and in several cases exceeded, the peak period quantities as early as the spring, yet our customers' expectations were successfully met. Magyar Posta improved its parcel logistics infrastructure even in the period generating exceptionally heavy loads. One of the most spectacular successes was a milestone in our MPL+ programme completed in nine months: in November 2020, our **new logistics facility** in Fót, a modern, 15,000 m² mechanised parcel processing plant, was inaugurated.



THE MODERN CLASSICS

LETTERS – CONTACTLESS DELIVERY



Nowadays, technology and information networks make instant, digital messaging possible. A major part of communication has shifted to smartphones and internet options. Besides the computer, a multitude of modern, intelligent devices have appeared, and are appearing, which quickly become part of everyday life.

The traditional printed letter, as a means of communication, is being replaced by modern technologies. The public has almost stopped using the traditional letter for exchanging information, preferring to communicate via e-mail and chat platforms, which provide the option for instant communication. Modern technologies have also changed and are continually shaping the correspondence patterns in the business sector. Correspondence and administration are constantly being switched to online platforms.

Magyar Posta, too, responded to the digital communication challenges in its letter portfolio. Traditional paper letters were given special digital features. Following the introduction of tracking for registered and advice-of-delivery letters in 2019, in the summer of 2020, the fee at the time of dispatch became more favourable for registered items with an electronic posting list.

At the same time, the identified letter (where the sender is informed if the letter is not delivered and of the reason for non-delivery), which was introduced at the end of 2019, was also given a more favourable tariff than the traditional letter without an identified barcode.

THE MODERN CLASSICS

For the preparation of items for dispatch, both private and business customers could continue to use the free ePosting Book application available on Magyar Posta's website.

The joint efforts of customers and Magyar Posta to switch over to electronic mail made it possible to post official documents using only electronic posting lists from 1 July 2020. Since that date, senders of official documents have received electronic confirmation of delivery for their documents. Customers who insist on having confirmation on paper can, for a fee, still request certified confirmation on paper.

For advice-of-delivery letters, Magyar Posta discontinued using the advice-of-delivery form for domestic letters by the end of the year. This reduces both administration and paper usage for that type of letter mail.

The pandemic, which reached Hungary in the spring of 2020, and the consequent closures at home and abroad caused a further substantial fall in letter-mail traffic.

Magyar Posta responded quickly to the pandemic situation. Despite the difficulties arising from the pandemic, our colleagues managed to deliver the mail to addressees.

Contactless delivery was introduced for registered letters, which meant that registered mail was delivered to letterboxes, and letters with advice-of-delivery and official documents were also delivered contactlessly after the necessary data had been recorded. The letters of customers in quarantine were retained free of charge until the expiry of the self-isolation period and then delivered.

In compliance with international regulations, the letter with dutiable content was introduced for international mail. Magyar Posta also bore electronic solutions in mind for this service, which can be used with both paper and electronic posting lists. The service is available with regard to countries outside the customs border of the European Union.

Digitisation and the pandemic did not affect the mail composition and, as in recent years, business and corporate mail remained the main type. However, the same large corporate segment is the most open to using modern digital tools, and a significant part of their developments is devoted to digital access and renewal. This is done not only to reduce costs, but also in the spirit of environmental awareness and going paperless.

The pandemic contributed to accelerating electrification efforts, thus triggering the switchover not only in large companies but also in government and public administration.

The effects of this were felt appreciably in the volume of domestic and international outbound addressed letter mail in 2020. The volume of these mail items fell by 12.8% from 2019 to 2020.

Whereas revenues from additional services decreased from 2019 to 2020, the use of higher quality services by customers continued to be an important parameter.





A joint souvenir sheet was issued by Magyar Posta and Singapore Post to mark the anniversary of diplomatic relations by pairing the Széchenyi Chain Bridge with the Cavenagh Bridge.

THE EMBLEM OF OUR TRADE: THE POSTAGE STAMP

Over a century and a half have passed since the first postage stamp was affixed to a letter in Hungary. Since then, Hungarian stamps and the wealth of colourful images and information they contain have been carried on the wings of mail to the farthest corners of the world. Apart from the function of paying postage, stamps are miniature artworks and collectable objects. Looking through the year's issues provides a rich summary of the outstanding anniversaries of Hungary, our culture and our history, the country's natural assets, and events in Hungary and around the world.

A special release of the year 2020 was the joint Hungarian-Singaporean stamp issue marking the anniversary of the establishment of diplomatic relations between the two countries, which was made in both countries using the design of a Hungarian stamp designer.

In 2020, the artistic and technical quality of Hungarian postage stamps also won recognition at the Nexofil international best stamp competition in Spain, where the Sevso Treasure II special souvenir sheet won first and third place in two separate categories.

The epidemiological situation necessitated a number of changes to the 2020 issue programme, and new

issues replaced those connected with events that were cancelled or postponed until 2021.

Technological progress is accompanied by changes in consumer patterns, which also encourage stamp issuance to change and adapt. We strive to maintain the interest of philatelists at home and abroad with varied and popular themes, limited editions and special solutions.



Famous people, anniversaries, events, flora and fauna, cartoon characters and many other themes appeared on stamps in 2020.

NEWSPAPERS, UNADDRESSED ADVERTISING MAIL

Alongside **press market digitisation**, which has strengthened steadily for several years, there was still demand for printed newspapers among regular readers. The trend similar to previous years, i.e. a decline in the volume of press products, continued in 2020, being more marked for daily newspapers and less pronounced for magazines, while the public’s interest in thematic magazines was typical again for the year.

Among readers of traditional press products, the use of digital channels for subscriptions and payments increased significantly, particularly in view of the pandemic situation prevailing in 2020. Magyar Posta has offered customers the option of subscribing online since 2017. Here, too, the growth in 2020 also exceeded that of previous years considerably, registering a 60% increase in the number of subscriptions received via the webshop in 2020 compared to the previous year.

Publishing partners typically required a full distribution service, including the collection of subscription fees, in 2020 as well.

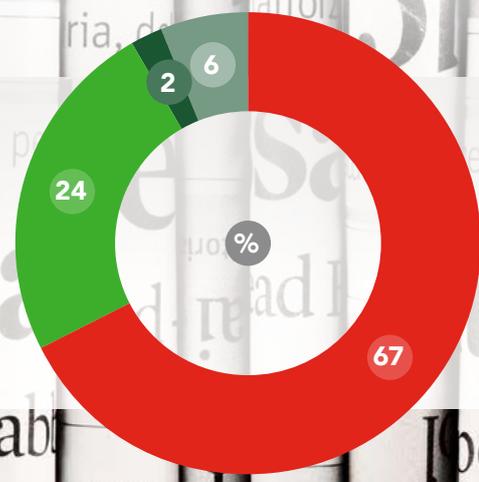
From 1 January 2020 onwards, Magyar Posta provided – through a narrower range of postal sales points – its newspaper sales activities as a retailer in the market, i.e. it supplied the postal newspaper sales points, as retail units, with publications via an external partner, a wholesaler.

In 2020, the stability of revenues from newspaper products (newspaper subscriptions and newspaper sales) continued to be ensured by the wide and varied range of newspapers offered to customers. However, sales support campaigns were curtailed by pandemic-related restrictions (shorter opening hours, minimised customer presence in service areas, the number of employees absent due to illness).

Income from domestic unaddressed advertising materials distributed by Magyar Posta fell by 28% in 2020 compared to the previous year. The decline in this product area was largely caused by the pandemic situation in 2020 after some clients were forced to suspend their activities permanently or partially, particularly in the commercial segment.

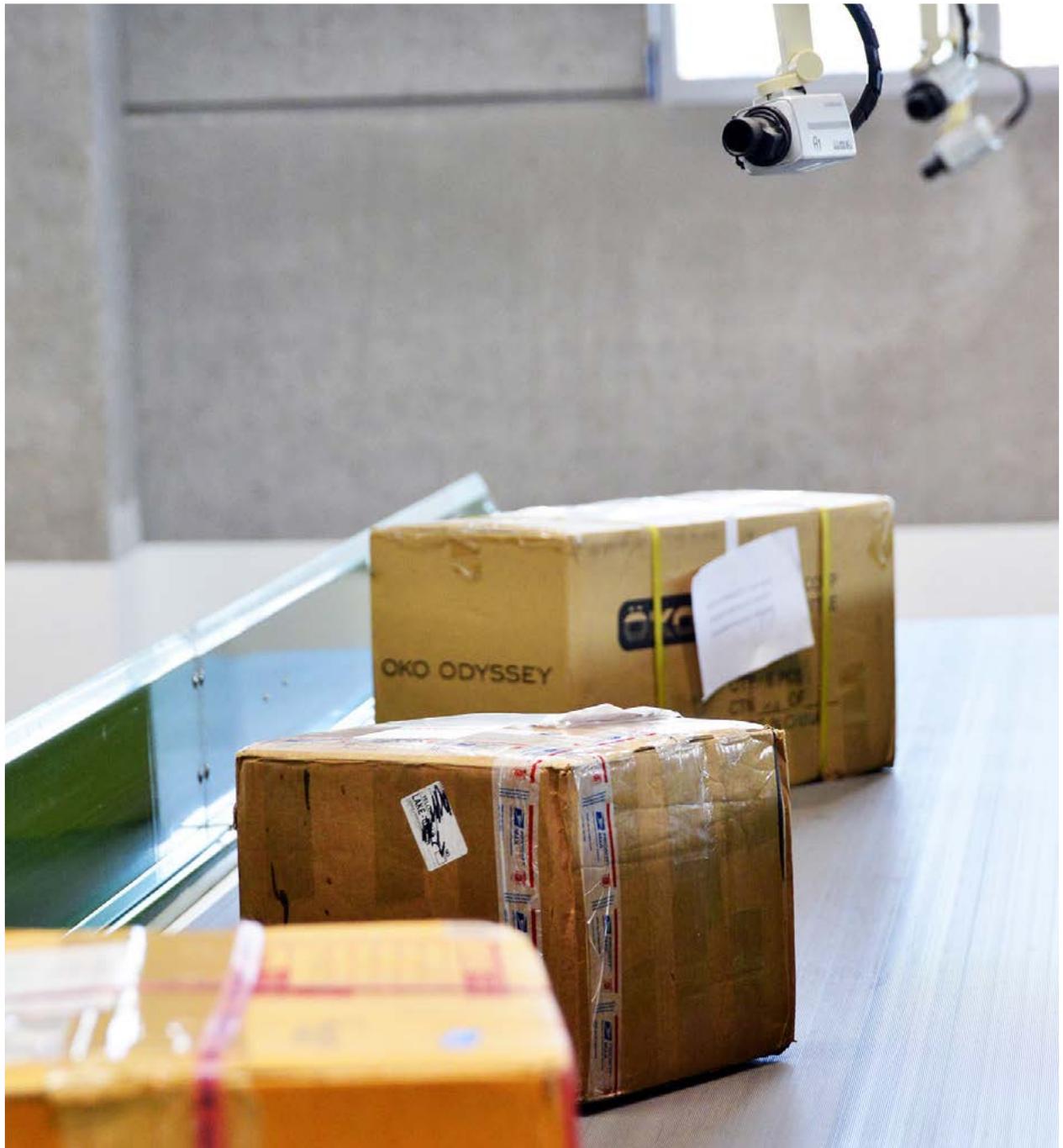
Breakdown of newspaper revenue 2020

- Newspaper distribution
- Advertising materials
- Newspaper sales
- Other newspaper activity



FOCUS ON

PARCEL LOGISTICS



LOGISTICS SERVICES

In 2020, major market and economic changes occurred which led to dynamic growth for the online commerce sector. As a result of the health emergency, the expansion of parcel logistics also accelerated. Magyar Posta continues to play a leading role in the domestic parcel, courier and express (CEP) market, delivering 26.6 million domestic parcels in 2020 and increasing its revenue from domestic parcel logistics products by 22.7%.

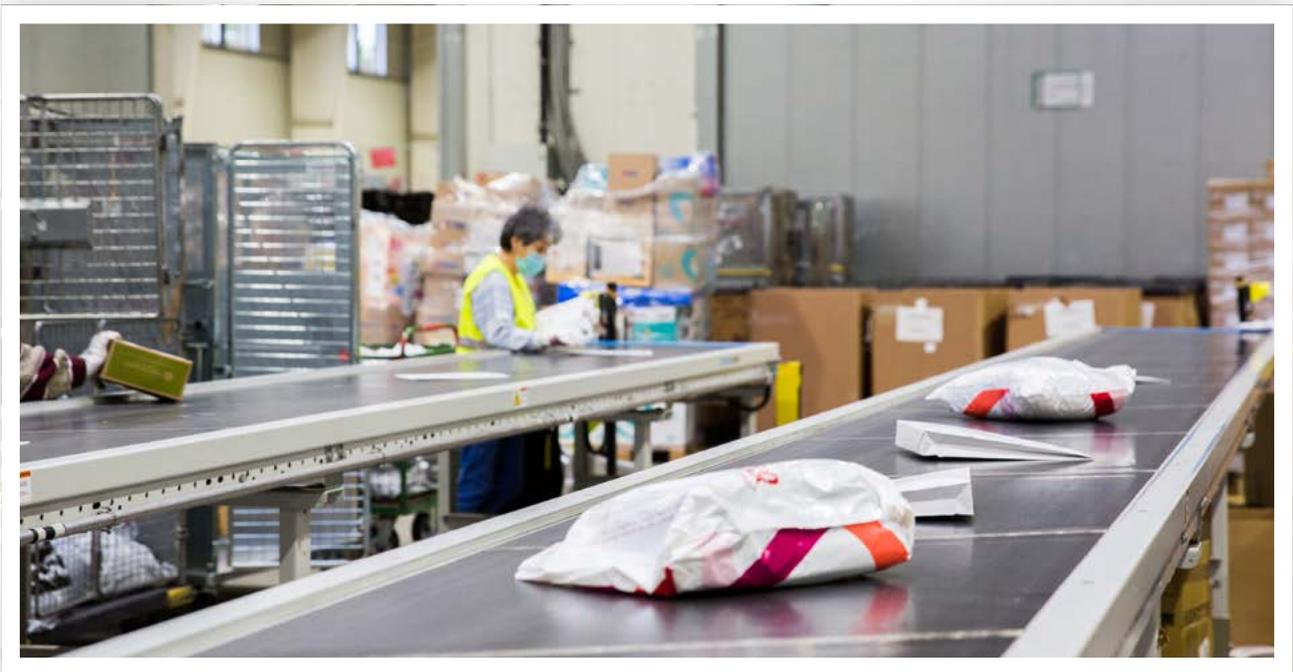
As regards the internal shares of domestic parcel products, business parcel services accounted for 95.8% of total parcel volumes in 2020, while the universal service, the MPL Postal Parcel, represented 4.2%.

A readjustment in delivery methods was evident with the most important changes being a 34.3% rise in the proportion of mail delivered to the door and a 56.6% increase in the number of items sent to parcel terminals compared to 2019. Contactless delivery was introduced in order to adapt to the changed needs of customers due to the pandemic, while the frequency of bank card payments for postal parcel

products also increased. While there was no large change in the share of shipments ordered with cash on delivery, the number of payment-for-goods parcels paid for by bank card almost doubled.

Magyar Posta’s strategic objective remains to maximise the potential of the expanding small parcel logistics market and to maintain its leading position. To this end, the Company is introducing customer-friendly services and improving existing services, which includes developing a more transparent product and service portfolio.

In 2020, the domestic EMS and the business parcel’s afternoon delivery additional service were phased out. As an additional service adjusted to customer needs, time-slot delivery was made available to all contractual partners and, uniquely, to the public as well. A major IT development was carried out to enable the use of the service via an API connection in an integrated manner. This integration provides an opportunity for contracted customers to benefit from automated and system-supported mail preparation and tracking.





INTERNATIONAL TRANSPORT AND MAIL

Import international mail

In 2020, international import mail was significantly affected by the COVID-19 pandemic as countries around the world grappled with a shortage of transport capacity and there was a temporary loss of mail and parcel traffic between several countries.

Due to this, inbound letter-mail traffic to Hungary declined significantly, by 18%, compared to 2019, halting the steady growth of previous years. At the same time, the volume of tracked letter mail containing goods doubled and the structure of the market changed. Instead of registered and ordinary letter mail, tracked e-commerce letters, which mainly came from the Netherlands, China, Belgium, Germany and Luxembourg, played an increasingly dominant role.

Despite the pandemic, inbound parcel traffic showed a 12% rise year-on-year, which was largely due to the well-functioning road transport network in Europe. A large part of the mail arrives from

Germany, in respect of which there was a significant increase.

The pandemic situation in 2020 also put Magyar Posta in an exceptional situation as regards organising international transport.

When the pandemic began, most passenger aircraft were grounded and there were only a few cargo flights, which were negligible in number and capacity, for the carriage of mail.

Before the pandemic, in March 2020, Magyar Posta had at its disposal 357 flights of different airlines per week. This number suddenly plunged to 45, with the number of destination countries to which Magyar Posta could deliver mail falling from the previous 232 to 54 within a short time. Within Europe, air transport was replaced by road transport in many cases. When the first wave of the pandemic ended, the transport situation began to improve.

POSTAL CUSTOMS AGENT SERVICE

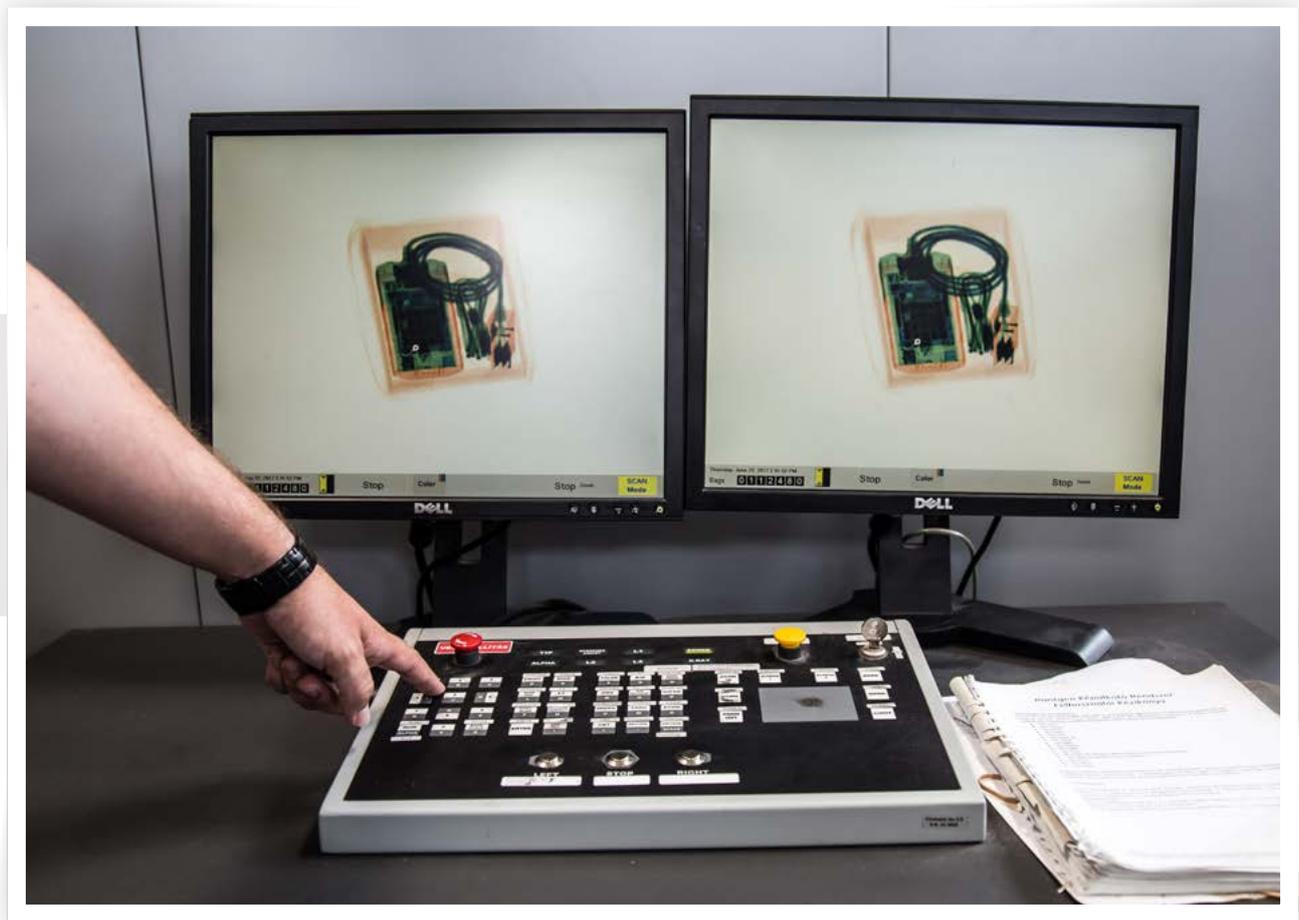
Under its customs agent service, Magyar Posta arranges import customs clearance for items from outside the European Union and also offers customs clearance services for exports. In 2020, the fallback in mail traffic caused by the pandemic was also reflected in the number of customs clearances. The number of items cleared by customs fell by approximately 16% compared to 2019.

The exemption from customs duty and VAT for goods ordered online and arriving from outside the European Union up to a value of EUR 22, and from customs duty for those up to EUR 150 but subject to VAT is to be abolished from July 2021 due to a change in EU law. Thus from that date onwards, also low-value items will need customs clearance and VAT at the due rate paid.

Magyar Posta is preparing for the change in the law with automated customs clearance and significant IT developments as well as by increasing logistics capacity.

For security and control purposes, the EU Customs Code places universal postal service providers under an obligation to submit entry summary declarations for inbound mail from outside the EU. Magyar Posta is preparing to meet this obligation by 1 October 2021 at the latest.

Information is provided for the above processes by the sending post office transmitting mail data electronically in advance, which is compulsory from 1 January 2021 under UPU rules.



PAYMENT AND MEDIATED

FINANCIAL SERVICES

BILL PAYMENT – MULTIPLE LOCATIONS, ANY TIME

Spurred by increasing market competition, the spread of payment methods and channels using new technologies, initiated in previous years by credit institutions and account holders (utility providers, local authorities, etc.), together with their promotion among as broad a clientele as possible, continued in 2020. The **solutions developed by competitors for bill payments hitherto** (e.g. bank

transfers, direct payments on service provider websites) **did not cause a major realignment before 2020**. However, **the pandemic in 2020** caused a sharper **fall of nearly 10% in the volume of postal payments** than the moderate downward trend of previous years. Nevertheless, the bill payment service remains popular with the public in general.

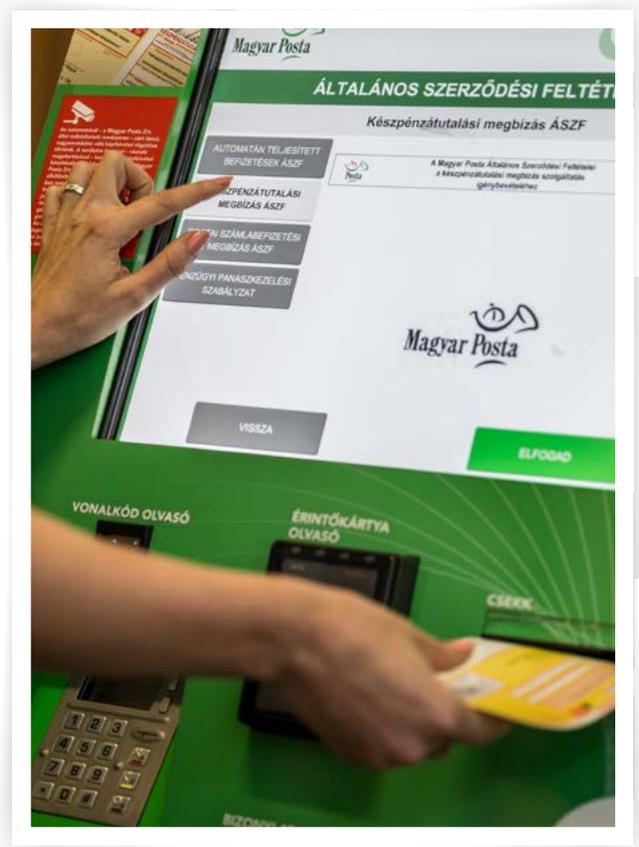


In order to preserve its market positions and increase its revenues, Magyar Posta completed several developments, which were mainly intended to create alternative bill payment options and reduce cash payments. New payment solutions allow customers to pay bills easily, quickly and conveniently.

Bills can be paid securely at terminals located in shopping centres, government offices and certain CBA Príma stores during their full opening hours. The popularity of the terminals is demonstrated by the fact that in 2020 a total of 467,000 bills worth more than HUF 6.4 billion were paid at more than 100 terminals.

The **bill payment service using mobile phone applications**, introduced in 2014, continues to be highly popular. The **iCsekk** app enables fees to be paid electronically by scanning the QR code on paper bill payment forms. In the first quarter of 2020, Magyar Posta and Díjnet refreshed their joint application in preparation for strong customer authentication required from 2021, and updated its appearance. In addition to iCsekk, postal QR code bill payments are also available integrated in some mobile apps of Budapest Bank and the OTP Group. In 2020, the use of all these bill payment apps increased. The security features of mobile apps have become more valued due to the situation created by the coronavirus as they allow customers to pay their bills from home without physical contact with others.

Due to the combined effect of the emergency, the iCsekk renewal and the bills payment solutions of partners, **three times as many bill payments were made using mobile applications** between March and December 2020 as there were in the same period the previous year. This meant that a total of **over 8 million bills**, together worth almost HUF 80 billion, **were paid** in 2020. Thanks to these innovative means, the Posta Group was able to cater for the increasing digital bill payment needs during the emergency.



Besides the new alternative bill payment solutions, Magyar Posta also **offers bill payment by bank card at postal outlets** without any cash withdrawal transaction fee. The proportion of **bill payments by bank card at postal outlets** compared to the total number of bill payments **exceeded 34%** by the end of 2020, registering a constant increase.

The **market for cash payments from a payment account** (payment vouchers, pension vouchers) continues on a steady downward trend, but demand for these services is still strong despite the proliferation of cashless solutions. The main reason for this is that, for the people concerned, receiving payment at their address reliably is an important factor in making their everyday lives easier and more convenient.

International money remittances

There was a 13% increase in international money remittances compared to 2019 volumes due to an increase in the volume of money sent through Western Union.

SAVINGS AND OTHER MEDIATED SERVICES

Of the savings products distributed by Magyar Posta, government bonds were again the most sought after by customers in 2020. In addition to the guarantee offered by investment in government bonds and the high level of trust in Magyar Posta, the availability of this form of saving throughout the entire postal network also increases its popularity.

The coronavirus pandemic had an impact on financial investments as well. Due to and after the state of emergency declared in March, demand for government bonds fell appreciably in the first weeks and remained at a lower level in the spring. However, demand began to pick up again as the pandemic eased.

By the end of 2020, Magyar Posta's portfolio of the printed Hungarian Government Security Plus, which is exclusively distributed by Magyar Posta, amounted to nearly HUF 260 billion, while the total value of the printed government bonds portfolio reached HUF 580 billion. Printed government bonds are particularly attractive for customers who are less open to digitisation and less inclined to open a bank or securities account, and prefer tangible, printed securities.

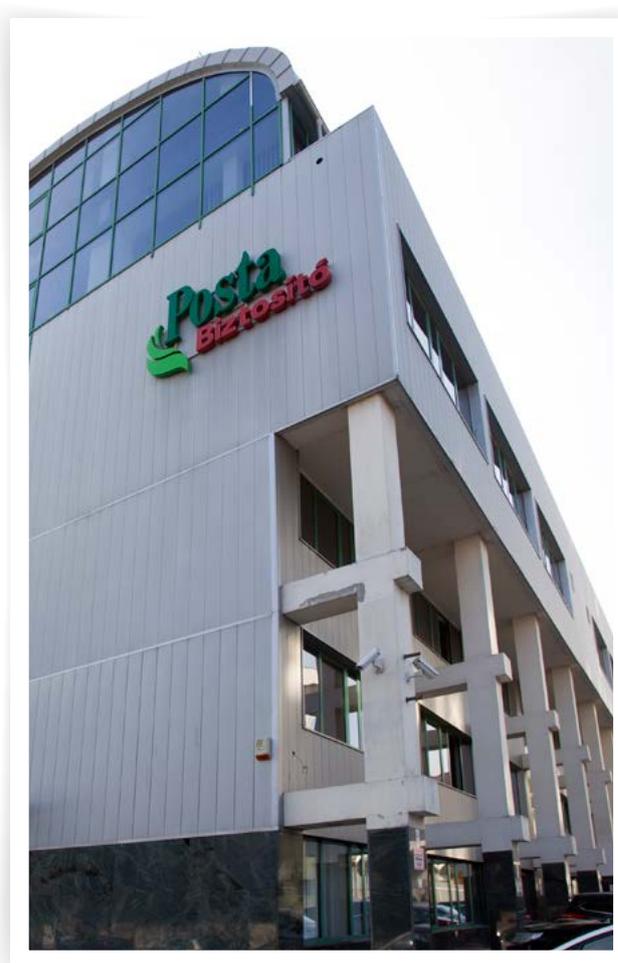
In 2020, Magyar Posta further expanded the number of service points where securities accounts can be opened and dematerialised Hungarian Government Security Plus sold, bringing the number of post offices at which customers can use this modern form of savings to 797. **By the end of the year, the dematerialised government bond portfolio reached HUF 111 billion.**

The cooperation between Magyar Posta and Takarékbank Zrt. was renewed in 2020. This involved the **Takarék Prize Draw Deposit** savings product coming into focus once more, when the chance for customers to win a car was announced. Thanks to the sales activity, the **portfolio expanded by almost HUF 2.9 billion** in 2020.

Additionally, the account packages previously sold under the Posta brand were phased out in **December 2020** and **modern account products** better adapted to customer needs, which are also available in the Takarékbank network, were **introduced**.

In 2020, the successful cooperation between **Magyar Posta Zrt.** and the insurance companies **Magyar Posta Biztosító Zrt.** and **Magyar Posta Életbiztosító Zrt.** continued.

In 2020, the pandemic situation also had a major impact on insurance sales. Sales of travel insurance in particular plummeted after the entire travel market was effectively wiped out. Nevertheless, thanks to other insurance products, we were able to close another successful year.



Minor changes were also made to some products in response to the coronavirus situation. As additions to the PostaCsaládi family insurance scheme, the "Same Day Surgery" and "MRI/CT scan" supplementary insurance were introduced, which offer customers extra health insurance services.

For the PostaÉdesOtthon home insurance, the "Home Office" package was introduced, which

provides cover should incidents occur during work at home in changed circumstances. In the autumn of the year, the PostaÖrökhagyó funeral insurance was also renewed.

Magyar Posta Életbiztosító Zrt. continues to be the market leader in single-premium life insurance. **In 2020, an outstanding single-premium life insurance result was again achieved.**

Entrusted customer service activity

Because of the situation that developed with the coronavirus, NKM Energia Zrt. suspended its customer service activities entrusted to Magyar Posta for the period March to July 2020. In consequence, while in 2019 nearly 100,000 cases were handled at the post offices, this number was reduced to around 45,000 in 2020.

In January 2020, Magyar Posta outsourced its vending machine control activities to its subsidiary, and thereafter designated post offices continued to

provide customer service under a service contract with MPF Magyar Posta Felügyeleti Kft. The contract was terminated at the end of March 2020 due to the coronavirus pandemic.

Furthermore, due to a change of ownership, the UPC-DTH contract was also terminated, thus from April 2020 Magyar Posta provided personal customer service only for NKM Energia Zrt. at 132 postal outlets nationwide.

Telekom bill payment service

The Magyar Telekom bill payment service offers customers a convenient way to pay their bills at 147 post offices. Even though the service was provided by Magyar Posta continuously during the pandemic, there were almost 1 million fewer transactions

compared to 2019 due to the coronavirus situation. Some of the customers who usually use Magyar Posta probably chose other channels to settle their bills during the restrictions, which they have continued to use in part even after the restrictions were eased.

Gambling game services

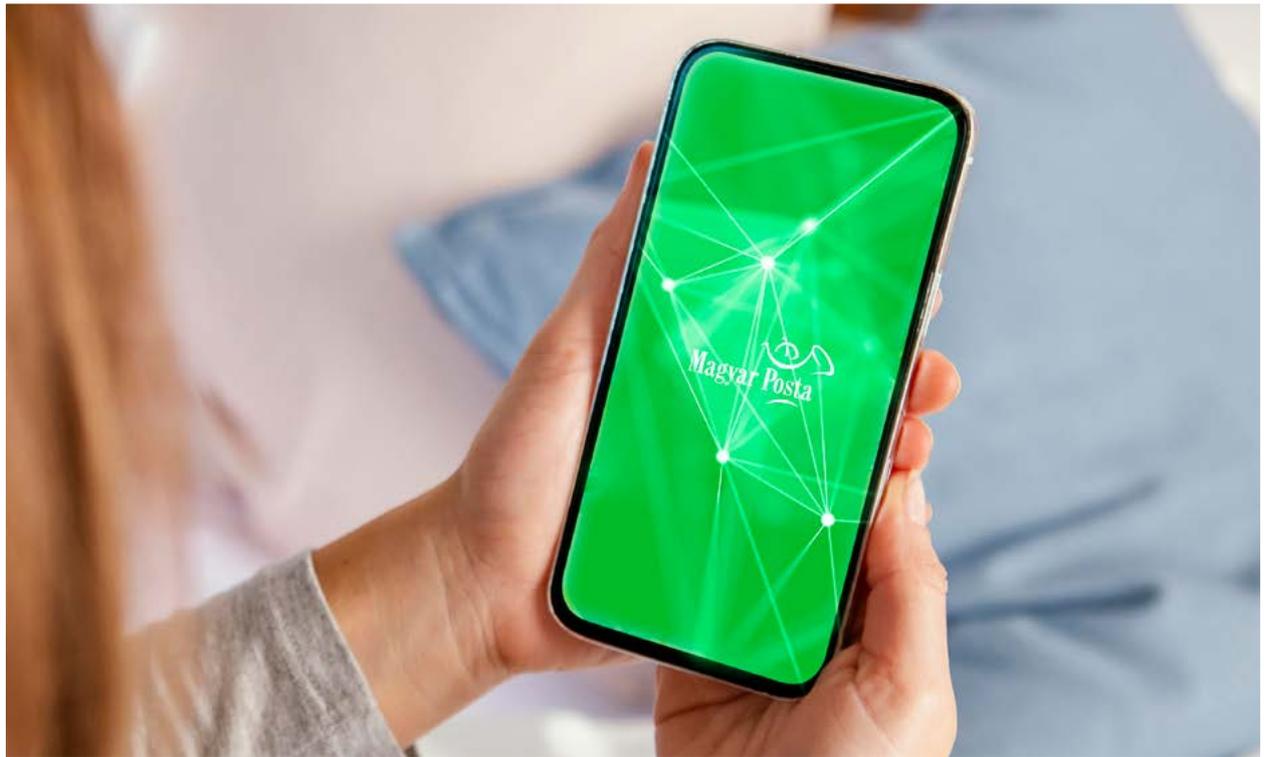
Under the sales contract between Magyar Posta Zrt. and the gaming company Szerencsejáték Zrt., scratch cards are available at about 2,500 postal outlets and automated gambling games are for sale at more than 1,600 post offices.

Compared to the previous year, in 2020 there was a slight fall in the volume of scratch cards in the postal network due to the negative effect of the coronavirus pandemic. In 2020, nine new scratch cards appeared and Magyar Posta successfully joined in their sales. Thanks in part to the record accumulation of the prize

in Five Lottery in 2020, the turnover for automated gambling games was somewhat higher year-on-year. As regards the automated gambling product range, 124 post offices have televisions showing results and/or interactive touch screens for Tippmix customers in order to help them to access the information they need to participate in the game more easily and conveniently.

POSTAL PRESENCE

IN THE DIGITAL WORLD



International money remittances

In villages located in small regions where infrastructure is less developed, Magyar Posta operated **40 Postal Agora Administrative Points** to make arranging administrative affairs easier for both residents and businesses. The service was discontinued at the end of 2020 due to the considerable improvement in digital access to public administration and the concurrent reduction in the use of Agora Points as well as the expiry of Magyar Posta's statutory designation on 1 January 2021.

In 2020, as a continuation of promoting electronic public administration, Magyar Posta, in conjunction with government offices, **participated in the testing**

of self-service administration machines. Under the ongoing cooperation, **the extension of the self-service machines** to more post offices is **expected** from 2021 onwards **as part of the project supervised by the Ministry of Interior "Artificial intelligence supported administration points (KIOSK) extended to government offices and other external administration sites"**. In addition to certificates of good conduct, which are already available at the machines, affairs such as identity cards, passports, and driving licence renewals as well as requests for copies of birth and marriage certificates are expected to be handled by them.

Digitisation

In order to be able to **respond to market needs in a more flexible manner**, the activities of the Posta Digitisation Centre, which include letter mail and document digitisation services for large corporate

customers, were **transferred to Magyar Posta's subsidiary, EPDB Nyomtatási Központ Zrt., in the third quarter of 2020.**

Services of the Postal Public Authorities Correspondence Centre

In 2020, **the range of users of the hybrid mail production service** provided by the Postal Public Authorities Correspondence Centre (PPACC) to client public authorities as a regulated and centralised electronic administration service (RAS/CAS) (especially the Government Offices and the National Tax and Customs Administration) **continued to expand** compared to the previous year. By the end of the year, **operational use of the service was provided to more than twenty public authorities and contractual relationships established with nearly ten more bodies.** As in previous years, in 2020, Magyar Posta provided hybrid mail production to the users designated by law under a public service contract concluded with the Ministry of Interior.

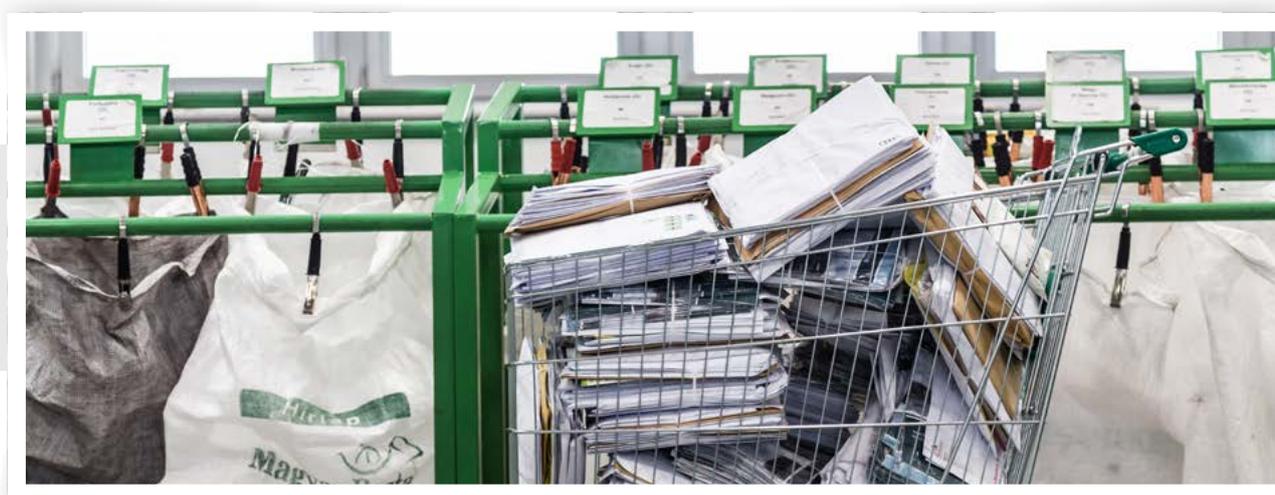
In the course of the year, the tasks were extended to include the printing of certified paper copies of the electronic delivery confirmation used for the delivery of official documents. The production and dispatch of vehicle tax decisions, which are now placed under the remit of the National Tax and Customs Administration, appeared as a new task, and will lead to a significant increase in volume in the coming years.

With the improvements to the PPACC in 2020, **several service-related processes were modernised to further increase the operational security of the system.**

Vending Machine Control Service

In order to achieve more efficient operation, Magyar Posta transferred the control service of unmanned food and beverage vending machines to a subsidiary with a single profile, MPF Felügyeleti Szolgáltató Kft., from January 2020. During the year,

MPF Kft. was transferred to the ownership of the digital government agency Digitális Kormányzati Ügynökség Zrt. and **the provision of this activity was removed from the portfolio of Magyar Posta's majority-owned companies.**



RETAIL TRADE ACTIVITY



Magyar Posta remains one of the resale networks with the largest turnover for SIM cards sold on behalf of mobile operators.

The distribution of retail goods requiring product display continues at nearly 1,400 postal outlets, and, in addition, the envelope, postcard and MPL packing box products corresponding with the core postal activity are still available throughout the network.

FOSTERING CUSTOMER

RELATIONS



MYPOST LOYALTY PROGRAMME

The MyPost Loyalty Programme for private customers had another successful year in 2020. The number of members of the programme grew to nearly 1.1 million. Our loyal customers made 1 million transactions per month on average and earned more than 410 million points per year. Most point collection transactions continue to be made by bill payment and, within this, the use of the iCsekk mobile app is becoming more and more popular.

In 2020, the range of concessions offered under the programme was further extended. Thanks to the new partners offering discounts, cardholders can make purchases with discounts ranging from 5 to 20% at Budmil stores and its webshop, Gigatel's webshop, Citydeals' online platform offering various services and experiences, Campona KockaPark family adventure centre, Benczúr House Cultural Centre and the Post Museum in Budapest.

SENDER! MOBILE APPLICATION

The Sender! mobile application, accessible on Android and iOS platforms, allows our customers to create a personal postcard from their own photos and send it to their friends by postal delivery. The app, which builds on both the Company's

digital and physical channels, continues to be popular with users thanks to its postcards that can be easily customised, simple ordering process and execution time of just a few working days.



**RECORD CUSTOMER SERVICE NUMBERS –
THE IMPACTS OF THE PANDEMIC AND
THE SURGE IN ONLINE COMMERCE**

For Magyar Posta’s Customer Service Directorate, the year 2020 was above all about the challenges of the expansion of e-commerce and dealing with the global pandemic situation. The development of online commerce was already significant in the years immediately preceding the pandemic, but this year, due to the temporary closure of shops, customers chose even more consciously to place orders online with home delivery. Indeed, a number of new players emerging in online commerce posed new challenges for logistics companies, including Magyar Posta’s customer service area. The pandemic transformed delivery and collection patterns and, through our efforts to adapt to the needs of customers, the internal operation of our customer service. In 2020, in addition to the increase in domestic and international parcel volumes compared to 2019, customer service handled more than 950,000 written and telephone enquiries, 24% more than in the previous year. In the last period of the year, when there was a surge in online ordering,

the number of customer service transactions showed an extreme increase of almost 42% compared to 2019, which were responded to at the expected service level.

The change in customer habits and the expansion of the digital world considerably alter the way we use our communication channels from year to year. To effectively manage the 23% increase in the number of email and web form enquiries compared to last year, our Contact Centre email handling processes were reconceived to meet the service levels expected by customers.

In order to increase customer satisfaction, our entire written communication toolkit was revised in 2020, aiming to achieve a more customer-centric and, above all, clearer and more comprehensible style. Our aim is to ensure a genuine customer experience that meets the expectations of the authority which oversees complaint handling activities.

SERVING CUSTOMERS

TO THE UTMOST

CLOSE TO CUSTOMERS

97% of the country's population can access Magyar Posta's fixed point service outlets in the place where they live. In villages without a fixed postal outlet, more than 350 mobile post office routes ensure that mail is accepted and delivered and customers can arrange their postal affairs in their own home.

At 177 post offices nationwide, modern touch screen totems of queueing systems help customers choose the desired service. Furthermore, 132 postal outlets operate branch offices for utility providers to allow customers to deal with matters related to utility services and use postal services at the same place.

As a result of the cooperation between Magyar Posta and Government Offices, the opening hours of postal outlets and Government Offices have been coordinated in the capital and in 24 rural settlements, while elsewhere post partner points or bill payment terminals in Government Offices facilitate bill payments for arranging official business subject to a fee.

The paper advice-of-delivery slip for letter products was discontinued on 30 June 2020 for official documents and on 31 December 2020 for domestic advice of delivery. The phasing out of the paper advice-of-delivery slip, in addition to improving the quality of service, also simplified internal delivery and sorting processes.

OVER 350 MOBILE POST ROUTES
AID THE ACCEPTANCE AND DELIVERY OF
MAIL IN OUR NETWORK



IN 2020 MAGYAR POSTA WAS
ACCESSIBLE TO CUSTOMERS AT
2,604 POST OFFICES, ACROSS
THE COUNTRY EVERY WEEKDAY
FOR A TOTAL OF **19,000**
OPENING HOURS PER DAY

Partner Programme

Apart from its expertise, Magyar Posta's greatest asset is its nationwide network, whose proper management and operation poses a challenge for our Company.

As part of the development of a new partnership model launched in 2020, we took the first steps towards modernising our national network in order to meet needs in the spirit of efficiency and sustainability. A joint development programme with Takarékbank Zrt. was launched to explore how to provide basic postal services more efficiently in

specific settlements and, as a result, joint service points shared with our partner were opened in 9 settlements in 2020.

2020 was the initial year of the launch of the new Partner Programme, with the planned involvement of further partners envisaged. The experience gained from the launch will help our efforts to ensure that Magyar Posta can continue to play a dominant role in all towns and villages, so that our customers can count on us, and our services remain available nationwide.

LOGISTICS SYSTEMS

Despite the pandemic situation, Magyar Posta's logistics network was able to operate successfully in the online commerce and logistics services market in 2020. Flexibly serving growing market needs was

enabled by the best possible use of technological systems and capacities in addition to developing and continuously replacing vehicles and equipment.

Development of the vehicle fleet

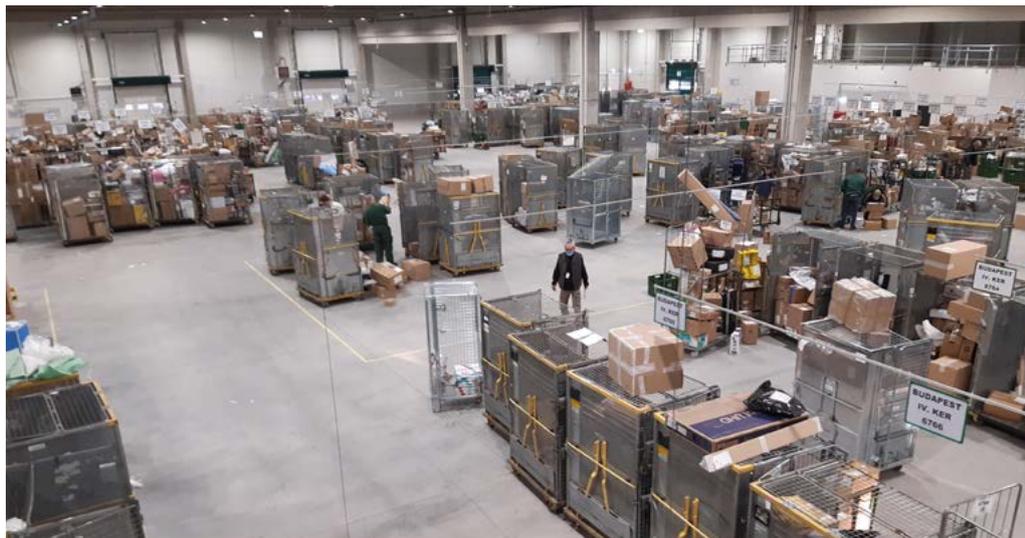
Based on the long-term vehicle replacement and development plan, 190 vans were purchased in 2020.

A further 50 electric tricycles and 261 electric assisted (Pedelec) bicycles were acquired to renew and support the equipment of the delivery service. This brought the number of electric vehicles used by Magyar Posta Zrt. to 178 and the number of electric assisted bicycles to 509.

Magyar Posta's vehicles travelled more than 88.1 million kilometres in 2020. The distance travelled by parcel delivery vehicles was up by nearly 21% in 2020 compared to the previous year. In 2020, fleet fuel consumption exceeded 9.7 million litres.

Further expansion of the electric vehicle fleet





Budapest
Parcel
Delivery
Base 6

DEVELOPMENT OF THE LOGISTICS INFRASTRUCTURE

Projects to increase capacity begun in previous years continued in 2020.

The increase in space and capacity required to serve the growing parcel traffic was implemented on a total of 21,049.55 m² at three logistics sites. Of these, the area of the Szekszárd Logistics DEPOT was expanded by 1,500 m² at the new site and the area of the Székesfehérvár Logistics Plant/DEPOT

was increased by 4,160 m² at the new site in Phase I of its relocation in 2020, while moving from the Complex Logistics Centre to a Magyar Posta owned property with a total area of 15,389.55 m², the Fót Logistics Centre housing Budapest Parcel Delivery Base 6 will, from 23 November 2020, help to increase quality and efficiency in the performance of logistics tasks in the regions.

Bird's-eye
view of the
Fót Logistics
Centre



MAGYAR POSTA

AS AN EMPLOYER



According to the Central Statistical Office, in 2020, the average statistical headcount including part-time employment was **27,537**, which is the equivalent of **26,322** full-time employees.

A wage agreement was concluded for an average basic salary increase of 8% for 2020 with retroactive effect from 1 May. The average monthly per capita full-time earnings were HUF 328,080, which were 5.5% higher than in 2019.

FRINGE BENEFITS, AID

Optional fringe benefits (OFB) for employees were an influential part of staff costs amounting to HUF 5,083 million.

Benefit element	Rate of use in total OFBs
Voluntary Retirement Pension	7,90%
Health Fund	5,60%
SZÉP accommodation	9,89%
SZÉP catering	47,25%
SZÉP leisure	5,68%
Cash	23,08%
Crèche, kindergarten service	0,16%
Sporting event cover	0,07%
Cultural service cover	0,37%

STAFF TURNOVER

In 2020, the Company's staff turnover showed a downward trend, partly arising from the pandemic situation. The annual figure for the Company of 18.8% is significantly, about 5 percentage points, lower than for the previous year. Within this, the decline is 5.6% in the postal network and 1.5 percentage points in logistics implementation jobs.

Under the Collective Contract and other internal regulations, Magyar Posta provided employees with housing loans and aid for people in need.

Housing loans provided by the Company **totalled** HUF 155 million, which helped 49 people to obtain homes, while **contributions to renting properties** worth HUF 38 million were paid to 331 employees. In 2020, the Company provided HUF 124.5 million in **aid**, which supported employees in difficult social circumstances dependent on need, and offered assistance with maternity and funeral expenses in a total of 3,577 cases.

Postal workers whose lives became difficult due to the Covid-19 pandemic were helped by the Company through aid, **group sickness insurance** and targeted support from the Post Horn Foundation. Employees were able to apply to the Post Horn Foundation for help with **rest and recreation**.



HR DEVELOPMENT

In 2020, due to the coronavirus pandemic, Magyar Posta's development programmes were transferred to online space. Working away from the office, which was typical from March, forced the training for management staff to become digital as did ensuring business continuity for the training methodology of employees involved in implementation. The organisation responded to the change in roughly two weeks, moving the former blended elements of skills development to an electronic, collaborative platform, coordinating the content of professional training to the options available, and placing greater emphasis on on-the-job methodology. The online management training courses were highly successful due to the positive effect of several factors and thus Magyar Posta will hold these in a digital blended format also after the pandemic has eased.



In 2020, the training of almost 103,000 people reflects the scale of previous years, and is in fact somewhat higher. All the

knowledge transfer and skills development activities that have a positive impact on the Company's values, that fulfil legal obligations, and that contribute to the sale of products at a higher level were accomplished by the Company, albeit using various methodologies. One development that stands out is the Logistics Campus, a complete management development programme, which, after a selection process in several rounds, provided training for 40 people. The Campus programme, which lasts almost 1.5 years, offers a wide range of professional and managerial skills with a highly varied methodology for future logistics managers. For staff involved in sales support, a development in which about 100 people take part aims to reinforce their ability to carry out day-to-day tasks at a higher level.

The Company specified project tasks for trainees when announcing the digital work schedule. To solve the tasks allotted according to specialisation and training year, the trainees accessed background materials in the Company's educational framework and received tutoring support through the interface.



The Company's management is committed to the employment of workers with reduced capacity to work by assuming a role in their inclusion. In order to retain, and target the entry of, employees with reduced capacity to work, Magyar Posta launched an inclusion programme based on four pillars called "Let's do it together". The objective of the programme is to increase the level of employment of people with disabilities, to retain those already employed, to strengthen inclusion in the workplace and, based on the principle of "nothing about us without us", to provide individual support to our employees with reduced capacity to work at our organisation.

As a first step of the programme based on the four pillars, an internal equal opportunities ambassador was appointed to participate in the education process, act as a professional host for the special World Days and participate as an expert on all disabled topics. Cooperation with seven civil society organisations began, as a result of which disability assessments of several jobs were carried out and projects were defined and launched for the purpose of employing such people.



The Company's programme to foster people with natural aptitude and skills is the Talent Club, which was announced in 2020 in the management area. The programme based on voluntary application is open to anyone who, on top of their daily tasks, is willing to put extra energy into ensuring the success of the Company's focus areas. After a selection process with several rounds, 17 people started work covering five topics also involving development and mentoring activities.

The teams, operating in workshops and supported by sponsors, will deliver their products resulting from their endeavours by the end of 2021. Apart from expanding professional knowledge, the programme also offers individuals the chance to develop skills concerning modern teamwork and agile project operation.

RECRUITMENT

The impact of COVID-19 changed the labour market situation, which also affected Magyar Posta. Ensuring an adequate supply of new staff required a greater online presence for the Company as job fairs and offline recruitment events were cancelled.

Magyar Posta performed its recruitment activity using a wide range of tools, an online presence and offline solutions exploiting its national network features (postal outlet recruitment tools, vehicle stickers) to attract potential employees, and also used target group-specific seasonal campaigns to raise awareness.



ENVIRONMENTAL PROTECTION



Effective environmental management is an essential condition for the sustainable development of the Company. An important means of reducing the environmental impact of our economic activities is the recovery and disposal of waste. In 2020 demand for waste in the global market continued to decline, which also had a negative impact on the profitability of the sales of separately collected waste. On account of this, the revenue from waste sales in 2020 fell by 87% to HUF 2.4 million. Due to the change in world market demand, restructuring the Company's separate waste collection system also became necessary.

In 2020, Magyar Posta generated 1,848 tons of separately collected waste, 1,829 tons of which were classified as non-hazardous, while 19 tons were classified as hazardous. Separately collected waste (paper, metal, plastic, electronic waste, etc.) was handed over for recycling to our partners who hold the appropriate waste management permits. The significant reduction in the volume of non-hazardous waste was caused by the removal of newspaper returns related tasks from the postal portfolio.

Waste generation (tons)



The Company formulated its new medium-term corporate climate policy target in accordance with the National Energy and Climate Plan guidelines, aiming to reduce carbon dioxide emissions by 18.1% by 2030 compared to the base year of 2017.

In 2020, our carbon emissions decreased slightly, which is related to the fact that electricity consumption was less than in 2019. The decrease in consumption can be explained by the disassembly of the parcel processing line used in the National Logistics Centre and by the reduced use of buildings due to the pandemic (shortened opening hours of post offices, reduced presence in larger premises due to working from home).

Continuing the practice of previous years, a Sustainability Report, now fully compliant with Global Reporting Initiative (GRI) standards, was drawn up. The report covers environmental, social and economic indicators, and was certified by an independent organisation as meeting the GRI standard in accordance with the Core level.

In order to support sustainability efforts in the global postal sector, Magyar Posta also joined the UPU (Universal Postal Union) climate protection programme operating under the auspices of the UN and provided the data required for sector-specific eco-footprint calculations.

Carbon dioxide emissions tons/year



Environmental investments

In 2020, the amounts devoted to environmental protection investments were as follows:

Number	Activity	Cost (HUF thousand)	Number of premises
1.	Modernisation, regulation of heating, gas connection	61 848	8
2.	Modernising lighting and wiring	56 268	85
3.	Renovating and connecting plumbing and drains	5 660	3
4.	Wall renovation, heat insulation	7 226	2
Total:		131 002	98

PANDEMIC SITUATION MANAGEMENT

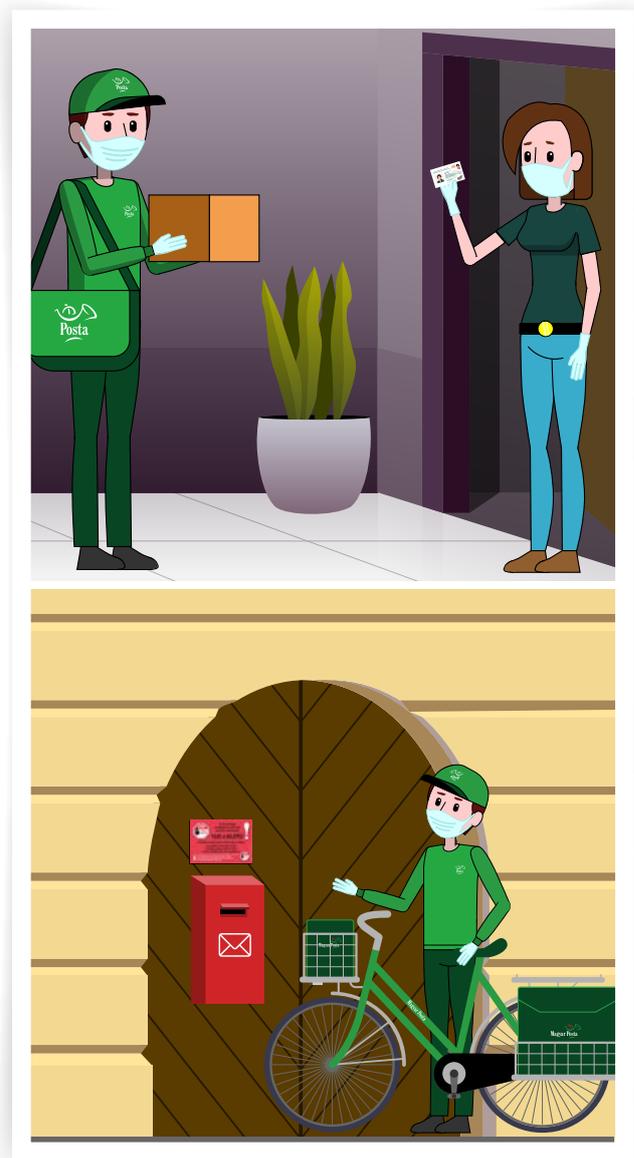
Magyar Posta continuously monitored and assessed the pandemic situation and took all reasonable precautions accordingly. The Company has an epidemiological protocol and a Pandemic Action Plan, which are continually revised to adjust to the current situation and follow the guidelines and instructions of the Operational Task Force and the National Public Health Centre. An in-house Central Emergency Management Committee, composed of managers from all fields with appropriate decision-making competencies, began operating on 26 February 2020.

Thanks to taking preventive measures in due time, there was not one registered worker infected with COVID in the first wave of the pandemic.

In the second wave as well, the number of registered cases of postal employees infected stagnated at a relatively low level compared to the national infection rate and the size of the Company’s staff, with an average infection rate of around 1%. This confirms that the epidemiological measures ordered by the Central Emergency Management Committee (including the compulsory use of masks and checking this, keeping people suspected of being infected away from the workplace, prohibiting group gatherings and events, preferring electronic communication, checking body temperatures, frequent cleaning with disinfectant, installing protective screens in post offices, contactless delivery) were effective and performed in good time. There was no localised clustering of registered infections at Magyar Posta, either geographically or by premises, and business continuity was ensured throughout the pandemic.

Since 28 January 2020, employees have been kept up to date with the most important information about the pandemic in internal electronic circulars.

The risk of infection was high especially for those working in operations involving a high rate of customer contact. To address this, in both waves, a central supply of personal protective equipment (masks, rubber gloves and hand sanitiser) was continuously provided for staff in implementation. By 31 December 2020, more than 65,000 litres of hand sanitiser, 3.7 million medical masks and 1.2 million pairs of rubber gloves had been distributed. As a cost-effective measure, washable masks with postal logos were purchased and distributed both in implementation (logistics plants, postal outlets) and in management.



QUALITY MANAGEMENT

– QUALITY AWARENESS

In the **Integrated Quality, Environment and Energy Policy**, Magyar Posta's management set the continuous objectives for the Company of operating as a reliable and responsible national postal service provider that offers quality services, and undertook the commitment to protect the environment, avoid environmental pollution and implement rational energy management.

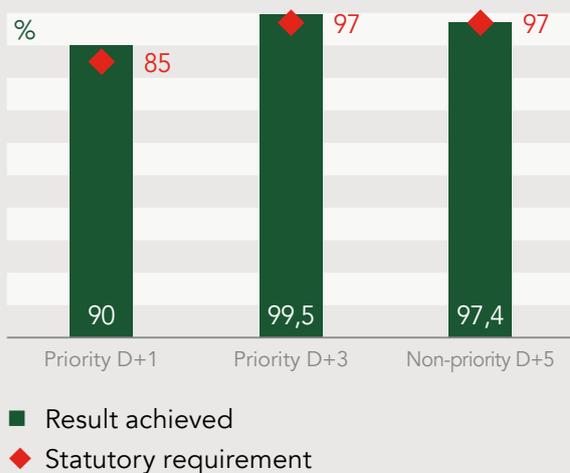
In accordance with these commitments and objectives, the Company introduced and continuously operates and develops its related management systems, which also support management decisions. Apart from the **ISO 9001 Quality Management System** (the standard operating for the longest at the Company, now 16 years), the **ISO 14001 Environmental Management System** is operated at logistics premises. In units performing key activities and processing sensitive customer data, the work of management is supported by the **ISO 27001 Information Security Management System**, which was extended to other organisational units in 2020. Besides these systems, since 2016, an Energy Management System has operated in accordance with the ISO 50001 standard to improve the efficiency of energy management, which covers all our units and their processes.

An independent certifying body inspects the compliance of the management systems on a regular, annual basis, and conducts a renewal audit on stricter conditions every three years, verifying compliant operation with a certificate. The renewal audits of our

Quality Management System and Environmental Management System due in 2020 were successful, as was the renewal audit of the **Information Security Management System**. Accordingly, the relevant certificates are still valid (ISO 9001:2015, ISO 14001:2015, ISO/IEC 27001:2013). The review audit of our **Energy Management System** due in 2020 was also successfully completed (ISO 50001:2018).

Magyar Posta, as the universal postal service provider, must meet statutory quality expectations¹. In 2020, based on the results measured and certified by the independent organisation GfK Hungária Piackutató Kft., **Magyar Posta again fulfilled its obligations for transit times laid down by law for the handling of domestic, individually posted priority mail items and non-priority mail items.**

Universal letter mail service – priority mail items sent on single-piece tariff basis – 2020



¹ Pursuant to the provisions of Sections 15(1) to (4) and 35(3) of Act CLIX of 2012 of 29 October 2012 on Postal Services.

SGS

HU05/1670 számú tanúsítvány fordítása

Tanúsítjuk, hogy a

Magyar Posta Zrt.

1138 Budapest, Dunavirág u. 2-6.

irányítási rendszerét auditáltuk és az megfelel az alábbi szabvány követelményeinek:

ISO 9001:2015

A tanúsítás az alábbi levetkenységekre érvényes:

Levélzolgáltatások, csomagszolgáltatások, árufuvarozási és komplex logisztikai szolgáltatások, küldemény-előállítás szolgáltatás (Insert Pack) teljes üzleti folyamata, valamint a technológiai és támogató folyamatok.

A tanúsítvány 2020. december 9-től 2023. december 8-ig érvényes, sikeres felülvizsgálatok esetén.
A megújító audit minimum 60 nappal a tanúsítvány lejáratá előtt esedékes.
Kiadás 12. Tanúsítva 2005. december 9-től.



Jóváhagyta:

SGS United Kingdom Ltd. Systems & Services Certification
Rossmore Business Park Ellesmere Port Cheshire CH65 3EN UK
t +44 (0)151 350-6666 f +44 (0)151 350-6600 www.sgs.com

HC SGS 9001 2015 0118 HU

Oldalszám 1 / 1



0005



Cégünk ezt a dokumentumot a "Tanúsítási Szolgáltatás Általános Szerződési Feltételei" szerint állította ki. A szabályzat teljes szövege megtalálható a www.sgs.com/terms_and_conditions.htm weboldalon, amely különös figyelmet szentel a felelősségi, kártalanítási és jogi kérdésekre. Ezen nyomtatott dokumentum hitelességét a <https://www.sgs.com/en/certified-clients-and-products/certified-client-directory> weboldalon lehet ellenőrizni. Minden jogosultsággal történő módosítás, tartalmi vagy kinézetbeli változtatás hamisításnak minősül, tehát törvénybe ütköző és jogi eljárást vonhat maga után.



SGS

HU12/6283 számú tanúsítvány fordítása

Tanúsítjuk, hogy a

Magyar Posta Zrt.

H - 1138 Budapest, Dunavirág u. 2-6.

irányítási rendszerét auditáltuk és az megfelel az alábbi szabvány követelményeinek:

ISO 14001:2015

A tanúsítás az alábbi tevékenységekre érvényes:

A Magyar Posta Zrt. logisztikai üzei, az ezeken a telephelyeken található valamennyi Postai szervezeti egység, valamint a speciális technológiai központjai.

A tanúsítvány 2020. november 14-től 2023. november 13-ig érvényes, sikeres felülvizsgálatok esetén. A megújító audit minimum 60 nappal a tanúsítvány lejáratá előtt esedékes. Kiadás 5. Tanúsítva 2012. február 19-től.

A tanúsítvány több telephelyre érvényes. A telephelyek adatait a következő oldalakon részleteztük.

Jóváhagyta:

SGS United Kingdom Ltd. Systems & Services Certification
Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK
t +44 (0)151 350-6666 f +44 (0)151 350-6600 www.sgs.com



0005

Oldalszám 1/3



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HU16/7967 számú tanúsítvány fordítása



Tanúsítjuk, hogy a

Magyar Posta Zrt.

1138 Budapest, Dunavirág u. 2-6.

irányítási rendszerét auditáltuk és az megfelel az alábbi szabvány követelményeinek:

ISO 50001:2018

A tanúsítás az alábbi tevékenységekre érvényes:

A Magyar Posta Zrt. üzleti, szolgáltatási és támogató folyamatai, valamint beruházási, beszerzési, épület- és flottaüzemeltetési tevékenysége.

EA Sector: 31

A tanúsítvány 2019. december 13-tól 2022. december 12-ig érvényes, sikeres felülvizsgálatok esetén.
A megújító audit minimum 60 nappal a tanúsítvány lejáratára előtt esedékes.
Kiadás 2. Tanúsítva 2016. december 13-tól.

Jóváhagyta:
Paola Santarelli

SGS ITALIA S.p.A. - Certification and Business Enhancement
Via Caldera, 21 20153 MILANO - Italy
t +39 02 73 93 1 f +39 02 70 10 94 89 www.sgs.com

Oldalszám 1 / 1

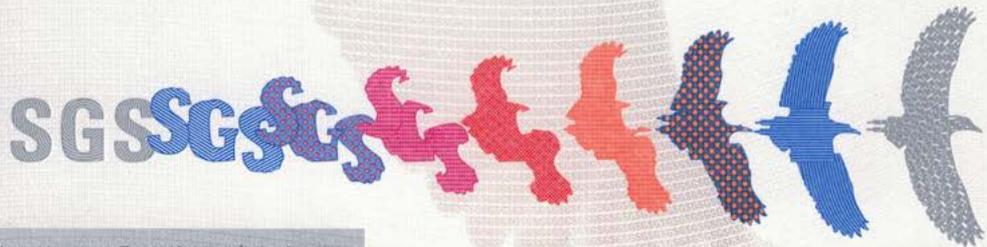


ACCREDIA
L'EUROPEO ITALIANO DI ACCREDITAMENTO

SGE N° 0003 M

Membro di MLA EA per gli schemi di accreditamento SGO, SGA, PRD, PRS, ISP, GHG, LAB, LAT e PTP, di MLA IAF per gli schemi di accreditamento SGO, SGA, SST, FSM, PRD e PRS e di MRA ILAC per gli schemi di accreditamento LAB, MED, LAT e ISP.

Signatory of EA MLA for the accreditation schemes QMS, EMS, PRD, PRS, INSP, GHG, TL, CL and PTP, of IAF MLA for the accreditation schemes QMS, EMS, ISMS, FSMS, PRD and PRS and of ILAC MRA for the accreditation schemes TL, ML, CL and INSP.



Cégünk ezt a dokumentumot a "Tanúsítási Szolgáltatás Általános Szerződési Feltételei" szerint állította ki. A szabályzat teljes szövege megtalálható a www.sgs.com/terms_and_conditions.htm webcimen, amely különös figyelmet szentel a felelősségi, kártalanítási és jogi kérdésekre. Ezen nyomtatott dokumentum hitelességét a http://www.sgs.com/clients/identified_clients.htm webcimen lehet ellenőrizni. Minden jogosultán módosítás, tartalmi vagy kinézetbeli változtatás hamisításnak minősül, tehát törvénybe ütköző és jogi eljárást vonhat maga után.

Certification of the results of independently measured transit times:



TANÚSÍTVÁNY

A GfK Hungária Piackutató Kft., mint független mérő szervezet tanúsítja, hogy a

MAGYAR POSTA Zrt.

a belföldi forgalmú levélküldemények szolgáltatásában

2020. évben az alábbi átfutási időket teljesítette:

A feladást követő 5. munkanap végéig kézbesített levélküldemények aránya

Egyetemes postai szolgáltatások

Egyedi feladású elsőbbségi levélküldemények	99,87%
Egyedi feladású nem elsőbbségi levélküldemények	97,35%
Tömeges feladású elsőbbségi levélküldemények	99,95%
Tömeges feladású nem elsőbbségi levélküldemények	98,07%
Vakok írása levélküldemények	97,50%

Egyetemes postai szolgáltatást helyettesítő szolgáltatás

Üzleti levél	97,95%
--------------	---------------

GfK Hungária Piackutató Kft. a méréseket a Nemzeti Média- és Hírközlési Hatóság **UF-31377-2/2019.** számú határozatában jóváhagyott egyetemes és egyetemes postai szolgáltatást helyettesítő szolgáltatások átfutási idő mérési módszertanai, illetve Vakok Írása küldemények átfutási módszertana alapján, továbbá az **MSZ EN 13850:2013** az **MSZ EN 14508:2016** és az **MSZ EN 14534:2016** szabványok előírásainak megfelelően végezte.

Budapest, 2021. február 17.


 Sztupár Andrea, ügyvezető igazgató

GfK Hungária Kft.
 1077 Budapest, Wesselényi u. 16.
 Adószám: 10253027-2-42

 Gál Enikő, ügyvezető igazgató

MAGYAR POSTA ZRT.'S DATA



MANAGEMENT AND ORGANISATION

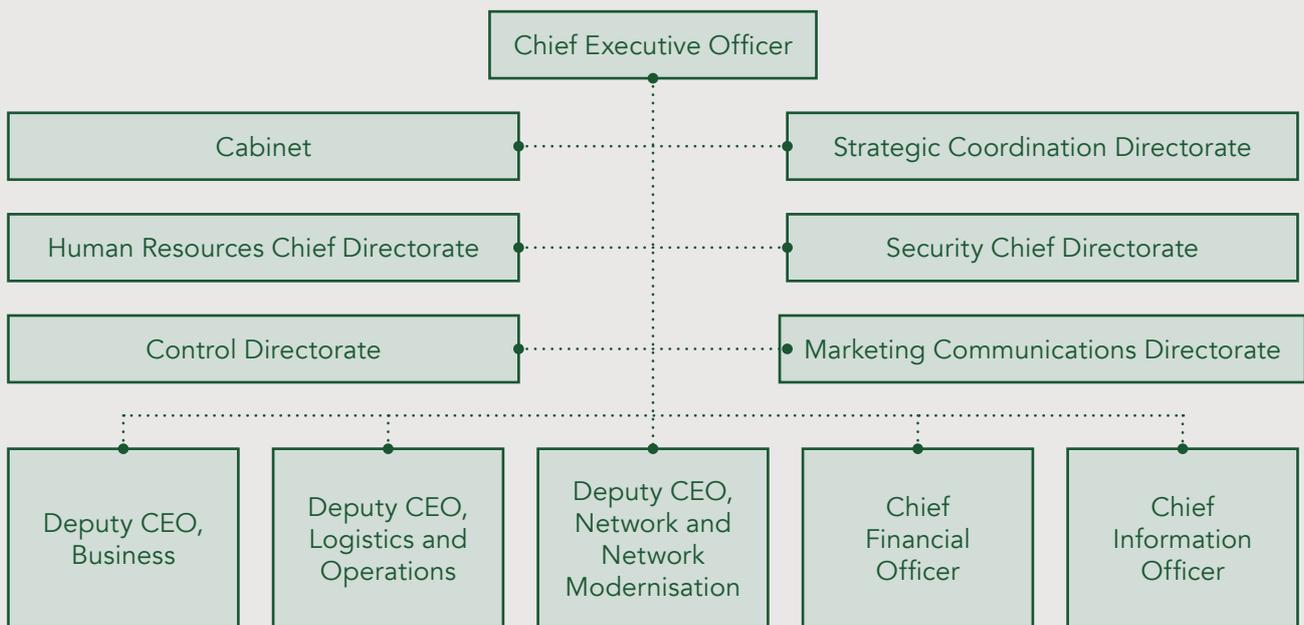
As a continuation of the central efficiency enhancement programme of 2019, the Company announced the FOCUS 2022 programme in 2020 to ensure modern, rationalised and cost-effective operations.

In order to support and effectively implement the goals set out in the programme, in the second half of 2020, the Network and Network Modernisation area was created under a Deputy CEO, thereby separating the area dealing with the network from the area dealing with the management, operations and modernisation of logistics. As part of the network modernisation,

Magyar Posta, in cooperation with Takarékbank, launched a joint development programme to examine how the provision of basic postal services can be operated more efficiently in specific settlements. The Post Partner Programme began with the handover of 9 post offices in 2020, and it is planned that more post partners will join in 2021.

The changes enable Magyar Posta's two key sectors to be managed more effectively, which supports the Company becoming Hungary's leading logistics-focused service provider.

CORPORATE MANAGEMENT STRUCTURE OF MAGYAR POSTA ZRT. (31 DECEMBER 2020)



MEMBERS OF THE BOARD OF DIRECTORS

on 31 December 2020:

- ▶ Sára Irén Hegmanné Nemes, chairwoman
- ▶ Dr Zsolt Harmath
- ▶ György Schamschula
- ▶ Levente László Szabó
- ▶ Zsolt László Majláth
- ▶ László Szabó

MEMBERS OF THE SUPERVISORY BOARD

on 31 December 2020:

- ▶ Dr Barnabás Balczó, chairman
- ▶ Csilla Kárpáti
- ▶ Dr Boldizsár Szabó
- ▶ Dr Attila Tamás Tajthy
- ▶ Dr Sándor Nemes
- ▶ Zsuzsanna Tóth



Magyar Posta was founded for an indefinite period of time.

The Company is the general legal successor of Magyar Posta Vállalat and was founded on 31 December 1993.

COMPANY HEADQUARTERS:

Budapest, District XIII, Dunavirág u. 2-6

THE COMPANY'S SHARE CAPITAL ON

31 DECEMBER 2020: HUF 14,138,000,000

MAIN COMPANY ACTIVITY:

- 🕒 national postal activities,
- 🕒 logistics services,
- 🕒 payment mediation and other financial services

THE COMPANY'S MANAGING BODY:

Board of Directors

THE COMPANY'S CHIEF EXECUTIVE OFFICER:

György Schamschula

THE COMPANY'S AUDITOR

ON 31 DECEMBER 2020:

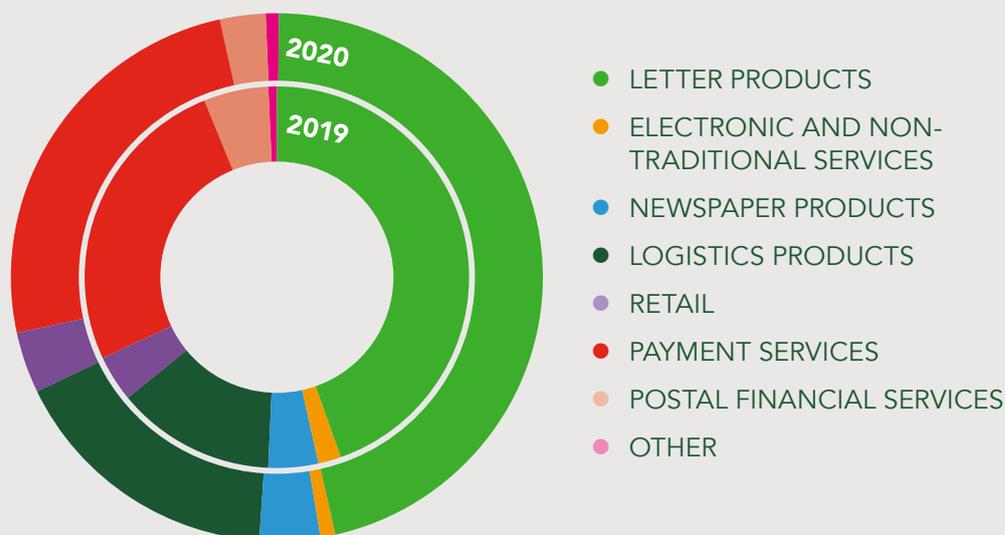
Deloitte Könyvvizsgáló és Tanácsadó Kft.
Tamás Horváth, certified auditor
Chamber membership number: 003449

RESULTS

The Company's services are typified by continuous product and service renewal irrespective of whether they are provided in a competitive environment or under a legal obligation. The developments follow changes in consumption patterns, expectations generated by customer requirements and international trends. **The Company achieved a profit before tax of HUF 1.937 billion in 2020**, while wage development was 8% on average

(the wage agreement about this was concluded retroactively from 1 May 2020). Part of the average wage development was applying the minimum wage and the minimum guaranteed salary as of 1 January 2020. The annual **sales revenue was HUF 199.6 billion**. In the breakdown of turnover by product, the share of logistics and letter products grew within the portfolio.

BREAKDOWN OF THE REVENUE OF MAGYAR POSTA ZRT. IN 2020 COMPARED TO 2019



Name	2019. év	2020. év
EBIT (HUF million)	328	2 131
EBITDA (HUF million)	11 202	11 626
EBIT/average equity	0,4%	2,5%
EBIT/average assets	0,2%	1,1%
EBIT/net sales revenue	0,2%	1,1%
EBITDA/average equity	12,6%	13,5%
EBITDA/average assets	5,6%	5,8%
EBITDA/net sales revenue	5,5%	5,8%

Annex 1

INDEPENDENT AUDITOR'S REPORT



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Bejegyzve:
Fővárosi Törvényszék Cégbírósága
Cg.: 01-09-071057

FÜGGETLEN KÖNYVVIZSGÁLÓI JELENTÉS AZ ÖSSZESÍTETT PÉNZÜGYI KIMUTATÁSOKRÓL

A Magyar Posta Zrt. részvényeseinek

Vélemény

A mellékelt összesített pénzügyi kimutatásokat, amelyek a 2020. december 31-i fordulónapra készített összesített mérlegből, valamint az ezen időponttal végződő évre vonatkozó összesített eredménykimutatásból állnak, a Magyar Posta Zrt. 2020. december 31-ével végződő évre vonatkozó, számvitelről szóló 2000. évi C. törvény szerint készített éves beszámolójából vezették le. Véleményünk szerint a mellékelt összesített pénzügyi kimutatások minden lényeges szempontból összhangban vannak a könyvvizsgált éves beszámolóval.

Összesített pénzügyi kimutatások

Az összesített pénzügyi kimutatások nem tartalmazzák a Magyarországon hatályos, a számvitelről szóló 2000. évi C. törvény által előírt valamennyi közzétételt. Emiatt az összesített pénzügyi kimutatások és az azokra vonatkozó könyvvizsgálói jelentés elolvasása nem helyettesíti a könyvvizsgált éves beszámoló és az arra vonatkozó könyvvizsgálói jelentés elolvasását. Az összesített pénzügyi kimutatások és a könyvvizsgált éves beszámoló nem tükrözik a könyvvizsgált éves beszámolóra vonatkozó jelentésünk dátumát követően bekövetkezett események hatásait.

A könyvvizsgált éves beszámoló és az arra vonatkozó jelentésünk

A 2021. április 27-én kelt független könyvvizsgálói jelentésünkben minősítés nélküli véleményt bocsátottunk ki az éves beszámolóra vonatkozóan, amelyet a közgyűlés 2021. május 18-án jóváhagyott.

A vezetés felelőssége az összesített pénzügyi kimutatásokért

A vezetés felelős az összesített pénzügyi kimutatásoknak az elkészítéséért.

A könyvvizsgáló felelőssége

A mi felelőségünk vélemény kibocsátása eljárásaink alapján, amelyeket a 810. témaszámú, „Összesített pénzügyi kimutatásokra vonatkozó jelentések kibocsátására vonatkozó megbízások” című magyar Nemzeti Könyvvizsgálói Standarddal összhangban hajtottunk végre, arra vonatkozóan, hogy az összesített pénzügyi kimutatások minden lényeges szempontból összhangban vannak-e a könyvvizsgált éves beszámolóval.

Budapest, 2021. november 29.



Horváth Tamás
A Deloitte Könyvvizsgáló és Tanácsadó Kft. képviseletében
illetve mint kamarai tag könyvvizsgáló

Deloitte Könyvvizsgáló és Tanácsadó Kft.
1068 Budapest Dózsa György út 84/C.
Nyilvántartási szám: 000083

Kamarai tag könyvvizsgálói tagszám: 003449

Annex 2

FINANCIAL AND OPERATING PERFORMANCE

BALANCE SHEET "A" Assets

Assets		figures in HUF million	
Item		31 December 2019	31 December 2020
A. Investments (non-financial)		137 891	145 555
I. INTANGIBLE ASSETS		8 492	7 515
	Capitalised value of start-up and restructuring		
	Capitalised value of R&D		
	Rights representing property	3 850	2 863
	Intellectual products	4 642	4 652
	Goodwill		
	Prepayment on intangible assets		
	Revaluation of intangible assets		
II. TANGIBLE ASSETS		71 033	76 509
	Land and related property-valued rights	25 592	28 290
	Technical equipment, machinery, vehicles	13 980	11 280
	Other equipment, accessories, vehicles	2 074	1 855
	Livestock		
	Reconstruction in progress	1 441	3 458
	Prepayment on investments	2	1
	Revaluation of tangible assets	27 944	31 625
III. FINANCIAL INVESTMENTS		58 366	61 531
	Long-term shares in associated undertakings	43 635	44 248
	Long-term loans to associated undertakings		2 511
	Long-term major shares	2 440	2 440
	Long-term loans to undertakings in major profit-sharing partnership	310	310
	Other long-term shares	11 196	11 196
	Long-term loans to undertakings in other profit-sharing partnership		
	Other long-term loans	785	826
	Securities embodying long-term credit partnership		
	Revaluation of financial investments		

B.	Current assets	48 033	61 659
I.	STOCKS (INVENTORY)	1 352	771
	Raw materials	520	609
	Unfinished goods and work-in-progress		
	Livestock		
	Finished goods	61	73
	Goods	645	62
	Advance payments on inventories	126	27
II.	RECEIVABLES	24 921	21 260
	Receivables from customers	14 661	15 397
	Accounts owed by associated undertakings	6 259	2 142
	Accounts owed by undertakings in major profit-sharing partnership	453	450
	Accounts owed by undertakings in other profit-sharing partnership	181	55
	Bills of exchange receivable		
	Other debtors	3 367	3 216
III.	SECURITIES	3 202	2 966
	Share in associated undertakings	30	
	Major shares		
	Other shares	206	
	Own shares		
	Securities for trade embodying credit partnership	2 966	2 966
IV.	LIQUID ASSETS	18 558	36 662
	Cash in hand, cheques	16 855	9 927
	Bank deposits	1 703	26 735
C.	Prepayments	3 953	4 408
	Prepayments of income	2 682	2 199
	Prepayments of costs and expenditures	1 271	2 209
	Deferred expenditures		
	Total assets	189 877	211 622

Liabilities		figures in HUF million	
Item		31 December 2019	31 December 2020
D. Equity		84 023	88 129
I. REGISTERED CAPITAL		14 138	14 138
	of which repurchased property share at face value		
II. REGISTERED UNPAID CAPITAL (-)			
III. CAPITAL RESERVE		4 941	4 941
IV. PROFIT RESERVE		36 439	35 057
V. TIED UP RESERVE		416	1 943
VI. REVALUATION RESERVE		27 944	31 625
VII. PROFIT AFTER TAX		145	425
E. Provisions		18 970	41 304
	Provisions for expected liabilities	18 970	41 304
	Provisions for future costs		
	Other provisions		
F. Credits (liabilities)		73 811	68 537
I. SUBORDINATED LIABILITIES			
	Subordinated liabilities against associated undertakings		
	Subordinated liabilities against undertakings in major profit-sharing partnership		
	Subordinated liabilities against undertakings in other profit-sharing partnership		
	Subordinated liabilities against other party		
II. LONG-TERM LIABILITIES		5 881	11 618
	Long-term loans		
	Convertible and equity bonds		
	Debenture loans		
	Investment and development credits		
	Other long-term credits	5 714	10 982
	Long-term liabilities against associated undertakings		
	Long-term liabilities against undertakings in major profit-sharing partnership		
	Long-term liabilities against undertakings in other profit-sharing partnership		
	Other long-term liabilities	167	636

III. SHORT-TERM LIABILITIES	67 930	56 919
Short-term loans	520	609
of which convertible and equity bonds		
Short-term credits	12 357	4 107
Prepayments received from purchasers	2 939	2 451
Trade creditors	6 990	7 198
Bills of exchange payable		
Short-term liabilities against associated undertakings	6 277	11 700
Short-term liabilities against undertakings in major profit-sharing partnership	6 259	2 142
Short-term liabilities against undertakings in other profit-sharing partnership	0	1
Other short-term liabilities	38 926	31 137
G. Accruals and deferred income	13 073	13 652
Accrual of income	551	628
Accrual of costs and expenditures	9 759	10 844
Deferred income	2 763	2 180
Total liabilities	189 877	211 622

PROFIT AND LOSS ACCOUNT (total costs method)

		figures in HUF million	
	Item	31 December 2019	31 December 2020
1	Net domestic sales	190 715	185 601
2	Net export sales	13 275	14 001
I.	Turnover (01+02)	203 990	199 602
3	Change in stocks produced ±	2	12
4	Capitalised value of assets produced	396	524
II.	Own performance capitalised (±03+04)	398	536
III.	Other income	31 671	52 610
	of which reversed diminution in value	74	207
5	Cost of raw materials	8 919	9 239
6	Services used	46 344	49 275
7	Other services	2 483	2 705
8	Original value of goods sold	4 587	3 358
9	Value of services sold (brokerage)	336	272
IV.	Material-type expenditures (05+06+07+08+09)	62 669	64 849
10	Wage costs	100 400	104 372
11	Other personal type expenses	9 333	9 521
12	Wage contributions	22 003	19 972
V.	Staff costs (10+11+12)	131 736	133 865
VI.	Depreciation write-off	10 874	9 495
VII.	Other expenditures	18 735	39 196
	of which value loss	445	1 286
A.	OPERATING PROFIT (I±II+III-IV-V-VI-VII)	12 045	5 343
13	Dividend and profit-sharing from investments	713	219
	of which from associated undertakings	500	
14	Income from shares and exchange gains		
	of which from associated undertakings		
15	Income from financial investments (securities, loans) and exchange gains	52	24
	of which from associated undertakings	1	1

16	Other interest and similar income due	53	124
	of which from associated undertakings	1	13
17	Other income from payment transactions	378	670
VIII.	Income from financial transactions (13+14+15+16+17)	1 196	1 037
18	Expenditures from shares and exchange losses	12 564	24
	of which to associated undertakings		
19	Expenditures from financial investments (securities, loans) and exchange losses		
	of which to associated undertakings		
20	Interest and similar expenditures payable	188	342
	of which to associated undertakings		15
21	Losses on shares, securities, long-term loans, bank deposits		27
22	Other expenditures on payment transactions	244	4 050
XI.	Expenditures on payment transactions (18+19+20+21+22)	12 996	4 443
B.	PROFIT ON PAYMENT TRANSACTIONS (VIII-IX)	-11 800	-3 406
C.	PROFIT BEFORE TAX ($\pm A \pm B$)	245	1 937
X.	Taxation	100	1 512
D.	PROFIT AFTER TAX ($\pm C - X$)	145	425



Published by: Magyar Posta Zrt.
Responsible publisher: a Magyar Posta Zrt. vezérigazgatója