



**SUSTAINABILITY
REPORT
2019**



EGYÜTT. VELED



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QUALITY
EDUCATION

DIGITAL COMPETENCY

Development of communities, consciousness forming

As a responsible corporation, we believe that we are not only here to provide services to our customers but also to educate them on the safe and responsible use of internet. Along these efforts we aim to close the digital divide in Hungary, because we firmly believe that digital solutions can bring us closer to achieving our goals.

Not only do we bring them into this world, but also give them guidance so that they clearly see the potential and the threats involved. As part of our initiatives, we put extra emphasis on the online and physical safety of our children. The goal of our **Child Protection Guidelines** is to ensure that every child or young adult access the information they need in an enjoyable and safe environment, because the wellbeing of children is of primary importance. Our Child Protection Guidelines, information materials and tests are available to everyone on the legyelteis.hu site.

Become a member of Generation NOW! Program

By launching the **"Become a member of Generation NOW!"** Program, Magyar Telekom's goal is to enable everyone independent of their age to access the benefits offered by digitalization not only by providing access, but also by developing their digital competences.

At Telekom, we find it important that the elderly be able to access the benefits of digitalization, but are aware that they need support and guidance in that.

Clearly, they should receive that help from those who navigate that field the most confidently, i.e. from high-school students, who are happy to spend their time to provide help and have a good time at the same time.

Along the following concept, we have designed a program in which we cooperate with high-schools and organize students to hold digital education classes, as part of their community service, for members of pensioner communities. In course of the classes, they introduce to them digital solutions that can help them in their everyday lives. While bringing the two generations closer together, we help pensioners to benefit from the phenomena of the digital world, its unlimited possibilities, the knowledge, information and community experience it provides. Thus, they become more enabled, as they will be able use the digital competences they acquire to take one step further, and achieve their goals, take action upon their own initiative.

The "Become a member of Generation NOW!" initiative, which provides an alternative volunteer opportunity to students, has a

low entry level, still generates significant value for society, and gives students a real feeling of achievement.

At the sessions, the young participants can also learn a lot from the elderly, and by cooperating, they can exploit their respective abilities to the fullest. Cooperation is a decisive factor in the development of their personality, and helps them build skills like critical thinking, complex problem solving, creativity and communication. The sessions are organized with the involvement of schools and are held typically in school environment or other social spaces by the non-profit partners involved in the Become a member of Generation NOW! program, who also undertake to conduct the sessions, liaise with the participants, and issue certificates as evidence of the community service rendered.

Following the pilot run at Budapest in the spring of 2019, the Become a member of Generation NOW! program was rolled out nationwide from November 06, 2019 to cover the schools and pensioner communities of 13 towns. A total of 1531 people, 762 students and 769 pensioners took part in the nationwide program in 2019.

To support them in their preparation, we provide a detailed syllabus to the students and preparatory sessions they can register to online. The pensioners can take a quiz to determine what they need to learn.

In course of the program, we put extra emphasis on observing the Child Protection guidelines.

Telekom's objectives regarding the enforcement of the guidelines:

- Provide the necessary information to all participating partners about the content of the protection guidelines and the related processes.
- Demonstrate to the children, the parents, the teachers, the pensioners and other partners the commitment of the Become a member of Generation NOW! program to security.
- Share information and the right practices with the children, the parents, the teachers, the pensioners, other participating partners, our employees and volunteers about the protection of children and vulnerable adults in the Become a member of Generation NOW! program.
- We are committed to the regular revision of the present guidelines and the right practices.
- Provide particular protection to the children and vulnerable adults attending the Become a member of Generation NOW! program events. We firmly believe that nobody should be a victim of any form of abuse. We feel responsible for the wellbeing and protection of children, the youth and vulnerable adults. We strive to protect them in our work processes, too.
- To appreciate children, we need to listen to them and give them the respect they deserve.
- Provide a safe environment to children, youth, teachers, pensioners and partners, employees participating in the Become a member of Generation NOW! program.

Digital Theme Week

Digital Theme Week, organized by the Ministry of Human Capacities and coordinated by IVSZ, was held between April 8-12, 2019. The main objective of Digital Theme Week is to improve digital competence and implement curricular development goals by efficient application of technologies in pedagogical projects.

At Magyar Telekom we believe that by seizing the opportunities offered by the digital world, anyone can make progress in his or her specific domain, be that relevant to personal, family or social goals. Being a leading ICT company, Telekom bears digital responsibility in terms of its duty to enable the widest possible layers of society to access innovative services, and to contribute to the improvement of Hungary's digital maturity by its educational initiatives. For that very reason, Magyar Telekom has been a regular participant of Digital Theme Week. Relying upon the company's knowledge base, as well as the employees' expertise and experience, volunteers of Telekom and T-Systems held interactive presentations to 2800 students of 27 schools in 2019 addressing four topics: social media and personal branding, internet security, IT careers and future jobs. The success of the program is partly based on the fact that the students can discuss issues of their interest with experts who have up-to-date, practical knowledge about the given topics due to their daily work experience.

Magenta 1 Non-profit proposition

In 2019, we renewed and extended the range of our propositions to non-profit organizations. Being a responsible service provider, we support and promote the digitalization of the non-profit sector in order to make its players even more efficient and effective. Digitalization make it possible for them to conduct their business and keep in contact, which saves energy and resources for them that they can spend on generating social and environmental value.

In order to support non-profit organizations, Telekom and T-Systems elaborated its Magenta 1 Nonprofit proposition, which includes mobile voice and data in addition to fixed internet and voice, for a HUF 0 (zero) monthly fee for one year. We provide the Magenta 1 Nonprofit package to non-profit organizations, whose applications have been accepted. The services included in the package will be provided to them for one year. The winners were selected by the donation committee of Telekom and T-Systems.



INDUSTRY-SPECIFIC SUCCESSION POOL

Intern jobs in 24 hours

The 24-hour intern selection program has a dual objective: to show the youth that using digital phenomena, they can land a job in 24 hours, and to find the most talented intern candidates for Telekom, who can become part of the company's succession pool.

The 24-hour program is based on the idea that it takes only 24 hours from putting up the intern job ads to hiring the candidates selected. After a quick registration, HR used an online skills assessment game and a video interview to select the candidates that best fit the positions. They were invited to the headquarters to be interviewed by their future supervisors. In the afternoon of the interview day, we announced at a ceremony who had proven to be the best and thus could start their careers at the company. In 2019, 28 students were hired by Telekom by the 24-hour selection method.



Projects and case studies

It is an important goal of Telekom not only to support the growth of students who work for the company as interns, but to enable the greatest possible number of the young to acquire practical knowledge even during their college years. In order to achieve that, we are in cooperation with several student organizations, colleges and universities.

As part of the Action Learning class, students of BCE can work on real Telekom projects for half a year, while our partnership with Liska Tibor Advanced Studies Group enables students of BME to gain experience with a real-life corporate problem. In case of both initiatives, the students get their problems to work on at the first session, then they may consult their respective Telekom experts at certain intervals to ensure the best results. They can present their solutions at the end of the term.

It was in 2019 for the first time that Telekom launched a case study contest under the title "Challenge. Accepted?". Teams could enter into competition in three categories: we expected students of IT, business and communication/marketing. In the first round, the students had to elaborate a proposed solution to a business problem related to their own areas of studies, based on which

three teams got into the finals. In the two-day finals, we created mixed teams from the students from different areas of studies, which means they had to work together on complex, cross-functional cases in a way that they had just got to know each other in the morning. They had 24 hours to elaborate their solutions, and they presented their proposals to a jury composed of Telekom managers during the second day, who then selected the best solutions, and gave feedback to the participants. Members of the best team were offered intern jobs at Telekom.

Career advice

It is important for Telekom to support the young in learning about the greatest possible number of career paths, and thus be able to make their choice based on a wide range of options. In 2019, the company took part in the Educatio exhibition, where, in addition to the company attending as an exhibitor, Telekom's Chief People Officer, Zsuzsa Friedl delivered an inspirational speech about the most important skills students must have in the future to be successful.

Career options were also the focus of the IT Picnic informal job fair organized for IT professionals, and we presented successful professional careers at one of the stations of the "Successful life stories" lecture series of FMN, BCE's student organization addressing women's careers.

TSM Academy

T-Systems Hungary launched two academy programs. They were about IT infrastructure in 2017 and 2018, and about SAP in 2019. The goal of the academy is to provide a training program for new graduates or people thinking about changing careers that they can use to acquire knowledge that is unique and competitive on the labor market, as well as to enable them to start their careers at T-Systems immediately upon the successful completion of the training. A total of 197 people applied to T-Systems Academy SAP in 2019, and after the preselection assessment of 140 of them over the phone, 48 attended group interviews, and finally 11 junior SAP developers and 10 junior SAP consultants started the training in September. The training, which also provides a salary, is open not only to external applicants, but also to employees who would like to test their abilities in other areas, too. The participants can in the meantime continuously and actively work on our company's specific projects and overall operation, which pose professional challenges every day.

Fazekas Day

T-Systems Hungary was present at the Fazekas Day event in 2019, too. The festival held at Fazekas Mihály Primary and High School Budapest aims to give students an outlook on real life, and enable them to learn more about the greatest possible number of topics of their interest, thus enriching their knowledge and helping them better understand their further education options. Gábor Vasvári and Manuella Lukács from Kitchen Budapest represented

T-Systems Hungary at the event on March 20. In their inspiring presentation, they presented T-Systems's innovation lab, Kitchen Budapest and its different projects from the past and the present.

Digital Education Meetup

Digital Education Meetup is a part of the Become an IT Professional! program. Digital transformation quickly reshapes educational demand. T-Systems Hungary wishes to serve that purpose and to establish an optimal learning environment for kids by means of its Modern School program designed to support education. In the framework of the program, the company offers free-of-charge online learning materials for teachers they can use to earn further training credits, and a gamified robotics training package to institutions. A total of 102 high school students and 87 teachers from schools located in Budapest and in the countryside attended the Digital Education Meetup.

IT Education Conference

HTTP Foundation organizes its IT education conference for teachers and managers working in IT training, as well as for representatives of governmental agencies, professional organizations and companies. The conference provides a wide-scope perspective on the current status of IT education for the education, education-policy and corporate spheres alike.

The purpose of the conference is to help teachers who work in the area of IT education to find their way in this period of rapid change and vast number of novelties, as well as to give them inspiration in their personal professional development. Zoltán Kaszás CEO delivered the keynote speech of the 2019 event about T-Systems's solutions and the related potential and challenges of digitalization.

Startup Safari

Startup Safari is an international two-day initiative, which is somewhere between a professional conference and an easy-going festival: the most exciting startups located at Budapest open their gates in the form of breakfasts, office tours, workshops, hackathons and trainings.

The objective of T-Systems, which supports the program in its capacity of being a market leader ICT company, is to demonstrate its openness within its organization towards trends shaping the future of how we work, and to draw attention to the possibility of working for a multinational company on a project basis, as a freelancer, and thus refute the most frequent stereotypes about the multinational world, including the mutual exclusivity of freedom and working for a multinational firm. Due to the nature of IT tasks, most of the work pursued at T-Systems provides an excellent opportunity to us to work with freelancers and smaller creative teams, who are used to working together with each other, in our projects impacting and shaping the world.

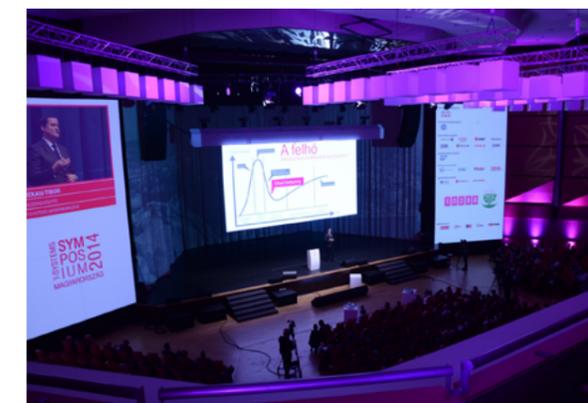
Become a digital teacher now!

In our Become a digital teacher now! material, we introduce new methods, programs that are easy and quick to integrate into classes, as well as exciting and interesting for students, which can make classes intriguing for the young. Using the practical descriptions, many ideas and advice in our mini training course, participants can become digital teachers step by step. Beyond ideas for classroom content, they can learn about solutions that can make administration, liaison with parents or collaboration with colleagues more efficient. Reading and learning the contents of the material, the first 15 000 participants to take the exam get 5 credits after having successfully filled in the online test based on the book.

Symposium

T-Systems Hungary Symposium is a unique and internationally acclaimed professional conference of the digital world and Hungary's innovation, the goal of which is to provide answers to one of the most current questions: how can the economy and the society keep pace and change along with the technology, and what is more, guide its development.

At the 8th Symposium conference, organized in 2019, approximately 2000 people, including decision makers of economy and innovation policy, renowned Hungarian technology experts and major players of ICT obtained inspiration from lectures, demos and attended special programs aimed to find the answer to challenges of the present and the future together.



Smart City Challenge finals

Shared economy, smart public transportation and smart office buildings were areas in which the organizers of Mathias Corvinus Collegium – T-Systems Smart City Challenge invited solutions from university teams. The topics were selected because an increasing amount of focus and funds are dedicated globally to smart city development programs. In Hungary, T-Systems supports new solutions in this area not only as an innovation partner, but also by providing an incubator environment.

At the semi-finals, the teams brainstormed about smart public transportation, smart office buildings and sharing economy topics with the help of mentors. Courtesy of T-Systems, the winner team attended the 3-day Smart City Expo held in Barcelona in November, where they learned more about the smart city solutions of different companies, cities, countries, too.



EDUTAINMENT, INSPITAINMENT

Sustainability Day

The Sustainability Day (FN12) was organized on the twelfth occasion on September 14th. The conference with the slogan “DIRTY12 – 12 dirty problems” was organized in the Aquarium club and more than 11000 visitors were interested in. This time, it was Eszter Cseke and András S. Takács (On The Spot) who helped the audience to be inspired with the topic.

Experts on the environmental panel addressed issues concerning climate change, air pollution and plastic-waste. Afterwards, members of the social panel explored three dirty problems of sociality: health effects of climate change, fast fashion and prejudices. Experts on the economic panel discussed problems of dark web and cryptocurrency, overconsumption and media. Panel +1 was organized around the theme of the individual in 2019, too. The experts discussed the topic of „social bubble”, the procrastination and delinquency.

The attendees of the event could visit many of reputable organization who presented their sustainability activities. During the day more than 40 exhibitors waited visitors with interactive presentations, games and informational materials. The exhibitors informed people about sustainable transport, renewable energy using, urban gardening, waste management and recycling, sustainable food and conscious consumption, equal opportunities and accessibility, introduced digital solutions, but there were a lot of children's program for the little ones as well.

Our Sustainability Day is an opportunity every year for Magyar Telekom to recognize the best. In addition we recognized the winners of the „Let's clarify something.” creative contest, which forms a part of the FN12 event. The jury handed out 3 prizes in the different categories of film, music/ slam and creative projects, and visitors of FN12 voted for the winner of the audience award. The creative contest was sponsored by CISCO, NOIZZ.hu, Ringier Axel Springer and Samsung.

In line with our traditions acknowledgments were given to the three most popular exhibitors on the basis of the attendees' votes. This year the acknowledgment was given to Meixner School, NEO Hungarian Helper Dog Public Benefit Association and Greenpeace.

The all-day event was closed by a huge party to the music of the Random Trip band.

Mobile Experts

Our Mobile Experts (Mobiltudósok) are to be found in Telekom shops offering help and support to visiting customers in the use of our devices and services. They provide information on how the internet can improve the customers' lives (administration, banking, online shopping). Our experts can also be found online: they share their knowledge about the latest technical improvements, products and interesting facts. Their blog can be found on the Mobiltudós blog and they are also present on Telekom's Facebook page.

Hello Biznisz

The Hello Biznisz program was launched to guide SOHO/ SMBs in the maze of management, workforce management, marketing, sales or finance. We help our SOHO/SMB partners to answer their questions with practical know-hows and information, both in written and video forms too.

Edutainment/inspitationment contents

With our Edutainment and Inspitainment content, we empower everyone to use the achievements of the digital world according to their level of technological adaptation, and to make their lives more sustainable, simpler and digital. Throughout the program, our contents has been viewed by hundreds of thousands who become a member of the Now Generation

Telekom Forum

Telekom Forum is an online social platform where our existing and potential customers can chat, find information about our services, and about the use of internet and smart devices, and also information about access to various online contents. The page is public and worth to visit for all who wish to gain firsthand information about Telekom products from the most reliable experts: the users themselves. The page is moderated and supported by Magyar Telekom experts.

NOW Forum

Magyar Telekom launched a residential, professional education event series in 2019, where we discussed digitalization, the appearance and effects of technologies in our lives with experts, addressing different topics on a monthly basis. A total of 7 sold-out Forums were held in 2019 attended by a total of 2000 people. The goal of the series is to build a community of people thinking together that can serve as a source of inspiration for other communities and stakeholder groups by involving opinion leaders and putting the spotlight on positive examples, innovative solutions and digital trends..



PROTECTION OF OUR CHILDREN IN THE DIGITAL AGE

Magyar Telekom is committed to assist children's, parents' and teachers' safe use of the internet and uses its best endeavors to support it. The Company's **child protection website** helps this effort with controlled content, advice, education and events organized for children and their parents alike to be prepared for risks of the digital world..

Be safe! On the net

At Telekom, we believe in children's right to benefit from technological achievements, seize opportunities offered by digitalization to live better lives, grow and succeed. It is our goal to provide children access to information in the widest possible sense, the opportunity to express their opinions freely, exercise their right to privacy and equal opportunity, at the same time we are responsible for ensuring that they do all that safely, conduct themselves properly in the online space and not be victimized in any manner.

What do we do?

1. We provide every child access to technology and safe environments designed for their age groups to minimize risks.
 - The Mobile Professors at our shops provide technical help in setting security parameters of the devices, as well as in installing filter software.
 - We sell our devices with data protection features set to a high setting by default.
 - When designing, developing and introducing products and services, we keep children's right in the focus.
2. For safe internet use and quality online content consumption, we organize educational presentations at schools with the involvement of our corporate volunteers, and share informational materials on our online channels.
 - We take part in centrally organized programs, which are aimed at establishing safe environments, as well as to promote digital literacy, like **Digital Theme Week**.
 - Our volunteer colleagues visit schools and hold internet safety classes for students aged 10-14 about topics like data protection, physical security, harassment, personal branding, and how to behave in the online space, etc.
 - By means of our **Teachtoday** initiative we strive to provide support to the young, their parents and teachers in acquiring knowledge useful in their everyday lives in the form of practical tips and materials.
 - We provide **educational materials** for use at home or in the school.

Teachtoday - Telekom for the conscious use of the internet

As a responsible large enterprise it is among our tasks to help and promote the safe use of the internet. We use our best efforts to ensure that all age groups leverage the opportunities offered by the digital world in a smart and conscious way and we also work

on the elimination of the digital divide between certain areas of Hungary. In November, 2017, similarly to other members of the company group, Magyar Telekom also joined Deutsche Telekom's "Teachtoday" initiative to disseminate online education content with the objective to reach a broad audience.

On the **Teachtoday website** the relevant content is linked to everyday situations explaining how younger generations use internet while taking into account potential differences in needs and living conditions. The platform offers practical tips and solutions to parents and children alike on topics like data protection, big data, social networks, use of mobile phones or popular applications. The topics are colorfully varied and the website offers case studies, interviews, tips, infographics, magazines and games, too. The site even offers media competence tests for two different age groups.

For parents

Sometimes it is hard for parents to understand the online world of children. On the Teachtoday platform parents may find useful information on the advantages and disadvantages of applications, for example they may learn why young people love Musical.ly so much, or how intriguing it is to learn effortlessly while playing a game on a digital device. The website offers tips for meaningful conversations with children on data security or cyberbullying. It gives advice and support if we do not know at what age should we give mobile phones to our children and with the help of a draft mobile usage agreement it helps to encourage children to observe certain basic rules. A dedicated subsite is about the issue of responsibility, where we can get an objective perspective on topics like personal data privacy, harassment, hate speech, net manners or online identities.

For teachers

Teachtoday helps the work of teachers with ready-made modules that can be immediately incorporated into the digital curriculum as well as best practices and examples. For example, teachers can set up a Media Adventure Park together with the students or may acquire new skills and knowledge with the use of the Be a meteorologist! project.

For children

While browsing the Teachtoday website children may playfully acquire the skill of conscious use of devices. They may read about useful applications in the App Tips or may find ideas on how to make great videos.

The site helps them navigate a world lead by opinion leaders, differentiate news from disinformation, and stresses the importance of formulating your own opinion. In the context of changing consumer habits, it invites its young readers to go on a digital shopping round, revealing for them the opportunities and traps inherent in online purchases.

The downloadbale English language Scroller magazine is written for small children as another fun source of information about the digital world.

Smart watch for kids

Many people are reluctant to buy smart phones for their kids of 6-12 years old, as they might not be able to take care of the device, and parents cannot properly monitor what their children do online. At the same time, a sense of safety is an important aspect, when we do give a smart phone to our kids, often too soon. It was based on that need that we made MyKi Gyerek smart watch available from December 1, 2018.

