

BUSINESS SERVICES **HUNGARY**

2025



REPORT
ON THE HUNGARIAN
BUSINESS SERVICES
INDUSTRY

THIS REPORT WAS CONDUCTED BY
HIPA – Hungarian Investment Promotion Agency

PUBLISHER
HIPA – Hungarian Investment Promotion Agency

WEB ADDRESS
www.hipa.hu



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Foreword

Despite global economic uncertainty, geopolitical tensions, and shifting value chains, Hungary has remained a stable and attractive destination for foreign direct investment, consistently surpassing historical benchmarks. HIPA closed 2024 with outstanding results, breaking the EUR 10 billion FDI inflow threshold for the second consecutive year and securing 77 new projects worth nearly EUR 10.3 billion, generating 18,500 new jobs. This marked the second most successful year in HIPA's history, following the record EUR 13 billion inflow achieved in 2023. Such outcomes highlight Hungary's competitiveness, supported by one of Europe's most favorable tax systems, a skilled labor force, and a resilient, business-friendly environment. In the first half of 2025, a notable surge has been observed in projects with the highest intellectual value-added, particularly in research and development and in business service centers—together accounting for 16 new investments, nearly matching the total of the previous year.

The Hungarian business services sector mirrors this trajectory of resilience and transformation. Since 2020, the number of BSCs has nearly doubled, reaching 245 in 2025. This significant rise reflects both the arrival of new investors and the identification of centers that had long been operating in Hungary but previously remained outside HIPA's radar. Meanwhile, the workforce expanded to 118,543, a 7% increase over 2024.

Another defining trend is geographic diversification within Hungary. While Budapest remains the central hub, 11% of companies plan to establish new offices in regional cities, a move that supports business continuity and enables access to local university talent pools. This decentralization strengthens both the sector's resilience and its role in regional development.

Taken together, these results demonstrate that Hungary's business services sector has become a cornerstone of the national economy, combining steady growth with rapid adaptation to global shifts. Its trajectory reflects both the ability of multinational and domestic investors to thrive in a turbulent environment and the capacity of Hungary to sustain a competitive position in the evolving global services landscape.

The Business Services Hungary 2025 report provides a comprehensive analysis of the sector, tracing its historical evolution, assessing current dynamics, and outlining future prospects. It examines the main drivers of growth, the challenges faced, and the strategies companies apply to remain competitive. The study was produced through the joint efforts of partners including the Association of Business Service Leaders Hungary (ABSL), the American Chamber of Commerce in Hungary (AmCham), CBRE Hungary, Grafton Hungary, and Knowledge Pyramid, with the active involvement of numerous participating companies. Their contributions have significantly deepened the understanding of the industry and created a robust basis for evidence-based decision-making and strategic foresight. The report is intended as a practical resource for businesses, policymakers, and academics alike, supporting the utilization of the sector's potential to stimulate economic growth, advance innovation, and shape the future trajectory of business services in Hungary.

Introduction to the Annual Business Services Hungary Report

The Annual Business Services Hungary Report provides an insightful and detailed analysis of the business services sector, offering a snapshot of its current landscape and future trajectory. This report is the product of a collaborative and data-driven approach, ensuring that it captures the most relevant trends and challenges facing the sector.

Our methodology is built on key components:

Questionnaire Development: We partnered with the Association of Business Service Leaders (ABSL) and the American Chamber of Commerce (AmCham) to enhance the depth of our survey, which now includes over 100 questions. These questions explore various dimensions of the sector, such as growth, labor market shifts, competitiveness, and real estate trends.

Industry Engagement: We gathered responses from 56 Business Service Centers (BSCs) across Hungary, which account for 37% of the sector's workforce. This broad participation allows us to track historical developments and forecast future changes for the entire business services industry.

Expert-Led Analysis: Our analysis was conducted in partnership with Monika Slomska, CEO of Knowledge Pyramid, a leading consulting firm with extensive experience in Hungarian and regional business services. This collaboration ensures that the data is interpreted from multiple professional angles, providing a balanced and thorough evaluation.

Comprehensive Market Overview: In addition to sector-specific insights, we included an overview of labor market and real estate trends in partnership with Randstad and CBRE. This adds further context to the industry's current state and potential growth areas.

Local Stakeholder Contributions: Recognizing the importance of regional diversity, we engaged local municipalities, investment bodies, and universities to explore the potential of key university towns and remote regions, further enriching the report.

This report highlights our commitment to providing a clear and well-rounded understanding of the business services sector, powered by collaborative efforts and expert insights. We are grateful to all stakeholders who contributed to this study, as their input has been invaluable in shaping a comprehensive overview of the sector's dynamics in Hungary.

Executive Summary

The Hungarian business services sector continues its dynamic growth, expanding steadily despite ongoing geopolitical and economic turbulence. It has expanded rapidly, nearly doubling its number of centers since 2020 to reach 245 by 2025. This surge stems both from new foreign investors and from the recognition of long-standing operations previously outside HIPA's scope. Employment in the sector rose to 118,543—up 7% from 2024—underscoring sustained momentum in talent demand. The sector's growth aligns with global business priorities such as cost optimization, innovation, and geographic diversification, positioning Hungary as an increasingly competitive regional hub for high-value services.

Operational models show a gradual shift: 55% of centers operate as captives, 32% as hybrids, while outsourced models stand at 13%. The proportion of long-established centers remains high, with 52% in operation for more than a decade, though this is 8% lower than in 2024. This trend points to a dual dynamic: the entry of entirely new players into the market, and the increasing visibility of long-standing centers that are only now being captured in industry data. Growth appetite remains strong, with more than half of companies planning expansions in 2025–26.

Job creation is increasingly knowledge-driven. While Finance, Accounting & Controlling and IT still represent the backbone of employment (over 36%), the most striking change is in Engineering roles, which rose from 3% to 12% in just one year. Overall, 79% of companies plan to add further high value-added positions in the next three years.

Talent supply is supported by the 63% of BSCs cooperating with universities, including many in regional locations. This underpins a growing regional footprint, as 11% of companies intend to open new offices outside Budapest, strengthening access to local talent pools and ensuring business continuity through geographic diversification.

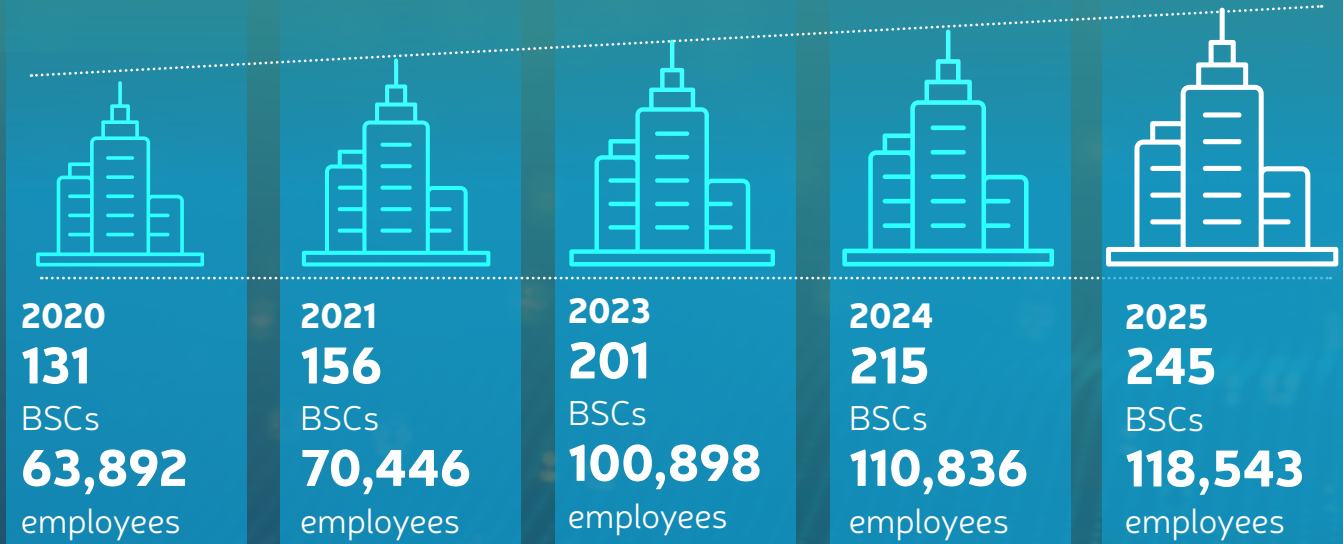
Technological advancement remains a defining feature: 59% of BSCs report having a clear AI strategy, while 61% already apply AI tools in daily operations – a notable 15% increase since 2024. This illustrates the sector's rapid adaptation to digital transformation and its determination to remain competitive on a global scale.

Taken together, these trends portray a sector that is both resilient and forward-looking. With its growing emphasis on high-value services, technological sophistication, and regional diversification, Hungary's BSC industry is set to consolidate its position as a leading destination for business services in Central and Eastern Europe.

Evolution

of the Hungarian BSC market

Overall



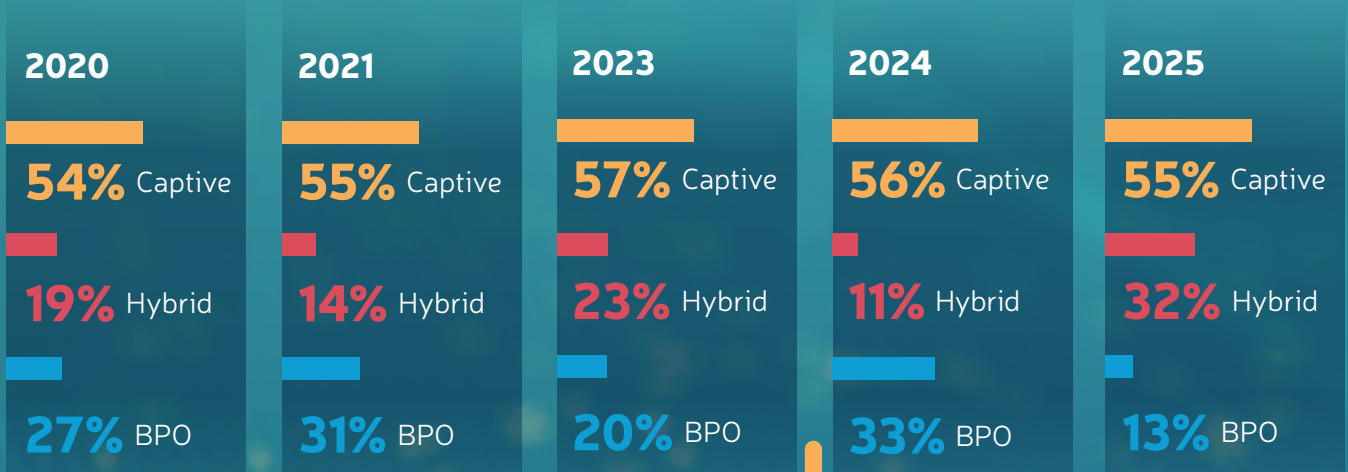
Newly established BSC centers in Hungary



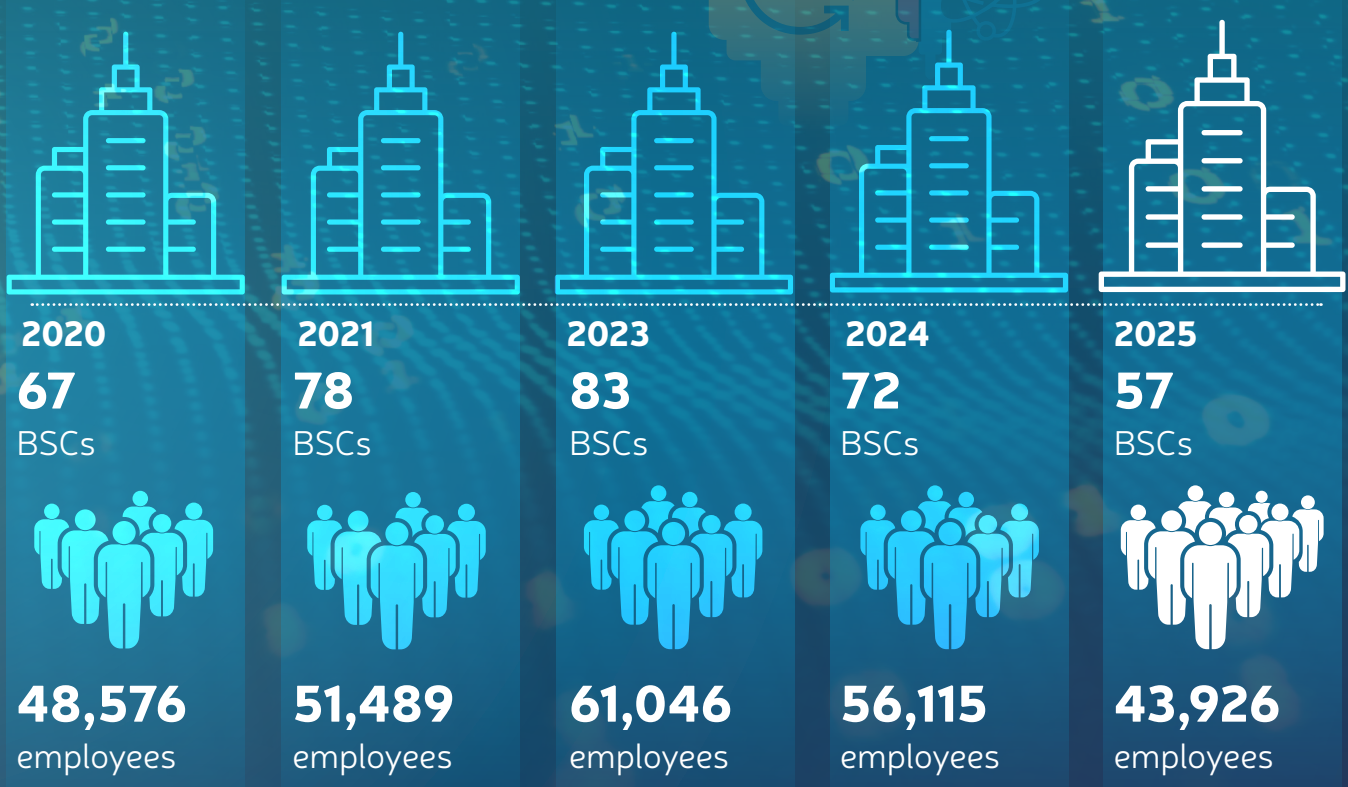
Major investors in the BSC market



Operational model



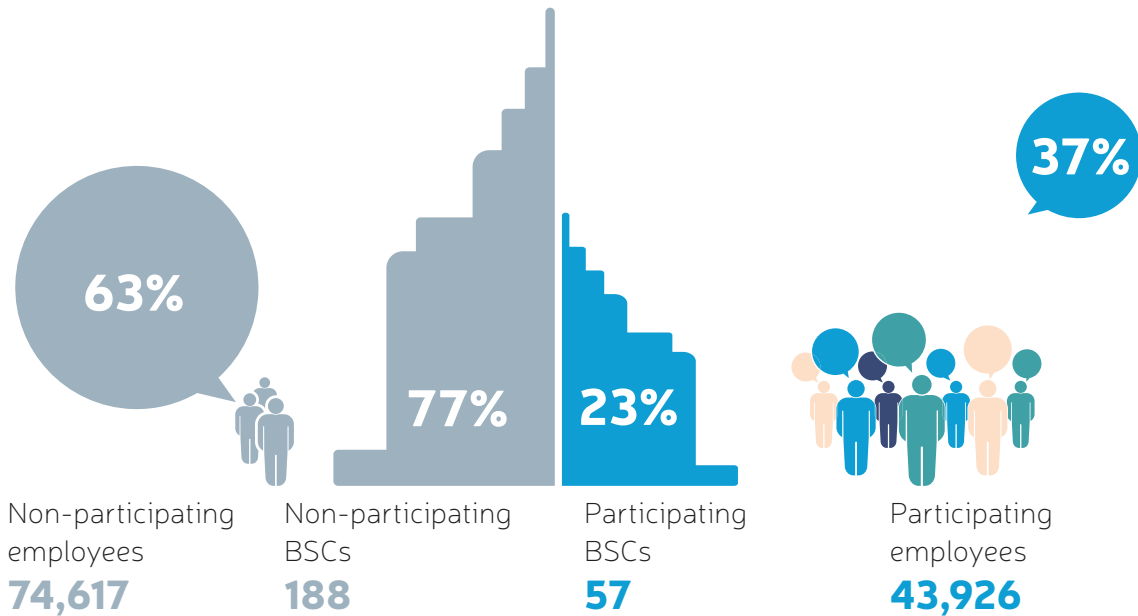
Number of BSCs and employees represented in the survey



General Information about the Survey

Industry & Employee Coverage

The Business Services survey, conducted in July 2025 gathered insights from 57 companies across various industries. Together, these companies employ 43,926 individuals, accounting for 37% of the labour force across 245 centres. This survey provides valuable data on the employment landscape and the contributions of these companies to the overall workforce.



Size of responding BSCs

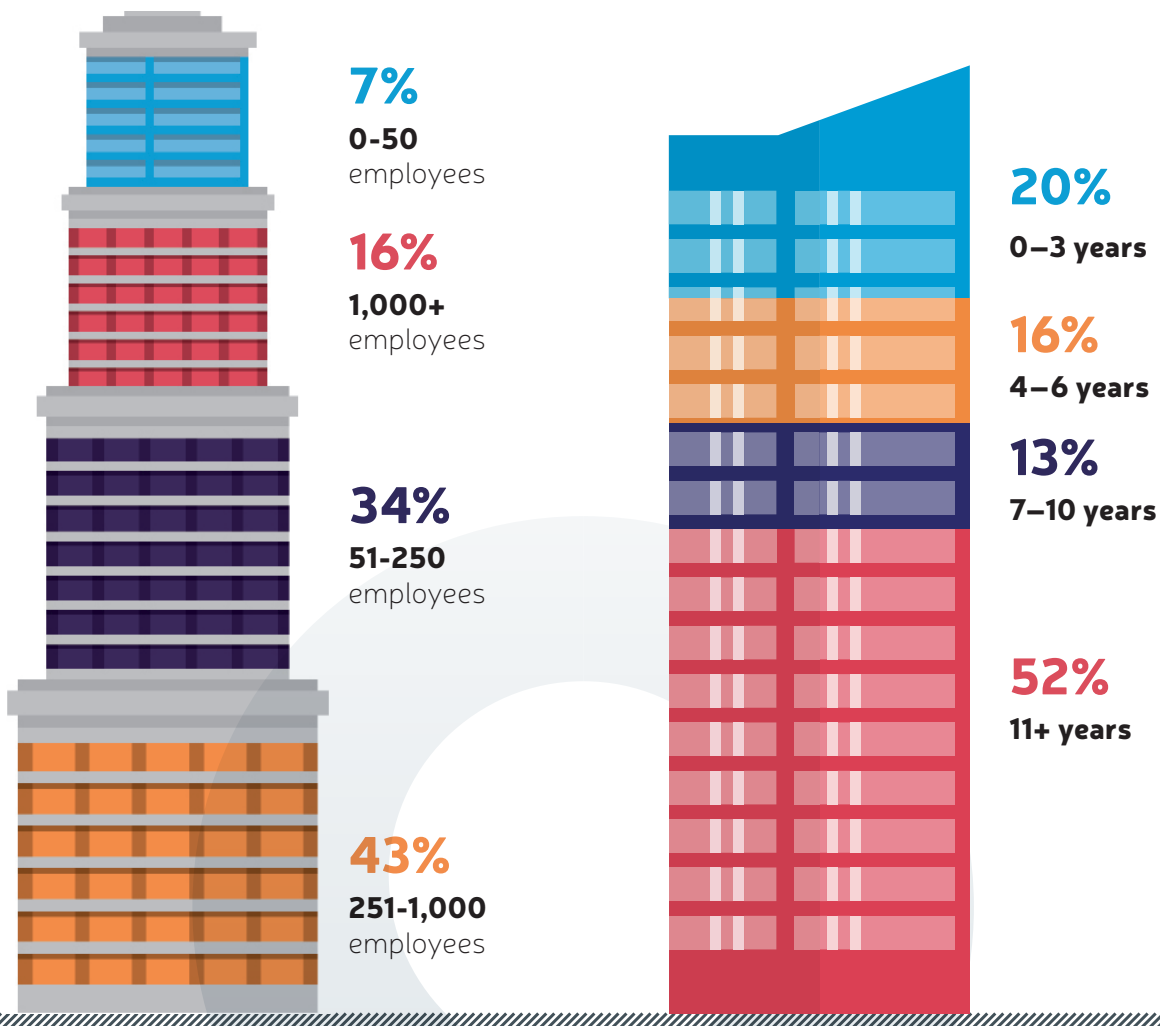
Most companies participating in the 2025 survey demonstrate a strong and long-standing presence in Hungary, with 52% having been established for over 11 years, compared to 55% in 2023 and 60% in 2024. Additionally, 13% have been operating for 7 to 10 years, slightly lower than previous years' figures of 20% in 2023 and 18% in 2024. The data indicates a stable and mature market, with a significant proportion of

firms maintaining their operations over a decade. The focus remains on Hungarian-owned companies, though the limited number of large Hungarian firms highlights ongoing opportunities for growth in this segment. Overall, Hungary continues to attract and sustain experienced service centers, emphasizing stability and continuous capability enhancement within the region.

Service locations of BSCs responding

Based on the 2025 survey responses, a clear trend emerges in the strategic expansion of Business Service Centres (BSCs) across Hungary. While Budapest remains the leading location, with 48 respondents, there is a broader geographic diversification as companies increasingly explore secondary cities. Pest County continues to attract interest, with 4 respondents, along with other cities such as Debrecen, Székesfehérvár, Győr, Pécs, Szeged, Miskolc, and additional locations. This geographic spread reflects a sustained interest in decentralisation, driven by the availability of competitive costs, local talent pools, and regional development initiatives. The movement toward establishing centres outside the capital is

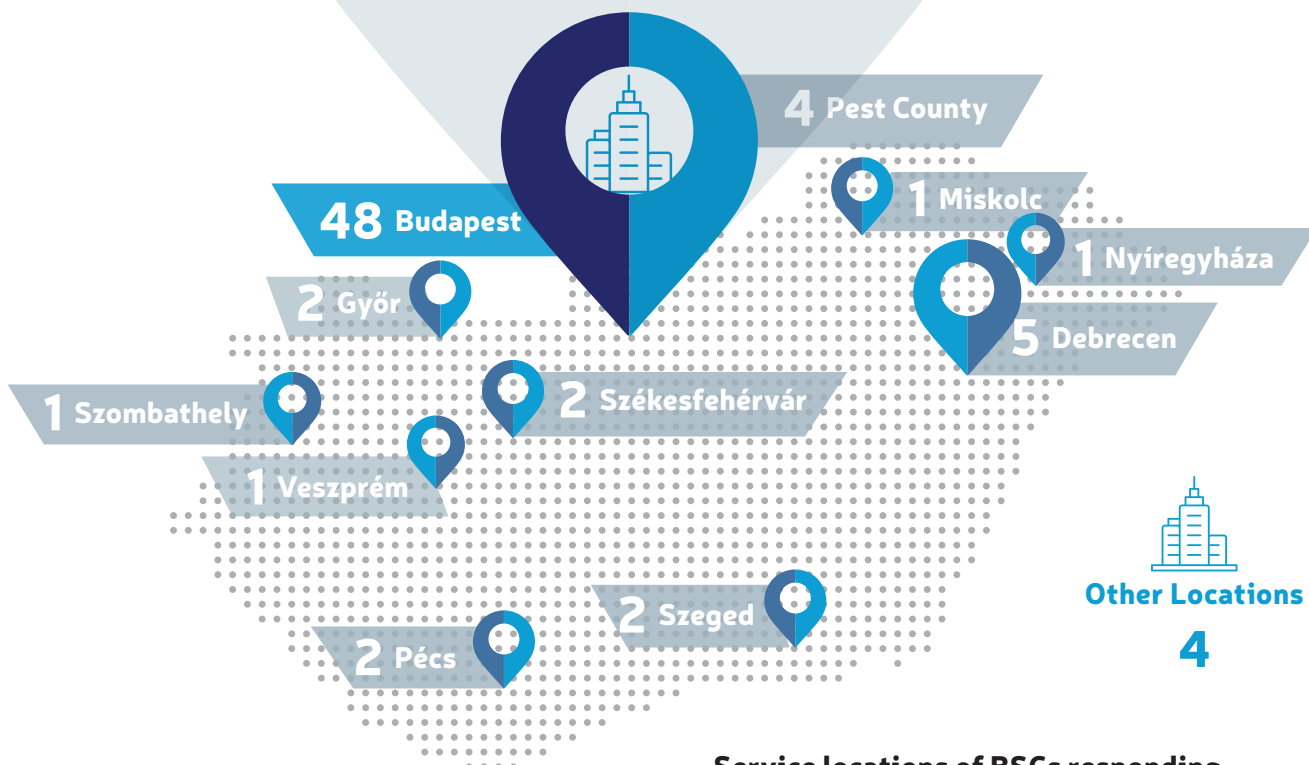
supported by Hungary's strong educational infrastructure, which provides a well-educated, multilingual workforce across these regions. The trend indicates that Hungary's Tier 2 cities are becoming increasingly attractive options for expanding or relocating service units. This diversification not only mitigates risks associated with over-concentration in Budapest but also promotes regional development. The proactive positioning of these cities, combined with their growing talent pools, bodes well for the future growth and resilience of BSCs in Hungary, confirming the country's position as a strategic hub for business services in Central Europe.



Size of responding BSCs

Maturity of BSCs

Average age



Service locations of BSCs responding

Note: Several BSCs have offices in multiple locations within Hungary



Business Overview



Average headcount

484

(industry level)

778

(respondent companies)



Office presence
in Budapest

67%



245

BSCs
in Hungary



Captive centers

55%



Major BSC
locations in Hungary

8 cities

*Budapest, Debrecen,
Szeged, Székesfehérvár,
Pécs, Győr, Miskolc,
Veszprém*



Languages used
by the centers

*English, German,
Hungarian, French,
Spanish, Italian,
and many more...*



52%

Proportion of
centers established
11+ years ago



Global focus
of activity

43%

Note: dashboard data is based on
the responses of survey respondents.

Industry of Parent Company / respondents



25%
Manufacturing & Engineering



23%
IT & related services



16%
Automotive



14%
Chemical, Pharmaceuticals, MedTech, Biotech



13%
Business Services



11%
Financial Services



7%
Telecom, Media Entertainment



7%
Energy & Utilities



5%
Aerospace



4%
Transportation & Logistics



4%
Agriculture



4%
Retail



4%
Real Estate & Construction



2%
Customer Services



2%
Packaging



2%
FMCG



2%
Procurement



2%
Consulting

The diverse industry representation among companies operating business services in Hungary underscores the country's status as a versatile and attractive hub for a wide range of sectors. The prominence of manufacturing, automotive, and technology-related services highlights Hungary's strategic advantages, including a skilled workforce and favourable business environment. This broad industry base

not only demonstrates the resilience and stability of Hungary's service sector but also indicates continued growth opportunities across various industries. Overall, Hungary remains a compelling destination for companies seeking to establish or expand their business-service operations in Central Europe. The data shows that companies operating business services in Hungary come from a diverse range of industries.

55%
Captive

13%
BPO

32%
Hybrid

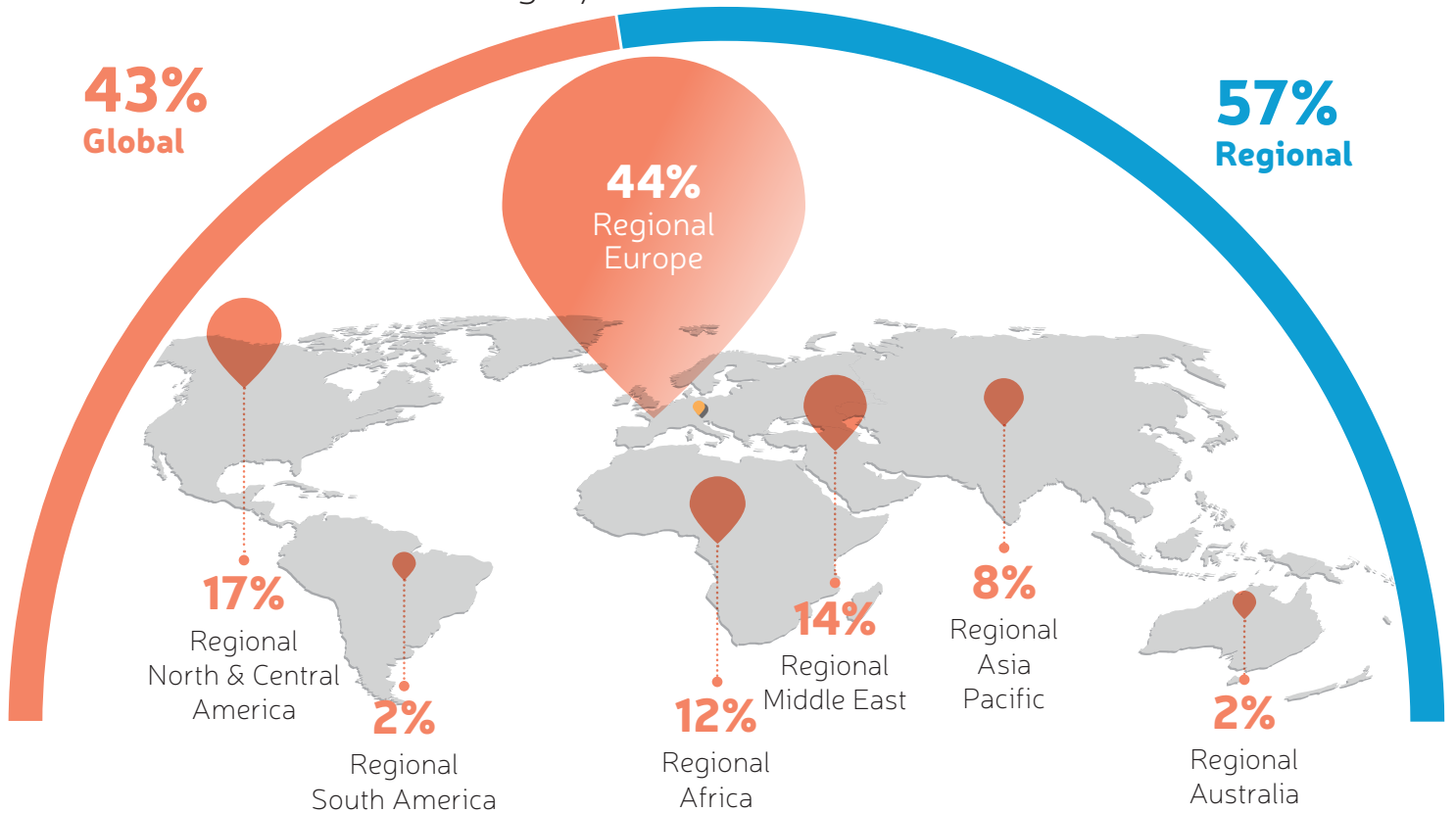
Operational model of respondents

The data shows that most respondents, 55%, operate using a captive operational model, emphasising a strong preference for in-house service delivery within companies. The BPO model is employed by 13% of respondents, indicating a smaller but steady segment choosing outsourced services. Furthermore, a significant portion, 32%, reports using a hybrid model that combines in-house and outsourced elements to optimise their operations. Overall, the distribution reveals a balanced approach among organisations, with a clear dominance of the captive model, highlighting the importance of direct control and integration in their business service strategies.



Geographical Areas Served

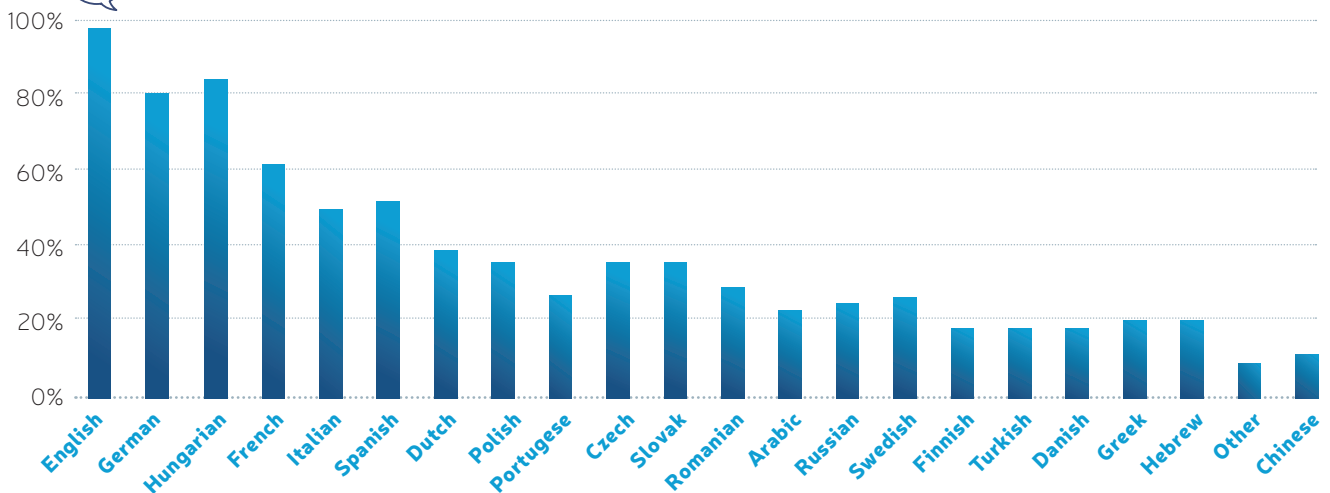
from BSCs in Hungary



The distribution of respondents' geographical coverage highlights Hungary's prominent role as a regional hub, with 57% serving regional markets. Simultaneously, 43% of companies operate on a global scale, reflecting Hungary's growing integration into international markets and its strategic position as a key location for multinational business services. The absence of companies solely focused on domestic services further emphasises the country's focus on regional and global outreach. Overall, these insights emphasise Hungary's evolving role as a versatile and dynamic centre for regional and international operations, attracting companies seeking to benefit from its strategic location and interconnected markets.



Languages supported from BSCs in Hungary



The wide range of supported languages highlights Hungary's role as a truly multilingual hub for business services. English remains the dominant language, used by 98% of companies, emphasising its importance as the main mode of

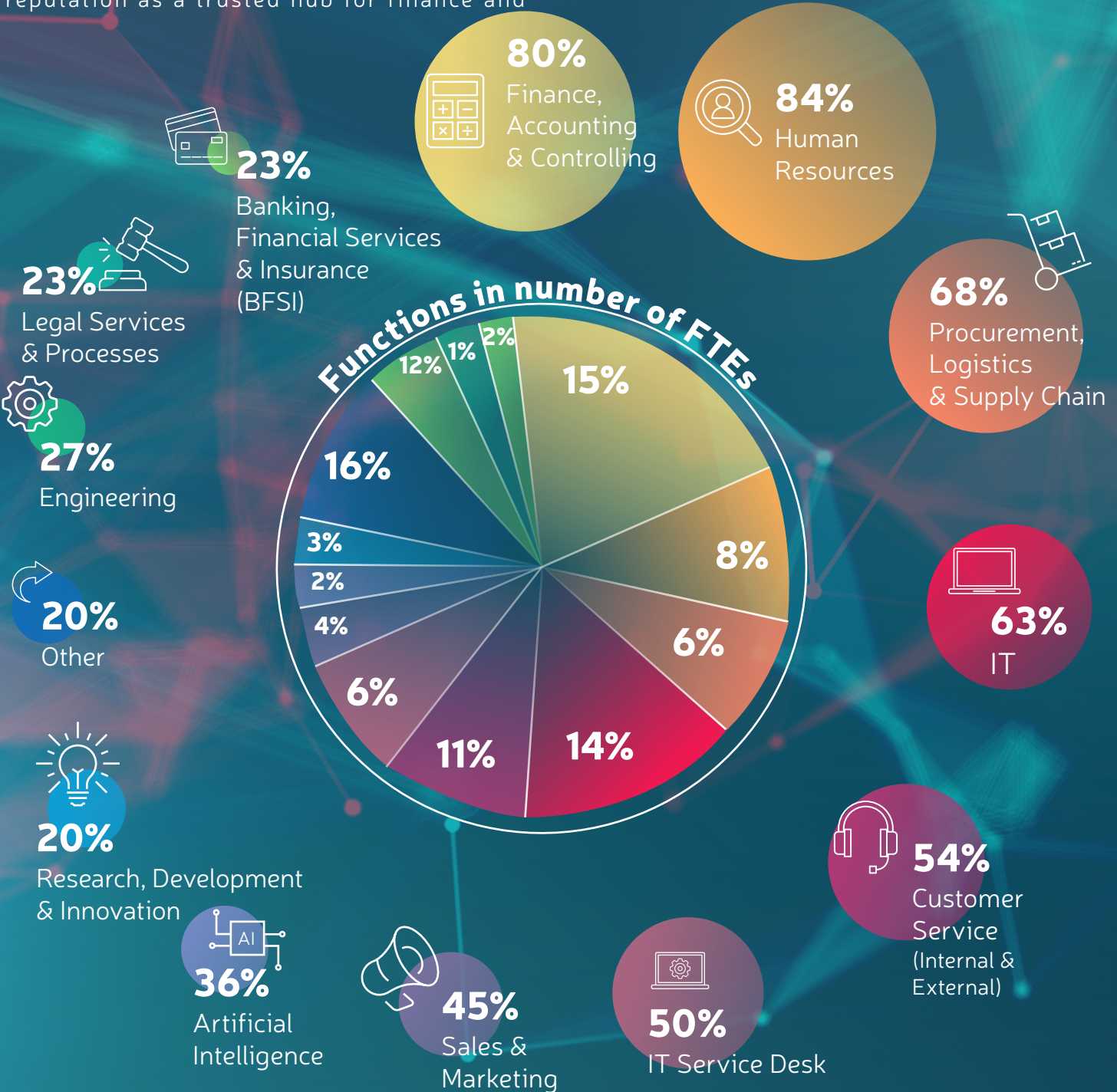
communication in the sector. German, Hungarian, French, and Spanish are also prominently supported, reflecting Hungary's strong connections with regional European markets.



Functional focus

The data reveals a dynamic and highly specialised landscape within Hungary’s business services sector, demonstrating a clear functional focus. Financial and accounting services dominate, supported by 80% of companies, emphasising Hungary’s reputation as a trusted hub for finance and

compliance operations. Human Resources is also a key area, with 84% of organisations actively engaged in HR-related activities, highlighting the country’s strength in talent management and workforce functions.

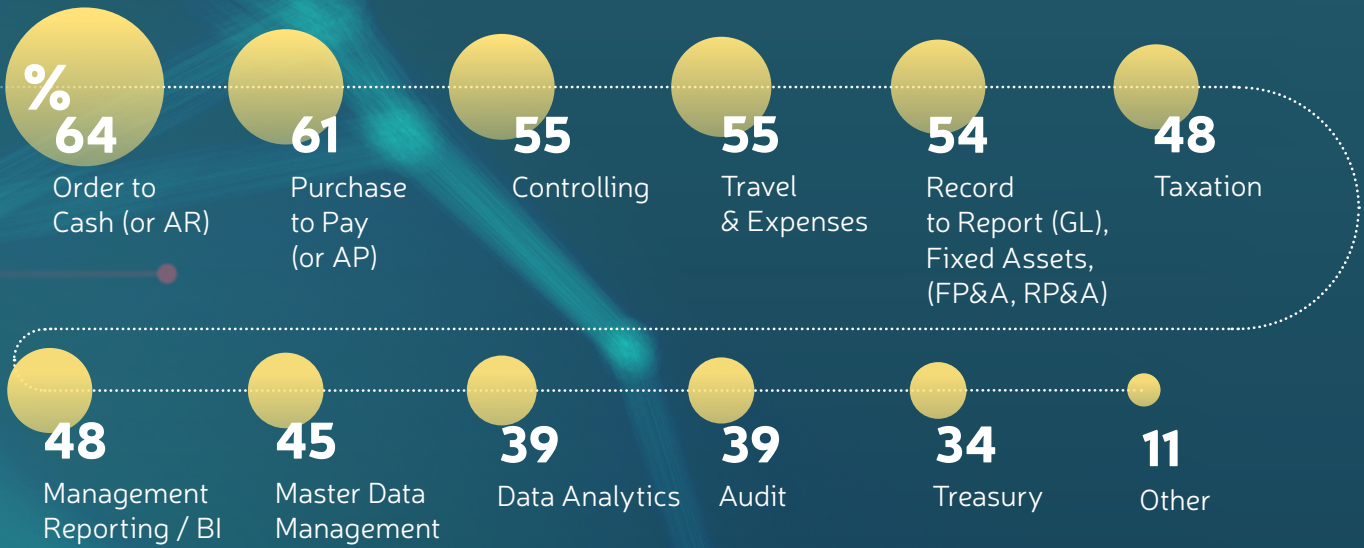


Functions in number of FTEs*

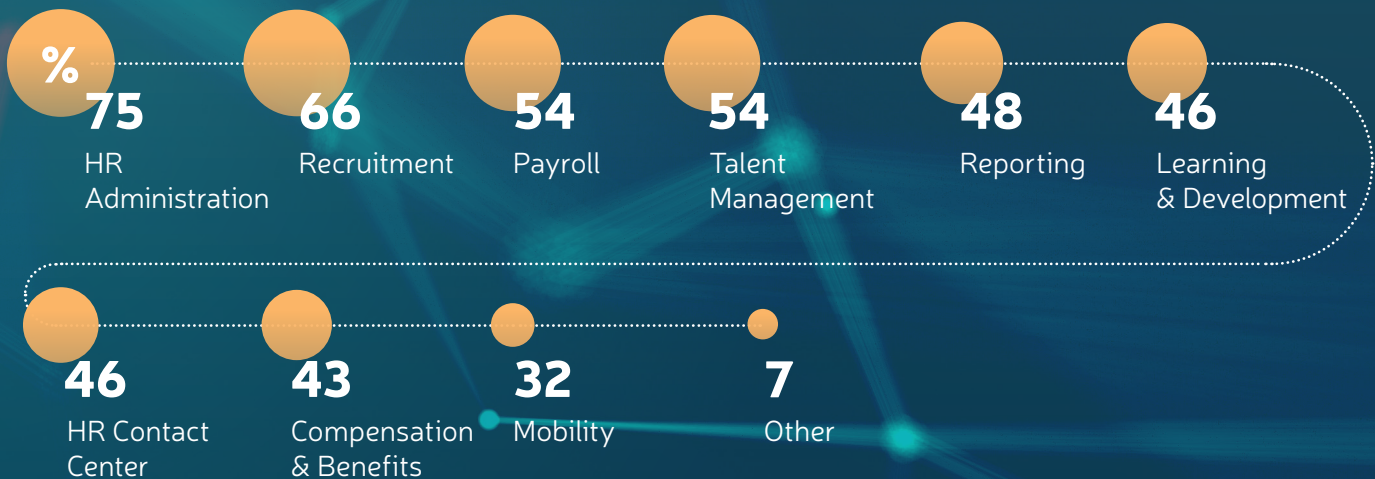
Hungary’s sector demonstrates a strong emphasis on digital transformation, operational excellence, and innovation, making it an attractive destination for companies seeking a versatile and future-ready service hub. The data indicates that Hungarian businesses are refocusing their efforts on innovation, engineering, and diversification, while reducing resources allocated to conventional functions like finance and IT. This suggests a strategic move to adapt to emerging technological trends and market demands, potentially boosting competitiveness and growth in emerging sectors.



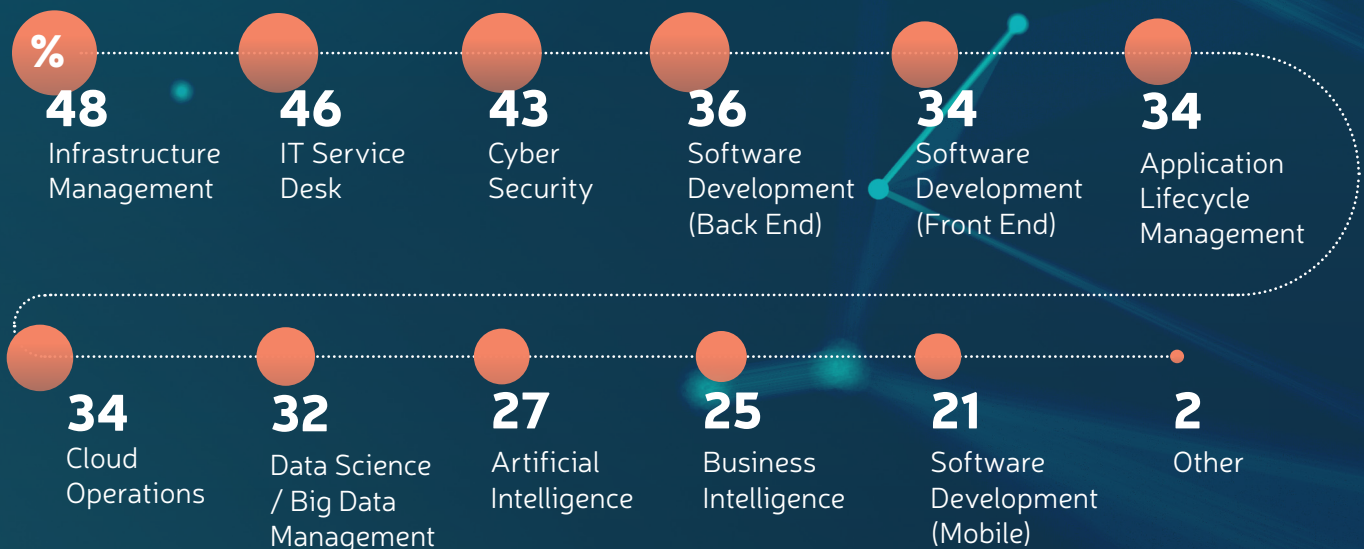
Finance, Accounting & Controlling*



Human Resources



IT Functions



* % of the total number of survey respondents



Procurement, Logistics & Supply Chain



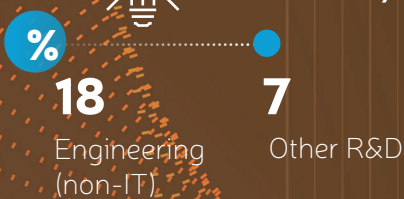
Customer Service (Internal & External)



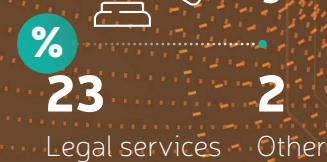
Sales & Marketing



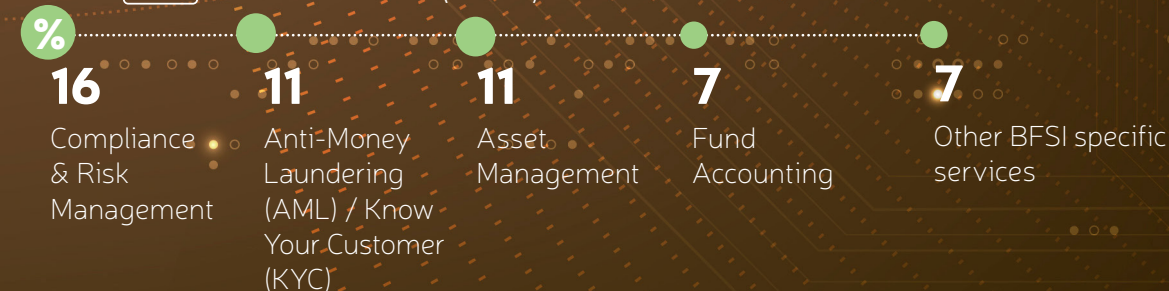
Research, Development & Innovation functions



Legal Services & Processes functions



Banking, Financial Services & Insurance (BFSI)*

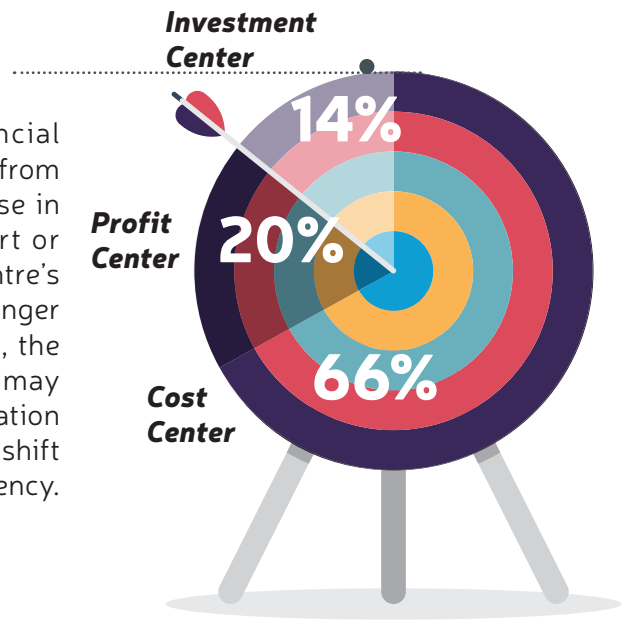




Financial responsibilities

Business model of BSCs based in Hungary

The data indicates a reorientation in Hungary’s financial responsibilities. The Cost Centre’s share is projected to rise from 65% in 2024 to 66% in 2025, suggesting a slight increase in cost allocation—potentially towards operational support or efficiency improvements. Meanwhile, the Investment Centre’s share is expected to grow from 10% to 13%, signaling a stronger focus on funding growth-oriented initiatives. In contrast, the Profit Centre shows a minor decline in its share, which may reflect adjustments in revenue generation or cost optimization approaches. Collectively, these trends point to a deliberate shift toward greater investment and enhanced operational efficiency.



Do you have any **annual efficiency targets** for your BSC operation?

70% yes,
cost saving

63% yes,
improving cost efficiency per transaction

59% yes,
expanding scope without increasing headcount

46% yes,
decrease attrition/Increase retention

45% yes,
eliminating roles by automation and other digital solutions

9%
other



The survey results show that Hungarian companies are increasingly concentrating on cost efficiency and digital transformation. The goal to increase cost savings to 70% by 2025 demonstrates a strong commitment to operational efficiency, up from 60% in 2024. Although there is a consistent aim to broaden scope without increasing headcount, some challenges persist, such as a slight decline in improving cost efficiency per transaction and reductions in attrition and automation efforts, highlighting areas where companies may need to invest further. Overall, the results indicate a strategic focus on cost control and technological progress to remain competitive.



Effects of the home office / hybrid working model

Efficiency aspects

The survey results show that the impact of remote and hybrid working models on efficiency remains mixed. While only 5% of companies reported a significant increase in efficiency, 23% observed moderate improvements, indicating some benefits of flexible work arrangements. However, 61% of respondents do not expect any change in efficiency, and 7% anticipate a decline. Compared to the data from 2024, overall perceptions of efficiency have slightly worsened, suggesting that although hybrid work has potential, its effect on productivity is variable and requires further optimisation.

Efficiency effects of home office / hybrid working model



25%
Moderately improved efficiency



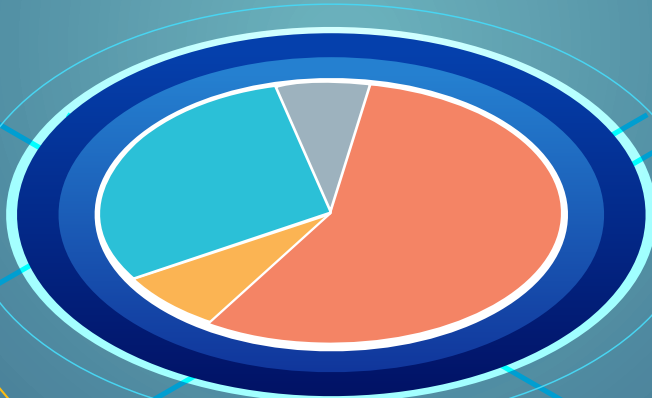
7% Moderately reduced efficiency



5%
Greatly improved efficiency



63%
No significant change in efficiency



Are you considering to introduce a 4 working days model?



100% no



Despite the rise of home-office and hybrid working models, most responding firms are unprepared to embrace the promising workweek reduction from five days to four. Several factors contribute to this hesitance, including corporate headquarters' guidelines, client expectations, the specific nature of certain positions, revenue and profit objectives, and the already flexible work schedules in place. Conversely, companies open to a shorter workweek highlight vital benefits such as increased flexibility, enhanced employee motivation, and greater engagement. These factors are believed to contribute to lower attrition rates, making a compelling case for re-evaluating traditional work structures. While many organisations remain cautious, there is a growing recognition of the potential advantages of a condensed workweek in fostering a more agile and satisfied workforce.

Are you considering to hire people for permanent remote work regardless of their residency?

25% yes

75% no

Does the company exceed the legal minimum in terms of the number of days off?

43% no

57% yes



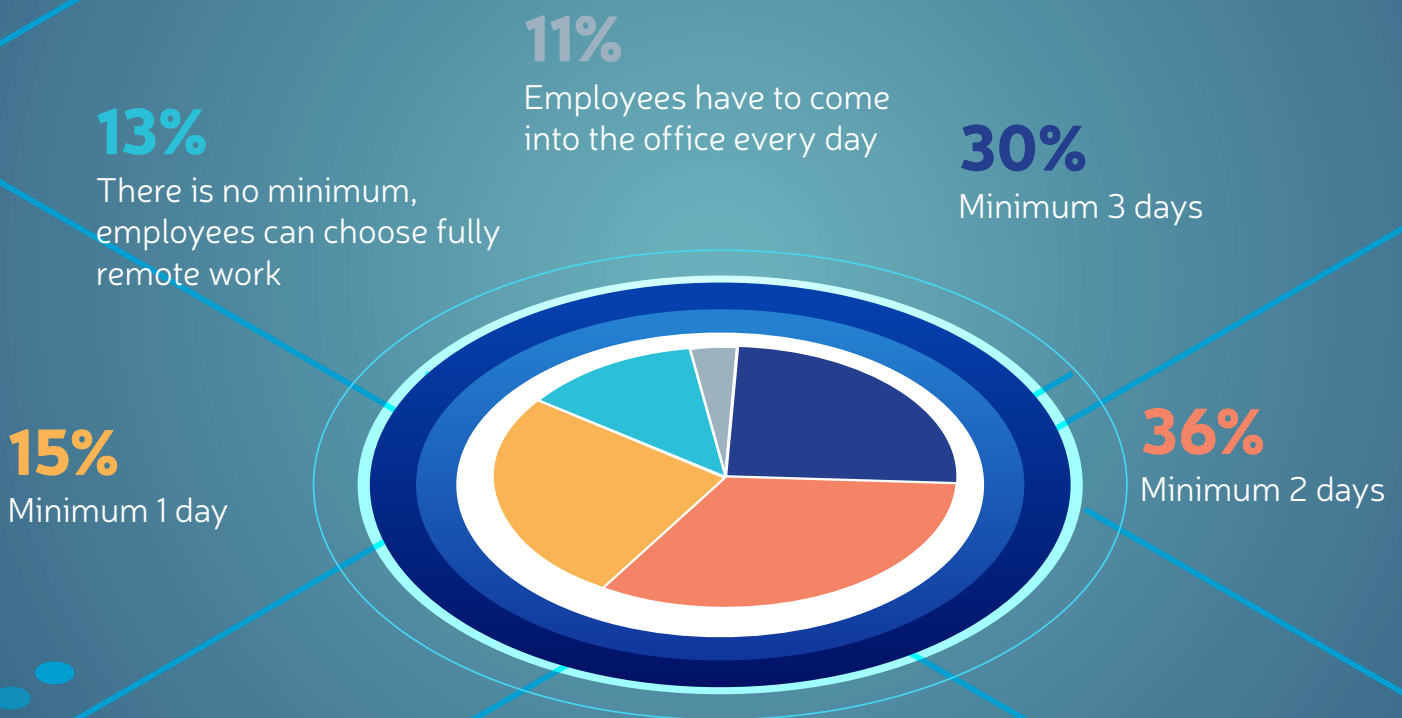
The BSC sector's wide range of office attendance policies reflects the industry's shift towards flexible work arrangements. Employers are accommodating the desire for remote work while still recognizing the importance of in-person collaboration. As the industry evolves, finding the right balance between remote and on-site work will be crucial for maintaining productivity and employee satisfaction.

A small number of companies (2%) require daily in-office attendance, reflecting a traditional emphasis on in-person collaboration. On the other hand, 13% of respondents mandate a minimum of three days in the office, striking a balance between remote work and on-site collaboration. Additionally, 31% require employees to be in the office at least twice a week, providing flexibility while fostering regular face-to-face interactions.

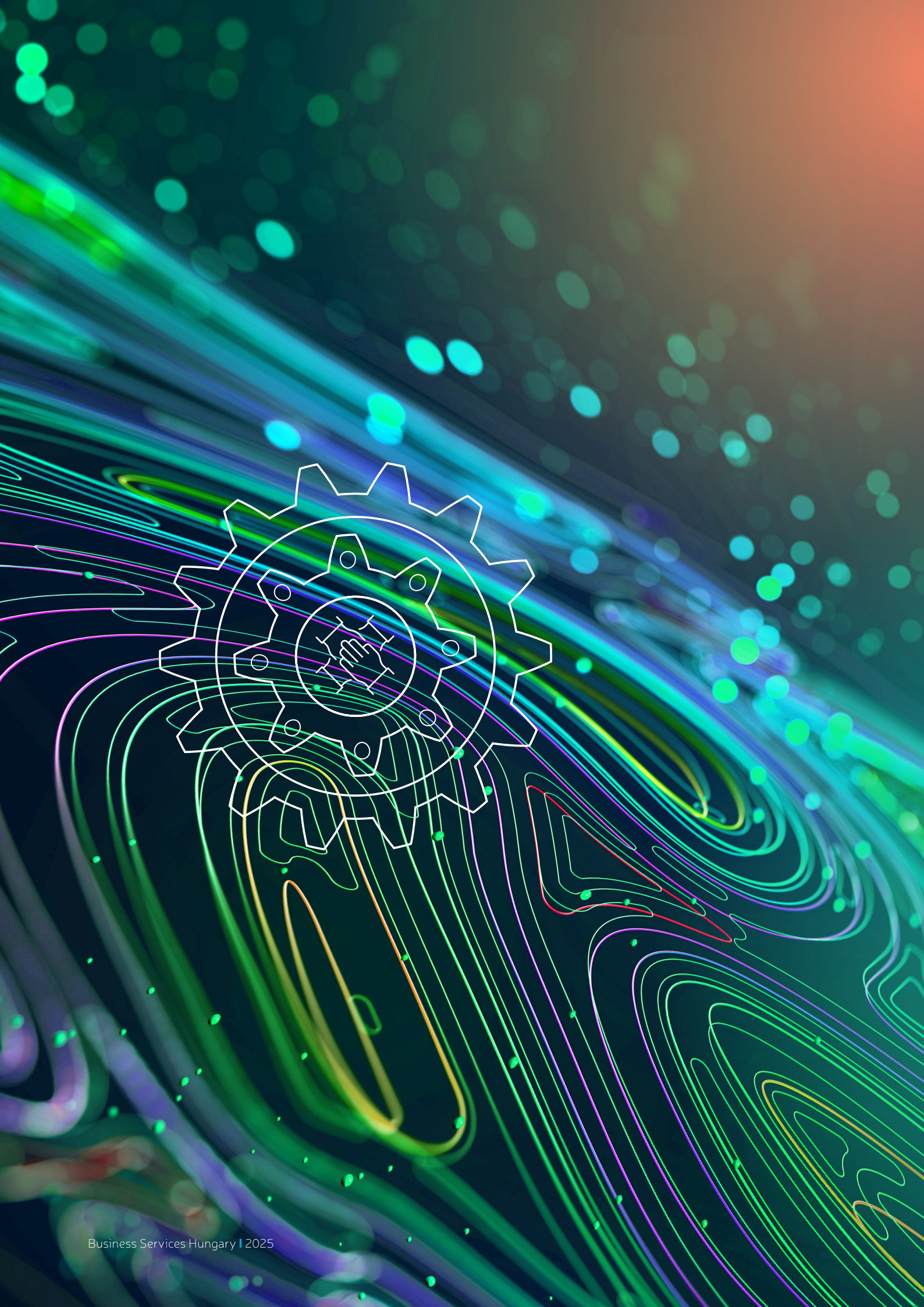
There are also options for minimal in-office presence, with 16% of companies requiring employees to be in the office at least one day a week. Notably, 9% of respondents have no minimum requirements, allowing employees to choose fully remote work.



How many days are colleagues obliged to go to the office?



Regardless of residency, responses regarding hiring people for permanent remote work show a clear division among BSCs. 38% of respondents indicated they are open to hiring remote employees from any location, while a more significant portion, 62%, do not plan to adopt this approach. These findings highlight differing strategies within BSCs regarding remote work policies. While some organisations embrace flexible hiring practices, most remain focused on more traditional employment models.



Competitiveness

Overview



63

higher education institutions



298,452

students



Skilled & educated workforce



Shift to value-added services



79%

are planning to bring more value-added functions to Hungary



54%

to increase service portfolio



38%

continuous growth expanded with new services in 2024-25



Job creation **subsidy**



Cash **subsidy** for training purposes



Various Incentives



Cash **subsidy** for R&D activities



Corporate **tax allowance**



504,000 m²

office under construction in Budapest



High quality infrastructure



Full climate neutrality by **2050**

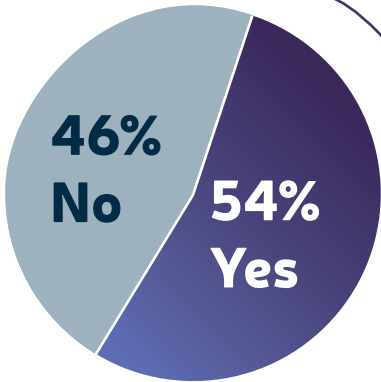


4.4 million m²

office stock in Budapest

Continuous growth

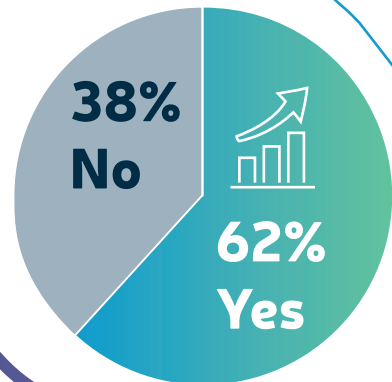
Are you planning to bring any services/ functions to Hungary in 2024 H2/2025?



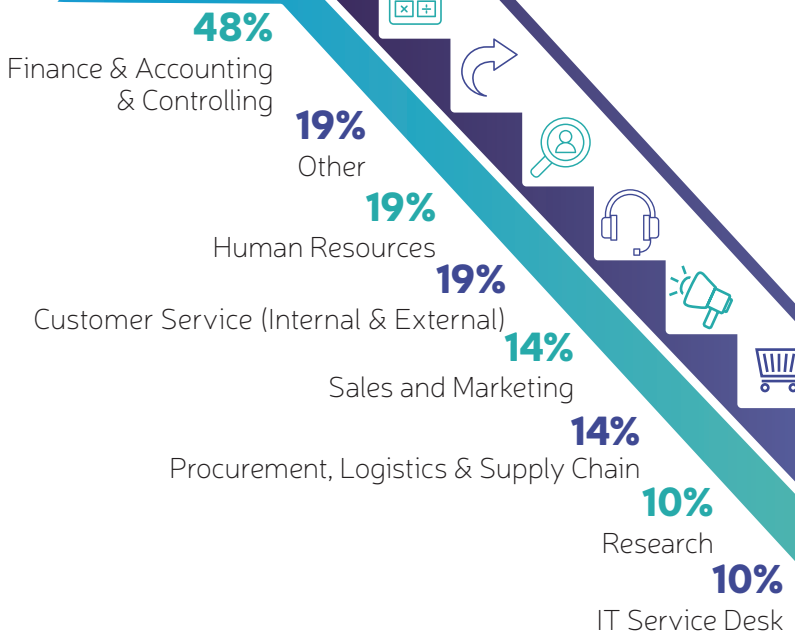
New functions planned to be transferred to Hungary?



Did you bring any new functions into your Hungarian Business Services Center in 2024-2025?



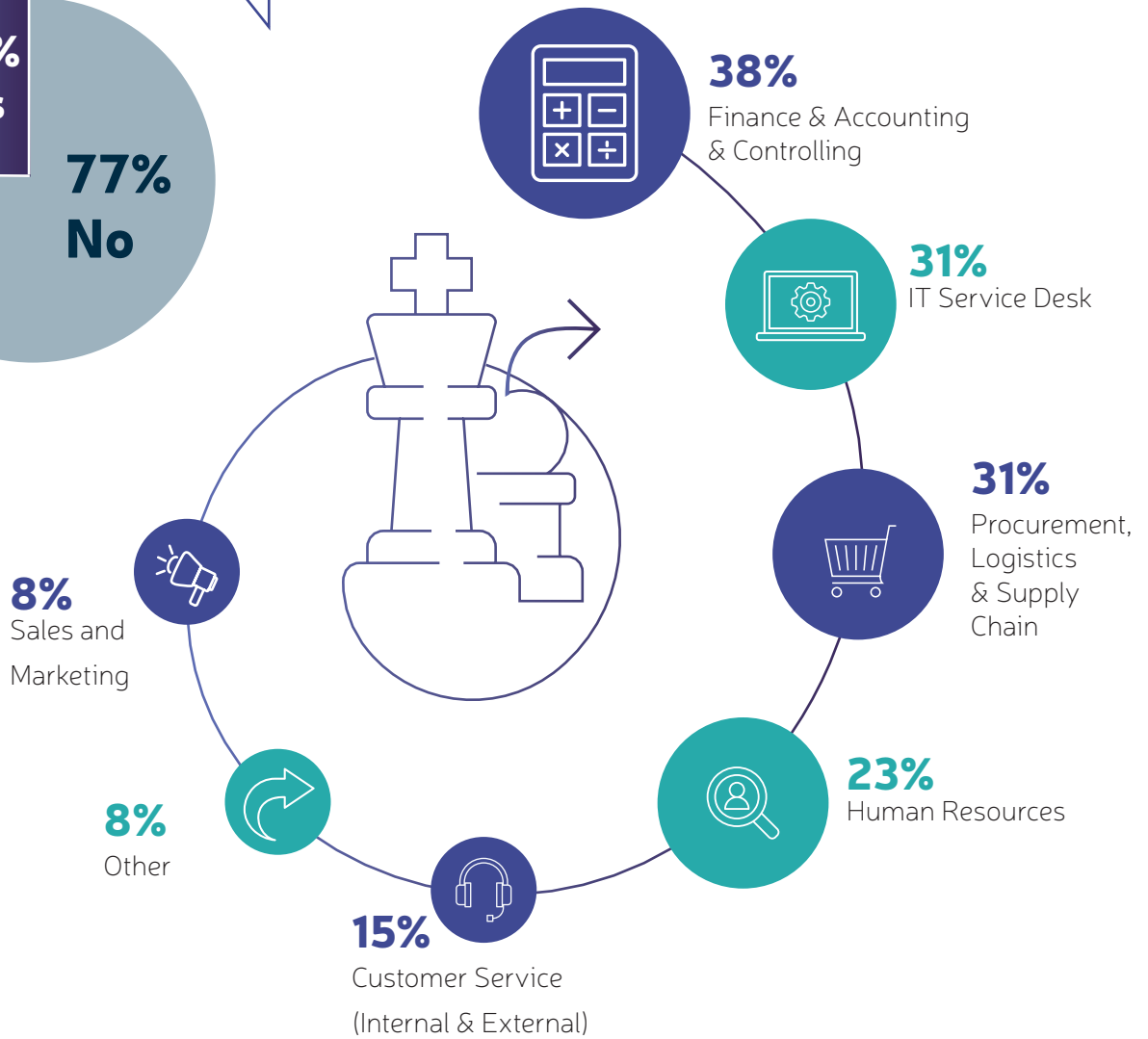
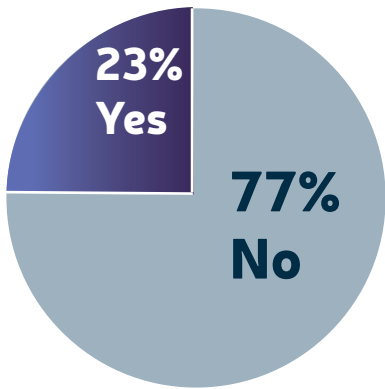
If yes, what kind of functions did you bring?



Functions replaced

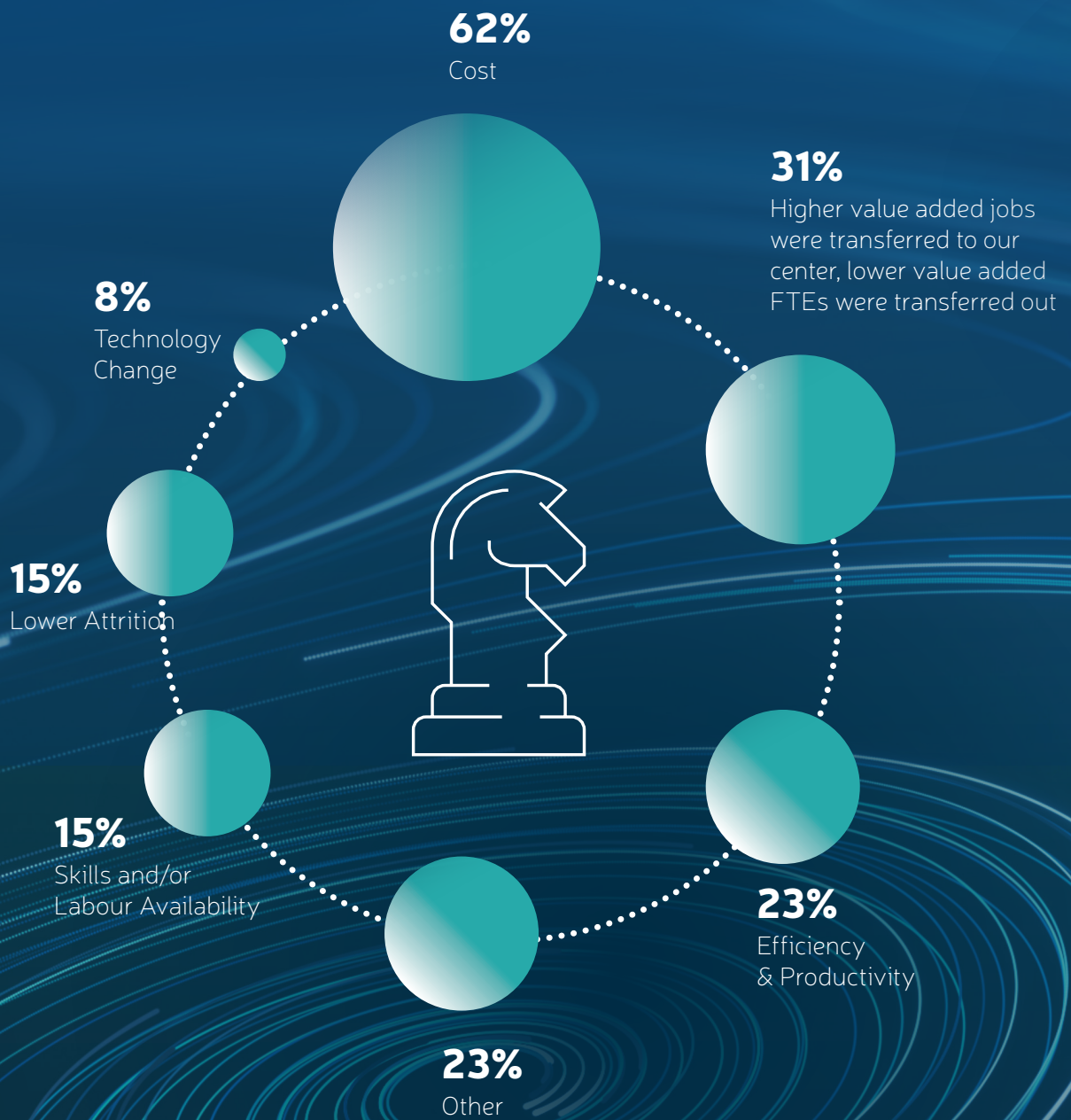
from BSCs based in Hungary

Transfer of services/ functions from your Hungarian BSC to another BSC in 2023-2025?



The data shows a clear strategic shift in process relocation and replacement activities between 2024 and 2025. Overall, there was an 7% increase in transferring processes to locations outside Hungary, reflecting a greater focus on regional or global process reorganisation. These trends reveal a strategic balance: while process replacements in certain areas like Finance and IT are decreasing, the organisation is successfully transferring and possibly automating or outsourcing key support functions such as the IT Service Desk and Procurement. This balanced approach aims to improve operational efficiency, control costs, and leverage external expertise, aligning with broader organisational transformation goals for 2025.

Reasons for the outbound service migration



The survey results show that companies still prioritise cost as the main reason for relocating shared services from Hungary, with 62% citing it as the primary motivator. While cost remains the dominant factor, there is a noticeable decline in the focus on efficiency and productivity improvements, which have decreased by 19% compared to 2024. This change indicates that companies are increasingly aiming to cut operational expenses rather than solely optimise processes.

When choosing new service locations, many companies are turning to lower-cost countries, with 77% now selecting countries that offer cost advantages. This trend reflects ongoing globalisation and the pursuit of competitive cost structures, even though Hungary's appeal in terms of infrastructure and skilled workforce remains strong. However, Budapest's share as a preferred location is slightly falling, suggesting that companies are exploring beyond the capital for more cost-effective options.

Meanwhile, interest in other Hungarian cities or towns has waned, likely due to concerns over infrastructure, talent availability, or proximity to key markets. Some companies might also be considering automation and digital solutions as alternative ways to improve efficiency without relocating physically.

Overall, the survey highlights a strategic shift where cost savings influence location decisions, with companies increasingly expanding or relocating services to countries with lower operational costs. This trend presents both challenges and opportunities for Hungary's business services sector, emphasising the need to enhance value-added services, digital capabilities, and talent development to stay competitive.

New locations for outbound service migration

Other country with lower operating cost

77%

Other CEE country

31%

Budapest

8%

Other Hungarian city/town

8%

Function was automated

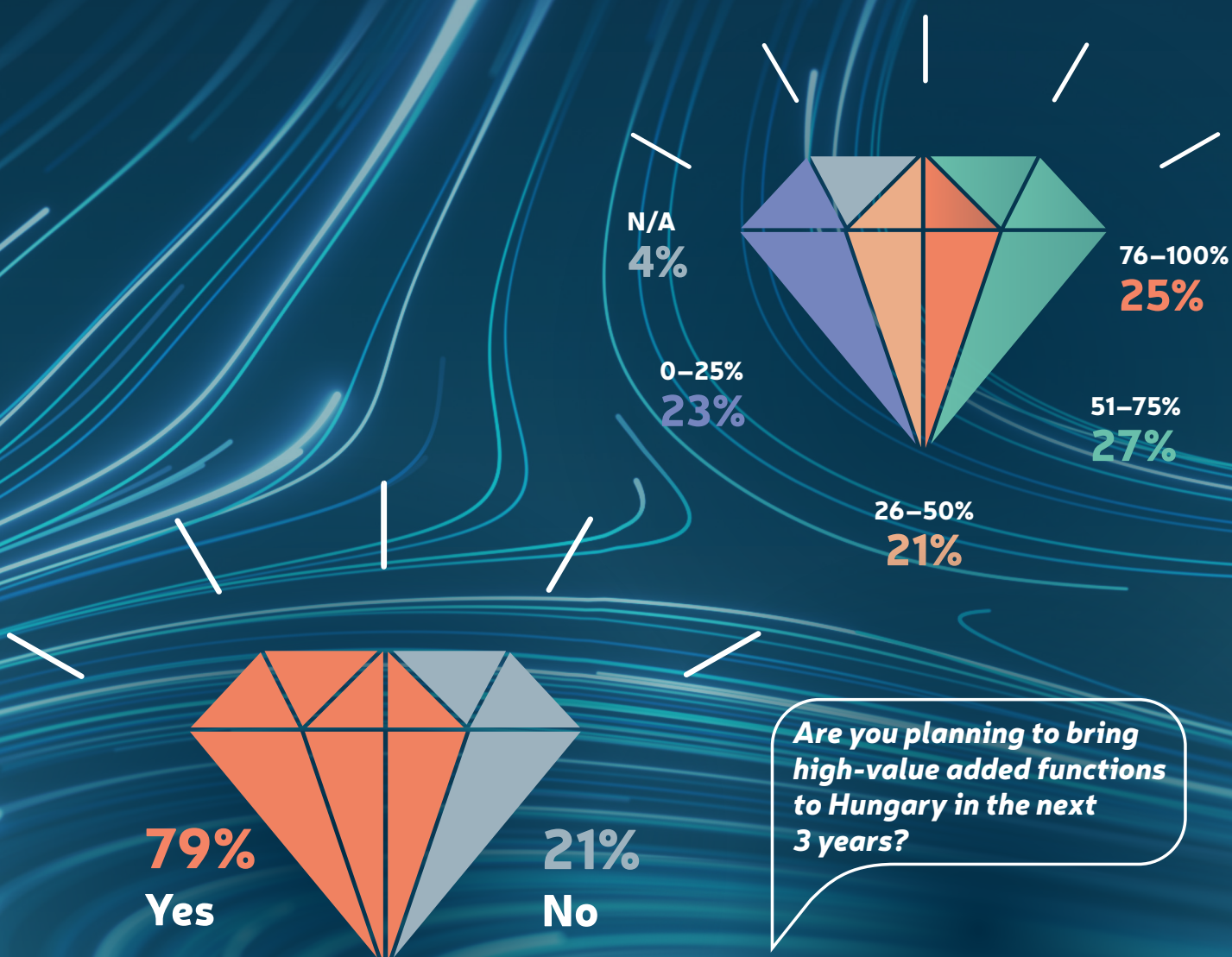
15%

Pest County (excl. Budapest)

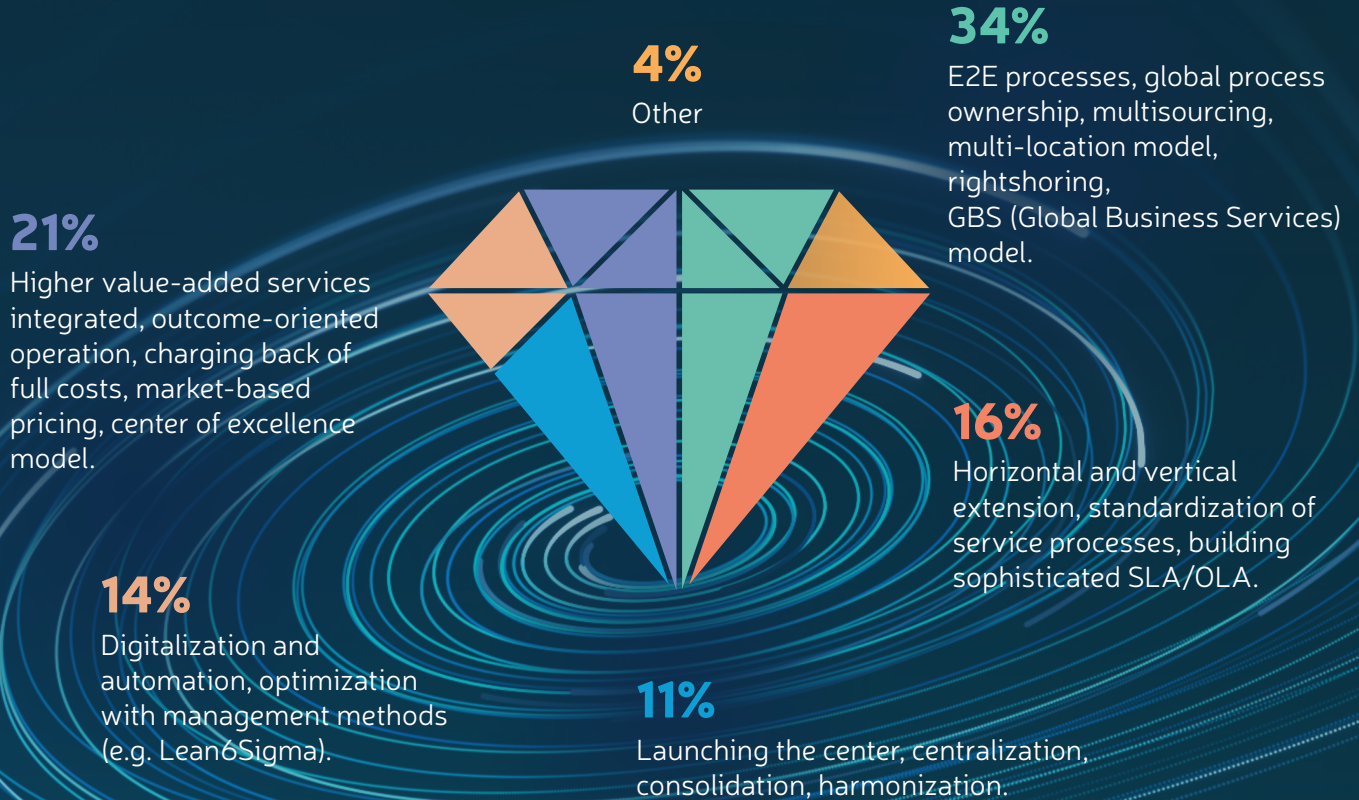
8%

Focus on
value-added services
in the complete service portfolio

The survey indicates that an increasing number of Hungarian business service centres plan to introduce high value-added functions in the next three years, with 79% expressing this intention. Although this is slightly lower than the 81% in 2024, it still demonstrates a strong strategic focus on increasing the value of their services. The minor decline suggests some caution, but overall, companies remain dedicated to seizing opportunities that can drive innovation, efficiency, and competitive advantage within Hungary's business services sector.



Current maturity level



The data provides a clear overview of the current maturity stage of service centre operations based on survey responses. Notably, the stage with the highest percentage—34%—indicates that many centres are in the “E2E processes, global process ownership, multisourcing” phase, suggesting a significant move towards integrated and global process management. This reflects a mature level of operational capability, emphasising coordinated and comprehensive process ownership across regions. There is a positive trend at this stage, with a 5% increase from 2024, indicating ongoing progress towards fully integrated and multisourced services. Conversely, stages such as “Launching the centre, centralisation, consolidation” and “Higher value-added services,

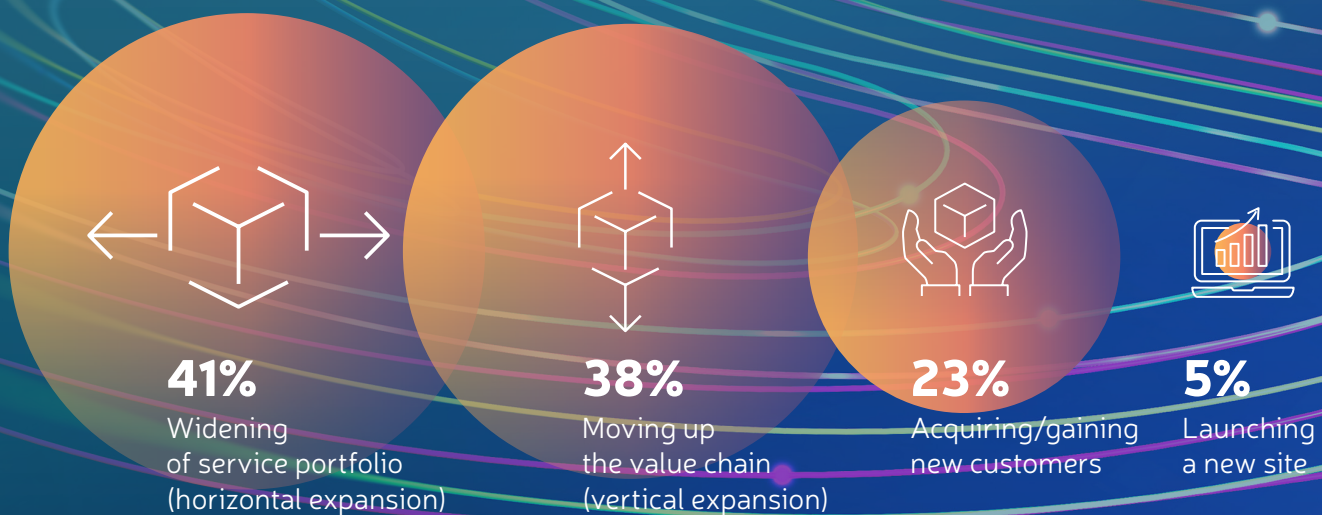
outcome-oriented” have seen decreases, reflecting a potential shift away from initial setup and basic services towards more mature, value-added operations. The decline in “Horizontal and vertical extension, standardisation of services” by 6% suggests a stabilization or a shift in focus from expanding or standardising services to refining and optimising existing processes. Overall, the survey responses depict a landscape where service centres are progressively moving towards mature, integrated, and global operational models, with ongoing improvements in process ownership, automation, and value addition. This development aligns with industry trends of building resilient, efficient, and scalable service delivery frameworks.

Further expansion

Factors that influence expectations for 2025



The data shows a significant change in the growth ambitions of Business Service Centres (BSCs) by 2025. Notably, the percentage of organisations expecting to expand their service offerings has significantly decreased from 72% in 2024 to 41% in 2025, signalling a much more cautious stance towards broadening the range of services provided. Expectations for vertical growth, such as providing higher-value or more complex services, also dropped from 71% in 2024 to 38% in 2025, indicating a move away from increasing service complexity. The proportion planning to open new sites remains fairly steady but has slightly declined from 7% to 5%, suggesting that although geographic expansion remains a consideration, it is less of a priority for the future. Overall, the trend underlines a more cautious outlook for 2025, with organisations prioritising consolidation and optimisation of existing operations rather than pursuing aggressive expansion plans. Factors such as market conditions, strategic reassessment, or resource limitations likely influence this cautious approach, emphasising stability and focus over growth in the coming year.



Factors influencing the outlook for 2026

The data for 2025 highlights a cautious yet strategic outlook for Business Service Centres. The most notable change is that 70% of organisations expect to increase their service portfolio, reflecting a strong focus on expanding service offerings despite a 6% decrease from 2024's 76%. This indicates that while growth remains a priority, organisations are becoming more selective or measured in their expansion plans. The percentage planning to decrease their service portfolio has fallen from 8% in 2024 to 5% in 2025, showing less emphasis on trimming or rationalising existing services. A significant positive trend is seen with the migration or outsourcing of low value-added parts of the business, which has increased from 29% in 2024 to 36% in 2025, a 7% rise. This suggests organisations are increasingly looking to outsource or relocate less strategic activities to improve efficiency and focus on higher-value services. Regarding digitalisation and automation, 41% of respondents expect to decrease their frontline FTEs due to digital transformation, remaining stable compared to 2024. This indicates ongoing automation efforts and workforce optimisation. The expectation around new business or customers entering the centre dropped sharply from 43% in 2024 to 30% in 2025, a 13% decline, signalling a more cautious approach to organic growth or customer

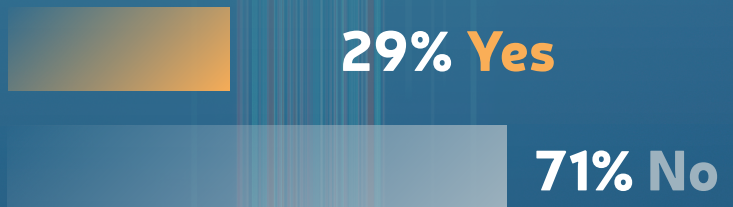
acquisition. Interestingly, losing some customers increased from 10% in 2024 to 13% in 2025, but the trend is less significant. The termination of a Hungarian site remains very low at 0%, with a slight decrease compared to 2024. The expansion of the Hungarian site remains significant at 41%, with a 15% increase from 2024's 26%, indicating a focus on strengthening existing local operations rather than closing or downsizing. Lastly, permanent remote work is expected to present growth opportunities, increasing from 4% in 2024 to 7% in 2025. Similarly, the share of "Other" factors is projected to grow from 4% to 6%, further highlighting the rising importance of flexibility and remote work strategies. Overall, the outlook for 2025 suggests a cautious but strategic approach: organisations are expanding their service portfolios and increasing outsourcing of low-value activities, while focusing on strengthening existing operations through site expansion. Workforce automation and remote work are also further gaining prominence, all reflecting a thoughtful balance between growth and efficiency driven by digital transformation and strategic optimisation.



Incentives for new and expanding BSCs

The data indicates that in 2025, Hungary experienced shifts in subsidies compared to the previous year. The percentage of businesses receiving local municipality cash subsidies remained unchanged at 0%. Subsidies for training purposes stayed fairly stable, with a slight decrease of 7%, falling from 17% in 2024 to 9% in 2025. Similarly, the job creation subsidy saw a significant decrease of 7%, dropping from 17% in 2024 to 9% in 2025. Overall, these changes reflect a decrease in key subsidy areas such as training, job creation, R&D, and tax allowances, alongside a slight rise in miscellaneous subsidies, pointing towards a potential realignment of subsidy priorities by the authorities.

Have you received any subsidies/allowances in the last three years?

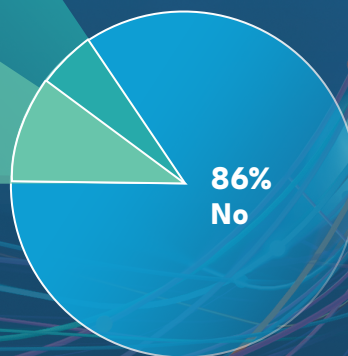


9%
**Yes, in Budapest
(and its agglomeration)**

Are you considering to open a new office in Hungary in the next 3 years?

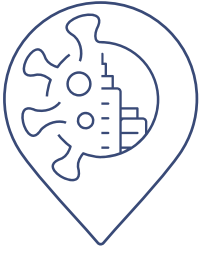


11%
Yes, in the country-side



The data indicates a clear shift towards stability and flexibility in office location strategies as organisations plan for 2025. The declining percentage of companies planning to downsize their offices—from 15% in 2024 to 9% in 2025—suggests that organisations are becoming more cautious about reducing their physical footprint, possibly due to recognising the importance of a stable workspace for operational continuity and employee engagement. Conversely, the proportion of organisations maintaining their current office locations has increased significantly, from 58% in 2024 to 71% in 2025. This uptick highlights a

strategic preference to sustain existing infrastructure rather than pursue extensive relocations or closures. It reflects a desire to avoid disruption, especially as companies adapt to hybrid or flexible working models. Additionally, the remote work trend appears to be stabilising at a low level, with only 4% seeing it as an opportunity in 2025. This indicates that remote work's potential as a growth driver is settling into a steady-state, with organisations balancing hybrid models rather than fully embracing remote-only configurations.



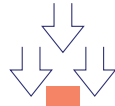
Office landscape

Changing office footprint



14%

Expanding Office Footprint by Increasing Current Office Space



14%

Reducing Office Footprint



68%

Maintaining Current Office Footprint

How is your preference for your office location changing based on home office trends?



13%

Our company is shifting towards a hybrid model, which may influence our choice of office locations to ensure accessibility and convenience for employees.



9%

We are considering downsizing our office space or relocating to a smaller, more cost-effective location due to the increased adoption of remote work.



71%

Our preference for office location remains unchanged, as we value a centralized workspace for collaboration and team synergy.



11%

We see an opportunity to optimize our office location strategy by choosing locations that offer flexibility for both in-person and remote work arrangements.

Overall, the data reflects a strategic emphasis on stability, flexibility, and efficiency rather than aggressive growth or downsizing. Organisations are prioritising maintaining existing office assets, cautiously exploring hybrid work benefits, and making incremental adjustments to optimise space and operations in alignment with evolving workplace trends post-pandemic.

Office Markets by CBRE



OCCUPATIONAL TRENDS

According to a recent CBRE study, the organizations across the region are adapting to post-pandemic workplace challenges. Based on responses from over 50 companies, the report explores rising office utilization, the ongoing disconnect in hybrid work strategies, and the evolving role of real estate teams. It identifies two distinct approaches—legacy and progressive—shaping workplace policies, with legacy firms favouring stability and office-first models, while progressive companies embrace flexibility and employee experience. The findings underscore the need for more data-driven, adaptive strategies to balance efficiency, resilience, and workforce expectations.

Office Utilization: Rising but Uneven

Companies are witnessing a steady return of employees to the office, with many reporting increased building occupancy. This trend reflects the success of initiatives aimed at encouraging in-person work. However, progress remains gradual and inconsistent across organizations. Larger firms appear more effective in boosting attendance, likely due to more robust strategies and resources. A growing concern is peak attendance, which is rising and may lead to overcrowding in certain offices. This issue is compounded by the fact that many companies lack advanced tools to accurately monitor and analyse space utilization, making it difficult to manage office capacity efficiently.

Hybrid and Remote Work: A Persistent Disconnect

The survey highlights a persistent disconnect between organizational expectations and employee behaviour when it comes to hybrid and remote work. While many companies continue to push for increased office attendance, actual participation often lags behind. Notably, a significant portion of respondents still rely on informal or non-data-driven methods to manage attendance, underscoring a broader lack of strategic oversight in adapting to new work patterns. Communication around hybrid work tends to be centralized and top-down, with limited investment in supporting infrastructure. Although half of the respondents report significant remote work among employees, fewer than 1 in 5 invest in technology or training to support hybrid arrangements. Even more concerning, a quarter of organizations do not apply any of the commonly used supporting activities. 77% of companies lack a change and communications program to support hybrid work, and 50% of office-first companies communicate a more permissive approach than they enforce. These figures suggest that while hybrid work is prevalent, it is not being effectively managed or supported, leaving organizations vulnerable to inefficiencies and employee dissatisfaction.

Real Estate Teams: Shifting Priorities

Real estate teams in the CEE region are increasingly caught between competing demands: optimizing resource use while responding to employee expectations for

better quality spaces and more remote work options. This balancing act is made more difficult by volatile economic and labour market conditions. Most organizations remain in reactive mode, focusing on short-term challenges rather than building long-term workplace or technology strategies. Data accuracy and strategic planning are not high on the agenda, with only 1 in 10 companies adopting a strategic, data-backed approach to workplace efficiency. Interestingly, real estate teams are beginning to track metrics traditionally associated with HR, such as employee satisfaction and attrition rates. These indicators help inform decisions about space utilization and cost management, particularly in the context of talent retention and reducing sunk real estate costs.

Companies' approach differs in office workplace strategy

Companies following the legacy model tend to be smaller (under 500 employees) and concentrated in brick-and-mortar industries. These organizations view the office primarily as corporate infrastructure and favour office-first policies. Their approach is conservative, with limited flexibility and a focus on stability. Legacy firms are more likely to achieve closer alignment between targeted and actual attendance rates, minimize remote work, allocate dedicated workstations and rely on internal factors (e.g., company culture, job function) to shape hybrid policies. However, they often lag in deploying contemporary tools to measure utilization and may struggle to meet employee expectations. Allowing more flexibility in hybrid work could enhance their talent attraction and retention efforts.

Progressive companies span various sizes and are overrepresented in fast-moving industries such as Technology, Financial Services, Energy, and Life Sciences. These organizations adopt a community-centric view of the workplace, emphasizing collaboration, social interaction, and employee experience. Progressive firms are more likely to provide equal remote work allowances, share resources to drive cost savings, invest in workplace quality over quantity, pilot new ideas and workplace management trends and react to external factors (e.g., labour market trends, global management expectations). While progressive companies are more flexible and experimental, they often face challenges in achieving their attendance targets. Their human-centric approach can lead to less confidence in channelling expectations, and they may benefit from adopting a more business-first mindset to improve workplace efficiency.

Conclusion: Toward a Balanced Future

The region workplace landscape is marked by complexity and divergence. Legacy companies must modernize their tools and embrace flexibility to remain competitive, while progressive firms should balance experimentation with strategic clarity. Both approaches have strengths and weaknesses, and the path forward lies in integrating data-driven insights with employee-centric values. For legacy firms, investing in accurate and qualitative data could help align attendance goals with employee expectations. For progressive organizations, leaving room for future change and committing to clearer business objectives could enhance resilience and workplace performance. It's essential to champion the development of adaptive workspaces—environments that go beyond efficiency and cost-effectiveness to actively respond to the evolving needs of employees and the shifting dynamics of the market.



Talent Pool Overview



Average age
of employees

35.1



Ratio of
university or college
graduates
among employees

81%



Voluntary
attrition rate

12%



Ratio of BSCs
with internship
/ fresh graduate
program

63%



Average annual salary
increase in 2025

7%



Ratio of foreign
citizens among
employees

25%



Ratio of in house
middle and
senior
management
promotion

43%



Ratio of female
employees

52%

managers

41%



Proportion
of employees
with some form
of disability

1%



Ratio of fresh
graduates starting
at the BSC

14%



Average
training days
per person
per year

8

Employment

Key statistics



Average ratio of university or college graduates

81%



Average annual salary increase in 2024

7%



Average age of employees is

35.1 years

59%

of the respondents employ more than **250** individuals

The survey results reveal some interesting developments in Hungary's employment landscape over 2024 and 2025. Although there has been a slight decrease in the proportion of respondents working at larger companies with over 250 employees—dropping from 67% to 60%—this may indicate a trend towards more varied company sizes or the growth of smaller and medium-sized enterprises in the sector. The data also shows a small increase in the average age of employees, suggesting the workforce may be gradually ageing, which could lead to a greater focus on retention and succession planning. The gender balance remains fairly stable, with a slight decline in the percentage of female employees, but women still constitute over half of the workforce. These demographic shifts could influence future workplace policies, with a potential emphasis on diversity and inclusion. In terms of benefits, companies are evidently investing more in employee well-being. For example, private healthcare benefits saw a notable 22% rise, highlighting a shift towards prioritising health and wellness. Additional perks, such as laptops for personal use and travel support, have also become more widespread, indicating that organisations are tailoring their benefits to meet modern employee expectations. The slight increase in the use of company cars and the reduction in other benefits like stock options and cafeteria services suggest some strategic adjustments, possibly aligned with evolving priorities or economic conditions. Overall, the data points to an industry that is actively evolving by enhancing benefits and modifying workforce demographics to remain attractive and competitive. Companies seem dedicated to creating a supportive environment that values health, flexibility, and employee satisfaction—all vital for maintaining growth and resilience in a dynamic business environment.

Ratio of female employees

52%

managers

41%



63% of BSCs provide internship or fresh graduate program



91%
Private healthcare



89%
Cafeteria



88%
Bonus



71%
Travel support



70%
Mobil phone for personal use



66%
Support for sport activities

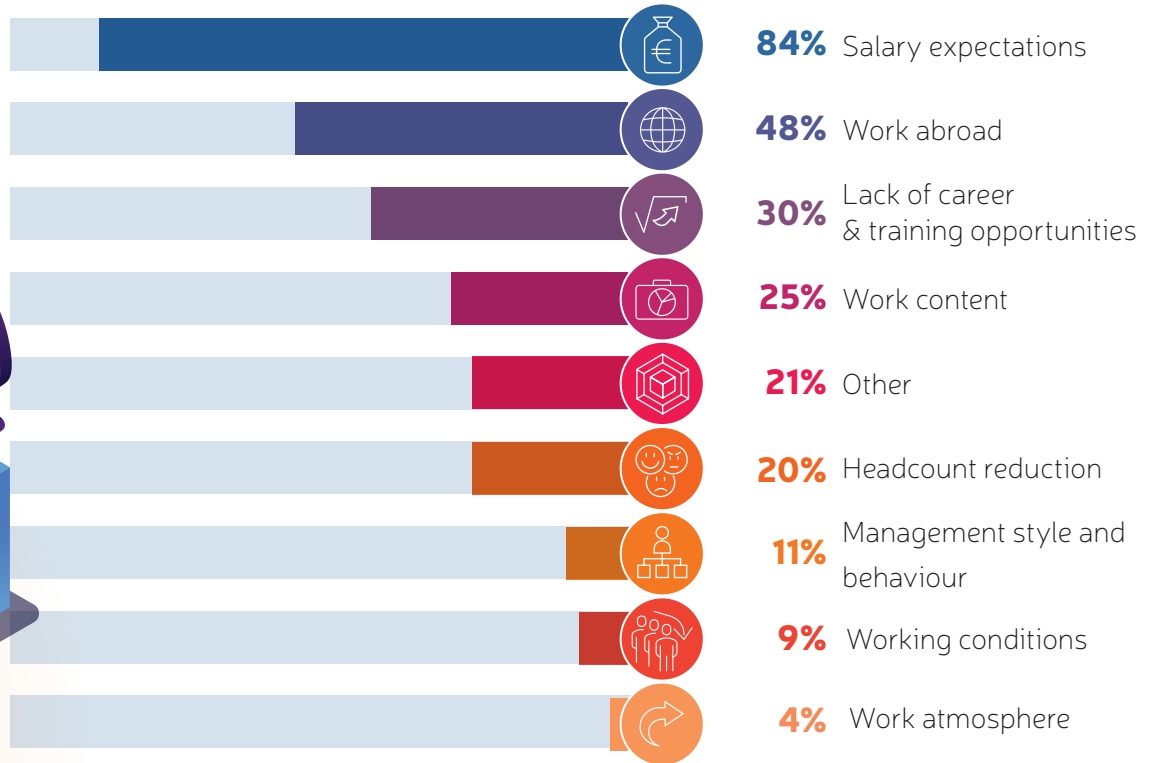


55%
Company car for personal use

Fluctuation drivers

Reasons for fluctuation

among young employees (based on exit interviews)



12%
Average voluntary attrition rate

The survey highlights reasons for fluctuations among employees, showing that changing workplace conditions and expectations continue to impact workforce dynamics. Headcount reduction remains a key factor, though the percentage has increased from 11% in 2024 to 20% in 2025, reflecting ongoing concerns about company size and staffing levels. Exit interviews remain a popular method, with nearly 90% of companies conducting them, providing valuable insights into why employees leave. However, participation in compensation benchmark surveys has fallen significantly by 9%, possibly signalling a shift in focus to other evaluation methods or concerns about confidentiality and relevance. Screening techniques such as interviews with new employees at the end of probation or onboarding phases are common, although their use has slightly declined. Gathering information through indirect conversations remains consistent, demonstrating that informal communication continues to play a role in assessing workplace sentiment. Interestingly, participation in employer competitions has decreased by 8%, which may suggest that companies are prioritising more direct or data-driven tools for tracking attraction and satisfaction. Overall, organisations appear to be refining their approach to monitoring employee engagement, favouring more formal, quantitative methods over informal or less direct strategies.

95% regular measurement of employee satisfaction

89% conducting of exit interviews

64% regular participation in compensation benchmark surveys

52% conducting interviews with new employees at the end of their probation period regarding the satisfaction of their expectations

45% gathering information via indirect conversations with co-workers

27% participation in competitions for employers (Best Workplace survey)

14% monitoring of the employees' posts about the company on social media platforms

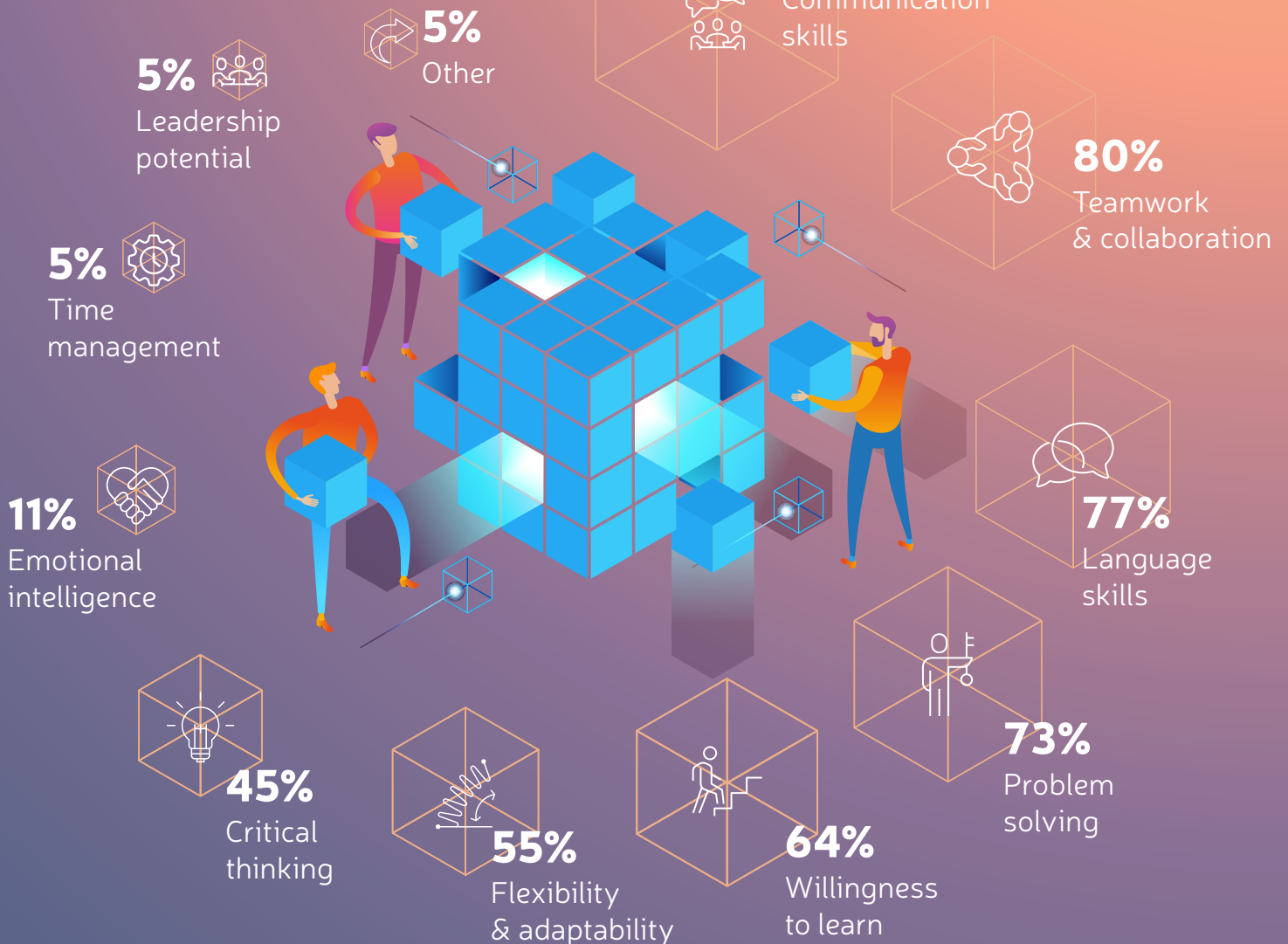
4% Other



Top skills and competencies

Top skills & competencies required
in new candidates

for junior positions



The survey results highlight key trends in the soft skills that companies are seeking in new candidates for junior roles. Communication skills stand out as the most important, with 84% of companies emphasising their value in 2025, a significant increase from 65% in 2024. This emphasises the ongoing focus on effective communication within teams and with clients. Teamwork and collaboration remain highly valued, with a slight rise to 80%, reflecting the importance of working well with others in a dynamic work environment. Language skills, which are essential for many international organisations or roles requiring multilingual communication, have also gained importance, increasing from 72% to 77%. Interestingly, critical thinking has seen a notable rise of 13%, indicating a shift towards valuing employees who can analyse information independently and contribute to strategic decision-making. Other skills like willingness to learn, problem-solving, and emotional intelligence continue to be important, but some have experienced slight declines or remain steady, possibly due to evolving skill priorities. Overall, organisations are placing greater emphasis on communication, teamwork, and critical thinking, highlighting the importance of well-rounded, adaptable candidates who can thrive in collaborative and rapidly changing environments.

The survey highlights shifting priorities in the skills companies seek in management and executive candidates. Communication skills have become even more important, increasing by 19% to reach 79%, underscoring a growing emphasis on clear, effective communication at leadership levels. Leadership skills, however, have decreased slightly by 9%, which may suggest that companies are placing more focus on practical communication abilities rather than traditional leadership traits. People management remains highly sought after, though its importance has fallen by 11%. This could indicate an evolving perspective on management approaches, perhaps favouring skills like strategic thinking and adaptability more strongly. Change management, on the other hand, has equalised, reflecting the need for leaders who can guide organisations through transformation.

Top skills & competencies required in new candidates for manager / executive positions



Other notable trends include an increased demand for loyalty to the company, which has risen by 7%, and integrity, which has grown by 6%. These shifts point to a preference for stable, trustworthy leaders who foster positive organisational culture. Emotional intelligence remains valued but has declined slightly, suggesting that while emotional awareness is appreciated, it is increasingly complemented or replaced by skills such as communication and strategic thinking. Leadership skills are becoming more nuanced, with a strong emphasis on communication, change management, and organisational loyalty, indicating that companies seek adaptable, trustworthy leaders capable of navigating complex and evolving business environments.

Cooperation with educational institutions



The survey results reveal notable changes in cooperation between companies and educational institutions. Employer branding activities have decreased slightly, suggesting that companies may be concentrating less on promotional efforts within educational settings. Guest lectures have experienced a significant decline of 10%, which could indicate a reduced focus on direct engagement with students. Conversely, activities such as open days and partnerships within dual educational systems have increased, signalling a growing interest in more interactive and practical collaboration methods. Participation in student competitions has declined slightly but remains an important activity, highlighting the value of engaging students through competitive and action-based learning.

Do you have active relations with educational institutions?

45% yes,
with higher educational institutions

38% no

18% yes,
with both secondary and higher institutions

0% yes,
with secondary educational institutions

16% Organising workshops for students

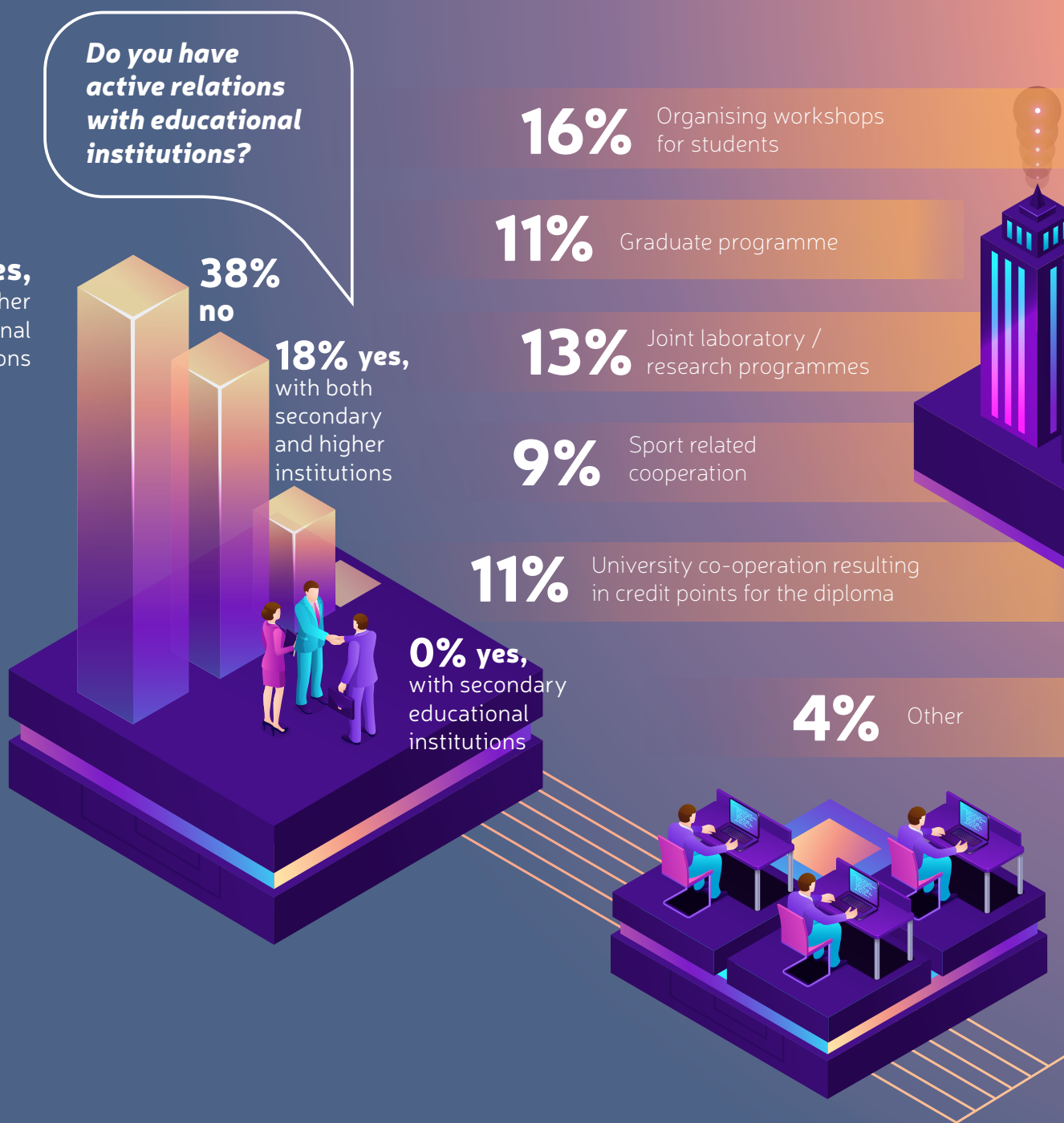
11% Graduate programme

13% Joint laboratory / research programmes

9% Sport related cooperation

11% University co-operation resulting in credit points for the diploma

4% Other



Ratio of BSCs with internship / fresh graduate programmes

63%

50% Employer branding activities at educational institutions

43% Guest lectures

46% Open days at educational institutions

41% Company visits

23% Sponsorship & donations

20% Partnering in dual educational system

16% Participation in student competition

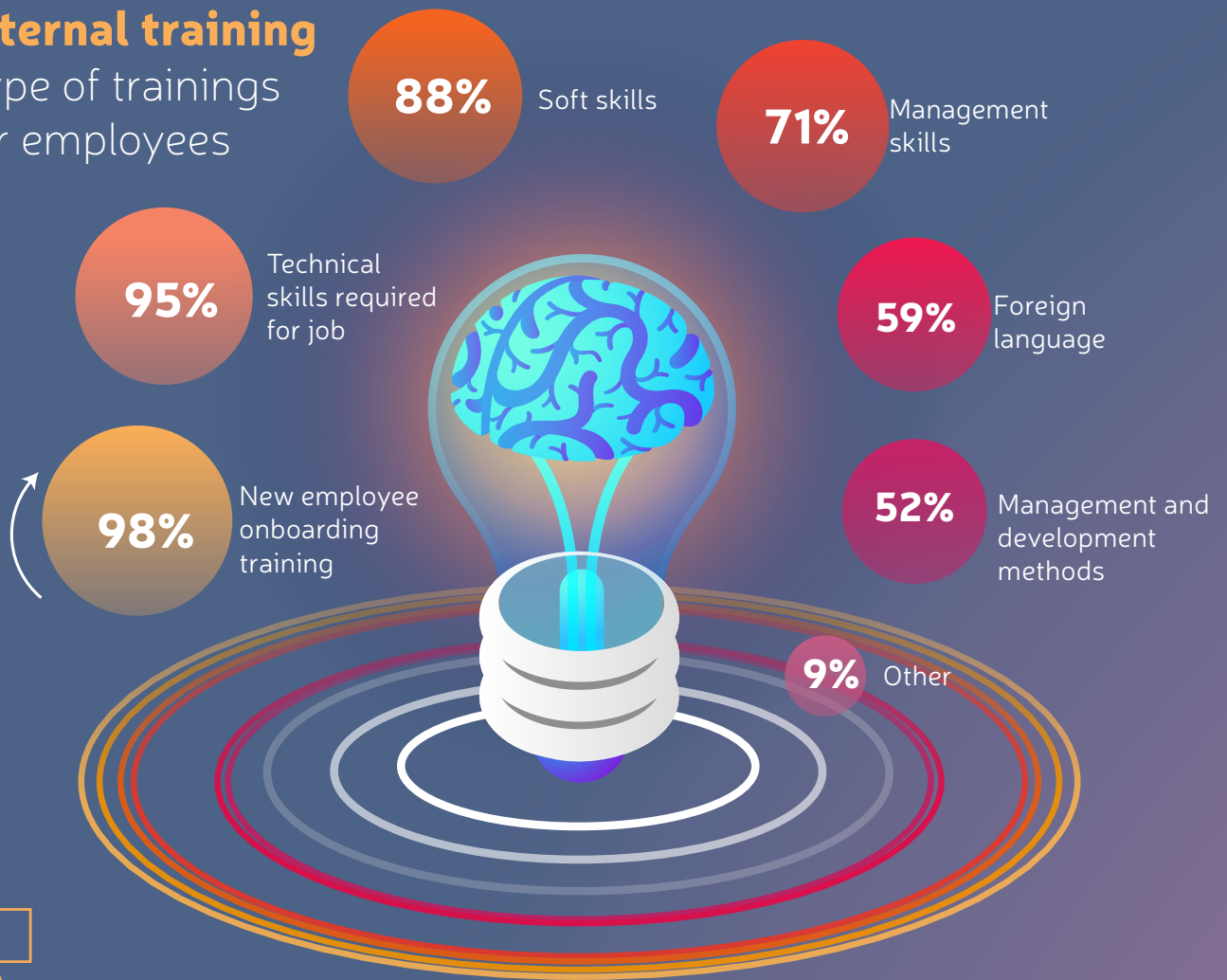
List of higher educational institutions with the MOST active relations with BSCs

Overall, the data indicates that companies are adjusting their engagement strategies, perhaps favouring more direct or practical forms of cooperation like open days, company visits, and collaboration in dual systems over traditional methods like guest lectures. This shift may reflect an aspiration to build deeper, more meaningful connections that better prepare students for real-world working environments.

- 1. Budapest University of Technology and Economics (17%)**
- 2. Budapest Business University (17%)**
- 3. Corvinus University of Budapest (15%)**
- 4. Eötvös Loránd University (15%)**
- 5. University of Debrecen (13%)**
- 6. Óbuda University (11%)**

Internal training

Type of trainings for employees

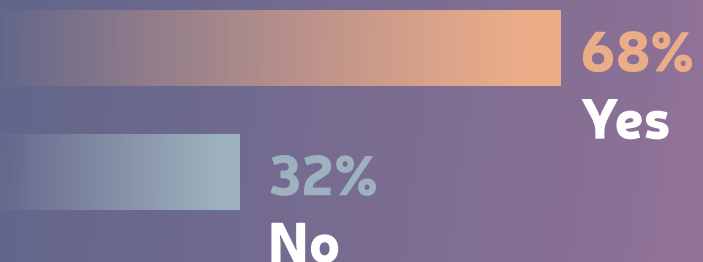


Average training days per person per year

8

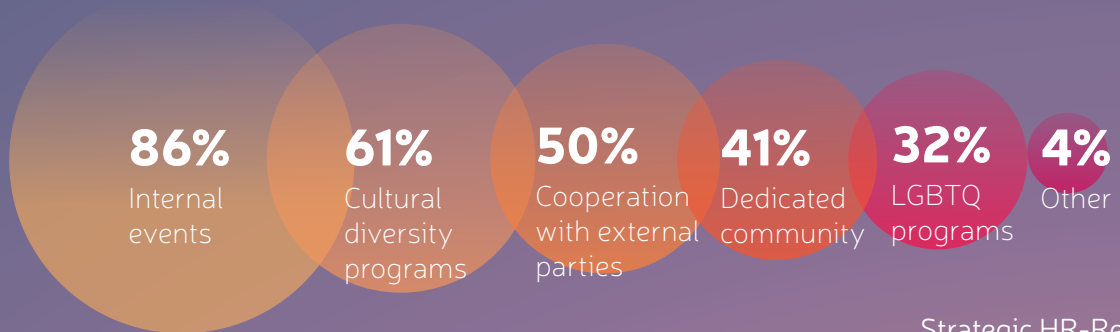
The survey highlights a strong focus among companies on foundational training, with nearly universal emphasis on onboarding and technical skills for new employees. The importance of technical skills has increased slightly, reflecting the ongoing demand for specialised expertise in the workforce. However, there has been a notable decline in the emphasis on management skills and foreign language training, which could suggest a shift towards more technical and operational competencies rather than leadership or language abilities. Interestingly, the role of management and development methods, such as Lean or Six Sigma, has decreased significantly by 9%, indicating that companies may be prioritising immediate technical and onboarding training over broader development methodologies. The data suggests that companies are mainly investing in practical skills that enable employees to perform their roles effectively, possibly at the expense of broader management or language training. This trend may reflect an increased focus on technical proficiency and onboarding processes as key drivers for workforce readiness.

Does your company provide financial support for your employees to attend external training courses?



Programs

for diversity and inclusion

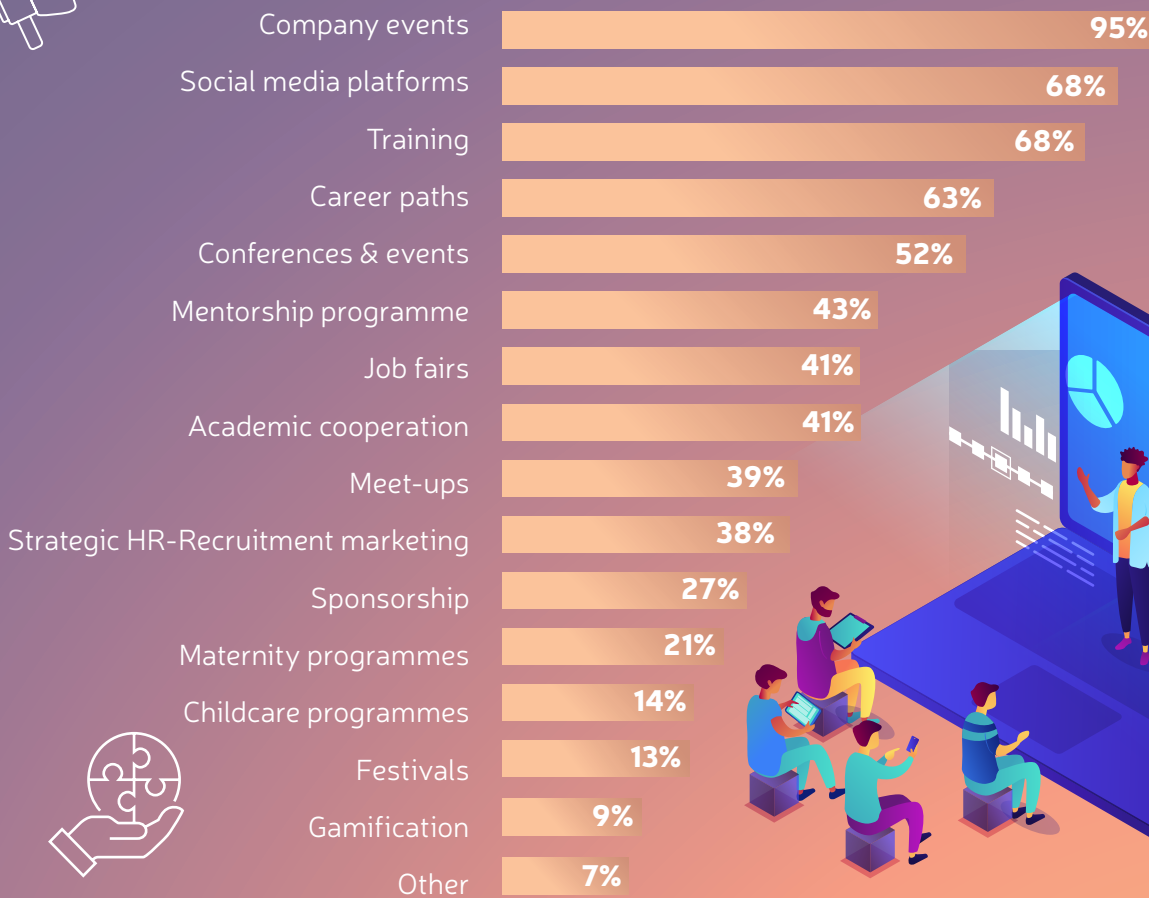


Employer Branding Programme

Strategic HR-Recruitment marketing



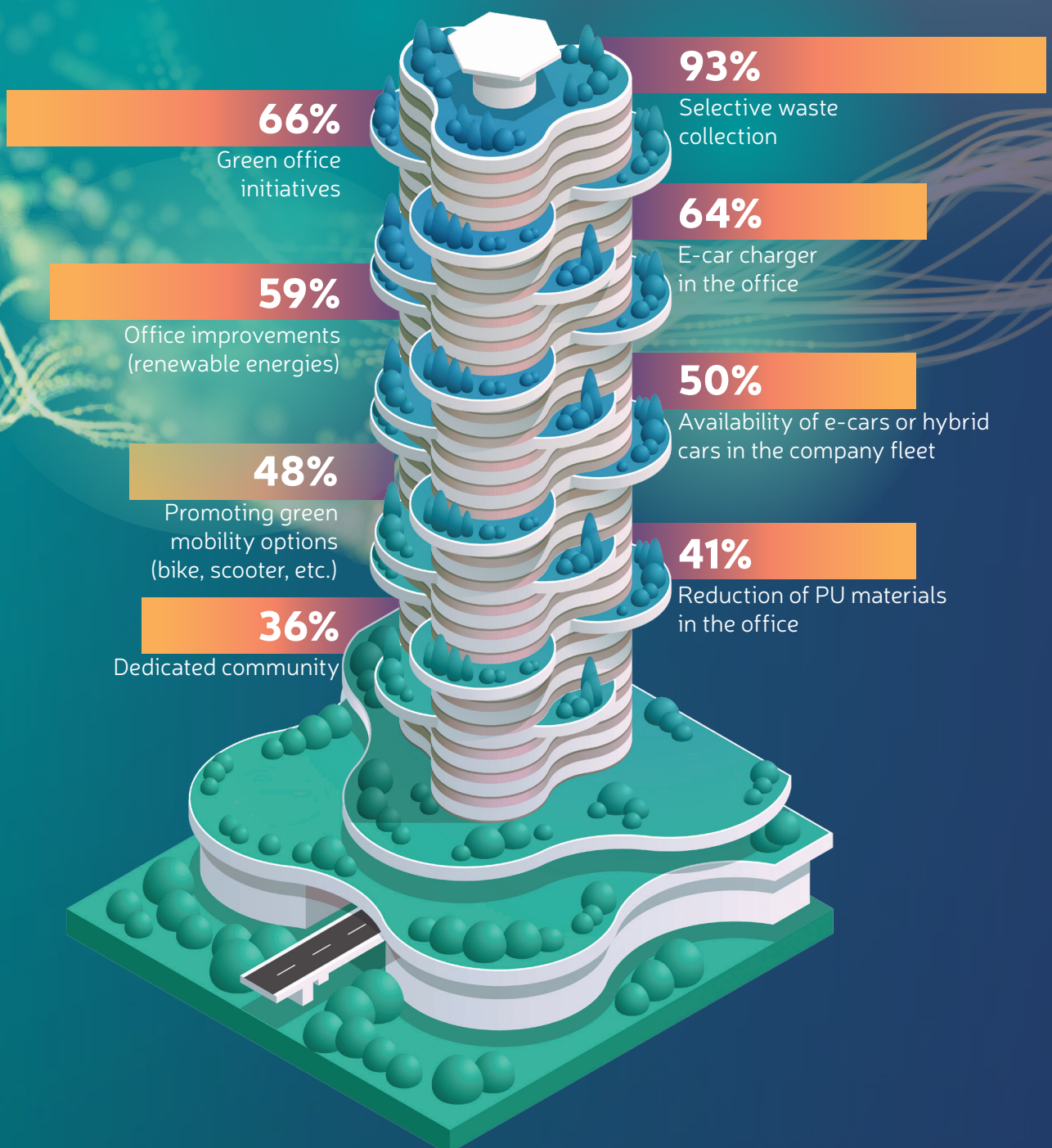
Elements at BSCs



The survey results indicate that companies continue to prioritise diversity and inclusion initiatives. Internal events remain a key focus, with their importance increasing slightly. Cultural diversity programmes also gained some traction, emphasising efforts to promote broader cultural understanding within organisations. Conversely, programmes related to LGBTQ+ issues have declined by 7%, hinting at a possible re-evaluation of focus areas or the need for more targeted efforts in this domain. The emphasis is shifting towards internal and external collaborative activities, with some reduction in dedicated community efforts and specific diversity programmes. The survey results reveal that companies are strategically adjusting their employer branding efforts. Company events continue to grow in importance, showing a 9% increase, which indicates a stronger focus on direct engagement with employees and clients. Meanwhile, investment in training and career development has seen a slight decline, suggesting that organisations might be integrating these aspects into broader HR initiatives or prioritising other channels. Overall, organisations appear to be refining their branding strategies to leverage digital platforms and experiential activities, positioning themselves more effectively in the competitive talent market.

Programs for sustainability

The survey results show how companies are increasingly prioritising sustainability efforts. There has been a notable 6% increase in green office initiatives, indicating a stronger dedication to eco-friendly workplace practices. The use of office improvements, such as renewable energy sources, has also risen slightly, reflecting ongoing efforts to make workplaces more sustainable. However, some areas have seen a decline, such as promoting green mobility options, community programmes, and the adoption of electric or hybrid vehicles, suggesting a possible shift in priorities or resource distribution. Despite this, the overall commitment to sustainability remains high, with activities like selective waste collection maintaining consistent levels. Interestingly, the percentage of companies reducing PU (polyurethane) materials in the office has fallen, yet the overall focus on sustainability remains evident. Overall, organisations are continuing to adopt greener practices, although some initiatives fluctuate as they adapt to changing priorities and available resources.





Plans for **flexible work** arrangements

The survey shows that flexible work arrangements are still a key part of company policies. Although the possibility of remote work has slightly decreased, it remains valued by many organisations, highlighting a continued focus on work-life balance. Part-time work and career breaks remain common, giving employees additional flexibility.

At the same time, some flexible options such as shift systems and teleworking have declined, possibly reflecting a move towards more traditional or hybrid work models. Despite this, a considerable number of companies still support or plan to implement these arrangements, demonstrating an overall commitment to flexible working practices.

In summary, most organisations continue to offer a variety of flexible work options, balancing emerging workplace trends with operational needs.



89% Home office / remote works

79% Part time working

77% Flexible hours

30% Career breaks

14% Shift systems

13% Teleworking

11% Compressed hours

7% Term time contracts

5% Job sharing

7% None of the above



AI Strategy Overview

The data reflects a clear trend among companies in 2025 to increasingly engage in structured and formal training activities aimed at boosting the competence of future candidates. Notably, the percentage of companies conducting presentations, workshops, and seminars has risen by 6%, reaching 23%, and the practice of conducting such presentations has grown by 7% to 46%. This indicates a stronger emphasis on proactive engagement and knowledge dissemination.

AI

What is the **current rate of automation of processes in your Center?**

Rate of automation

24%

Planned rate of automation for next 3 years

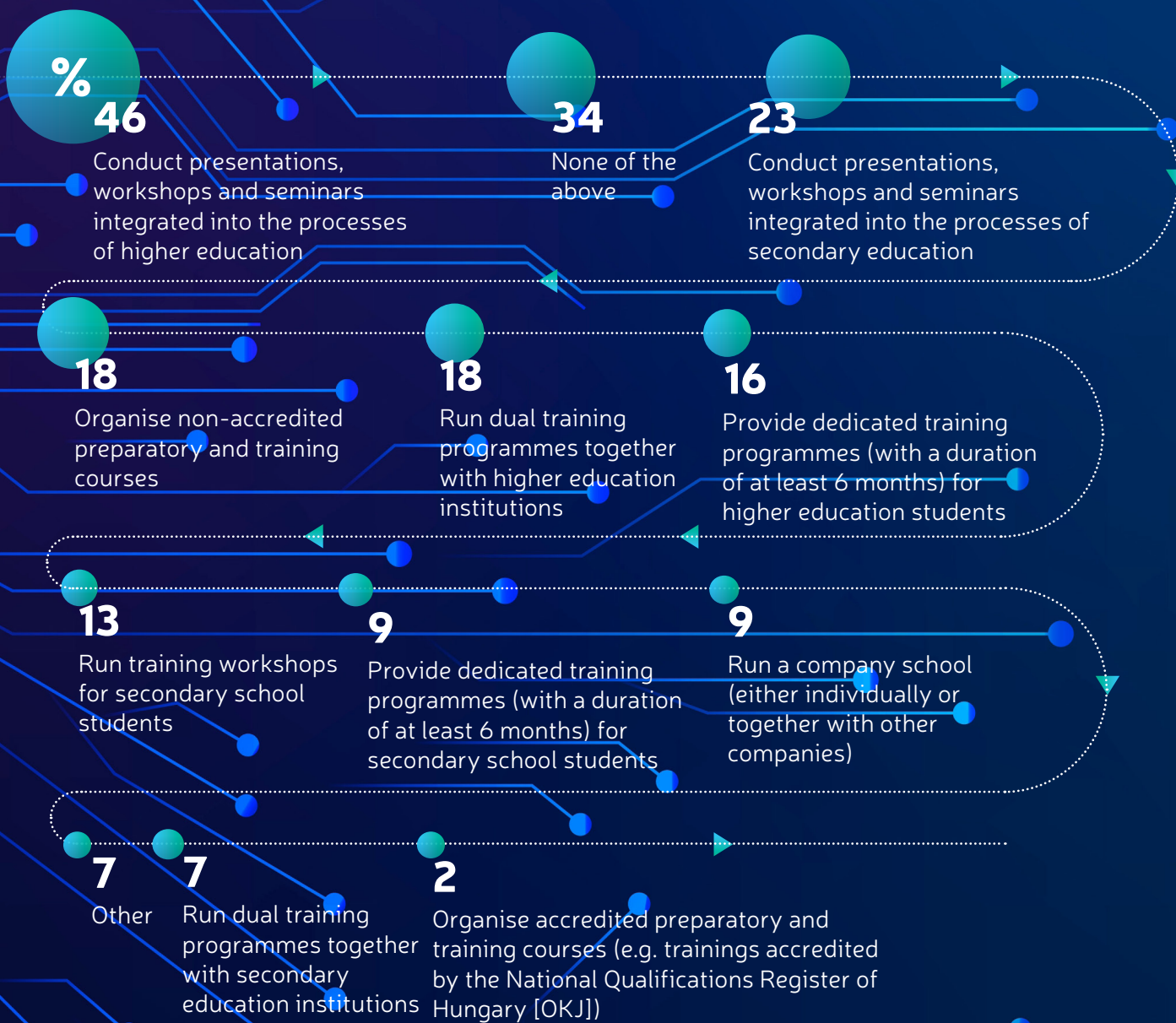
45%

Provision of dedicated training programmes, especially those with specified durations, saw substantial growth—up by 5% and 3%, respectively—highlighting a strategic shift towards organised skill development initiatives. Additionally, companies are more actively running workshops for secondary school students and dual training programmes together with secondary and higher education institutions, both showing increases of 3%. These actions underscore an increased focus on engaging with educational institutions and early talent pipelines.

On the other hand, some activities experienced a decline; notably, organising preparatory and training courses (both accredited and non-accredited) decreased by 2%, perhaps indicating a move away from less formal approaches. Interestingly, the “None of the above” category increased by 2%, which could suggest that more companies are choosing specific targeted actions rather than broad or undefined initiatives. Overall, the trend points towards a more targeted and formal approach to developing future skills, with companies investing more in structured training and increased interaction with educational institutions, while reducing reliance on less formal or uncertified methods.



Preliminary actions to bring the competence of future



The data shows a steady rise in AI adoption within organisations in Hungary, with 61% having implemented AI technologies in 2025. This marks a notable increase of 16% compared to 2024, reflecting the growing recognition of AI's strategic importance and the accelerating rate of digital transformation across industries. Meanwhile, 20% of organisations have not yet introduced AI, remaining rather consistent compared to the previous year, indicating a segment still in early adoption stages or facing barriers to integration. A significant portion (21%) is actively planning and preparing to implement AI, but over the past year, this has decreased by 17%, possibly suggesting that many organisations have transitioned from planning to actual implementation. Overall, the trend highlights a growing adoption of AI technologies, with more organisations recognising their potential and progressing with deployment, although some are still in the preparatory phase.



Has your organization implemented AI technologies in its Business Service Center operations?

The combined data highlights important trends in AI technology use and future plans among organisations. In 2025, Natural Language Processing (such as chatbots and social media listening) has become the most widely adopted AI technology, increasing from 29% in 2024 to 38%, a 9% rise. Similarly, Robotic Process Automation (RPA) usage has grown from 35% to 39%, a 4% increase, showing steady adoption of automation solutions. Machine Learning, including tasks like prediction, classification, and segmentation, is also increasing, reaching 38% in 2025, up from 31% in 2024. Computer Vision and Speech and Audio Processing are gaining traction, with increases of 2% and 6%, respectively, indicating wider use of AI in recognition and audio fields. Generative AI, which produces new content such as text and images, shows notable growth, rising from 25% to 38%, an 13% increase. Looking ahead to planned adoption, the data reveals a cautious outlook. Many technologies, including Natural Language Processing and RPA, show declines of 8%, suggesting that organisations might be shifting focus from planning to implementation or reassessing priorities. Machine Learning, Generative AI, and other advanced technologies also show declines of up to 13%, reflecting possible budget constraints, strategic re-evaluations, or considerations of technological maturity. Overall, the current use of AI technologies is expanding, especially in areas like natural language processing, automation, and generative AI, but organisations are planning to reduce their future adoption of certain technologies, possibly indicating a more measured or refined approach to AI implementation in the future.

The data indicates that in 2025, fewer organisations cite lack of knowledge about use cases and lack of trust as reasons for not adopting AI; the percentage citing lack of knowledge has fallen by 15%, down to 45%, while trust issues remain at 0%. Conversely, the most common reason—lack of resources—has decreased by 8%, now at 30%, suggesting organisations are gradually overcoming resource constraints.

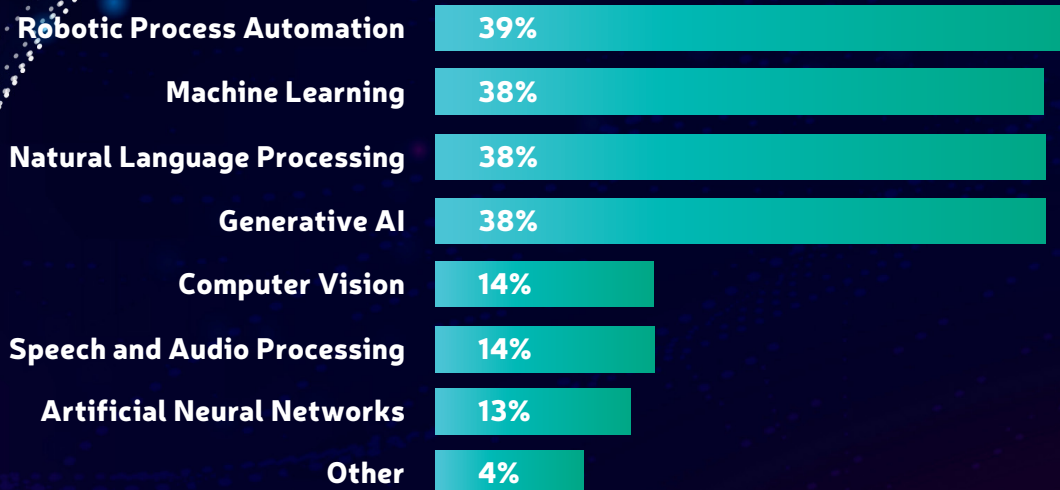
Interestingly, the percentage of organisations citing policy bans has increased slightly by 4%, now at 18%, indicating changing regulatory or internal policy considerations that may restrict AI adoption.

A significant proportion (40%) remains uncertain or uninformed about why they have not adopted AI, representing a 17% increase compared to 2024. This suggests that despite the growing prevalence of AI, some organisations either lack clarity or remain undecided about barriers to adoption.

Overall, the trend shows progress in addressing trust and knowledge barriers, but resource availability and policy restrictions continue to impact AI implementation decisions.



Which **AI technologies** are currently **being used**?



45%

Lack of knowledge on use cases

Why BSCs are not implementing AI technologies?

30%

Lack of resources

18%

Banned by policy

0%

Lack of trust



How do you **measure the efficiency** of using **AI**?

Productivity increase

41%

Cost decrease **32%**

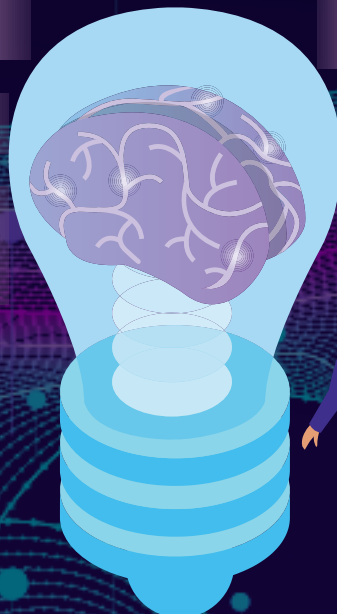
Accuracy **21%**

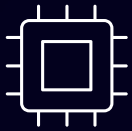
Workload savings **29%**

We do not measure efficiency (AI) **9%**

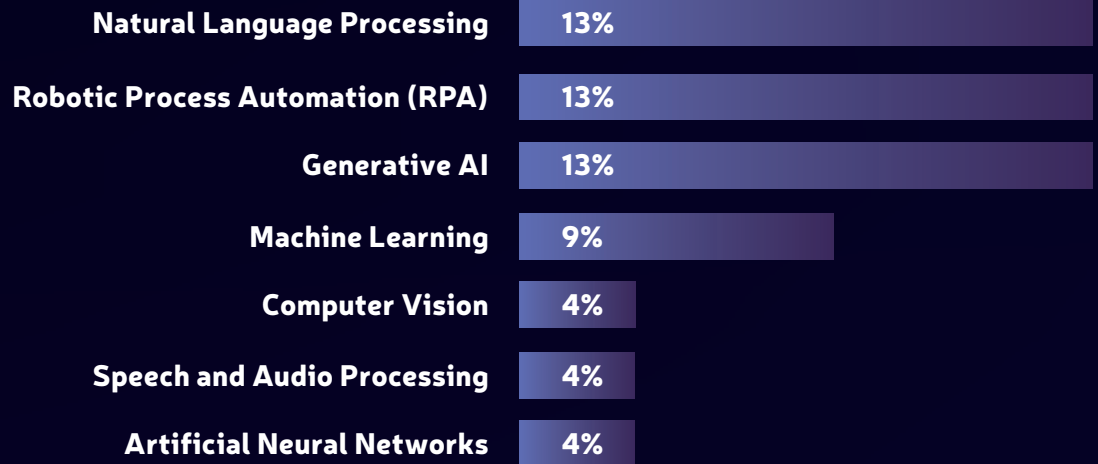
Customer experience **21%**

Other **7%**





Which **AI technologies** are **planned to be used**?



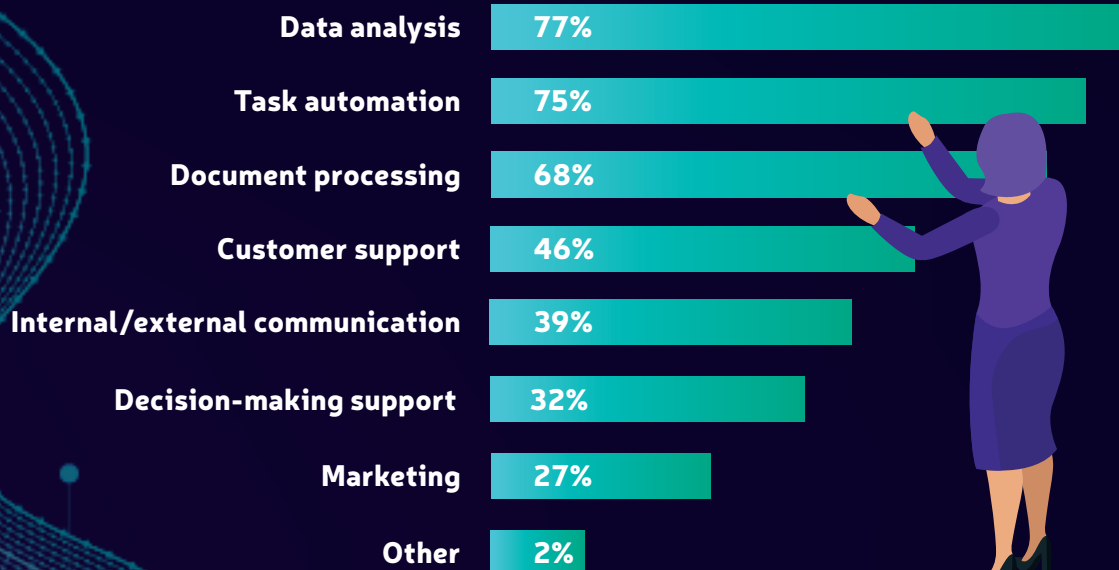
Does your company have a thoroughly defined strategy/plan for AI Implementation?

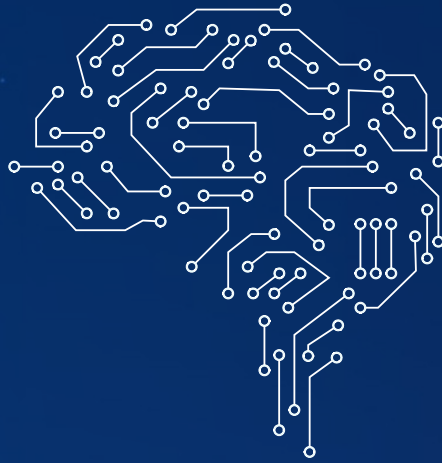
yes 59%

no 32%



Effectiveness of AI in Business Service Center operations





The data highlights the increasing recognition among organisations of AI's significant benefits in improving efficiency. In 2025, higher productivity remains the main advantage, with 60% of companies identifying it as a key impact, a slight rise of 2% from 2024. Improved accuracy is also highly valued, with 53% of organisations emphasising it as a benefit, up 10% compared to the previous year, showcasing AI's vital role in reducing errors and enhancing precision. Cost savings continue to be a major factor, with 41% of organisations citing it as a key advantage, a 4% increase from 2024. Improved customer experience is nearly as significant, with 36% recognising it as a benefit, slightly down by 2%, but still important in highlighting AI's contribution to customer-focused strategies. Lastly, decreasing manual workload appears to be a fundamental benefit, with 55% of organisations noting it as impactful, up 5% from 2024. Overall, these figures demonstrate that organisations are increasingly utilising AI to enhance productivity, accuracy, cost-efficiency, and to lessen manual effort, reaffirming AI's role as a crucial driver of operational excellence.



To what extent do you agree with the following sentences?*

4.2

Large-scale implementation of AI is required to stay competitive in the long term

3.2

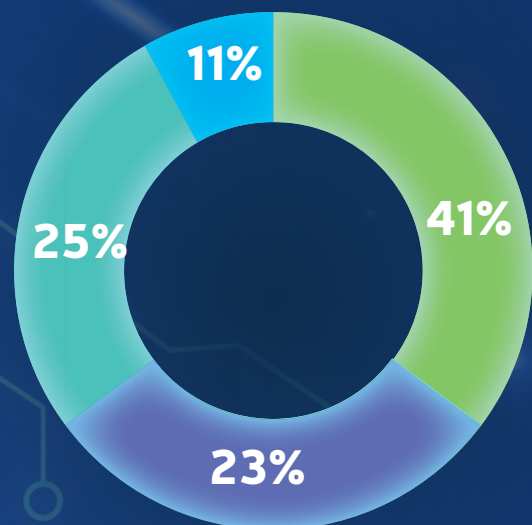
AI implementation will have a net positive impact on the number of jobs in the long term

2.8

AI implementation will have a net negative impact on the number of jobs in the long term

Do you provide trainings for employees to adapt to AI technologies?

No, and we are not planning it



Yes, regularly

No, but we are planning it

Yes, occasionally

* Answer on scale 1-5 where 1 means "highly disagree", 5 means "highly agree".

What are the **key advantages** and efficiency impacts of **using AI in BSCs**?

60%

Increased productivity

55%

Reduced manual workload

53%

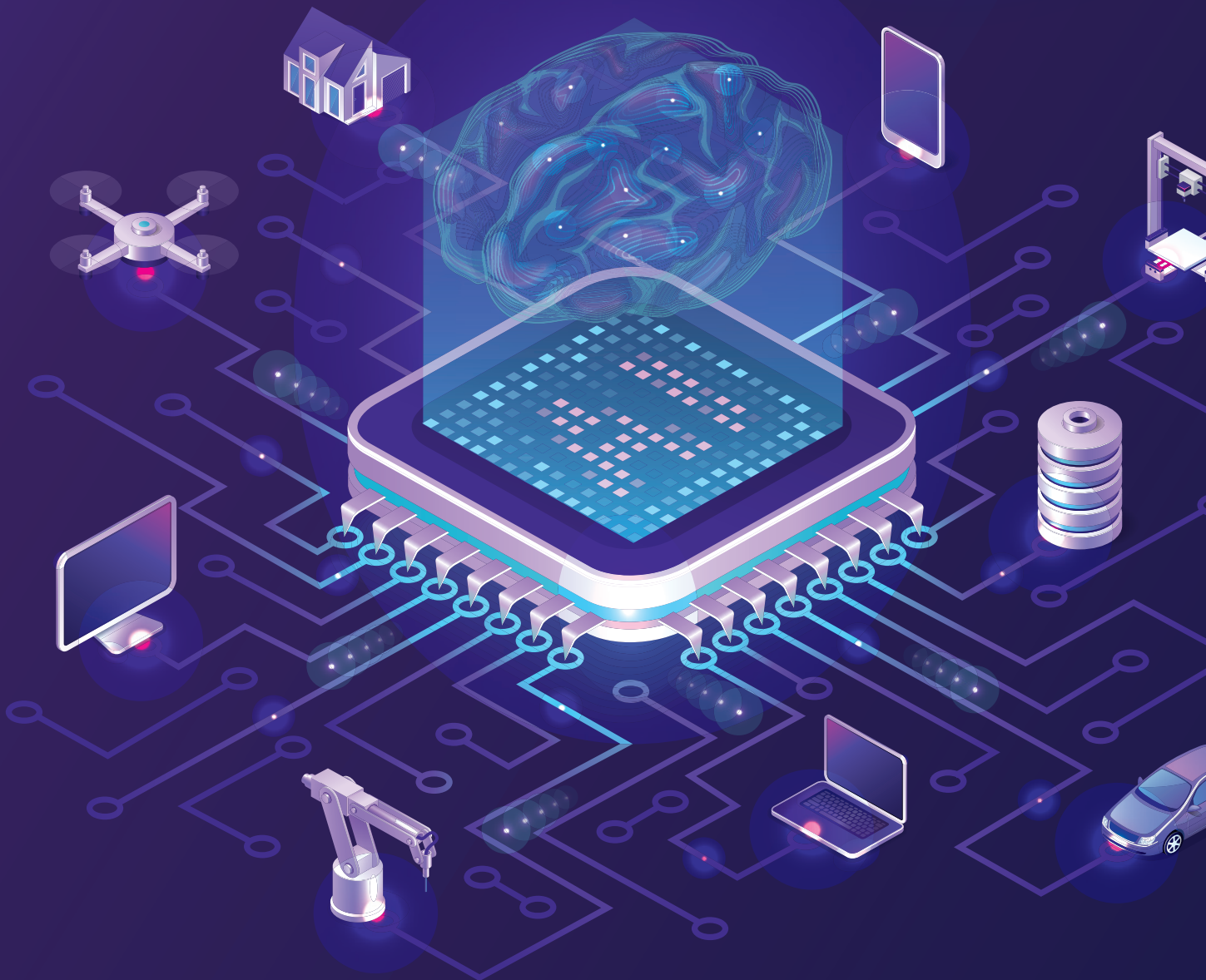
Improved accuracy

41%

Cost savings

36%

Enhanced customer experience





Environmental, Social & Governance Overview

The data indicates a growing emphasis on ESG (Environmental, Social, and Governance) principles among companies in 2025. Notably, the importance placed on companies prioritising people and the planet before profit has increased, from 4.0 in 2024 to 4.1 in 2025, reflecting a stronger commitment to sustainability and social responsibility. The perception that companies and brands have a responsibility to address societal issues remains high and stable at 4.6.

Companies should put people and planet before profit	4.1	4.6	Companies should care about their impact on society
Businesses should play a part in solving challenges like climate change or social justice	4.3	4.3	How would you score ESG importance?
It's good that brands use their money and power to raise awareness	4.5	3.5	To what extent are the employees interested in the ESG topics?
Companies have a responsibility to take care of the planet	4.5	3.4	To what extent are the employees involved in the ESG topics?
Sustainability should be a standard business practice	4.7	4.2	To what extent does your company is ready to operate in an ESG-responsible way?
	4.5		Companies should do a lot more to reduce their carbon impact

However, some areas show a slight decline or stagnation – for example, the score for whether companies care about their societal impact remains unchanged at 4.6, and the willingness of companies to do more to reduce their carbon footprint stays steady. Similarly, there is a slight change in the recognition of the role businesses should play in solving global challenges, with scores decreasing from 4.4 to 4.3, suggesting a slight shift towards more responsible corporate behaviour. Overall, the scores reflect a rising awareness and prioritisation of ESG values, with companies increasingly recognising their role in societal and environmental sustainability while striving to integrate these principles into their core strategies.

GOVERNANCE



SOCIAL

ENVIRONMENTAL



In 2025, the proportion of organisations using a comprehensive employee survey covering all topics related to staff decreased by 6%, from 67% in 2024 to 61%. The utilisation of office or real estate/property-related employee surveys increased by 2%, reaching 23%, indicating a slight rise in specific feedback mechanisms concerning physical work environments. ESG-focused employee surveys also saw a significant rise of 8%, now at 23%, reflecting a growing emphasis on sustainability and social responsibility. Questions from prospective employees during interviews fell by 6%, down to 13%. Overall, the data indicates that while organisations continue to utilise various channels for feedback and engagement, certain areas like employee surveys and town hall feedback have experienced declines, possibly due to shifting priorities or engagement practices. Conversely, the increase in ESG-related surveys and training suggests a heightened focus on sustainability and responsible business conduct.

Activities that have been introduced in terms of the environmental aspect of ESG:

84%

Selective waste collection

77%

Using recyclable materials at the office

79%

Limiting printing, going digital

73%

Limiting energy use where possible from

57%

Using renewable energy sources

53%

Reducing business trips

43%

Educating employees about the environmental impact they're making

52%

Using office spaces with high environmental impact standards

45%

Using electronic cars in the company car fleet

41%

Conducting an audit of the environmental impact the company is making

34%

Working with suppliers with high environmental impact standards

34%

Developing and offering environmentally friendly products

18%

Reducing the use of employer-financed taxi rides

14%

Offering employees a green equivalent for not requesting a company car

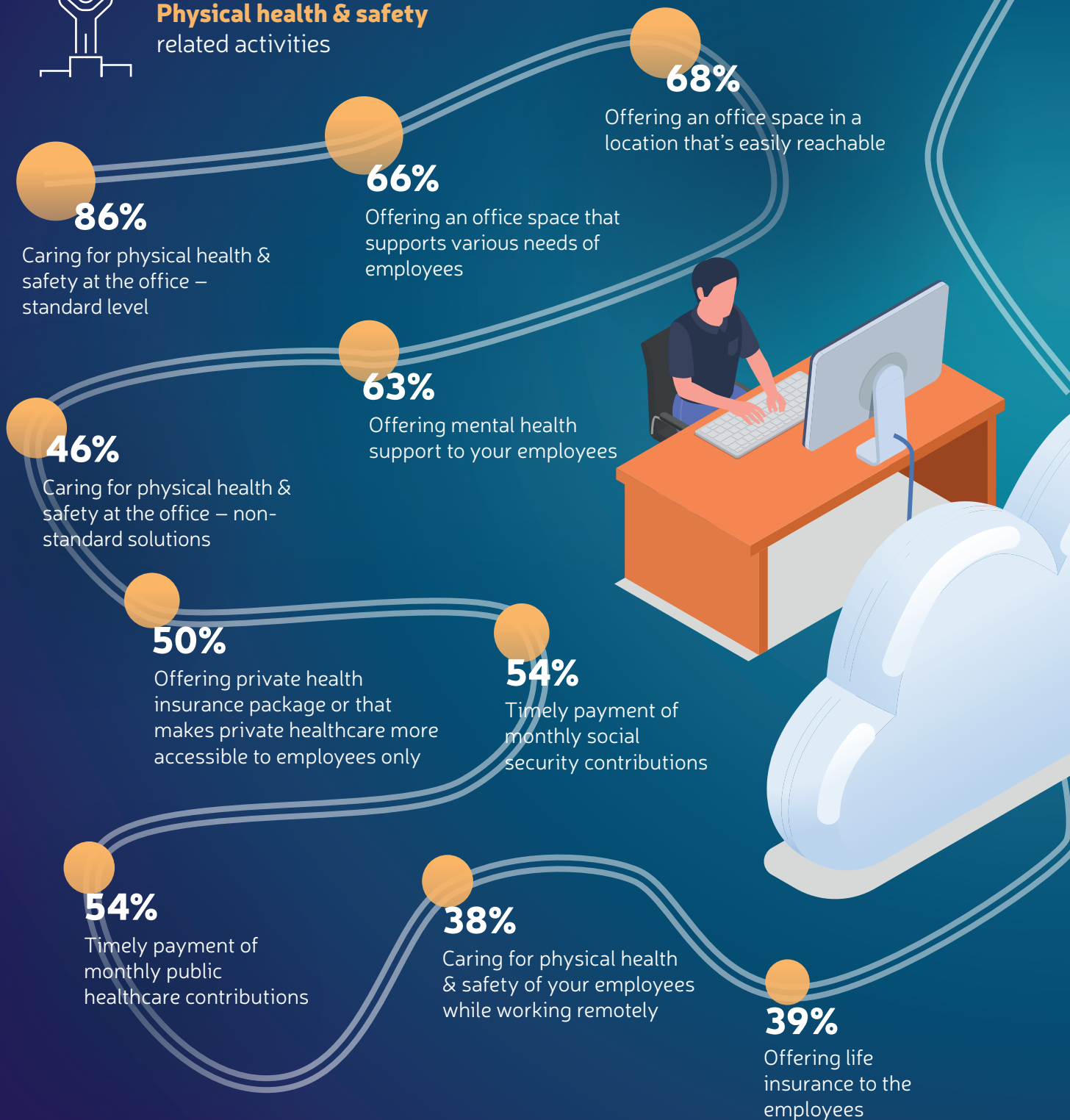
5%

Other

The data shows that in 2025, organisations have generally increased their focus on physical health and safety initiatives, with notable improvements in several areas. Caring for employees' health and safety has risen by 7%, reaching 86%, highlighting a stronger commitment to employee well-being. The availability of office spaces that support various needs increased slightly by 5%, but the provision of accessible office spaces for employees with disabilities rose by 6%, indicating a focus on inclusivity. The role of dedicated health and safety responsibilities in Hungary has declined by 2%, possibly due to restructuring or changing priorities, while offering accident insurance (NNW) to employees has decreased slightly by 1%. However, the coverage of accident insurance regardless of where an employee works increased by 6%, showing a broader approach to safety.



Physical health & safety
related activities



46%

Offering an office space without barriers for employees with various ability levels

34%

A dedicated Health & Safety role based in Hungary covering your business unit

34%

Choosing an office space that has internationally recognized certificates in terms of health, safety and wellbeing

32%

Offering accident insurance (NNW) anywhere an employee works

29%

Offering private health insurance package that makes private healthcare more accessible to employees and their family members

16%

Offering accident insurance (NNW) to employees working at the office only

4%

Other

18%

Offering pension insurance (PPK) to the employees

Does your company have any global/ regional ESG strategy?

88% yes

9% no

4% N/A

There has been a significant rise in private health insurance offerings—up by 7% to 29%—and a 5% increase in the timely payment of healthcare contributions, emphasising the importance of healthcare support. Conversely, the percentage of companies offering lifetime insurance decreased by 5%, reflecting shifts in benefits priorities. Overall, organisations seem to be

prioritising essential health and safety measures, including health insurance and safety support, while slightly reducing focus on some traditional benefits like pension and lifetime insurance. The overall trend indicates a stronger emphasis on practical health and safety support for employees.

The data highlights notable shifts in the promotion of nutrition and recreation activities within the organisation from 2024 to 2025. One of the most significant positive changes is observed in offering employer-financed mental wellbeing activities, which increased by 11%, reaching 59% in 2025. This suggests a growing recognition of mental health's importance alongside physical health. Similarly, the provision of free cold and hot beverages at the office saw a substantial increase of 13%, highlighting efforts to promote comfort and wellbeing during the workday. Supporting the creation and operation of employee networks also experienced a 7% increase, indicating a focus on fostering community and social support among staff. Offering a platform for employees to choose benefits slightly increased by 1% in 2025.



Nutrition & recreation related activities



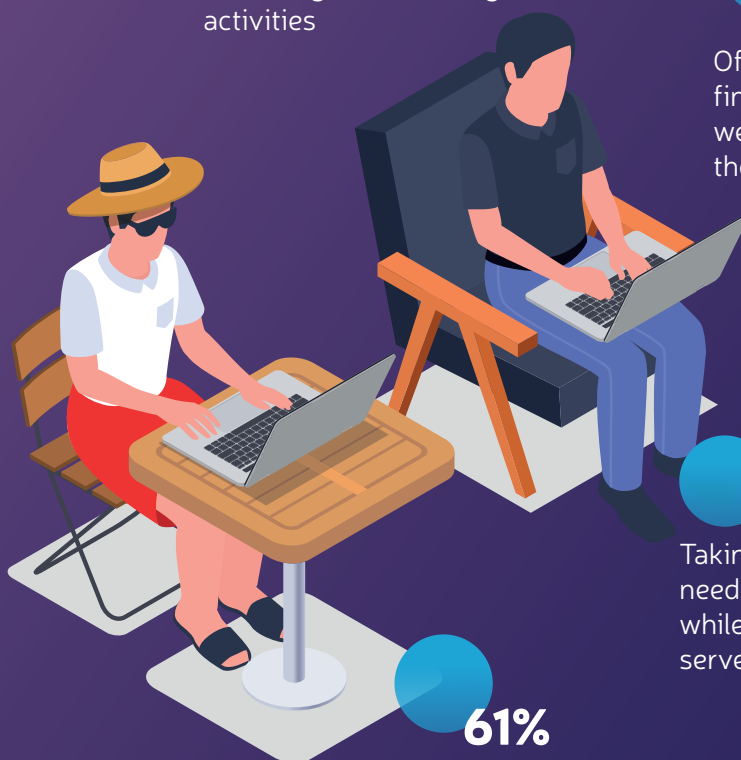
Financing team building activities



Offering employer-financed physical wellbeing/activities at the office



Offering free cold and hot beverages at the office



Financing social activities



Taking various dietary needs into consideration while ordering food to be served at the office



Offering employer-financed mental wellbeing activities at the office



Offering employer-financed physical wellbeing/activities outside the office



Offering a sports card



Offering a platform when employees may choose benefits according to their needs



Supporting the creation and operation of employee networks



Offering a meal card or meal vouchers

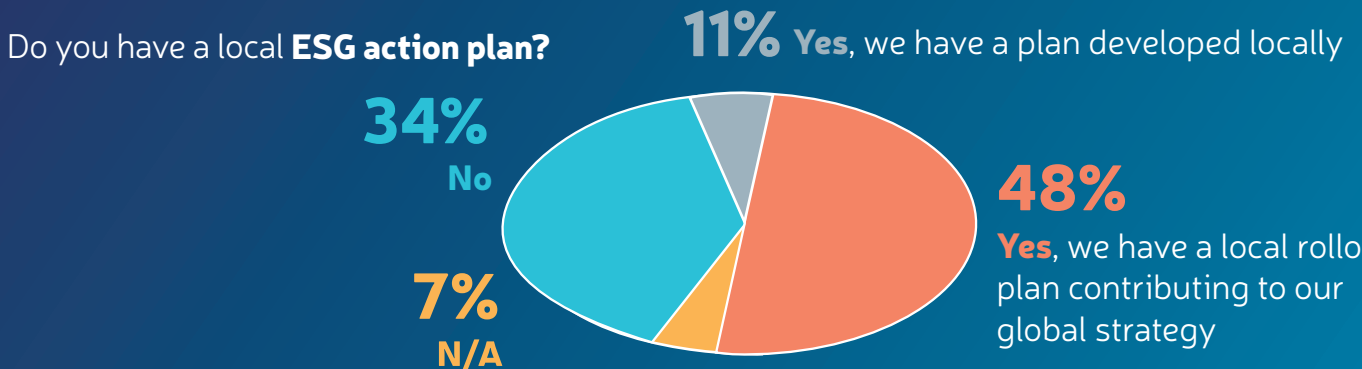
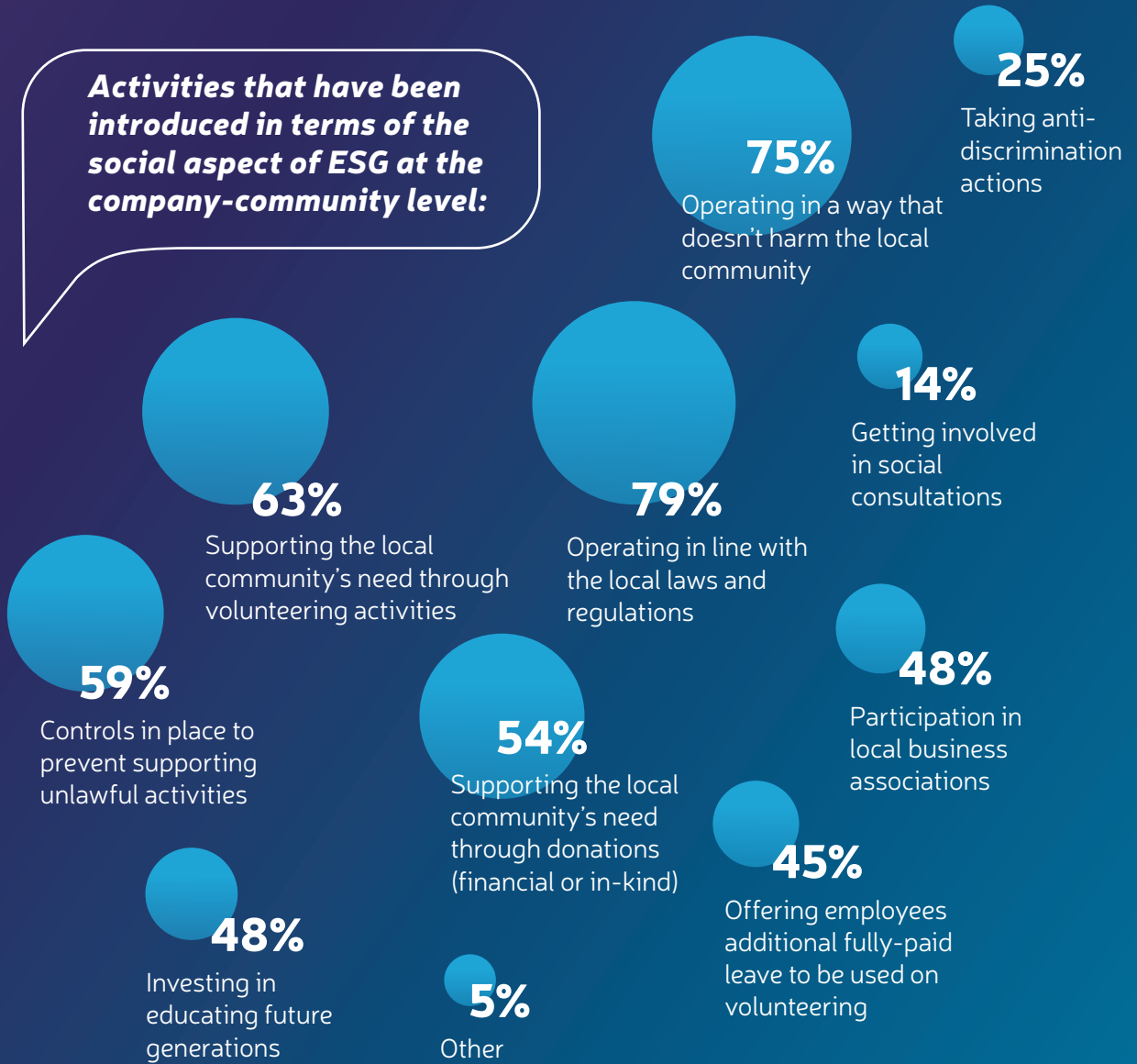


Offering free meals at the office



Other

Activities that have been introduced in terms of the social aspect of ESG at the company-community level:



Conversely, some activities experienced a decline. The offering of a meal card or meal vouchers dropped by 6%, which may reflect changes in budget allocations or strategic priorities. Additionally, the “Other” category saw a 4% decrease, possibly indicating a shift away from miscellaneous activities not specifically categorised. Interestingly, activities like offering employer-financed physical wellbeing and sports activities, and financing team-building activities, remain strong, with high participation rates in 2025. These activities continue to be integral to the organisation’s approach to employee wellbeing. Overall, the trend indicates a positive emphasis on mental health support and comfort-enhancing initiatives, alongside stable support for physical wellbeing and team dynamics. The changes reflect evolving priorities towards comprehensive employee wellbeing, blending physical, mental, and social aspects.

The survey results for 2024 and 2025 reveal changing trends in various social and support activities within workplaces. Notably, many organisations seem to have increased their efforts in promoting fairness, recognition, and inclusivity. For instance, the proportion of organisations implementing anti-discrimination policies in pay strategies rose by 7% to 73%, indicating a growing awareness and adoption of fair pay practices. Employee recognition efforts, such as annual awards or recognition initiatives, increased by 9%, with 84% of organisations adopting these practices. Support mechanisms for parents remained high, with a slight decrease of 3%, and support for employees with disabilities stayed steady at 45%, demonstrating ongoing commitment to inclusion. However, some areas saw declines. Support for caregivers of adults and other specific support initiatives decreased marginally, indicating possible gaps or shifting priorities. Overall, these findings suggest a widespread movement towards greater fairness, recognition, inclusivity, and flexible support, reflecting a positive development in workplace social policies across different organisations.

Social needs-related activities





HR policies-related activities as social aspect of ESG

84%

Supporting the professional development of employees via internal learning

82%

Offering day-to-day HR support

66%

A seat for HR function leader at the local leadership forum

61%

Supporting the professional development of employees via external learning

43%

Salary adjustments based on external conditions

45%

Co-financing or fully-financing the cost of commuting to work

45%

Offering relocation support for the employee

27%

Offering relocation support for the employee and their family

25%

Creating a body that represents employees' rights and interests

30%

Offering an opportunity to invest in the company's shares

11%

Offering an opportunity to draw an interest-free loan

4%

Other



In terms of day-to-day HR support, support services like HR service delivery improved slightly by 3%, now at 82%, reflecting ongoing efforts to enhance employee support. The appointment of HR leaders at local forums increased as well reaching 66%. However, there are declines in several areas. Support for relocation assistance dropped by 1% (to 45%) and specifically support for the employee and their family declined a bit as well—by 2%, now at 27%. Salary adjustments based on external conditions saw a sharp decrease of 9%, down to 43%, suggesting tighter compensation practices or economic factors influencing adjustments. Overall, while many organisations strengthened their support for employee development and engagement, there is a noticeable decrease in support related to relocation and salary adjustments, which could reflect economic uncertainties or changing organisational strategies. The data suggests that although employee development remains a priority, some areas related to direct support and compensation are facing challenges.

The data shows a clear trend towards greater commitment to ethical standards, transparency, and anti-corruption measures among companies from 2024 to 2025. Significant improvements are evident in several key areas: adherence to local laws and regulations increased by 7% to 86%, while anti-corruption policies and mandatory anti-corruption training both rose significantly by 9% and 11%, reaching 91% and 86%, respectively. These gains reflect a growing focus on integrity and compliance within corporate practices. Additionally, the implementation of due diligence processes for business partners saw a notable 15% increase, reaching 77%, indicating an increased emphasis on risk management and responsible business conduct. While notable strengths exist, particularly in employee training and operational compliance, there



Activities that have been introduced in terms of the **governance aspect of ESG:**

91% Personal data protection policy

82% Information policy

86% Mandatory anti-corruption training for employees

77% Due diligence process towards your business partners to identify possible ethical risks

59% Sustainability policy

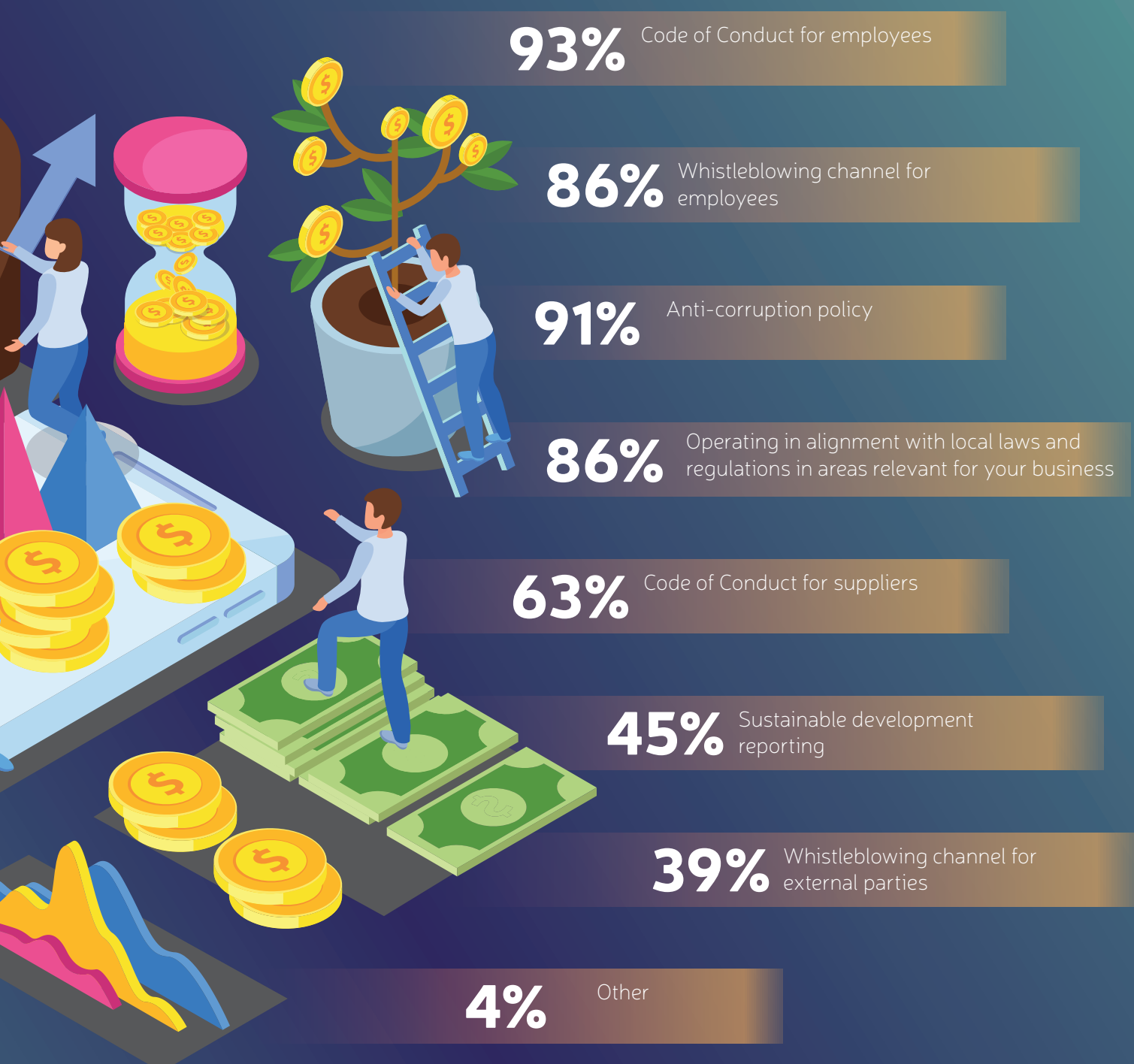
32% A seat at your local leadership forum dedicated to Governance/ Compliance/ Internal Audit

38% Mandatory governance-focused training for employees

27% Participation in or support for industry/ external good governance initiatives



are opportunities for organizations to enhance their governance frameworks, specifically regarding external whistleblowing mechanisms and greater involvement in industry initiatives. By prioritising governance best practices, companies can protect their reputations and promote sustainable and responsible business operations that align with the broader goals of ESG. Conversely, some activities experienced declines. Notably, the percentage of companies providing a seat at local leadership forums decreased sharply by 7%, down to 32%, suggesting a potential shift in engagement strategies at the local leadership level. Participation in or support for industry or external good governance initiatives also dipped slightly by 2%, to 27%. These reductions may point to shifts in priorities or resource reallocation within certain organisations. Some measures remained stable, such as whistleblowing channels and whistleblowing channels for external parties, both maintaining high participation rates of 86% and 39%, respectively. Other indicators, such as sustainability policies and sustainability reporting, showed modest increases, reflecting ongoing but incremental progress in integrating sustainable practices. Overall, these results highlight a strong upward trend in companies adopting robust compliance and anti-corruption policies, aligning with global efforts to promote integrity and responsible business conduct. The declines in certain engagement activities suggest areas where organisations may need to refocus efforts to maintain comprehensive governance and stakeholder involvement.



93% Code of Conduct for employees

86% Whistleblowing channel for employees

91% Anti-corruption policy

86% Operating in alignment with local laws and regulations in areas relevant for your business

63% Code of Conduct for suppliers

45% Sustainable development reporting

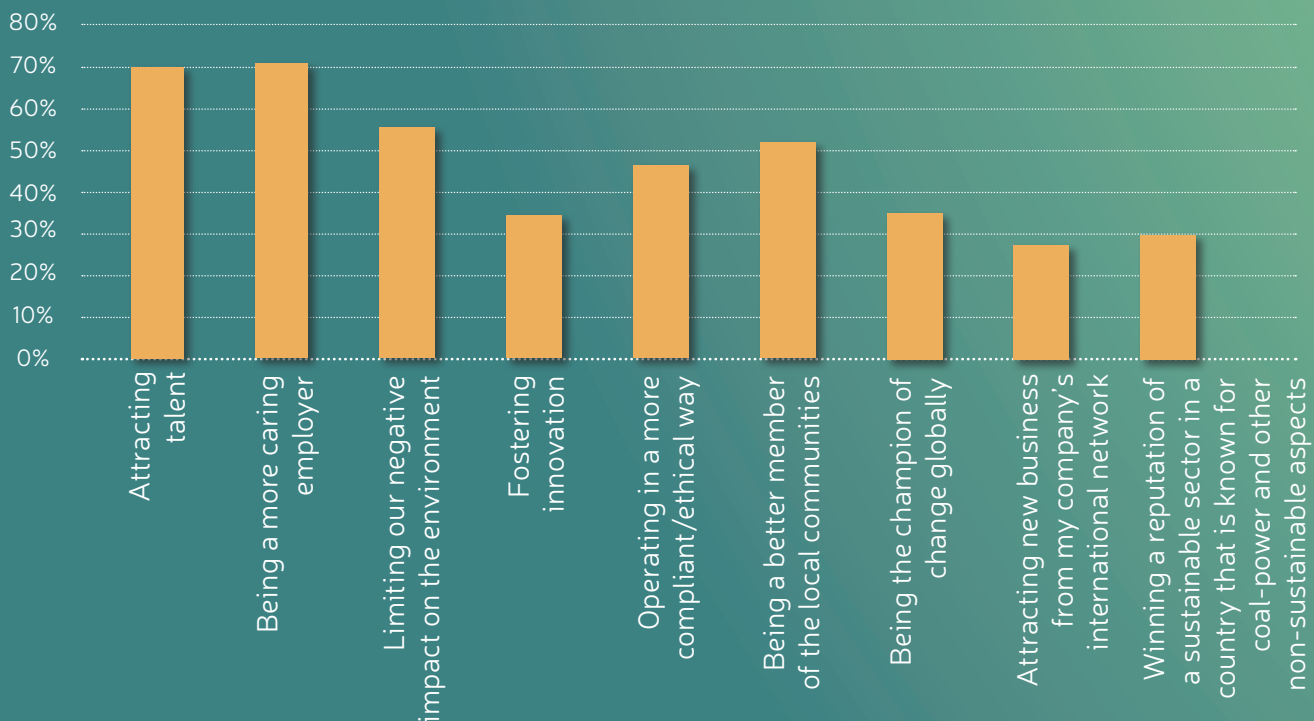
39% Whistleblowing channel for external parties

4% Other

The data provides a compelling view of how business opportunities are evolving from 2024 to 2025. One of the most notable shifts is in the opportunity to reduce negative environmental impacts, which increased slightly from 54% in 2024 to 57% in 2025—though marginal, it still highlights a sustained recognition of environmental responsibility as a key business opportunity. This aligns with the growing global focus on sustainability. More significantly, being a better member of local communities experienced a substantial rise from 40% to 52%, representing a 12% increase. This indicates that companies increasingly view community engagement and social responsibility at the local level as vital to their growth and reputation, possibly driven by stakeholder expectations and social licence to operate.



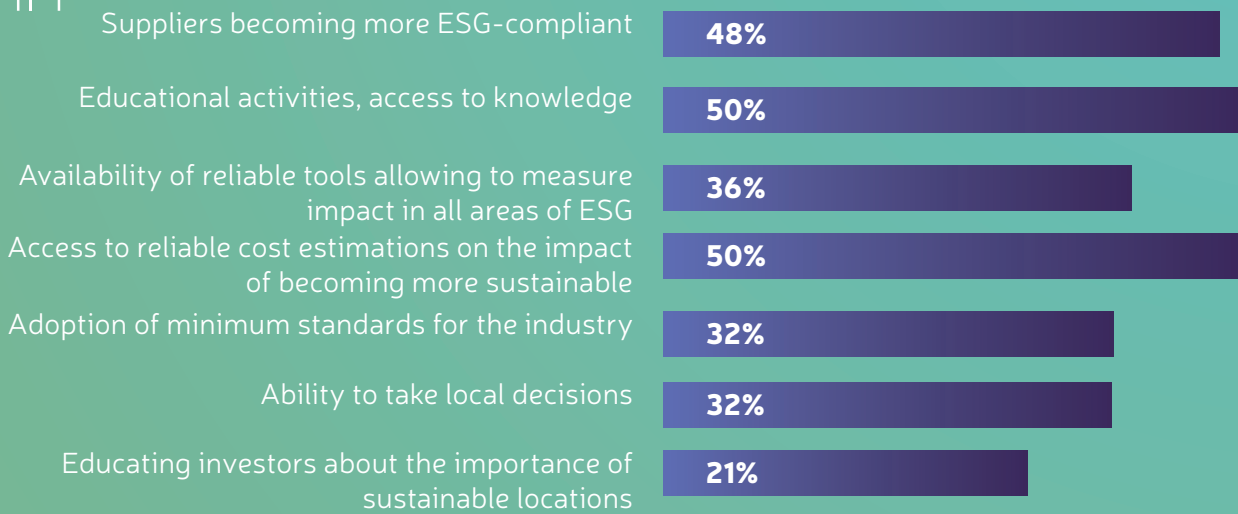
What are the biggest opportunities for your BSC in Hungary in terms of ESG?



In contrast, attracting talent declined modestly from 72% in 2024 to 70% in 2025, with a 2% decrease. Despite being a core driver, companies may be facing challenges in talent attraction, potentially due to market competition or changing workforce values. Interestingly, the opportunity to operate in a more compliant and ethical manner increased by 4%, from 42% to 46%. This suggests that organisations recognise the importance of ethical practices, not merely for compliance but also as a strategic advantage. Conversely, fostering innovation through internal and collaborative efforts declined by 7%, dropping from 43% to 36%. This may reflect a shift in focus towards immediate environmental and social concerns rather than innovation, or perhaps difficulties in nurturing internal creativity. Finally, the opportunity to build a positive reputation in the global sustainability sector increased by 9%, from 21% to 30%, highlighting a growing recognition of sustainability as a critical factor in global competitiveness. These trends suggest that while opportunities related to environmental responsibility, community engagement, and ethical conduct are increasing in importance, some traditional areas like talent attraction and innovation encounter obstacles or shifts in strategic focus. Recognising and capitalising on these opportunities effectively will be essential for business success in the coming years.



What would help the BSC sector in Hungary to be more ready for ESG aspects?



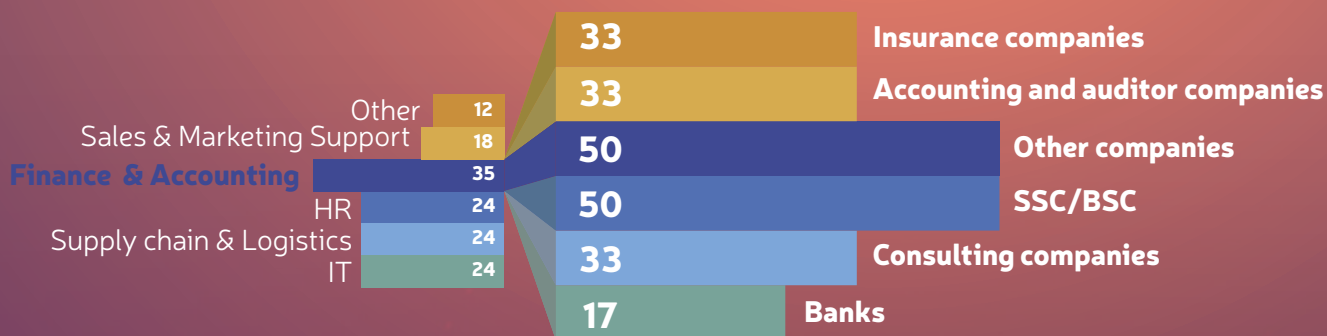
The survey results reveal notable shifts in the challenges faced by companies between 2024 and 2025. The greatest challenge, increased costs, remains at the top but has decreased slightly from 61% in 2024 to 57% in 2025, indicating that while costs remain a primary concern, companies are experiencing some relief or adaptation. Lack of power to influence local decisions improved significantly, dropping from 29% to 21%, reflecting a possible increase in local decision-making autonomy or influence. Conversely, “non-strategic importance of ESG” increased from 18% to 23%, indicating that more firms now see ESG as less crucial to their core strategies, potentially due to shifting priorities or perceptions. The regulatory environment remains a concern, with the difficulty in complying with regulatory requirements decreasing from 24% to 16%, suggesting some progress in regulatory clarity or company preparedness. ESG-immaturity among local suppliers declined significantly from 38% to 29%, highlighting progress in supplier ESG maturity—an encouraging sign for supply chain sustainability efforts. Talent loss continues to pose a challenge, with the proportion of affected companies increasing slightly from 8% to 9%. This may suggest that, while the issue remains relatively stable, it is not yet improving. Finally, issues like the speed of implementation and the nature of the industry show fluctuations, reflecting the dynamic environment in which companies operate. Overall, while some challenges have lessened—such as tools and regulatory compliance—others, like the non-strategic perception of ESG, are becoming more prominent. Ongoing focus on strategic ESG integration, resource management, and stakeholder engagement will be essential for companies moving forward.

Biggest challenges in an ESG-responsible way

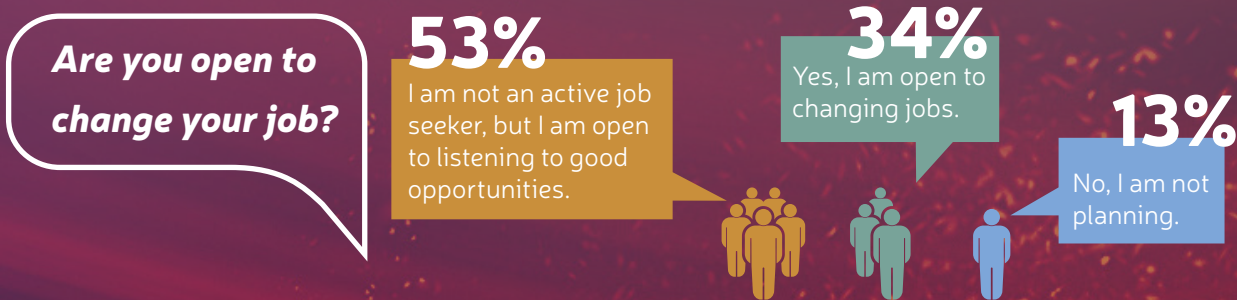


What Employers Want vs. What Employees Expect, Expert Report by Grafton

Grafton – as a part of Gi Group Holding – ranks among Hungary’s top three agencies in white-collar recruitment, giving us a privileged view of the business services landscape. Through our annual market guides, we capture both employee and employer perspectives, reveal where they differ, and bring the two sides closer together. This year we gathered nearly 1,500 responses from BSC professionals and insights from 68 employers, creating a truly comprehensive picture. Over the past five years, our dedicated SSC research has tracked how trends evolve year by year – and here we share some of the most telling insights to support smarter decisions for the sector’s future.



There is intense competition for finance and accounting talent in the Hungarian labor market. According to the survey, 35% of planned BSC expansions in Hungary are in finance and accounting functions, placing these professionals at the very top of future demand. At the same time, candidates with finance and accounting expertise are highly sought after by accounting and auditing firms, multinational corporations, and consulting companies. This means that it is crucial for BSCs to differentiate themselves in order to attract and retain the right professionals.

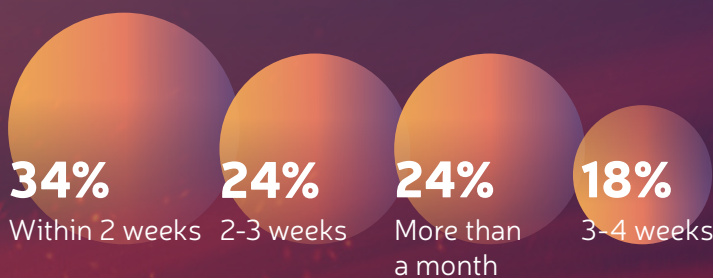


The survey clearly highlights which business functions employees are currently working in and which they would prefer if changing jobs. Finance & Accounting & Controlling stands out as by far the most attractive field: not only are 34% of respondents already employed in this function, but 42% indicated that they would choose it as their preferred area if making a career move. This also means that 8% of employees currently working in other areas would consider switching into finance-related roles. IT demonstrates similarly strong appeal, with 15% currently employed in this function, while 26% see it as their preferred future direction – representing one of the largest gaps between current roles and future aspirations.



Supply Chain & Logistics and HR also appear more attractive as future opportunities (both at 22%) compared to their current representation (9% and 11% respectively). By contrast, Procurement, Customer Service & Operation, Sales & Marketing Support, and Legal & Compliance remain less popular overall, both in terms of current employment and future career intentions. Taken together, these findings show that while several support functions remain stable, finance, accounting, and IT continue to dominate employees' career ambitions, making them the most competitive areas in the race for talent.

The survey results reveal that 87% of employees in the sector could be engaged in a recruitment process for a new position. This includes 34% who are actively open to changing jobs and 53% who are not actively looking but remain open to good opportunities. Only 13% stated they are not planning to change jobs, showing that the market is highly receptive to new career offers. Those 13% who do not consider leaving their current employer stay for specific reasons: the most important retention factors are work–life balance, full remote work options, salary, and a supportive office environment and leadership style. When evaluating new opportunities, however, priorities shift: salary clearly emerges as the most decisive factor, followed by work–life balance, hybrid or full remote options, and career development opportunities. These findings underline that while financial incentives and career prospects are the strongest drivers of job changes, if BSCs want to retain their current employees or reduce the number of active job seekers, they need to place stronger emphasis on work–life balance and full remote work opportunities.

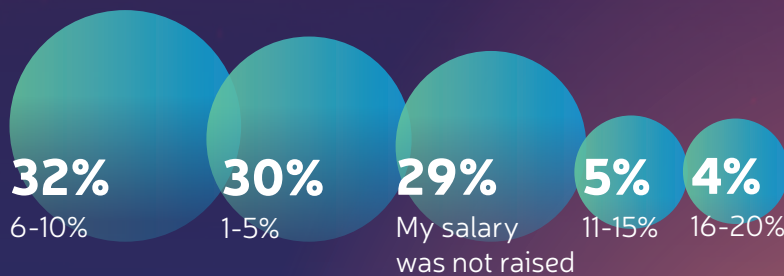


When you were looking for a job, how many days after your application did you receive an offer?

The survey shows clear shifts in job search behavior between 2024 and 2025. In 2024, 46% of respondents decided immediately if the first opportunity met their expectations, but by 2025 this dropped to 31%, indicating greater caution. More candidates now apply to multiple roles: 37% in 2025 vs. 33% in 2024, while 32% in 2025 applied to one or two additional jobs for comparison, up from 21% in 2024. This signals a trend toward more deliberate and exploratory decision-making. The second chart highlights hiring speed: 34% received an offer within two weeks, 24% within 2–3 weeks, 19% in 3–4 weeks, and 24% waited more than a month. While many processes remain relatively fast, a significant share of candidates still face longer timelines. Overall, the findings suggest that candidates are becoming more selective and comparison-driven, while efficient recruitment remains crucial in securing talent.

The survey highlights a clear gap between employer policies and employee expectations regarding remote work. Most BSCs allow 2–3 days of home office per week, which broadly aligns with current practice. However, employees' ideal preference skews higher, with many favoring 3–4 days of remote work. Only a small minority would choose fully on-site or fully remote arrangements, confirming that hybrid work remains the most preferred model. The second chart links office presence with openness to new job opportunities. Employees spending 0–2 days per week in the office show the highest willingness to stay, while those required to be on-site 4 or more days are more open to new job opportunities. Notably, among employees working 4 days in the office, 59% are not actively seeking but remain open to external offers, suggesting that stricter office requirements increase receptiveness to change. Overall, the findings indicate that striking the right balance in hybrid work policies is critical for retention, as higher office presence directly correlates with greater openness to new job opportunities.

The survey shows that salary increases were modest for most employees: 29% received no raise, and 30% only 1–5%, while 32% gained 6–10%. Higher raises were rare, with just 5% reporting 11–15% and 4% 16–20%. Job change intentions are closely tied to these figures. Among those with only 1–5% increases, 87% remain open to new opportunities, while in the group with 16–20% raises, 90% are still receptive to offers, even if less actively. Overall, the data suggests that limited salary growth fuels job-seeking activity, yet even significant raises do not fully secure employee retention.



What percentage was your salary raise this year?

Download our Business Services Salary & Market Guide for more labour market trends and the latest salary updates.

The survey indicates that 63% of respondents consider participation in business process transitions appealing, making it a clear area of interest for the majority. A smaller share, 11% find it rather unappealing, and 6% would not choose such an opportunity at all. Meanwhile, 20% reported that it would not be a decisive factor when considering a new role. These results suggest that while not universally attractive, involvement in transition projects is widely valued and can enhance a company's appeal as an employer.

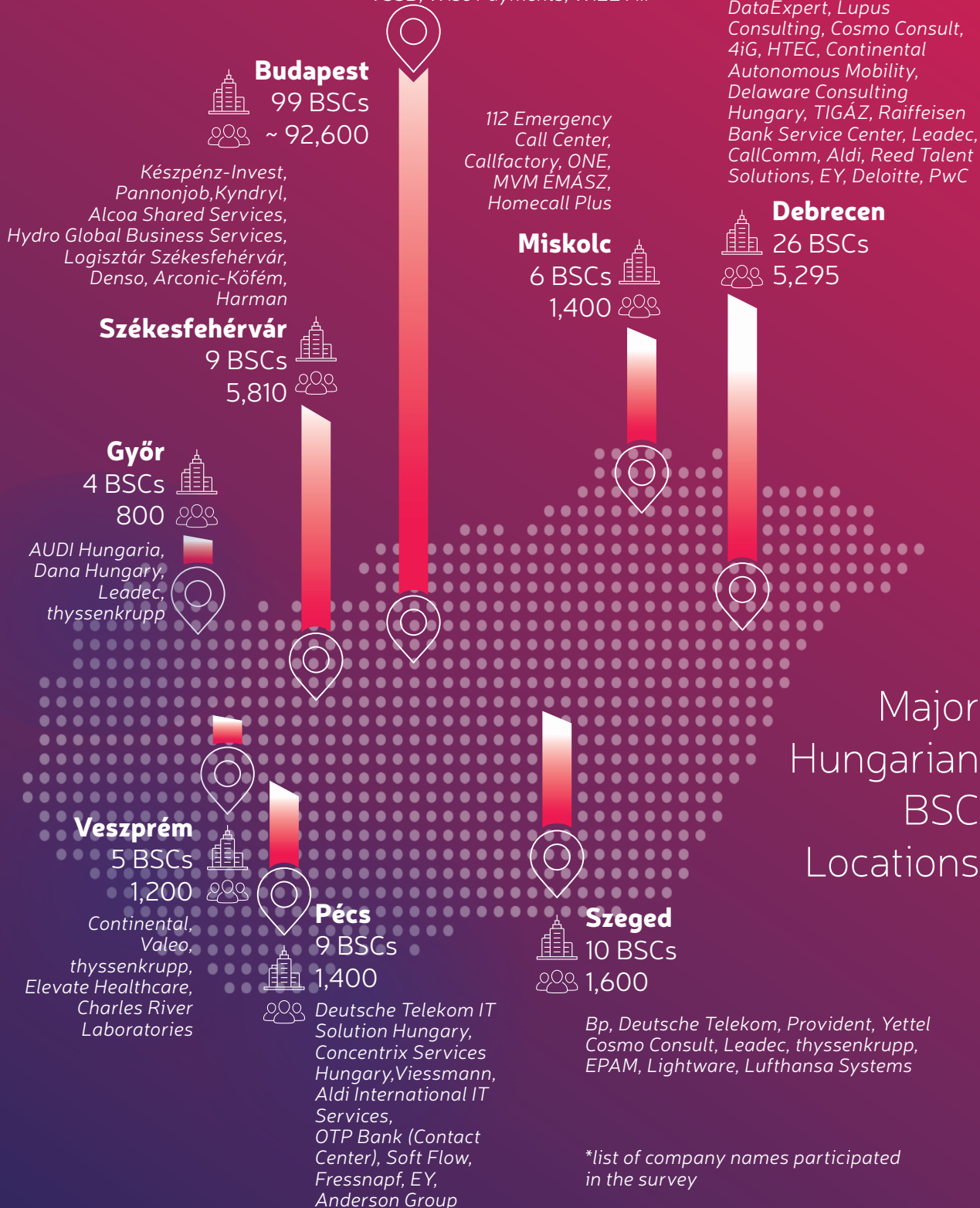


4iG, ACCENTURE, AGCO, Albemarle, Aleido, Alfa Vienna Insurance Group, Avis Budget, B.Braun Avitum, Bio-Rad, BlackRock, BP BSC, BT ROC, Celanese, Citibank, Cloudera, Cognizant, Computacenter Services, Continental, Cushman & Wakefield, Deutsche Telekom IT Solutions, DHL, DIAGEO, Diligent, DXC Technology, E.ON, Eaton, Ecolab, Emea, EPAM, Ericsson, EY, ESAB, eSense, Estée Lauder, ExxonMobil, Flowserve, Ford, Foundever, Fressnapf, FrieslandCampina, GE Infrastructure Hungary, Genpact Services Hungary Getronics, Givaudan, GoTo, Grundfos, Huawei, IBM, Instructure Hungary, Invitech ICT Services, Jaguar Land Rover, KLM, Kostal, KPMG, Kuka, Lexmark, Lightware, Lufthansa, Magyar Telekom, MÁV Szolgáltató Központ, MOL GBS, Morgan Stanley, MSCI, MVM, Nissan, Nix Tech, NN Biztosító, Nokia, Oracle, PricewaterhouseCoopers, Process Solutions, Provident, Raiffeisen Bank, Randstad, Robert Bosch, Roche, Sanofi, SAP, Schneider Electric, Sony Europe, STATEK, Syngenta Services, Tata, TESCO-BST, Thermo Services, thyssenkrupp, TMF Magyarország, Transcom Hungary, Trivium, Unisys, Varian Medical Systems, Viacom, VSSB, Wise Payments, WIZZ Air

Business Services Locations in Hungary

Office Market Overview

Deutsche Telekom IT Solutions, BT, Transcosmos, Emerson-NI, Flowserve, EPAM, Diehl Aviation, NSC Global, Capgemini, T-Systems, Callfactory, DataExpert, Lupus Consulting, Cosmo Consult, 4iG, HTEC, Continental Autonomous Mobility, Delaware Consulting Hungary, TIGÁZ, Raiffeisen Bank Service Center, Leadec, CallComm, Aldi, Reed Talent Solutions, EY, Deloitte, PwC



Major Hungarian BSC Locations

*list of company names participated in the survey

Váci Corridor



Current stock

1,155,000 m²



Pipeline under construction

126,000 m²



Annual office take-up

152,000 m² (2019)
~ 51,000 m² (2024)

Current vacancy
12.1%

Availability in the pipeline
29%

Main occupiers' profile
Manufacturing & Industrial (SSC)



Largest SSC occupiers: bp / Diageo / Ernst & Young / Citi / Raiffeisen Bank / ExxonMobil / GE HealthCare / Givaudan / KPMG / Jaguar Land Rover / Roche / Sanofi

Budapest office submarkets *Statistics*



Current stock

1,325,000 m²



Pipeline under construction

225,000 m²

Current vacancy

17.1%

Availability in the pipeline

11%



Annual office take-up

56,000 m² (2019)
~73,000 m² (2024)

Main occupiers' profile

IT & Telecom, Manufacturing



Bosch / Citi / Docler Services / K&H / Morgan Stanley / TÜV Rheinland / Cognizant / Richter Gedeon / Nokia / Wizz Air / Deutsche / Telekom / Deloitte / Siemens /

Metro 1 / 2 / 3 / 4
Tram
University

South Buda



Current stock

680,000 m²



Pipeline under construction

141,000 m²



Annual office take-up

81,000 m² (2019)
~28,000 m² (2024)

Current vacancy
11.7%

Availability in the pipeline
0%

Main occupiers' profile
IT & Telecom, Public Sector



Agco / Bayer / British Telecom / Colas / Ericsson / Oracle / evosoft / E.ON / TATA / Thyssenkrupp / Viacom / BYD



Budapest / BSCs

99

Major BSCs
in the city



Population

3,000,000+

(greater area)



~92,600

Employees
of the sector

Budapest is the largest city, and the only metropolitan area in Hungary with 1.7 million people in the city and further 1.3 million living in the agglomeration (Central-Hungary, Pest County). For a decade now, Budapest has maintained its leading position in the CEE region in terms of liveability. The weight of the Budapest region in the country's GDP exceeds 45%, one of the highest proportions in the EU. This is the only region in the country where the population is growing - thanks to both domestic and international migration. According to various forecasts (incl. Oxford Economics), the city is forecasted to have one the fastest growing economies in Europe over the medium term (2026-29), driven by the rapidly expanding ICT sector.

4iG, ACCENTURE, AGCO, Albemarle, Aleido, Alfa Vienna Insurance Group, Avis Budget, B.Braun Avitum, Bio-Rad, BlackRock, BP BSC, BT ROC, Celanese, Citibank, Cloudera, Cognizant, Computacenter Services, Continental, Cushman & Wakefield, Deutsche Telekom IT Solutions, DHL, DIAGEO, Diligent, DXC Technology, E.ON, Eaton, Ecolab, Emea, EPAM, Ericsson, EY, ESAB, eSense, Estée Lauder, ExxonMobil, Flowserve, Ford, Foundever, Fressnapf, FrieslandCampina, GE Infrastructure Hungary, Genpact Services Hungary Getronics, Givaudan, GoTo, Grundfos, Huawei, IBM, Instructure Hungary, Invitech ICT Services, Jaguar Land Rover, KLM, Kostal, KPMG, Kuka, Lexmark, Lightware, Lufthansa, Magyar Telekom, MÁV Szolgáltató Központ, MOL GBS, Morgan Stanley, MSCI, MVM, Nissan, Nix Tech, NN Biztosító, Nokia, Oracle, PricewaterhouseCoopers, Process Solutions, Provident, Raiffeisen Bank, Randstad, Robert Bosch, Roche, Sanofi, SAP, Schneider Electric, Sony Europe, STATEK, Syngenta Services, Tata, TESCO-BST, Thermo Services, thyssenkrupp, TMF Magyarország, Transcom Hungary, Trivium, Unisys, Varian Medical Systems, Viacom, VSSB, Wise Payments, WIZZ Air

Higher education

45



Institutions



168,726

Students



46,850

University graduates



22,892

Foreign students



Budapest / Office Market

Office Stock:

4.4 M m²

Budapest's modern office stock currently totals 4.4 million square meters, positioning the city as the largest office market in Central-Eastern Europe after Warsaw. While office completions in the first half of 2025 were minimal, the second half is expected to deliver an additional 149,300 square meters of new space, bringing total annual completions to just over 154,400 square meters. Looking ahead, the development pipeline remains strong, with over 500,000 square meters currently under construction and supported by a high pre-leasing ratio.



Development pipeline:

504,000 m²

The total office space currently under construction stands at 504,000 m², including 10,400 m² of refurbishment projects—marking a 4% decline year-on-year. In 2026, approximately 256,900 m² of new office space is expected to be delivered, with 81% already pre-leased. For 2027, the pipeline includes 97,800 m², of which 91% is pre-committed. This exceptionally high pre-lease ratio is largely driven by planned relocations and consolidations within the public sector. Most of these purpose-built developments are concentrated in Budapest's Districts 11 and 14, reflecting a highly localized construction activity. The Non-Central Pest submarket accounts for the largest share (35%), followed by South Buda (28%), and the Váci Corridor (25%). In contrast, the traditional city centre—CBD and Central Buda—has only 3,100 m² currently under construction. Beyond the active pipeline, we are tracking thirteen additional projects in advanced planning stages, totalling 230,000 m². These could be delivered by 2028, although current economic and financial conditions are unfavourable for speculative starts. As a result, we expect construction to commence only once a substantial level of pre-letting or owner-occupation is secured.

The current development pipeline is heavily pre-committed, offering limited options for tenants with large space requirements. In cases of specialized needs, occupiers may face 2–3 years lead times for build-to-suit solutions. This lack of flexibility is contributing to a rising renewal ratio, as many tenants opt to extend existing leases rather than relocate. Developers remain cautious, avoiding speculative construction due to ongoing market uncertainty. Simultaneously, occupiers are hesitant to commit to new space amid evolving hybrid work policies. Many companies are still assessing their long-term space requirements, preferring to delay relocation and avoid significant capital expenditure on fit-out.



Office demand:

**4%
decrease in office
take-up in H1**

Total Leasing Activity (TLA) reached 212,900 m² in H1 2025, reflecting an 11% year-on-year decline. Excluding renewals, take-up amounted to 123,900 m², down 4% compared to the same period last year. Office sales contributed positively to take-up during the first half of the year. Among the top ten leasing transactions (excluding owner-occupier deals), six were renewals and four were new leases. Notably, two large-scale renewals were signed across multiple locations—one by a public entity and another by a property fund consolidating its operations. The average deal size increased by 3% year-on-year. New leases accounted for 43% of TLA, near matching the share of prolongation of leases. This balance suggests that many occupiers are opting to delay major relocations, aiming to manage costs amid ongoing market uncertainty.



Vacancy Rate:

12.8%
currently, but has
an outlook for
increase

As of September 2025, the overall office vacancy rate decreased to 12.8%, representing a 1.2 percentage point decline year-on-year. Within the premium 'A+' category, vacancy stood at 17.1%. Geographically, three submarkets recorded vacancy rates above the city average: Periphery: (19.4%), Central Pest: (17.3%), Non-Central Pest: (16.9%). In contrast, Central Buda maintained the lowest vacancy rate at 7.4%, supported by its prime location and a healthy balance between supply and demand. Nearly all submarkets experienced a decline in vacancy compared to H1 2024, with CBD and Váci Corridor showing stable rates.

The drop in vacancy is considered temporary, primarily driven by the limited volume of new completions. Forecasting the vacancy rate remains challenging due to limited visibility on public sector movements. In H2 2025, the market is expected to offer restricted availability, which may lead to a slight further decline or stagnation in vacancy. However, once new government offices are delivered, the vacated stock—primarily in the 'B' category—will likely push vacancy rates upward. This shift driven by public sector consolidation into new 'A' category buildings could result in the overall vacancy rate exceeding 15% by early 2026. Additional large-scale consolidations, such as that of MBH Bank, are expected to further amplify this trend.



Grade "A" Rent:

17.2 €/m²
/month

As of September 2025, prime office rents are quoted at EUR 25.25 / m² / month, reflecting a 1% year-on-year increase, while the average asking rent in vacant premises stands at EUR 15.1 / m² / month, 3.4% up y/y. Among submarkets, Central Buda recorded the highest growth with EUR 17.3 / m² / month (+7% y/y), followed by Central Pest at EUR 15.8 (+5% y/y). For ongoing developments, rents typically range between EUR 20–25 / m² / month, although data is limited due to the low volume of speculative projects. Mostly smaller scale developments with higher rental expectations, driven by location advantages or unique building features. In terms of building categories, 'A' grade offices average at EUR 17.2 / m² / month (+2% y/y), while 'B' grade spaces are at EUR 13.1 / m² / month (+3% y/y).

Service charges typically range between EUR 5-7 / m² / month. While the average lease term remains around 5 years, market trends are increasingly favouring more flexible lease structures, including the incorporation of break options. Incentives generally equate to half to one month of rent-free period per year of lease commitment. For new Grade 'A' developments, fit-out contributions usually fall within the range of EUR 750- 850 / net m², with some projects offering even higher levels of support.

Debrecen



Population

960,000

(greater area)



26

Major BSCs
in the city



5,295

Employees
of the sector



26

3*+ Hotels

Debrecen is the second largest city in Hungary and has a significant role in the nation's business services industry. As the major cultural, educational and economic centre of Eastern Hungary, the city offers accessibility by road and rail, while the international airport operates regular flights to various destinations from Debrecen. In addition to this, the city provides a good combination of a dynamically evolving economic life and a liveable environment at affordable prices.

Deutsche Telekom IT Solutions, BT, Transcosmos, Emerson-NI, Flowserve, EPAM, Diehl Aviation, NSC Global, Capgemini, T-Systems, Callfactory, DataExpert, Lupus Consulting, Cosmo Consult, 4iG, HTEC, Continental Autonomous Mobility, Delaware Consulting Hungary, TIGÁZ, Raiffeisen Bank Service Center, Leadec, CallComm, Aldi, Reed Talent Solutions, EY, Deloitte, PwC



10-14 €/m²/month

Average rental fee

'category A'



Transportation

220 km

from Budapest

5 km

from DEBRECEN

International Airport

The city has a modern office stock of ca. 120,000 m² – making Debrecen the largest office market among the regional cities. In Debrecen, the office pipeline has currently stalled, as the rapid expansion of recent years has successfully met existing business demand. Consequently, no new developments are being initiated at this time. The stock consists of several newly built and refurbished projects offering immediate availability on ca. 35,000 m² as of end H1 2025. Ca. 75% of speculative stock is modern "A" grade office buildings. The office stock is evenly spread across the city at strategic locations with high visibility and good access by car or public transport. The office stock is evenly spread across the city at strategic locations with high visibility and good access by car or public transport. Average rental fees of category "A" offices range from 10-14 EUR/m²/month, whereas category "B" offices can be found from 8-10 EUR/m²/month.

The city is already home to numerous international companies with a wide range of functions and sectors from IT and telecommunications through financial services to high added value engineering activities.

In a survey by Financial Times, examining international capital flows and investments, Debrecen was included in the TOP 10 list of best investment promotion destinations in the world. Besides its importance as a key regional office hub, the city has emerged as the most important industrial hub in Eastern Hungary due to significant FDI inflow in recent years. In the Debrecen area speculative industrial stock hit 253,000 m2 as of August 2025. It has excellent infrastructure and three industrial parks covering 1,400 hectares that are home to Vitesco Technologies Kft., BHS Trans Kft., Semcorp Hungary Kft., CATL and soon BMW.

Higher education

2
Institutions



7,515
Foreign students



35,719
Students



7,388
University graduates





Győr

Győr is the most important city of northwest Hungary, the capital of Győr-Moson-Sopron County and Western Transdanubia region, and—halfway between Budapest and Vienna—situated on one of the most important traffic artery of Central Europe. For almost three decades now Győr has been a top destination for international manufacturers, most notably Audi, who have established one of their leading engine and car factories here and as a result attracted a wide array of renowned suppliers. Although Győr is seen as a major industrial hotspot anchored by Audi, the city has a considerable service sector as well. The growing importance of the tertiary sector is reflected in the development of the office market. The largest office complex in the city is located directly in the city centre on ca. 23,000 m² GLA. Besides the centrally located offices, there is a significant modern stock in the industrial park in the vicinity of the Audi plant with a considerable office element (ca. 20,000 m² across various buildings). Office space is available in the city for a rental rate of 10-13 EUR/m²/month.



Population

780,000

(greater area)



10-13 €/m²/month

Average rental fee

'category A'



Transportation

121 km

from Budapest

153 km

from BUD Airport





4

**Major BSCs
in the city**



29

3*+ Hotels



800

**Employees
of the sector**

*AUDI Hungária,
Dana Hungary,
Leadec, thyssenkrupp*

At the same time, the labor market situation in the region is becoming more and more difficult, and in the case of Győr, the limited supply of plots also hinders further growth. Therefore, the balance is increasingly tipping only towards investors who require higher education and are less labor-intensive. The growing importance of the tertiary sector is reflected in the development of the office market. Besides the centrally located offices, there is a significant modern stock in the industrial park in the vicinity of the Audi plant with a considerable office element (ca. 20,000 m² across various buildings).

**Higher
education**

1 
Institution



13,116
Students



2,913
University graduates



819
Foreign students



Miskolc



Population

640,000

(greater area)



6
Major BSCs
in the city



1,400
Employees
of the sector

112 Emergency Call Center,
Callfactory, ONE,
MVM ÉMÁSZ,
Homecall Plus

Miskolc is the largest city in North-Hungary and is the seat of the most populous county in Hungary. Miskolc succeeded to transform its economic character and managed to shift the focus from heavy industry and mining to high value-added production and business services. The emergence of the service industry as a key economic driver is also reflected in the rampant growth of the office stock.



16
3*+ Hotels



11-14 €/m²/month

Average rental fee

'category A'



Transportation

187 km

from Budapest

180 km

from BUD Airport

120 km

from DEBRECEN

International Airport

The existing office stock totaling ca. 37,000 m² and has rather limited availability and is scattered across several historical buildings in the city centre. Miskolc is a reasonable choice for cost-sensitive companies as rents start from 6-8 EUR/m²/month for "B" grade properties, while modern "A" category office space available at 11-14 EUR/m²/month.

On the demand side, Miskolc city is home not only to services directly linked to the buoyant manufacturing industry, but also to various other back-office operations, mostly customer service centres. There have been four major business service providers in Miskolc for 20 years already, employing currently ca. 1,400 people. Close cooperation between the city, the University of Miskolc and the existing businesses are facilitating further growth in this sector. Besides attracting and retaining talented young people and an active workforce, the city is actively supporting the local Research & Development activities and working on a Smart & Green Miskolc concept to further increase the livability and attractiveness of the city.

Higher education

1 
Institutions



11,103
Students



1,517
University graduates



477
Foreign students



Pécs



Population

450,000

(greater area)



9

Major BSCs in the city



1,400

Employees of the sector

*Deutsche Telekom IT Solution Hungary,
Concentrix Services Hungary, Viessmann,
Aldi International IT Services,
OTP Bank (Contact Center), Soft Flow, Fressnapf, EY, Anderson Group*

Pécs is the largest city in South-Transdanubia and is the main educational and cultural hub in the region. The city used to have an industry-driven economy focusing on mining, manufacturing and food; however, there has been a gradual development of high-tech industries establishing in the city (including electronics IT network manufacturing). Current modern office stock is estimated to reach 46,000 m² - including properties with full occupation.



19

3*+ Hotels



10-12 €/m²/month

Average rental fee 'category A'



Transportation

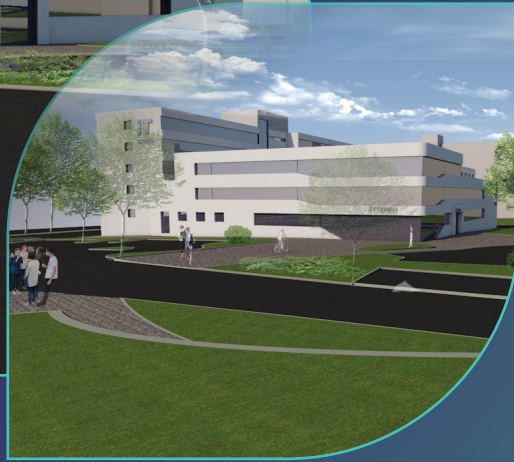
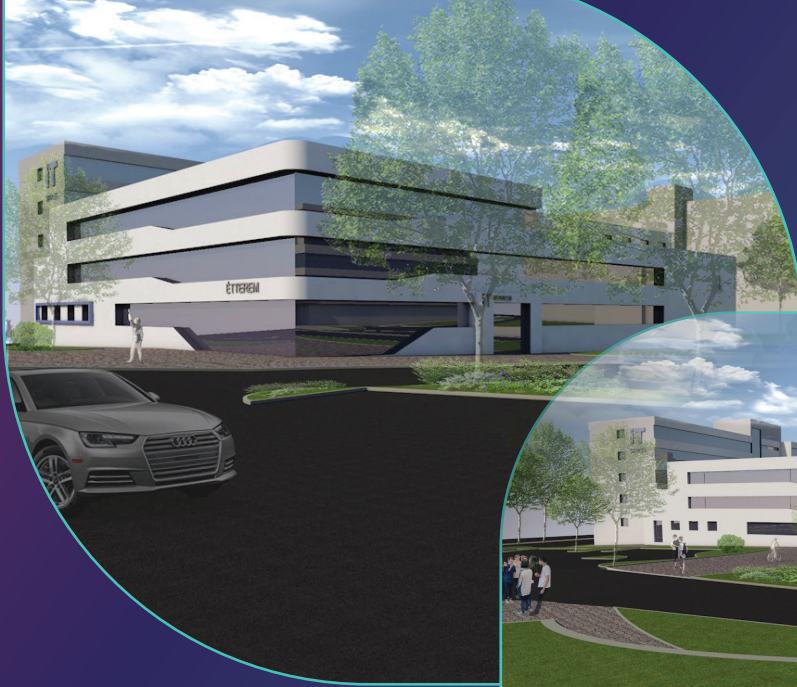
198

km
from Budapest

10

km
from PÉCS-POGÁNY
Airport

The stock consists mostly of smaller floor plates in refurbished historical buildings or in 'B' category facilities. Newcomer companies can choose among several office buildings of various quality. Based on existing plans, further 11,600 m² of office space can be developed upon tenants' enquiry at a later stage. The headline rents vary from 5-6 EUR/m²/month in 'B' category properties up to 12 EUR/m²/month in 'A' category stock. As a milestone of this economic transformation, in 2006 Concentrix (Convergys) opened a customer service with 200 employees in Pécs. Since then other companies from a diverse range of industries opened their new service centres in town - including IT Services, Unisys and more recently Viessmann and Aldi. The shared service sector is estimated to employ ca. 800 people with ambitious expansion plans in the future. Nevertheless, there is still room for other shared service centres to start operation in the city given the quantity and quality of the available labour pool. The economic backbone of the city is currently the domestic service industry and the smaller and medium sized enterprises present in the region. Nevertheless the skilled workforce coupled with relatively high unemployment and lack of other shared service operators create a great opportunity for new employers planning to set up operation in Pécs.



**Higher
education**

1 
Institutions



21,995
Students



5,095
University graduates



4,500
Foreign students



Szeged



Population

452,000

(greater area)



10
Major BSCs
in the city



1,600
Employees
of the sector

Bp, Deutsche Telekom, Provident, Yettel, Cosmo Consult, Leadec, thyssenkrupp, EPAM, Lightware, Lufthansa Systems

Szeged is not only the seat of the South-Great Plain region but also the EU's gateway city to Southeast Europe. The city is an important scientific centre, home to various medical, biological & biotechnical research centres and to the ELI-ALPS laser research institution. The Science Park is a planned scientific research centre to accommodate start-up businesses and innovative companies next to ELI-ALPS. The business services centre industry has emerged as an important driver of the local economy.



45
3*+ Hotels



10-12 €/m²/month
Average rental fee
'category A'



Transportation

175 km

from Budapest

160 km

from BUD Airport

The city has been a cultural and educational centre of the region, hence its economy strongly relies on the service industry. Szeged gives home to service centres operated for EPAM, Deutsche Telekom and Lufthansa Technik. The city has proved to be attractive to a number of IT companies recently to locate here their core functions. While the industrial market is still elementary in the city, this will change soon following the completion of BYD giga factory (on a 300-hectare site) in Szeged, which could strengthen the region's position in the real estate market. Large companies, focus on food processing and boasts a mix of manufacturing, are based here include: Pick, Continental, Sole-Mizo, BP, Naturtex, Goodwill Pharma. The current office stock is estimated at ca. 39,000 m², however, the majority of this space is occupied by long-term tenants. The new TILIA office in Szeged center was handed over in Q2 2025. Currently there is only one new project under construction, in the city center with the size of 2,700 m², to provide more opportunity for newcomers. The headline rent for new office space is in the range of 10-12 EUR/m²/month, whereas smaller office needs can be accommodated in current vacancies at a rent of 6-10 EUR/m²/month.

Higher education

2 
Institutions



24,604
Students



4,794
University graduates



4,284
Foreign students



Székes- fehérvár



Population

836,000

(greater area)



9
Major BSCs
in the city



8
3*+ Hotels



5,810
Employees
of the sector

Székesfehérvár, the largest city in Central Transdanubia with ca. 100,000 residents, serves as the economic hub of the region. Its closeness to the capital and its strategic placement along major railway and road networks have drawn numerous foreign investors to the city since the 1990s. This influx of foreign direct investment has been pivotal in transforming the city into a key Hungarian economic center, contributing to one-third of the region's GDP.

*Kézipénz-Invest,
Pannonjob, Kyndryl,
Alcoa Shared Services,
Hydro Global Business Services,
Logisztár Székesfehérvár,
Denso, Arconic-Köfém,
Harman*



8-12 €/m²/month
Average rental fee
'category A'



Transportation

57 km

from Budapest

88 km

from BUD Airport

Additionally, Székesfehérvár has emerged as the focal point for electronic manufacturing in Hungary, while the service sector, particularly IT, is becoming increasingly significant. The business sector in the city employs around 3,000 individuals. Most of the modern office spaces are located in industrial parks within mixed-use facilities. Nonetheless, there is approximately 12,000 m² of office space available in the city center, with rental rates starting at 8 EUR/m²/month. Székesfehérvár, Hungary, is a key industrial hub known for its diverse manufacturing sectors, including automotive, electronics, and food processing. The city's strategic location and well-developed infrastructure facilitate trade and logistics, attracting both domestic and international investment. Additionally, Székesfehérvár's skilled workforce contributes to its reputation as a center for innovation and industrial growth. With a modern real estate stock of almost 700,000 sq m, the industrial parks serve as major business hubs in the city, offering modern workspace opportunity for occupiers without specific warehouse requirement as well.



Higher
education

2 
Institutions



1,560
Students



262
University graduates



38
Foreign students



Veszprém



Population

200,000

(greater area)



5

Major BSCs
in the city



1,200

Employees
of the sector

*Continental,
Valeo,
thyssenkrupp,
Elevate Healthcare,
Charles River Laboratories*

Veszprém, located in the Central-Transdanubian Region near Lake Balaton, is swiftly becoming a key destination for office space opportunities. Its geographic advantages and burgeoning economic landscape make it an appealing choice for businesses seeking growth and innovation.



6

3*+ Hotels



6-9 € /m²/month

Average rental fee

'category A'



Transportation

115 km

from Budapest

140 km

from BUD Airport

The city's proximity to the leisure destination of Lake Balaton enhances its attractiveness for potential residents and employees, while its connectivity to Budapest via expressways and railways makes commuting easy. This well-established infrastructure positions Veszprém as a viable location for office spaces. The city offers a variety of office space options, including modern premises in industrial parks and historic city center locations. Newly constructed buildings focus on high energy efficiency, appealing to environmentally conscious businesses. New office space can be created upon emerging demand from occupiers - plans are ready to cater to businesses seeking contemporary facilities. Rental prices in Veszprém are competitive, with older premises starting at 6 EUR/m²/month and newer developments from 9 EUR/m²/month. These rates, combined with the city's cultural richness and modern infrastructure, make Veszprém an attractive location for businesses looking for office space.



**Higher
education**

2 
Institutions



5,965
Students



1,976
University graduates



326
Foreign students





www.hipa.hu

We contribute to the economic development of the country by promoting Hungary as an ideal location for investments and by providing management consultancy services to investors and prospective investors. In the framework of our policy advisory activities we mediate between business and government and collect company feedback in order to prepare policy proposals to further improve the business environment. We are also responsible for investment incentives and work as the managing body of the VIP cash subsidy system based on individual government decision. We provide management consultancy services in the fields of location selection, supplier development and mergers and acquisitions in a one-stop-shop service model on a free of charge basis.

Before you make a decision, in the framework of our **one-stop-shop management consultancy** model we offer you the following services to address your business needs:



Information packages on the business environment, labour market, tax regulations, etc.



Meeting with HR and real estate agencies, law firms and other consultants based on your needs.



Location search, evaluation and site visits.



Reference visits at companies that are already established in Hungary.



Tailor-made incentive offers and assistance with your incentive application.

After you have successfully established your business in Hungary, we are **open for your feedback** to enhance business environment, also we offer **mediation between government and business** based on your inputs.

CONTACT US

Address: 1055 Budapest, Honvéd utca 20.
Customer service: investment@hipa.hu
Telephone: +36 1 872 6520

ABSL Hungary - the Association of Business Service

Leaders - is the leading professional non-profit organization in Hungary, dedicated to fostering cross-border collaboration, developing industry expertise, and positioning the business services sector as a key driver of the national economy. Through ABSL Hungary, industry leaders and stakeholders deliver a unified, influential voice that is crucial in shaping the country's economic landscape. The purpose of the Association is to inspire collaboration in the regional industry, to achieve international knowledge sharing among companies in the business services sector, to exchange

best practices, to inspire the company communities in the sector to continuously strive for excellence, and finally to promote the constant growth and strengthening the position of the sector in the region. ABSL Hungary offers an array of membership benefits and partner advantages. Members can tap into diverse networking opportunities, connect with industry experts, and gain access to exclusive research and insights. They collaborate within a thriving community, share experiences, and have a voice in advocating industry best practices. Partners benefit from increased brand visibility, access to a wealth of knowledge for innovative projects, and opportunities to forge strategic alliances. By joining, you will be recognized as a company committed to shaping the future of the business services sector and contributing to meaningful initiatives. Whether you are seeking networking, international insights, or impactful collaborations, ABSL Hungary provides the platform to unlock value in the business services landscape.



www.absl.hu

The American Chamber of Commerce in Hungary (AmCham)

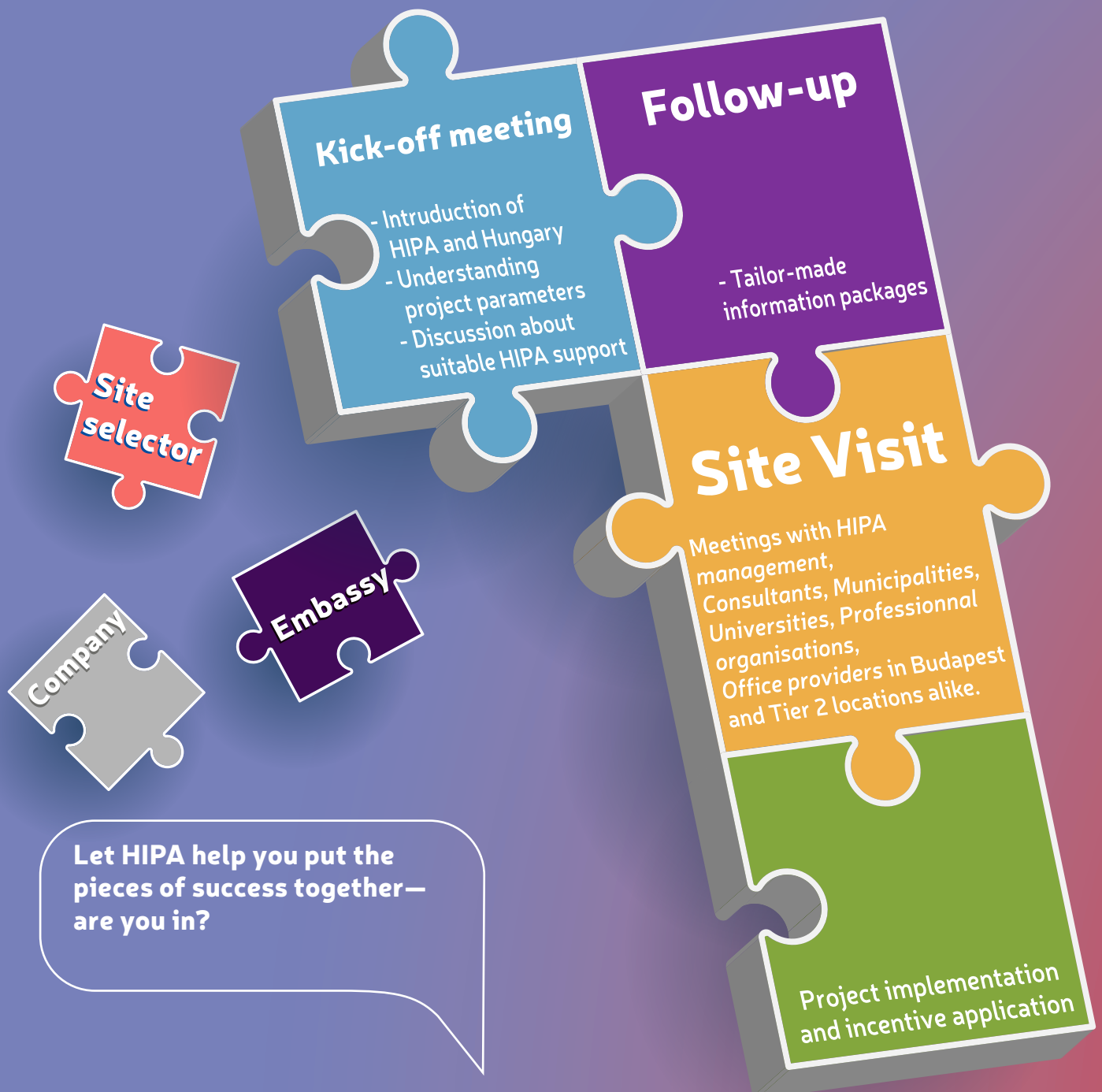
is one of the most influential and trusted business organizations in Hungary, representing local and international business interests since 1989. A member-funded, politically independent platform consisting of over 300 companies from a wide variety of sectors who share a firm commitment to the ideas of partnership, cooperation, and the exchange of best practices. In this sentiment, AmCham, together with 20+ member companies and in partnership with the Hungarian Service and Outsourcing Association launched the BSS Hungary working group in 2019, a very first industry cooperation on sector branding. Since the foundation, participating Business Services companies have been working together in an inspiring cooperation towards the common goal of being amongst the top 3 most attractive sectors in Hungary, and the number one choice for career starters. BSS Hungary has also established strong educational partnerships, involving university guest lectures and trainings to help students make more informed decisions about their future and career. The working group's mission has now evolved into being a platform for sharing knowledge and best practices among its members, and advocating for initiatives aimed at strengthening the sector's competitiveness both domestically, and in comparison to the international scene.



www.amcham.hu
www.bsshungary.com

Portfolio of HIPA

Whether a **request comes** directly from a company, indirectly from a consultant, or through a Hungarian Embassy to HIPA, investors can benefit from the extensive support provided by our one-stop-shop service system. During the initial **kick-off meeting**, in addition to presenting Hungary's favorable investment environment, we assess the company's needs and, based on the planned project parameters, gather all relevant information—such as taxation, labor regulations, HR benchmarks, and office proposals—to be shared with the investor in a **follow-up letter**, potentially involving external consultants. If the company wishes to gain a first-hand perspective on the proposed opportunities, we organize **site visits** covering multiple cities, where the company can explore the possibilities offered by Budapest and other Tier 2 university towns. These visits include meetings with HIPA, local municipalities, universities, various consultants, and locally operating Business Service Centers. If certain criteria are met, we also provide comprehensive support in **applying for various incentives** that can further support the investment.



BYD's BSC Success Journey in Hungary

Chinese companies are also discovering the opportunities in the Hungarian business services sector, with BYD standing out as one of the most prominent recent investors. Already a long-term player in Hungary through its electric bus manufacturing plant in Komárom, established in 2017 and its additional operations in Fót, where the company runs a battery assembly and component plant supporting its European markets, BYD has since expanded and further strengthened its presence by announcing two large-scale, strategic investments: its first European passenger vehicle manufacturing plant in Szeged and its European Headquarters and R&D Centre in Budapest. Together, these projects represent a turning point in Hungary's role within the global electric vehicle value chain.

The investment was preceded by a thorough preparation and negotiation process lasting over a year, during which HIPA provided continuous support. HIPA assisted BYD in establishing connections with Hungary's leading universities, and liaising with local talent networks to ensure access to skilled multilingual professionals. These factors, combined with Hungary's strategic location and supportive investment policy, ultimately convinced BYD to place its highest value-added activities in Budapest. The new headquarters will coordinate BYD's entire European business operations and serve as a multifunctional business and R&D service centre, integrating management, financial, HR, and customer experience functions, while employing several hundred highly qualified professionals in the first phase.

Beyond business operations and innovation, BYD's Budapest centre will play a pivotal role in knowledge creation and cooperation with academia. The company has committed to forming strategic partnerships with three Hungarian universities, launching programs that involve master's and PhD students, and investing billions of HUF into academic collaboration. Significantly, BYD also pledged to register at least half of the patents developed in Hungary locally – a remarkable achievement given the company's global innovation capacity.

Together with the forthcoming passenger car manufacturing plant in Szeged, BYD's headquarters and R&D centre in Budapest reflect Hungary's successful evolution from an industrial production base into a host country for complex, high value-added business service and research functions. The establishment of the European Headquarters further demonstrates how Hungary's highly skilled workforce, supportive business environment, and proactive government policies attract not only production facilities but also global strategic operations and innovation centres – reinforcing the country's position as a genuine meeting point for Eastern and Western investors, ideas, and expertise.



Investment Incentives for BSC Projects



VIP cash subsidy and development tax allowance



For the establishment of a new business service center or for the expansion of BSCs different type of incentives are available in Hungary. The subsidies for training and R&D – in the form of cash grant – are available throughout Hungary. The VIP cash subsidy is available based on the individual decision of the Hungarian Government and may be combined with the development tax allowance (CIT allowance) up to the regional

maximum aid intensity threshold in locations that may be supported by regional aid according to the European regulations. The theoretical maximum amount of the subsidy – influenced by the number of jobs created by the implementation of the investment, the added value of the proposed service activity and the level of development of the region where the project will be implemented – depends on the location of the investment.

Regional aid map of Hungary (2022–2027)

Based on the new regional aid map, an investor classified as a large enterprise is entitled to receive subsidy up to 50% in Pest county. This excludes the area of Budapest city. Additionally,

capacity expansion projects carried out by large enterprises in Central Hungary region will no longer be excluded from receiving regional aid starting from 2022.

VIP cash subsidy for BSCs



The VIP cash subsidy is a non-refundable, post-financed cash grant, regulated by Gov. Decree No. 210 of 2014 (VIII. 27). The incentive procedure – managed within the framework of the one-stop-shop service system of HIPA – commences with the submission of an application form (request list) describing the investment to be subsidized.

Conditions and eligible costs



The VIP cash subsidy system is designed to support the establishment and the expansion of business service centers. The aim of the project to be subsidized determines those indicators (activity, number of new jobs), which shall be met for eligibility in respect to the subsidy. The activities to be performed by the investor company as a result of the subsidized investment – creating at least 25 new jobs – shall comply with the activities as programming, data processing, hosting and other information service activities, legal and accounting activities, activities of head offices and management consultancy, engineering activities or scientific research and development. The eligible costs are 24 months of personnel related expenses of the newly hired employees within a three-year-period.

Training Subsidy



The Hungarian Government also provides a VIP training subsidy, available for projects with eligible costs of at least EUR 250,000 and involving the training of a minimum of 25 participants. This subsidy is provided for internal or external training projects covering up to 50% of the eligible training costs (personnel related costs of trainees and trainers, cost of travelling and accommodation, material costs, etc.). The amount of the subsidy may not exceed EUR 5,000 per training participant and EUR 3 million per training project regardless the location of the project.

R&D Subsidy



The aim of VIP cash subsidy for R&D projects is to promote the R&D activity of large and medium enterprises with min. 50 employees (at a group level), and the creation of R&D competence centers in Hungary. The incentive scheme provides the opportunity to grant aid for R&D projects implemented in Budapest and in other parts of Hungary if at least 10 new R&D position is created. The level of the cash incentive is based on several factors in relation to the R&D projects, namely, the location of the project, cooperation of the company with research partners, ownership of industrial property protection, etc. The amount of the incentive may not exceed 50% of the eligible costs of the subsidized R&D projects (personnel related costs, depreciation of assets, material costs, etc.)

Subsidy for the Creation of R&D hubs

The aim of VIP cash subsidy for the Creation of R&D hubs is to help companies that have not carry out research activities in Hungary yet to establish a new R&D infrastructure, providing opportunities for future R&D projects. This form of subsidy is a special type of subsidy provided to the regional service centres that creates even more favourable conditions for R&D developments. The subsidy is available for large and medium-sized enterprises with min. 50 employees (at group level). The subsidy can be provided across Hungary, excluding Budapest. The company may be entitled for the subsidy if its activity is not registered under NACE 7210 Research and experimental development on natural sciences and engineering or 7220 Research and experimental development on social sciences and humanities in the company registry.




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