

SMART
by MFC

AZENT
Intralogisztikai megoldások

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MAGYAR POSTA ZRT.'S

KEY INDICATORS (2023)

~ 443.4 million items **HUF 246.5 billion**

Number of fixed postal outlets	2,236
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Number of parcel pick-up points	3,023
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Domestic parcel traffic	28.97 million items
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Number of addressed letter-mail items accepted in Hungary	~ 443.4 million items
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Value of bill payment at postal outlets	~ HUF 1.626 billion
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Value of bill payment via digital channels (mobile applications, bill payment terminals)	HUF 159 billion
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Loyalty points collected by customers in 2023	~ 504.4 million points
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Decline in average age of motor vehicles	0.61 years
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Size of vehicle fleet	4,676 vehicles
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Annual mileage of vehicles	~ 93.2 million km
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Annual mileage of vehicles involved in parcel delivery	~ 22.3 million km
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Number of employees at the Company (annual average number of persons reduced by converting to full-time employees)	21,850 persons
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STRATEGIC OUTLOOK

AND OVERVIEW FOR 2023



The intense changes in global politics had a considerable impact on both world trade, and the European and Hungarian economies throughout 2023. The escalating conflicts had a particularly adverse effect on Europe's energy supply. Hungary's geographical location and geopolitical role meant that the country was affected in multiple ways by the energy market crisis.

In the first half of the year, the high-inflationary environment defined the performance of the Hungarian economy. Additionally, the overall labour shortage typical of the economic growth of previous years persisted despite the slight contraction of the economy. At the same time, economic exposure and delays in financial support from the European Union caused fluctuations in the Hungarian forint's exchange rate.

The inflation rate led to a decline in real wages, which then caused a considerable drop in consumption. This, in turn, resulted in a fall in inflation itself by the end of the year.

The overall contraction of the retail sector and the minimal growth of e-commerce also impacted the small parcel delivery market, that is the CEP market. Meanwhile, new e-commerce players of global significance, such as Shein and Temu, entered the Hungarian market or expanded their operations, resulting in market concentration.

These complex macroeconomic processes affected the economic performance of Magyar Posta Zrt., which the Company countered with a comprehensive business plan and a series of consecutive measures.

Both the managerial and the entire organisational structure of the Company were revamped in several phases. Besides establishing an efficient organisation, the modernisation of the network continued with a new post partnership scheme aimed at involving local authorities and small businesses. By the end of the year, more than 200 postal outlets were operating under the new scheme. In keeping with Magyar Posta's digitisation efforts, the last post offices to operate manually were also modernised.

In addition to network optimisation, the Company's warehouse logistics infrastructure and processes underwent a major transformation. Four new, state-of-the-art depots and eight new conveyor systems entered into service. In line with the fixed-point strategy, the number of operational parcel terminals rose to 550 by the end of the year.

Despite the temporary slackening of retail trade, Magyar Posta – bearing in mind the medium- and long-term growth of e-commerce and the CEP market – remained committed to long-term parcel logistics developments. By the autumn of 2023, the Company's first partially automated fulfilment warehouse, with a capacity of 800 square meters, was completed at the Fót Logistics Centre, which acts as the operational foundation for Magyar Posta's latest service, SMART by MPL.

Alongside these major innovations, logistics operations were also continuously developed. For small communities, "one-stop" routes – which visit post offices once instead of twice a day – were introduced, significantly reducing acceptance and delivery costs. The vehicle fleet was also renewed in several phases. By the end of 2023, Magyar Posta had put into service 552 new Kyburz vehicles, 611 new electric bicycles and tricycles, and 45 new electric trucks, making the Company the state-owned enterprise with the largest eco-friendly fleet. From December 2023 onwards, deliveries were supported by 950 new Android-based PDAs, combining the functions of phoning, barcode scanning, and issuing receipts online.

The company group offers bill payment solutions for customers at every stage of digital maturity, including cash and bank card payments of paper bills at post offices, the iCsekk mobile app, which enables the remote, electronic payment of paper bills, and the e-bill presentation and payment solution offered by Díjnet, a subsidiary of Magyar Posta.

Thanks to the postal iCsekk and partner applications, in 2023 already one in ten people paid their bills remotely via a mobile app. The volume of bill payments made using the mobile app grew by almost 21 per cent, and the total value of transactions exceeded HUF 155 billion.

Aside from improving operational efficiency and multi-level innovative activities, another corporate goal is to exploit the synergies arising from group-level operations. For this reason, in December 2023, Magyar Posta and its four subsidiaries – Magyar Posta Vagyonkezelő Zrt., Magyar Posta Ingatlankezelő Kft., Posta Paletta Zrt., and Posta InIT Zrt. – signed a strategic cooperation agreement. The agreement focuses on Magyar Posta's role as a strategic hub, improving cooperation among the companies, and flexibly adapting to market and environmental changes.

Trends in the global economy and our immediate region will continue to demand swift and flexible operations in the future. The targeted measures, developments, and medium-term plans effected by Magyar Posta in 2023 provide a guarantee that the Company will continue to achieve this goal also in years to come.

CLASSIC PRODUCTS

THE TRADITIONAL LETTER WITH MODERN FEATURES

The advancement of electronic communication has seen correspondence on paper declining from year to year. This pattern held true for 2023. In an effort to preserve traditional mail, Magyar Posta is increasingly incorporating digital features into the classic letter. For mail within Hungary, the “identified letter” – which has electronic data – is now available to all customers and can be sent at a lower rate. When senders choose this type of mail, they will be notified of both the fact of and the reason for any failed delivery. The identified letter is an item that is marked with a unique barcode and has an electronic posting list. Identified mail can be sent with either priority or non-priority handling.

However, the majority of the portfolio continues to consist of traditional letters that do not have electronic data.

Tracking for registered and advice of delivery letters is also available to both private and business customers, and **registered mail accompanied by an electronic posting list** can be sent at a reduced rate.

To help prepare electronic posting lists, Magyar Posta provides support through the **ePostakönyv** application, which is available free of charge on the posta.hu website. The application helps both private and business senders to prepare items for posting.

The Company treated as priority tasks the delivery in due time of the 2023 **National Consultation letters, government circulars on the 13th month pension**, as well as the periodical for seniors JÓKor.

Mail traffic in the domestic addressed letter market fell by 10.4 per cent from 2022 to 2023.

Cost rationalisation by customers played a role in the downturn, while extraordinary, sporadic mailings typical of 2022, such as the parliamentary elections, consultations, dispatching immunity certificates, and government information on tax exemptions and tax rebates, did not occur in 2023, which further exacerbated the decline in the number of mailings.

The development of technology and the current economic situation did not affect the structure of letter posting. **Business customers continued to account for the vast majority of mailings.** Nevertheless, this segment is the most open to the use of digital tools, which is also evident in the development of digital accessibility and the electronic administration of affairs. In addition to cutting costs, these developments also reduced our environmental impact and the consumption of paper.

The impact of the digitalisation efforts and the economic situation was also felt in the volume of outbound international addressed letter mail. However, the **volume of outbound international letter mail increased significantly** (by more than 35%), spurred by the volume of letters sent as a result of e-commerce.

POSTAGE STAMPS – MINIATURE ARTWORKS

Beyond its function as a means of paying postage, the stamp is not merely a collector's item but also a miniature work of art.

Alongside new themes, in 2023, previously launched series were continued and contemporary themes designed to make stamps reach a broader audience were explored. At the end of the year, the annual stamp set **"Hungarian Stamps 2023"** was published, containing one copy each of the standard editions of all special and definitive stamps, pairs, miniature sheets, and souvenir sheets issued during the year.



The World Athletics Championships 2003,

one of the biggest sporting events in Hungary's history, was held in Budapest

between 19 and 27 August 2023. More than 2,000 athletes from over 200 countries and almost 8,000 accredited participants came to Budapest for the world's top athletics event. The Company marked the occasion by issuing a special stamp which featured athletes and the official logo of the World Championship.



Since October 2015, Szerencs chocolate has borne the title of Outstanding National Value and has thus been included in the

Collection of Hungarian Values. A pair of self-adhesive special stamps was issued for the **centenary of the foundation of the Szerencs Chocolate Factory**. In addition to the standard edition of the unusual stamps having the shape of 'cat's tongue' chocolates, a special edition of chocolate-scented stamps in the form of a miniature sheet was also released.



As part of the National Hauszmann Programme, **Saint Stephen's Hall** was reconstructed and restored to its original appearance. Its interior

layout, use of materials, ornamentation and furniture follows Alajos Hauszmann's original concept in every detail. Its design was aided by the extant plans, sketches and photographs. The hall was opened to the public on 20 August 2021. The design of the special souvenir sheet's stamp shows the bust of King Saint Stephen, while the pyrogranite fireplace, manufactured at the Zsolnay factory, is featured in the frame.



The title of "European Capital of Culture" raises awareness that the shared space of European culture is created by the collective

contributions of different countries and cities. The programmes of **Veszprém-Balaton 2023 • European Capital of Culture** were devised based on a complex concept comprising nine clusters. Of these, the MUSIC/CITY cluster appeared on the souvenir sheet in view of the fact that Veszprém had previously won the UNESCO City of Music title. The souvenir sheet features a colourful medley of artistically rendered, highly stylised musical instruments, musical notes, musicians and the logo, and was accompanied by a miniature sheet of stamps showcasing the other eight clusters.

PRINTED PRESS PRODUCTS

Demand for printed media by readers, subscribers, and advertisers alike remained evident in 2023. Among regular readers of printed media, in particular middle-aged people and those in older age groups, demand for printed newspapers persisted. Professional opinion suggests that the printed press remains one of the most trusted media outlets in both the domestic and international market.

At the same time, the scope of digital access to information expanded significantly in 2023, as it had in previous years. This was accompanied by changing reader and subscriber habits, which led to a decline in the number of printed media readers, with younger age groups, in particular, preferring digital media consumption.

In the magazine market, the natural attrition observed in the subscriber segment was exacerbated by high inflation in 2023.

Making use of Magyar Posta's nationwide network, the Company offers subscription options through several channels in every municipality. In addition to in-person subscriptions, online store orders can be placed, thus providing customers with a more modern and faster solution.

To attract subscribers, in 2023, as in previous years, the Company continued to support the stabilisation of revenue from newspaper products with sales promotions aided by its publishing partners.

In the first half of 2023, Magyar Posta performed its newspaper sales activities as a retailer, that is it supplied publications to postal newspaper outlets, as retail units, through an external partner, a wholesaler, until 31 May 2023. From then onwards – mainly for reasons of economy and efficiency – newspaper sales operations at post offices were discontinued.



THE KEY TO SUCCESS:

PARCEL LOGISTICS

INNOVATIONS

A NEW APPROACH IN PARCEL LOGISTICS

Magyar Posta's parcel logistics developments are most markedly determined by the dynamic expansion of e-commerce and the consequently evolving small parcel delivery (CEP) segment. Retaining and increasing the Company's market share demands the **renewal and continuous improvement of its logistics system and services with a parcel logistics approach.**

Development of the logistics infrastructure

A key pillar of the parcel logistics developments is the construction of new real estate infrastructure, which continued in 2023. The goal remains to increase capacity and efficiency, offer high-quality services, and create a modern working environment.

To meet these objectives, state-of-the-art logistics depots were built and inaugurated **as new facilities** in the Hatvan, Szombathely, Zalaegerszeg, and Nagykanizsa areas. This expanded the Company's parcel logistics network by roughly 11,400 m² in rural areas in 2023.

Furthermore, the Company installed **conveyor systems** in eight depots (in Füzesabony, Kaposvár, Zalaegerszeg, Szombathely, Hatvan, Nagykanizsa, Békéscsaba, and Veszprém) to automate and standardise processing operations.

Magyar Posta also continued to expand its network of parcel terminals in 2023. The network, which is available 24 hours a day, grew to **550 parcel locker banks** by the end of 2023. As a result of this development, customers in the capital and major regional cities can now drop off and pick up parcels at easily accessible locations (such as grocery stores, shopping centres, petrol stations, and other busy locations) 24 hours a day, 7 days a week, at hundreds of locations tailored to their specific needs. Thanks to the large-scale installations and dynamically growing demand, the number of parcels delivered to lockers grew by more than 50 per cent year-on-year.

The modernisation of courier equipment began in the second half of 2023. By the end of the year, 950 new **PDA**s had been procured.

For a number of years, the Company had been examining options for entering the fulfilment market, typically through a joint venture or strategic agreements. In 2023, the possibility of replacing manual "fulfilment-like" activities with an automated, digitally advanced 21st-century solution was evaluated. The project was successfully realised, and the SMART by MPL service was launched in the autumn of 2023.

The new warehouse logistics service provides the following three elements of outsourced logistics:

- fulfilment service (fulfilling/assembling orders),
- providing packaging materials,
- delivery in Hungary.

Sustainability and performance: modernising the vehicle fleet

In conjunction with its day-to-day business activities, the logistics division continued to devote much attention to strategic initiatives in 2023, as it had to ensure the smooth, cost-effective operation of the postal network even while working to expand its market success and modernise its logistics and postal infrastructure. To achieve all of this, major developments and acquisitions were carried out, which also involved technological systems, equipment, and support processes.

In accordance with the vehicle replacement and development plan, 45 all-electric N1-category commercial vehicles were purchased in 2023, whose repair and maintenance will be performed by Postaflootta Kft. under a flat-rate operating agreement. As part of the network modernisation, three-wheeled electric vehicles were supplied for combined delivery staff, bringing the total number of this vehicle type to 771 by the end of the year. This makes the total number of electric vehicles used by Magyar Posta more than 1,000.

In 2023, the Company's vehicle fleet covered nearly 93 million kilometres. The fuel consumption related to this was a little over 9.6 million litres.

In order to support the work of network delivery staff and to improve the efficiency of delivery, a further 511 Pedelec-style e-bikes, as well as 100 electric tricycles were procured in 2023, bringing the total fleet of electrically assisted bicycles to 2,312.



CROSS-BORDER TRANSPORT AND MAIL

Import international mail

In 2023, the decline in Magyar Posta's international import volume continued, a trend which essentially began due to new customs regulations coming into effect in the second half of 2021. The fall in orders from abroad – primarily from China – did not stop, and the volume lost from that quarter shifted to intra-EU and domestic traffic. However, there was growth in tracked letter-mail items (small parcels) serving e-commerce, as well as in the volume of inbound parcels. Nevertheless, the market presence of courier service providers became well established, which is a disadvantage for Magyar Posta.

Export international mail

In 2023, export international mail provided significantly more opportunities for Magyar Posta than in previous years. At the European level, the role of road transport became increasingly important.

In June 2023, Magyar Posta joined the CRONOS road transport network of the International Post Corporation (IPC). This network enables member posts to allocate small and medium volumes and deliver them to European destinations through their own, closed international transport network. Larger-volume business shipments in the B2C segment are also delivered to addressees on the continent by road transport.

MAGYAR POSTA'S CUSTOMS AGENT SERVICE

Under its customs agent service, Magyar Posta arranges import customs clearance for inbound mail items from outside the European Union and also offers export customs clearance services for outbound items.

As regards mail items arriving from outside the European Union, the significant year-on-year decline in volume consequent to the abolition of the VAT-exempt threshold on 1 July 2021 continued. The market presence of courier service providers became well established, and the habits of ordering customers changed.

Still, within the framework of the automated customs clearance process, the Company continues to ensure the rapid processing of mail items valued at no more than €150 (the majority of shipments subject to customs clearance) by applying special arrangements (SA) and the One-Stop Shop (IOSS) VAT payment methods.

Magyar Posta monitors EU customs requirements and effects IT developments to guarantee compliance with them. As part of this, in 2023, the Company successfully completed the transition related to the year-end launch of the new national customs import system, thereby ensuring the provision of a state-of-the-art customs agent service.

PAYMENT AND MEDIATED

FINANCIAL SERVICES

TRADITIONAL SERVICES IN AN OMNICHANNEL ENVIRONMENT:

TRENDS AND DEVELOPMENTS IN BILL PAYMENTS

Due to 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 clientèle as possible, paper-based bill payment turnover declined further in 2023. However, the solutions developed by competitors to date for bill payments (e.g. bank transfers, direct payments via service providers' websites or mobile apps) did not cause a significantly larger drop in usage than the trends seen in previous years, and all in all, bill payment services remained popular with the general public. In 2023, nearly 139 million bill payments worth a total of HUF 1,785 billion were made, which is an 8 per cent drop in volume compared to the previous year.

Magyar Posta **pays special attention to developing and promoting digital solutions**, thereby increasing customer satisfaction. The Company **enables bill payments** not only at post offices, but also through bill payment terminals and mobile applications. The success of these development efforts is demonstrated by the fact that, in the year under review, **42 per cent of all postal bill payments were made electronically by bank card** at post offices and through digital channels.

As regards payment channels, more than **35 per cent of bill payments at post offices** (over 44 million bills), **60 per cent of payments through bill payment terminals** (nearly 125,000 bills) and **100 per cent of bill payments through mobile applications** (over 14 million bills) were made by bank card.

The iCsekk app gives users the opportunity of entering the world of digital bill payments and **paying paper bills with QR codes electronically using their mobile phones**. The popularity of the application is mainly due to its simplicity, speed and convenience. Only a smartphone and a bank card is needed to use it from home, anytime, 24 hours a day with guaranteed security. The iCsekk app allows users to **pay several bills at the same time** and also provides access to **Díjnet's e-bill presentation and payment features**, as well as the **virtual card and point balance functions of the MyPost Loyalty Programme**.

The popularity of the iCsekk mobile app is reflected by the fact that, by the end of 2023, it had **nearly 800,000 registered users** – which means growth of over 20 per cent in a single year.

In addition to the postal iCsekk, the **OTP Bank Nyrt., Simple, and Erste Mobilpay apps** also support postal mobile app bill payment.

In 2023, the total turnover of postal bill payment services via iCsekk and partner apps **increased by almost 21 per cent**, and the **number of transactions for the year exceeded 14 million**. Thus, **in 2023, more than 10 per cent of bill payments were made via a mobile application**.

As bill payments by mobile app increase, demand for bill terminals offering quick payment is declining.

The market for **cash payments from a payment account** (payment vouchers, pension vouchers) continues to be characterised by a steady downward trend, but there is still demand for these services among customers despite the proliferation of cashless solutions.

The main reason for this is that the recipients of such payments are mostly pensioners, older people, or people who are otherwise homebound and for whom it is important to receive the money sent to them easily and conveniently. The Company caters for this need by paying allowances in cash at the recipient's home at a known and thus predictable time.

In 2023, Magyar Posta successfully facilitated two special payments, the 13th month pensions in February and the retroactive pension increase in November.

For international money remittances, there was a 2 per cent decrease in 2023 compared to 2022 volumes.

SAVINGS AND OTHER MEDIATED SERVICES

Sales of government securities and banking products

Of the savings products offered by Magyar Posta Zrt., the government securities products remained popular among customers in 2023.

More than 280,000 customers manage their government securities savings with the Company, and approximately 95,000 customers have securities accounts. The government securities portfolio managed by Magyar Posta reached HUF 1,166 billion by the end of 2023, meaning that postal purchases of government securities accounted for 12 per cent of the total retail government securities portfolio.

The HUF 266.5 billion increase in the portfolio was primarily due to Premium Hungarian Government Securities. Over the course of a year, the portfolio of Premium government securities grew by 147 per cent, thus the share of dematerialised government securities in the total portfolio rose from 34 per cent to over 50 per cent.



The stock of printed government securities distributed exclusively by Magyar Posta exceeded HUF 568 billion by the end of 2023. Despite their interest rate being reduced, Treasury Savings Bills remained popular among customers as they are widely available nationwide, and the purchase and redemption of printed government securities at the post office is free of charge.

In 2023, around 6,500 new bank accounts were opened due to the product portfolio renewal carried out jointly with MBH Bank Nyrt.

The market environment and the rise of alternative forms of savings led to a downward trend in the sales and existing portfolio of bank deposits with lower interest rates and prize draw deposits in 2023.

Insurance services

In 2023, the successful cooperation between Magyar Posta Zrt. and the insurance companies Magyar Posta Biztosító Zrt. and Magyar Posta Életbiztosító Zrt. continued.

In May 2023, the two-person version of the PostaÖrökhagyó continuous-premium life insurance policy for funeral expenses was introduced, allowing both spouses to be insured under a single policy.

The PostaUtasŐr travel insurance was also revamped, and a new Winter Sports Package was introduced, which provides high-end insurance services specifically for winter sports enthusiasts.

In 2023, Magyar Posta reached a new height in home insurance sales by achieving a turnover of over HUF 1 billion for the first time.

Single-premium life insurance, a savings product available at post offices that remains popular among customers, saw a fall in sales due to changes in the market and the tax environment. Nevertheless, Magyar Posta and Magyar Posta Életbiztosító Zrt. still play a market-leading role in this segment of the insurance market.

In collaboration with MBH Bank, Magyar Posta began selling credit products through its postal network. In the first phase, the credit card sales process was established. The credit card integrated into Magyar Posta's MyPost Loyalty Programme offers a discount system that is unique in the Hungarian credit card market.

The range of credit products was expanded to include personal loans. Sales of the two unsecured products began in 2021 and 2022, and the process was consolidated in 2023. As experience deepens, the loan portfolio distributed through the postal network continues to grow.



Customer service activities

In 2023, no changes in overhead costs associated with a significant increase in administrative volume similar to those in 2022 occurred, hence the number of administrative tasks carried out on behalf of MVM Next Energiakereskedelmi Zrt. was approximately 40 per cent lower than in 2022. As a result of a public procurement procedure conducted by MVM Zrt., Magyar Posta

is continuing to provide administrative services related to gas and electricity supply at 125 post offices for a further 2 years from August 2023.

The customer service activity provided to NHKV Zrt. by the consortium of Díjbeszedő Holding, MVM Next Zrt. and Magyar Posta since 2021 remains available at 138 post offices.

Telekom bill payment service

In 2023, the number of post offices providing bill payment services for Magyar Telekom Távközlési Nyrt. was unchanged, which enabled customers to pay their Telekom bills conveniently at a total of 148 post offices.

In bill payment services, due to the growing popularity of other electronic payment options, the number of payment transactions saw a fall similar to that of previous years, down by 12 per cent in 2023.

Gambling game services

Under the strategic cooperation between Magyar Posta Zrt. and the gaming company Szerencsejáték Zrt., at the end of 2023, scratch cards were sold at about 1,737 postal outlets and, of these, automated gambling games were available at about 1,203 postal outlets.

As a result of the restructuring of the postal network, the postal sales of automated gambling games and scratch cards fell by around 3.8 per cent in 2023.

In 2023, 8 new scratch cards appeared, and Magyar Posta successfully engaged in their sales. As regards the automated gambling product range, 124 post offices have televisions and/or interactive touch screens showing results for Tippmix customers in order to help them access the information they need to participate in the game more easily and conveniently.

On 27 February 2023, Magyar Posta successfully joined the Player Card registration process administered by Szerencsejáték Zrt., allowing customers to register at any post office that also sells automated gambling games. In 2023, postal staff processed in the region of 130,000 Player Card registrations.

RETAIL TRADE ACTIVITY



In 2023, Magyar Posta continued to be the largest retail network handling SIM card sales (and prepaid services) on behalf of mobile operators. Even though sales of prepaid mobile phone packages fell slightly compared to 2022, more than 9,000 phones were still sold.

The sale of products related to core postal operations, such as envelopes, postcards, MPL packing boxes, and printed forms,

continued throughout the whole network, while the sale of other non-postal retail goods requiring product displays (food, gifts, toys, etc.) which were less suited to the postal services profile was discontinued at all postal outlets on 31 May 2023.

Electronic products and services (gift cards, mobile phones, SIM cards, and mobile phone top-ups) remain on sale at postal outlets.

DIGITAL INNOVATIONS

FROM MAGYAR POSTA

SERVICES OF THE POSTAL PUBLIC AUTHORITIES

CORRESPONDENCE CENTRE

In 2023, **the range of users of the hybrid mail production service**, provided as a regulated and centralised electronic administration service (RAS/CAS) **by the Postal Public Authorities Correspondence Centre (PPACC)** to client public authorities, **did not change significantly**. During the year, Magyar Posta ensured the operational use of the system for more than forty state administration bodies, and simultaneously held consultations necessary for the use of the service and conducted tests to meet actual demand with other authorities.

Magyar Posta has provided hybrid mail production services to customers designated by law since 2022 under a public service contract concluded with the digital government information agency Digitális Magyarország Ügynökség Zrt.

Similarly to the previous year, **2023 also saw the production and dispatch of decisions and information notices related to motor vehicle tax, which fell under the remit of the National Tax and Customs Administration** (the “tax authority”). Compared to the previous year, the volume of mail items produced fell significantly due to the increase in the number of electronic mailings sent by the tax authority to the Client Gateway. Related to the task, **nearly 1.1 million mail items were produced** in a period of **about 2 weeks**.

As regards the service, the greatest increase in its usage in 2023 was by government offices, which more than doubled, as an ever-growing number of fields began utilising the hybrid service.

ELECTRONIC PUBLIC ADMINISTRATION

In order to promote electronic public administration, Magyar Posta, along with government offices, participated in the project “Artificial intelligence-supported administration points (KIOSK) extended to government offices and other external administration sites”. As part of this initiative, **38 AI-supported KIOSK self-service terminals were installed in postal customer**

service areas in the period between December 2022 and January 2023. These terminals are able to handle 12 different types of administrative affairs independently. Of these, customers most frequently request certificates of good conduct, check the validity of documents, request birth certificates, and register their addresses.

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 postcard templates that can be easily customised, simple ordering process and execution time of just a few working days.

SERVING CUSTOMERS



MYPOST LOYALTY PROGRAMME

The MyPost Loyalty Programme now has a **customer base of over 1.2 million people**. **Within the programme, there were over 10 million transactions in 2023** and more than 500 million points were accumulated at an annual level. Customers earned the most points by paying their insurance premiums, followed by bill payments, and the use of the iCsekk mobile app accounted for an increasingly large share of this category.

In 2023, **the range of partners offering discounts expanded** further. In addition to existing partners, the **Hunguest Hotels** chain, the **Líra** bookstore chain and online store, and the **Optic World** store chain also provided special offers to loyalty programme members.

SERVING CUSTOMERS – FOCUS ON CONVENIENT

AND FAST CUSTOMER SERVICE

After achieving the highest levels of service in recent years in our customer service operations in 2022, our main goal for 2023 was to maintain the efficient, customer-centric handling of customer service enquiries amid the considerable volume of letter mail and parcels generated by the steadily growing logistics market. Customers, both senders and addressees, require quick, clear answers to their questions and requests regarding their mail items, and, above all, a helpful and efficient customer service organisation.

Throughout 2023, the customer service department had to deal with an exceptionally high volume of customer enquiries, reaching record levels during the fourth quarter, a peak period for postal traffic, which, based on feedback, was successfully managed. While the number of customer enquiries received by the department was nearly 17 per cent higher than the corresponding figure for 2022, the quality indicators, where records were set in 2022, remained virtually unchanged for both the telephone customer service and the department's written channels. This meant that customer service

indicators relative to the volume of postal traffic continued to improve in 2023, ensuring a reliable and stable service for customers even during the busiest period at the end of the year. This was achieved while handling almost 1 million direct customer contacts during the year.

A priority task for the customer service department in 2023 was providing customer support for the rapidly expanding nationwide network of parcel lockers, with effective and prompt reactions in both addressing general enquiries and taking measures requiring immediate action. In addition, the department placed strong emphasis on meeting the needs of business partners throughout the year. To improve communication with business partners, the primary focus was on enhancing process efficiency and reducing transit and investigation times, thereby ensuring continuous improvement in the level of service for clients as well. Data reporting activities were also developed, prompting a minimal improvement in average response times for domestic reporting and a 20 per cent improvement for international reporting.

CLOSE TO CUSTOMERS

In 2023, Magyar Posta served customers at more than **2,200 post offices** throughout Hungary every weekday for a total of nearly **16,000 opening hours** per day, and **376 mobile post routes carrying out doorstep acceptance** helped with the collection and delivery of mail. **96 per cent 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, the aforementioned mobile post routes ensure that mail can be sent and delivered,

and thus customers can arrange their postal affairs even in their own home.

In order to comply with government regulations on reducing energy consumption, 33 postal service points in Budapest were closed at the end of 2022, and operations were suspended at 366 low-traffic post offices, which were subsequently closed in February 2023.

With a view to modernising the postal network, Magyar Posta launched a new post partner scheme in February 2023. The new scheme creates an opportunity for local authorities, businesses (e.g. grocery stores, bank branches), and other partners to take part in post office operations in even larger numbers. Postal services can be provided alongside existing business or service activities, thereby increasing the number of customers and sales revenue. This also strengthens the retention power of the provinces. The new model offers an opportunity for postal services to continue to be available to the public in local communities, in some cases with longer opening hours than before.

Due to the favourable impact of the predictable monthly commission rate for businesses and local authorities in small communities, a good number of partnership applications were received under the new partnership programme. The fact that in just under 10 months, by 31 December 2023, more than 200 new type post partner service points had started operations demonstrates the success of the new scheme. As a result, together with the business partnerships launched in previous years under the Magyar Falu (Hungarian Village) programme, Magyar Posta had a total of 473 post partner service points on 31 December 2023.

With regard to the modernisation of the fixed-point network, a system for operating post offices under contractual arrangements was devised and put into effect. Under a contractual scheme, 53 temporarily or permanently closed post offices were reopened to be operated by Magyar Posta with local authority funding.

Our modernisation efforts in 2023 included completing the digitisation of manual postal service points and providing IT support for mail acceptance processes. As part of this endeavour, around 300 postal and partner-operated service points which previously had no IT support were modernised (which is a significant step forward in ensuring broader access to services), and their form of operation changed.

In operating the fixed-point network, Magyar Posta places special emphasis on customer-friendly solutions that support the use of postal services. To this end, **at 166 post offices nationwide, queueing systems** with modern touch screen totems help customers choose the desired service.

The **modernisation of the delivery network** continued in 2023. Prior to the developments, mail delivery to the door was done by 2,032 delivery post offices. As a result of the reorganisation, the number of post offices with delivery personnel fell to 827 in 2023. This ensures the more efficient operation of post offices and enables Magyar Posta to provide mail acceptance services through contractors as well.

In 2023, the fleet of electric vehicles supporting delivery personnel continued to expand: 552 Kyburz vehicles and 611 electrically assisted bicycles (including 100 three-wheelers) were purchased, meaning that, by the end of 2023, delivery personnel were using motorised vehicles on two thirds of delivery routes.

The **development of mail processing procedures** continued, which also serves to streamline delivery operations.

In 2023, the **“one-stop” route system** was introduced, under which the route now visits 1,262 postal outlets only once a day instead of twice. This change, being carried out in five phases, produced significant cost and capacity savings.

MAGYAR POSTA

AS AN EMPLOYER



According to the Central Statistical Office, in 2023, the **average statistical headcount** at Magyar Posta Zrt., including those working fewer than 60 hours and in part-time employment, was **22,684**, which is the **equivalent of 21,850 full-time employees**.

From 1 January 2023, a wage rise significantly exceeding the 2 per cent rate stipulated for 2023 in the three-year wage agreement took effect, for which the Company provided financial resources equivalent to an additional 8 per cent.

Using financial resources amounting to 2 per cent of the employee benefits, a loyalty bonus was introduced. Everyone who has been employed for at least five years is automatically eligible for the loyalty bonus, with the amount varying based on the length of service. The 8 per cent financial resources allocated for wage increases were used in a differentiated manner, taking account of both the 2022 wage compression and the HAYS minimum salary level – updated for 2023 and extended to additional HAYS levels.

In view of the statutory minimum wages for 2024 taking effect from 1 December 2023, the 3 per cent basic wage rise specified for 2024 in the wage agreement was brought forward to 1 December 2023, which was unique among state-owned companies.

To satisfy shareholder expectations, additional job groups were included in the performance-based incentive schemes, and the earnings available under each incentive were also increased. To this end, new products and services were added to the commission system, and the amounts for existing ones were also raised. The effect of these measures on the total wage bill reached an average of 5 per cent in the September–December 2023 period, with significant differentiation based on performance. With this, the Company took a major step towards performance-based earnings.

Under the 2023 wage agreement, depending on the eligibility period, a one-off gross performance bonus of HUF 150,000 was paid, which employees could choose to receive either as a SZÉP card or as a cash allowance.

The average gross monthly salary for full-time employment was HUF 444,468 per person, which exceeded the 2022 figure by 16.4 per cent due to the central base salary increases, the introduction of the loyalty bonus, the expansion of the performance-based incentives, and changes in the composition of the workforce.

BENEFITS, AID

Optional fringe benefits (OFB) for employees were an influential part of staff costs amounting to HUF 4,401.5 million.

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

Housing loans provided by the Company totalled HUF 165.4 million, which helped 44 people to obtain homes, while contributions to renting properties, worth HUF 42.7 million, were paid to 247 employees.

In 2023, the Company provided HUF 119.9 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 2,788 cases.

Group life and accident insurance was provided for all the Company's employees.

The Company provided the option of health insurance for 698 employees in positions classified at HAYS level 16 and above.

Benefit component	Proportion of use in total OFBs
Voluntary Pension Fund contribution	4,9%
Health Insurance Fund contribution	3,8%
SZÉP Card	76,5%
Cash	14,1%
Crèche, kindergarten service	0,2%
Reimbursement of sporting event tickets	0,1%
Reimbursement of cultural services	0,4%

STAFF TURNOVER

After the slowdown caused by the pandemic, the staff turnover rate started rising again from 2021: the 2023 annual company-level figure of 30.3 per cent was 6.3 percentage points higher than the previous year's rate. The increase in staff turnover was most pronounced in logistics (up 12.1 percentage points) and the network (post offices)

(a rise of 4.4 percentage points). In order to reduce staff turnover, exit interviews were held for specific positions to identify the reasons behind employees leaving, so that the Company can take appropriate measures to address these issues, reduce turnover, and ensure long-term staff retention.

RECRUITMENT

In 2023, every single postal position was advertised using an online recruitment platform and online recruitment channels. Among the new platforms, the Company posted its job listings on the Jooble portal, featured them prominently on the websites of leading job portals, published video job ads on TikTok to reach a younger audience, and placed greater emphasis on Google Ads keyword-based ads and ongoing activity on Facebook and Instagram. To support recruitment efficiency, the Company continuously monitored traffic to job portals.

Magyar Posta took part in several job fairs: an event organised in connection with LEAR Kft.'s staff cuts, Jobverse, job fairs organised by the Budapest University of Technology and Economics, and the regional employment departments of government offices, as well as the Motiváció Foundation's job fair aimed at reaching employees with disabilities.

The major achievement of the year was introducing a system that enables the Company to directly import the data of candidates interested in its job advertisements posted on online job portals into its own system, eliminating the need for them to register again on the recruitment portal, and thereby significantly increasing the number of applicants for job advertisements.

From August 2023, recruitment focused on expanding the workforce in the field of logistics required for the year-end surge in mail.

A target was set to ensure that the manpower at logistic facilities was sufficient in terms of number and quality to process and deliver the volume of parcels forecast for the last quarter. To this end, the number of logistics staff increased by about 230 persons.

Key figures from the 2023 recruitment data:

- number of job advertisements: 3,722 (1,800 in 2022);
- number of applicants: 51,285 (34,258 in 2022). In the fourth quarter of 2023, the number of applications doubled compared to the first quarter of the year. The number of applications received was highest in October, totalling 8,415 (3,868 in November 2022);
- number of new entrants: 8,402.

Thanks to our recruitment strategy and activities, we were able to meet emerging workforce needs and thereby secure the manpower necessary to perform postal operations.

HR DEVELOPMENT

In 2023, Magyar Posta Zrt. continued to devote special attention to employee development, as well as on enabling employees to acquire and deepen their knowledge essential for the technological transformation and the postal profession. As an adult education institution, the Company provided training to over 100,000 people (with some employees participating in several training courses) through internal training.

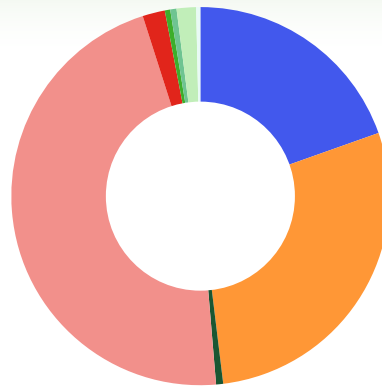
Besides the focus on workplace safety, the majority of postal employees and managers took part in functional and specialised training courses, and professional training related to the sale of products and services.

The courses are implemented based on methodologies tailored to various target groups and topics. Online learning is part of the work culture, hence programmes delivered through e-learning, blended learning, and the Company's Skype platform cover a wide range of content and comprise 74 per cent of all development programmes.

As the pie chart illustrates, for some employees, due to the specific nature of the Company, paper-based distance learning is also a frequently used method during training courses.

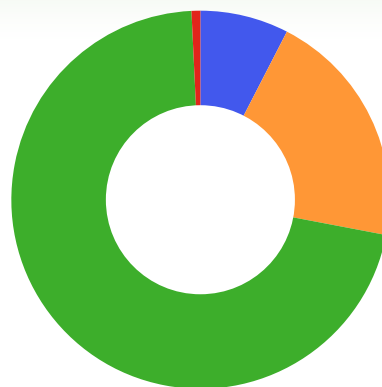
This training format offers the most flexible solution for processing staff working in several shifts and for our delivery staff and drivers actively involved in customer relations.

Breakdown of internal training by content
(number of persons)



- Financial training**
- Other functional further training**
- Activity-related training**
- Safety training**
- Driver training**
- Digital literacy training**

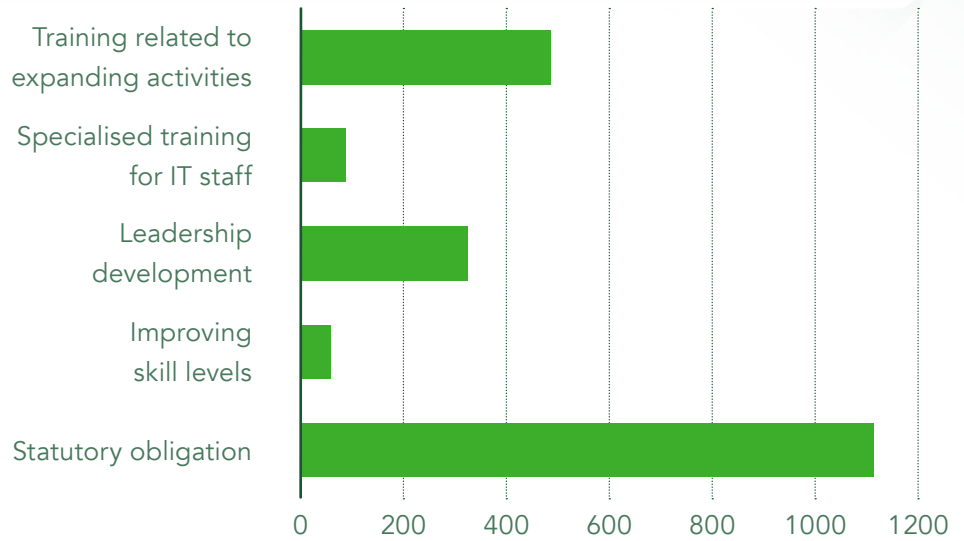
Breakdown of 2023 training courses by methodology
(number of participants)



- Internal training - in person**
- Internal training - in person (paper-based)**
- Internal training - distance learning (electronic)**
- Internal training - distance learning (online)**
- Internal training - distance learning (electronic)**

Employees working within the Company's scope of activities must comply with diverse legal obligations. The Company is able to meet the majority of these requirements through training courses purchased on the training market. Of all external training courses, the largest number of employees participated in these programmes.

Participants in external training (number of participants)



By covering the costs of **higher education programmes**, the Company supports both the studies necessary for performing work and the achievement of specific duties and goals set in career paths. In 2023, 129 employees had a study contract. 589 of our employees took part in **non-formal education** with the support of a study contract.

At the two-day National Logistics Competition in the autumn, drivers and parcel processors in logistics had the opportunity to demonstrate that their professional knowledge and experience are of significant value not only in their day-to-day jobs but also when tackling a multi-round, complex series of theoretical and practical tasks.

To increase customer satisfaction, the Company used 350 questionnaires based on a database of more than 6,000 questions to assess the level of employees' **professional preparedness** and to identify areas and topics for improvement. Nearly 9,500 people participated in the survey. Based on the itemised data of the results per topic and trend, measures specific to each department and workplace-level preparations took place.



The Welcome Time Programme was launched in July 2022 as Magyar Posta's on-boarding programme, supporting new employees' orientation, introduction to corporate

culture, professional training, and integration into the organisation. The first phase of the programme was designed for new entrants with a postal email address and IT equipment, and, in April 2023, this was extended to include new colleagues without postal electronic access.

In 2023, 750 new colleagues with electronic access participated in the programme. Throughout the year, several training sessions were held to support managers and HR professionals in successfully implementing the programme and to raise awareness of the importance of on-boarding. Seventy-two per cent of colleagues who were recruited to the management area took part in the orientation day, which introduced Magyar Posta's operations, strategy, and organisational values.

The purpose of hosting university and secondary school students for professional practice is to ensure a steady supply of loyal, motivated, and professionally prepared employees for Magyar Posta.

In 2023, 40 university students (mainly studying economics, finance, and logistics) and 82 secondary school students (office secretaries, logistics and freight forwarding clerks, and postal business clerks) completed work experience at Magyar Posta. Of the 82 participants, 31 took part in the professional practice under vocational contracts in 2023. Magyar Posta participates as a dual training provider in the accredited vocational training programme for postal business clerks, and the students' practical vocational training takes place at accredited training sites. During the programme, Magyar Posta ensures that the students gain hands-on experience with postal workflows, learn to safely and skilfully handle the programs, tools, machines, and equipment used in various technological processes, develop professional accuracy, reliability, and responsibility, as well as master how to recognise customer needs regarding postal services and fulfil them professionally. The Magyar Posta Training Programme was compiled bearing in mind professional training and outcome requirements.

In 2023, Magyar Posta helped a total of 20 university students in drafting their theses on postal topics. The authors of the theses were both postal employees and individuals interested in the Company's work.



Two flagship programmes also concluded in 2023.

A follow-up to a 1.5-year comprehensive programme launched in 2021 with the participation of post office managers and middle managers was organised in March and April 2023 for 11 groups comprising 108 employees.



The one-year Postart programme, **designed to attract recent graduates and career starters for managerial roles at post**

offices, came to an end at the close of April 2023. The programme, covering a broad range of leadership and managerial tasks as well as the soft skills necessary for successful operations, concluded with a comprehensive exam in which the directors exercising employer's rights for the target positions also participated.

On 10 October 2023, to mark World Mental Health Day, Magyar Posta **announced workshops on the topic of resilience**. The unique, small-group, two-hour workshops were open to any Magyar Posta employee interested in the topic. As well as the scheduled times, employee groups also had the option of voluntarily participating in the training at their own workplace.

The topics of the workshop brought the theoretical and practical knowledge of developing mental resilience, as part of preserving mental health, closer to employees by presenting the scientific results of positive psychology in everyday language, using real-life examples and self-awareness exercises. The programme was carried out with the involvement of 230 people in a total of 26 groups.

EMPLOYMENT OF WORKERS WITH REDUCED CAPACITY TO WORK

The employment of **people with reduced capacity to work** continues to be a priority at Magyar Posta. This has ensured that, while the Company's overall workforce has shrunk, the number of employees with disabilities has not diminished.

The figure below shows the in-house education and the steps taken by the Company to retain employees with disabilities and ensure that they can be rationally accommodated in the workplace.



SUMMARY OF HR ACTIVITIES

In 2023, the Company entered into 9,600 employment contracts and terminated 11,930 employment contracts. The shedding of 1,200 employees approved for 2023 was put into effect in a way that only one third of the workforce affected by the planned reduction was actually laid off as it was possible to achieve the newly determined headcount through retirements, and by not filling vacant positions and jobs vacated due to staff turnover.

In order to ensure the smooth handling of tasks that arise periodically and the increased workload during peak periods, by taking advantage of flexible employment means, the use of temporary staffing and student cooperative services was resorted to again in 2023 in the logistics and customer service fields, with the support of the Directorate-General for Human Resources. In 2023, a total of 649,404 hours were worked annually by temporary staff.

At Magyar Posta, employees' interests are protected by representative trade unions, the Works Council, and the occupational safety representative body.

Magyar Posta currently has ten representative trade unions, several of which have merged into federations, as well as a single-tier Works Council. The Central Occupational Safety Committee exercises the rights vested in occupational safety representatives. At the sectoral level, Magyar Posta, as the sole employer member, is a member of the Postal Sectoral Dialogue Committee, which is an open organisation.

Magyar Posta, as an employer, consistently ensures the exercise of the rights of representation guaranteed by law, and, in order to maintain a balanced partnership with the interest groups, the Company has established the rules for orderly labour relations in cooperation agreements.

Human Resources is responsible for maintaining close contact with the Post Horn Foundation, both to provide social and cultural support to postal workers and to facilitate the retraining and placement in new jobs of employees affected by redundancy in 2023.

The Company also operates a mentoring programme, which aims to reduce staff turnover and the rate of employees leaving during their probationary period, together with the associated costs, in particular among those most affected, blue-collar workers. The programme helps affected employees to integrate into the community more easily and to become capable of working independently more quickly. Last but not least, the Company remunerates the mentors in recognition of their work (which amounted to approximately HUF 13 million in 2023, based on 280 successful mentoring cases).

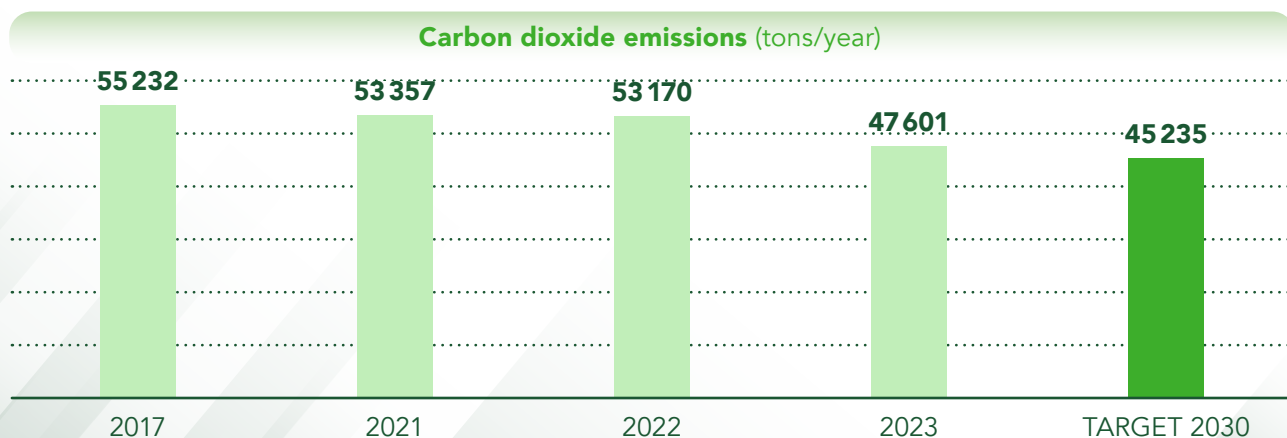
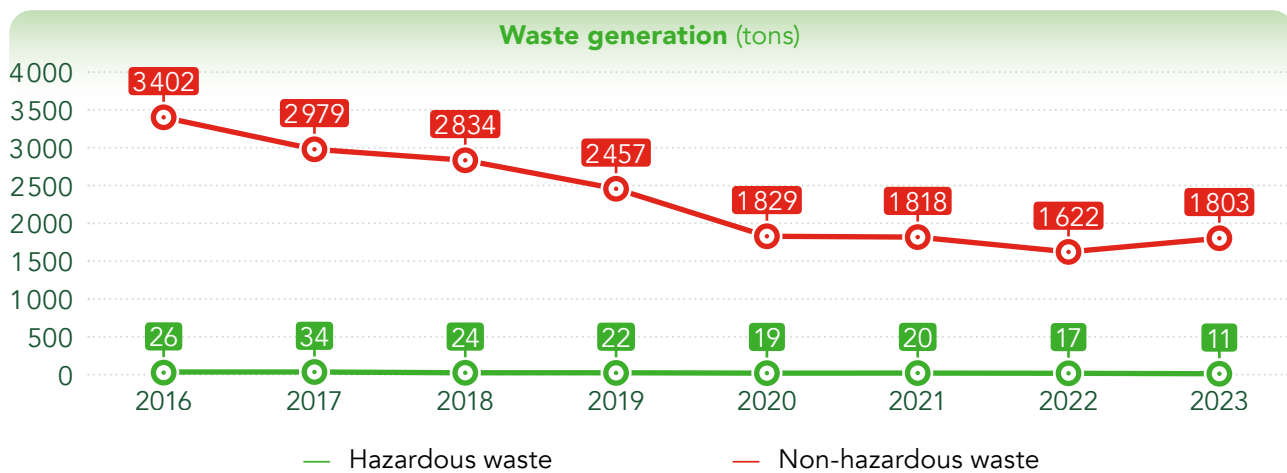
In order to increase employee satisfaction, the Company established a staff discount programme based on offers from a variety of partners. Employees can find discounts in numerous categories, such as culture, entertainment, accommodation, sports, health, household goods and clothing. In 2023, Magyar Posta had approximately 50 partners, whose offers included both continuous and limited-period discounts.

ENVIRONMENTAL PROTECTION

For years, Magyar Posta has been committed to protecting the natural environment and has recognised the necessity and importance of doing so. Due to the climate crisis, there is growing public pressure for a shift towards more resource-efficient, environmentally friendly (green) and renewable energy-based solutions in the Hungarian economy as well. The Company is constantly looking for areas where it can save energy and minimise its environmental impact.

Responsible waste management is a key area of eco-conscious business operations. In accordance with legal requirements, our Company – as a business entity that generates waste – has entered into a contract with the waste management

company MOHU MOL Hulladékgazdálkodási Zrt. and, from 1 July 2023, its waste collection under the concession has been ordered through the MOHU Partner Portal. In 2023, Magyar Posta generated 1,814 tons of separately collected waste, 1,803 tons of which were classified as non-hazardous, while 11 tons were classified as hazardous. Separately collected waste (paper, metal, plastic, electronic waste, etc.) was handed over for recycling to our partners holding appropriate waste management permits. Revenue of HUF 7.33 million was generated mainly from the sale of metal and electronic waste, as well as from compensation paid for the transfer of our waste falling under the scope of our institutional waste management activities to MOHU.



The maintenance of the Company's buildings and transport activities at present is based primarily on fossil fuels, so special attention is being paid to reducing the resultant greenhouse gas (GHG) emissions. Energy efficiency investments, initiatives, and targets contribute to reducing direct (Scope 1) and indirect, purchased energy-related (Scope 2) emissions. The Company's long-term goal, set in 2020, is to reduce our gross GHG emissions by 18.1 per cent compared to the 2017 baseline year by 2030. The impact of measures developed in 2022 to reduce energy consumption (e.g. office rationalisation, the suspension

of services at non-energy-efficient post offices) continued to be felt in 2023. The Company's carbon emissions decreased, mainly due to a reduction in the amount of energy used to operate its buildings¹.

The Company also regularly reports its environmental performance against the key indicators set by the Global Reporting Initiative standard in its Sustainability Report and has joined the climate protection programme of the Universal Postal Union (UPU), which operates under the auspices of the UN.

Environmental investments

In 2023, spending on environmental protection projects was as follows.

Environmental and energy investments and activities in 2023

Activity	Cost (HUF thousand)	Number (premises)
1. Modernisation, regulation of heating, gas connection	98 544	23
2. Modernising and expanding lighting and wiring	1 780 982	544
3. Renovating and connecting plumbing and drains	–	–
4. Wall renovation (heat insulation)	–	–
5. Replacing doors and windows	11 125	4
6. Renovating sanitary units	–	–
7. TRoof renovation (heat insulation)	–	–
total:	1 890 652	571

¹ The 2023 energy consumption data had not yet been consolidated at the time the technical input was finalised, and the Magyar Villamos Művek emission factor for 2023 is not yet known. The actual data will be available in the Sustainability Report for 2023.

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 customer-centric, competitive, modern state-owned company with the right approach towards digitalisation and providing services which assumes responsibility for the quality of its products and services, and is committed to protecting the environment, and rational energy management.

In keeping with this commitment and these objectives, the Company implemented and continuously maintains a **Quality Management System** in accordance with the **ISO 9001 standard**, as well as an **Environmental Management System** in accordance with the **ISO 14001 standard** at our logistics premises and specialised facilities. In 2023, the implementation of the Environmental Management System was extended to those premises that were integrated into our processes during the year due to relocation or the establishment of new facilities. Also, an **Information Security Management System** complying with the **ISO 27001 standard** continues to operate at our facilities handling high-priority tasks and sensitive customer data. In order to improve the efficiency of energy management, an **Energy Management System** in accordance with the **ISO 50001 standard**, covering all organisational units and their processes, has been continually certified since 2016. In 2023, more than 23,000 employees of Magyar Posta attended training on the above, regulated management systems.

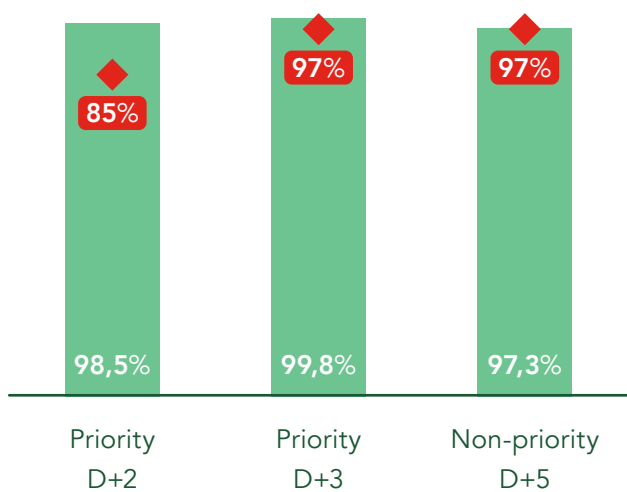
The compliance of all the management systems operated by the Company is audited by an independent certification body on an annual basis, and a renewal audit is conducted every 3 years under stricter conditions. The compliant operation of the management systems is verified by issuing the relevant certificates.

Our **Quality Management and Environmental Management Systems** were subject to **renewal audits** during the year under review in order to maintain the validity of the certifications. As regards the **Information Security Management System**, both **review and renewal audits** were conducted at the relevant organisational units. **Furthermore, a review audit** was due at the corporate level for our **Energy Management System**. Both the review and renewal audits were successful, and, accordingly, the related certificates remain valid (ISO 9001:2015, ISO 14001:2015, ISO 50001:2018, ISO/IEC 27001:2013).

Magyar Posta, as the universal postal service provider, must meet statutory quality expectations.² Based on the results measured and verified by the independent measurement organisation, **Magyar Posta met its statutory obligations for transit times for handling domestic, individually posted priority and non-priority mail items in 2023 as well.**

² Pursuant to the provisions of Sections 15(1) to (3) and 35(3) of Act CLIX of 2012 on postal services.

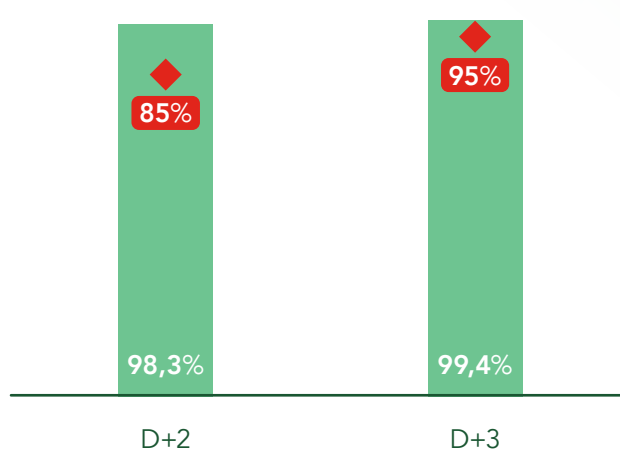
Universal letter-mail services – Priority mail items sent on single-piece tariff basis – 2023



■ Result achieved ◆ Statutory requirement

The normal **transit time requirements for universal parcel services** are defined in the Universal Postal Public Service Contract (“UPPSC”). The quality standards for these parcel products **were met outstandingly** again in 2023.

Universal parcel service – 2023



■ Result achieved ◆ UPPSC requirement

The Company also pays special attention to the **quality of customer service**. The indicator for this was met in the year under review as continuous measurement data shows that in Magyar Posta’s 166 branches equipped with a queueing system, service for 81.3 per cent of customers began within 7 minutes.

CERTIFICATES



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 tevékenységekre érvényes:

Levél- és csomagszolgáltatások, áru fuvarozási 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 lejáratára előtt esedékes.
Kiadás 12. Tanúsítva 2005. december 9-től.

Jóváhagyta:



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HC SGS 9001 2015 0118 HU

Oldalszám 1 / 1







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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 webcímen, 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> webcímen lehet ellenőrizni. Minden jogosulatlan módosítás, tartalmi vagy kinézetbeli változtatás hamisításnak minősül, tehát törvénybe ütköző és jogi eljárást vonhat maga után.

Tanúsítvány fordítás HU12/6283

Tanúsítjuk, hogy a(z)

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 üzemei, az ezeken a telephelyeken található valamennyi Postai szervezeti egység, valamint a speciális technológiai központjai.

Érvényessége: 2021 december 17 - 2023 november 13 sikeres felülvizsgálatok esetén.

Kiadás: 6. Tanúsítva: 2012 február 19.

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

Jóváhagyta:



SGS United Kingdom Ltd.

Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK

t +44 (0)151 350-6666 - www.sgs.com



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Tanúsítvány fordítás HU16/7967

The Energy management system of

Magyar Posta Zrt. (1777-4)

H-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.

Érvényessége: 2022 december 13 - 2025 december 12 sikeres felülvizsgálatok esetén.

Kiadás: 3. Tanúsítva: 2016 december 13



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Oldal 1 / 1

Certification of the results of independently measured transit times:



TANÚSÍTVÁNY

Az **Impetus Research Kft.**, mint független mérő szervezet tanúsítja, hogy a

MAGYAR POSTA Zrt.

a belföldi forgalmú levélküldemények szolgáltatásában

2023. évben az alábbi átfutási időket teljesítette:

A feladást követő 5. munkanap végéig kézbesített levélküldemények aránya

Egyetemes postai szolgáltatások

Egyedi feladású elsőbbségi levélküldemények	99,96%
Egyedi feladású nem elsőbbségi levélküldemények	97,30%
Tömeges feladású elsőbbségi levélküldemények	99,98%
Tömeges feladású nem elsőbbségi levélküldemények	97,99%
Vakok írása levélküldemények	97,48%

Egyetemes postai szolgáltatást helyettesítő szolgáltatás

Üzleti levél	98,03%
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Impetus Research Kft. a méréseket a Nemzeti Média- és Hírközlési Hatóság **PZ/26508-4/2021.** számú határozatában jóváhagyott belföldi levélküldeményekre és vakok írása tartalmú küldeményekre vonatkozó „Belföldi átfutási időmérés elvégzése szakmai módszertana” alapján, továbbá az **MSZ EN 13850:2021** az **MSZ EN 14508:2016** és az **MSZ EN 14534:2016** szabványok előírásainak megfelelően végezte.

Budapest, 2024. február 27.

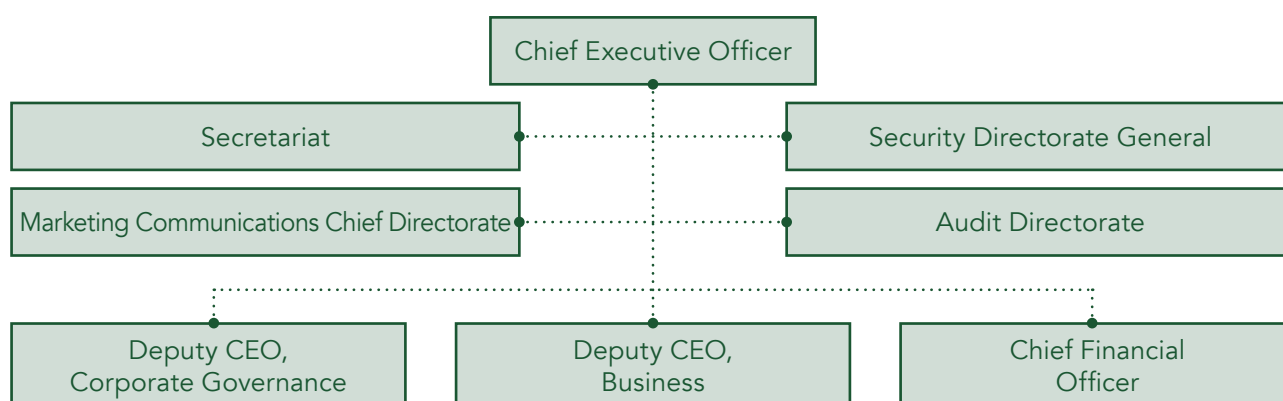
Bacher János, ügyvezető

MAGYAR POSTA ZRT.'S DATA

MANAGEMENT AND ORGANISATION

The organisational changes made in 2023 rationalised the organisation's operations by merging organisational units performing similar activities and relocating certain units to improve professional management. The implementation of a unified strategic vision was ensured by expanding the management powers of the Deputy CEO for corporate governance.

CORPORATE MANAGEMENT STRUCTURE OF MAGYAR POSTA ZRT. (31 December 2023)



Members of the Board of Directors on 31 December 2023:

- ▶ Dr Barnabás Balczó, chairman
- ▶ Sára Irén Nemes Hegmanné, vice-chairwoman
- ▶ Dr Géza Károly Láng
- ▶ Dr Viktor Kohuth
- ▶ Gabriella Bali
- ▶ Dr Katalin Ágnes Uzsák

FELÜGYELŐBIZOTTSÁGI TAGOK 2023. december 31-én:

- ▶ Tamás Kern, chairman
- ▶ Csilla Kárpáti
- ▶ Dr Sándor Károly Nemes
- ▶ Zsuzsanna Tóth
- ▶ Dr Gyöngyvér Botos
- ▶ Dr Kinga Anna Fodor

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 2023: HUF 14,138 million

Main activities: 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:
Dr Barnabás Balczó

The Company's auditor on 31 December 2023:

Ernst & Young Könyvvizsgáló Kft.

Dr Attila Hruby, certified auditor

Chamber membership ID number: 008440

RESULTS

In 2023, the Company reported a profit before tax of HUF 1.955 billion, alongside an average wage rise of 10 per cent implemented from 1 January 2023 (which also included adjustments to the minimum wage and the guaranteed minimum wage from 1 January 2023). Considering that the statutory minimum wages for 2024 came into effect on 1 December 2023, uniquely among state-owned companies, the basic wage increase (3%) specified in the 2024 wage agreement was implemented ahead of schedule on 1 December 2023.

The annual sales revenue was HUF 246.5 billion. In the breakdown of turnover by product, the share of payment services and parcel products grew within the portfolio.

Breakdown of net sales revenue (%)		
	2022	2023
Letter products	50,5%	48,2%
Payment services	23,9%	26,1%
MPL services	16,0%	16,5%
Electronic and non-traditional services	3,0%	3,0%
Mediated financial services	2,7%	2,8%
Newspaper product range	2,0%	1,5%
Other external activities	0,7%	1,1%
Philately and duty stamps	0,4%	0,4%
Retail activity	0,7%	0,4%
Total:	100,0%	100,0

EBITDA/average assets		
	2022	2023
EBIT (HUF million)	5 048	2 260
EBITDA (HUF million)	13 835	11 506
EBIT/average equity	4,7%	2,0%
EBIT/average assets	2,3%	1,0%
EBIT/net sales	2,2%	0,9%
EBITDA/average equity	13,0%	10,1%
EBITDA/average assets	6,2%	4,9%
EBITDA/net sales	6,0%	4,7%

ANNEX

FINANCIAL AND OPERATING PERFORMANCE

BALANCE SHEET "A" ASSETS

		figures in HUF million	
Item		31 December 2022	31 December 2023
A. Investments (non-financial)		159 275	169 058
I. INTANGIBLE ASSETS		8 544	10 386
Capitalised value of start-up and restructuring		0	0
Capitalised value of R&D		0	0
Rights representing property		2 378	3 743
Intellectual products		6 166	6 643
Goodwill		0	0
Prepayment on intangible assets		0	0
Revaluation of intangible assets		0	0
II. TANGIBLE ASSETS		85 226	93 219
Land and related property-valued rights		25 936	27 378
Technical equipment, machinery, vehicles		11 349	13 912
Other equipment, accessories, vehicles		3 789	3 462
Livestock		0	0
Reconstruction in progress		6 806	7 196
Prepayment on investments		3 846	3 169
Revaluation of tangible assets		33 500	38 102
III. FINANCIAL INVESTMENTS		65 505	65 453
Long-term shares in associated undertakings		45 518	45 518
Long-term loans to associated undertakings		0	0
Long-term major shares		18 940	18 940
Long-term loans to undertakings in major profit-sharing partnership		310	310
Other long-term shares		30	0
Long-term loans to undertakings in other profit-sharing partnership		0	0
Other long-term loans		707	685

Securities embodying long-term credit partnership	0	0
Revaluation of financial investments	0	0

	Current assets	62 703	57 032
I.	STOCKS (INVENTORY)	1 122	872
	Raw materials	910	775
	Unfinished goods and work-in-progress	0	0
	Livestock	0	0
	Finished goods	85	23
	Goods	55	39
	Advance payments on inventories	72	35
II.	RECEIVABLES	27 838	30 206
	Receivables from customers	15 274	17 927
	Accounts owed by associated undertakings	3 560	2 468
	Accounts owed by undertakings in major profit-sharing partnership	322	345
	Accounts owed by undertakings in other profit-sharing partnership	0	30
	Bills of exchange receivable	0	0
	Other debtors	8 682	9 436
III.	SECURITIES	2 951	2 951
	Share in associated undertakings	0	0
	Major shares	0	0
	Other shares	0	0
	Own shares	0	0
	Securities for trade embodying credit partnership	2 951	2 951
IV.	LIQUID ASSETS	30 792	23 003
	Cash in hand, cheques	12 944	18 374
	Bank deposits	17 848	4 629
C.	Prepayments	8 313	10 128
	Prepayments of income	5 616	7 032
	Prepayments of costs and expenditures	2 697	3 096
	Deferred expenditures	0	0
	Total assets	230 291	236 218

		figures in HUF million	
Item		31 December 2022	31 December 2023
D. Equity		110 602	117 159
I. REGISTERED CAPITAL		14 138	14 138
	of which repurchased property share at face value	0	0
II. REGISTERED UNPAID CAPITAL (-)		0	0
III. CAPITAL RESERVE		4 941	4 941
IV. PROFIT RESERVE		34 814	46 617
V. TIED UP RESERVE		16 582	11 406
VI. REVALUATION RESERVE		33 500	38 102
VII. PROFIT AFTER TAX		6 627	1 955
E. Provisions		26 115	18 910
	Provisions for expected liabilities	26 115	18 910
	Provisions for future costs	0	0
	Other provisions	0	0
F. Credits (liabilities)		66 390	69 939
I. SUBORDINATED LIABILITIES		0	0
	Subordinated liabilities against associated undertakings	0	0
	Subordinated liabilities against undertakings in major profit-sharing partnership	0	0
	Subordinated liabilities against undertakings in other profit-sharing partnership	0	0
	Subordinated liabilities against other party	0	0
II. LONG-TERM LIABILITIES		1 073	178
	Long-term loans	0	0
	Convertible and equity bonds	0	0
	Debenture loans	0	0
	Investment and development credits	0	0
	Other long-term credits	625	0
	Long-term liabilities against associated undertakings	0	0
	Long-term liabilities against undertakings in major profit-sharing partnership	0	0
	Long-term liabilities against undertakings in other profit-sharing partnership	0	0
	Other long-term liabilities	448	178

	SHORT-TERM LIABILITIES	65 317	69 761
	Short-term loans	0	0
	of which convertible and equity bonds	0	0
	Short-term credits	1 876	100
	Prepayments received from purchasers	2 536	2 950
	Trade creditors	10 669	10 549
	Bills of exchange payable	0	0
	Short-term liabilities against associated undertakings	18 283	20 622
	Short-term liabilities against undertakings in major profit-sharing partnership	0	1
	Short-term liabilities against undertakings in other profit-sharing partnership	0	0
	Other short-term liabilities	31 953	35 539
G.	Accruals and deferred income	27 184	30 210
	Accrual of income	9 427	14 017
	Accrual of costs and expenditures	16 498	15 184
	Deferred income	1 259	1 009
	Total liabilities	230 291	236 218

PROFIT & LOSS ACCOUNT (total costs method)

		figures in HUF million	
	Item	31 December 2022	31 December 2023
1	Net domestic sales	210 207	230 809
2	Net export sales	20 059	15 679
I.	Turnover (01+02)	230 266	246 488
3	Change in stocks produced ±	35	-62
4	Capitalised value of assets produced	694	351
II.	Own performance capitalised (±03+04)	729	289
III.	Other income	19 502	23 536
	of which reversed diminution in value	146	637
5	Cost of raw materials	15 186	17 569
6	Services used	59 126	65 703
7	Other services	3 576	3 608
8	Original value of goods sold	3 364	1 931
9	Value of services sold (brokerage)	567	746
IV.	Material-type expenditures (05+06+07+08+09)	81 819	89 557
10	Wage costs	110 526	119 470
11	Other personal type expenses	12 593	15 488
12	Wage contributions	15 931	17 146
V.	Staff costs (10+11+12)	139 050	152 104
VI.	Depreciation write-off	8 787	9 246
VII.	Other expenditures	20 836	22 847
	of which value loss	2 609	780
A.	OPERATING PROFIT (I±II+III-IV-V-VI-VII)	5	-3 441
13	Dividend and profit-sharing from investments	366	8 968
	of which from associated undertakings	0	8 968
14	Income from shares and exchange gains	12 913	0
	of which from associated undertakings	0	0
15	Income from financial investments (securities, loans) and exchange gains	24	23
	of which from associated undertakings	0	0

16	Other interest and similar income due	2 689	3 620
	of which from associated undertakings	110	102
17	Other income from payment transactions	3 176	1 101
VIII.	Income from financial transactions (13+14+15+16+17)	19 168	13 712
18	Expenditures from shares and exchange losses	0	0
	of which to associated undertakings	0	0
19	Expenditures from financial investments (securities, loans) and exchange losses	0	0
	of which to associated undertakings	0	0
20	Interest and similar expenditures payable	1 134	3 948
	of which to associated undertakings	788	2 448
21	Losses on shares, securities, long-term loans, bank deposits	7 578	0
22	Other expenditures on payment transactions	3 834	4 368
XI.	Expenditures on payment transactions (18+19+20+21+22)	12 546	8 316
B.	PROFIT ON PAYMENT TRANSACTIONS (VIII-IX)	6 622	5 396
C.	PROFIT BEFORE TAX ($\pm A \pm B$)	6 627	1 955
X.	Taxation	0	0
D.	PROFIT AFTER TAX ($\pm C - X$)	6 627	1 955



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