



# SUSTAINABILITY REPORT

# 2018



EGYÜTT. VELED



# 5. EMPLOYEES

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## 5.1 HUMAN RIGHTS AND EQUAL OPPORTUNITIES

### Policies and agreements

#### Code of Conduct

The **Code of Conduct** that has been renewed at the beginning of 2018 provides the framework of orientation for all employees of Deutsche Telekom Group and Magyar Telekom Group. Additionally, it applies to people to who are viewed as equivalent to employees in functional terms, e. g. to temporary agency employees. It combines the joint requirement of compliance with legal obligations and acting with integrity and thus secures that Deutsche Telekom Group and Magyar Telekom Group remain transparent and traceable enterprises for everybody. Deutsche Telekom and Magyar Telekom expect their suppliers and consultants to comply with the rules of behavior manifested in this Code of Conduct and to endeavor them to ensure that they are also obliged to abide to its regulation by contract.

#### Code of Human Rights and Social Principles

The **Code of Human Rights and Social Principles** and the Equal Opportunities Plan of Magyar Telekom set the general human rights principles of the group and guidance to their group-wide implementation. Magyar Telekom Group recognizes and respects the fact that the cultural, social and legal diversity of its employees provide the foundations of operations based on equal opportunities. It is also a competitive advantage that leads to business success. The Code of Human Rights & Social Principles has replaced the former Social Charter in November, 2017 and it now serves as the framework of the protection of human rights, diversity and inclusive corporate culture.

The Code of Human Rights and Social Principles has been developed in accordance with internationally recognized norms, directives and standards, in particular those of the

- International Bill of Human Rights,
- the ILO Core Conventions,
- the OECD Guidelines,
- the Global Compact,
- the Tripartite Declaration of Principles concerning Multinational Enterprises
- and Social Policy (MNE Declaration),
- and Guiding Principles on Business and Human Rights.

### Diversity Policy

The **Diversity Policy** of Magyar Telekom Group underscores our commitment to consistently identify and utilize potential for improvement. We embrace, respect and acknowledge the diversity of our employees, the markets we serve, the suppliers we work with, our shareholders and the entire society we live in. We consider diversity to be our strength and this is the quality we strive to encourage in our approach to business as well.

### Suppliers' Compliance

Magyar Telekom Group is committed to respect and protect human rights and it expects its suppliers to comply with these rules of behavior. Prior to becoming authorized suppliers of Magyar Telekom Group our suppliers must register their enterprises at our vendors' **registration site**.

As an obligatory part of the registration process vendors are obliged to understand and accept our Suppliers Code of Conduct that among other policies, entails our Code of Conduct, Code of Human Rights and Social Principles and Diversity Policy. Our suppliers must understand and accept these policies and obligatory frameworks for their behaviors as well.

### Employee Relations Policy of Magyar Telekom Group and Deutsche Telekom Group

The **policy**, valid since 2011 as an internal regulation and available as a public policy since 2018 defines and regulates the framework of relationships between employees and the company throughout the entire employee lifecycle contributing to a corporate environment in which employees are empowered to contribute individually to business performance and increase shareholder value.

### Equal Opportunities Plan

Anti-discrimination and the safeguarding of equal opportunities is a key priority to Magyar Telekom Group. According to the act CXXV of 2003 on Equal Treatment and Promotion of Equal Opportunities, and the corporate protocol in place since 2010 Magyar Telekom Group has accepted its 4th **Equal Opportunities Plan** in order to secure the practices of equal treatment, the advancement of equal opportunities and the monitoring an improvement of the labor positions of particular disadvantaged employee groups. The Equal Opportunities plan currently in force is valid between 2016 and 2020 and has been developed in close cooperation with the employee representative bodies.

### The Diversity Charter of the European Union

Hungary has joined the Diversity Charter of the European Union in 2016 and, among 50 signatory companies Magyar Telekom has also declared its dedication to safeguard diversity as a fundamental value. Magyar Telekom has been among the signatory companies in 2018 too.

### Monitoring and auditing practices

Magyar Telekom Group's Corporate Compliance Program has been elaborated with the aim to ensure that Magyar Telekom Group conducts its business with maximum consciousness and commitment, in accordance with relevant laws and regulations, in harmony with the strictest possible business ethics standards. The Compliance Program involves the Group Compliance Manager and compliance representatives of particular functional areas of operation, who are working together as members of the Group Compliance Committee. The Compliance Program has been designed to ensure that the Group conducts its business to the highest standards of awareness, transparency, accountability, commitment, and adherence to applicable regulations. External audits or inspections could be initiated towards any employer in Hungary by the Hungarian Labor Inspectorate due to public interest complaints, inquiries or reports of concern. The institution supports employer-compliance with the relevant laws and regulations with counseling and supervision. The Equal Treatment Authority is the relevant authority responsible for issues concerning equal opportunities. The authority accepts direct appeals from employees. There were no equal opportunity proceedings initiated on account of Magyar Telekom in 2018.

As Deutsche Telekom Group's subsidiary Magyar Telekom Group takes part in the annual internal survey, to ensure the compliance of the subsidiaries of the Deutsche Telekom Group with the social principles of DT. As of November 2017, the basic principles of Deutsche Telekom Group are no longer included in the Social Charter, but in the Code of Human Rights & Social Principles. The Social Charter has thus been replaced by the Code of Human Rights & Social Principles. The senior executive responsible for the confirmation of the observance of these principles is Magyar Telekom's Chief Human Resources Officer, by way of providing the annual Human Rights and Social Performance Report.

As a tribute to the 70th anniversary of the Universal Declaration of Human Rights and in compliance with the Code of Human Rights and Social Principles renewed in 2017, all employees of Magyar Telekom Plc. and T-Systems together with their external workforce involved in brand representation participated in a compulsory human rights e-Learning training in 2018. The enrollment of the employees was conducted in four steps, in which the management of the company group took the training first. 85.3% of all people enrolled and 90% of the entire employee group have finished the course by September 18. The online training points to relevant human rights issues, regulations, complaint handling and whistleblowing options that might come up within the employment, sourcing, operational and distributional processes of the company group. The e-Learning material has become part of the compulsory employee e-Learning course portfolio of the company as of 2018.

Deutsche Telekom Group introduced a regular monitoring process in which specific parameters of compliance with the Group Employee Relations Policy are being periodically evaluated in all Group Units. The monitored key elements are being evaluated with the local companies, followed by a dedicated on-site review. Magyar Telekom hosted this on-site review in June, 2018.

New employees of Magyar Telekom Group as part of their orientation process in their first two months receive compulsory education about the company principles, guidelines and practices concerning social issues, labor standards and human rights. All employees must understand and accept these guidelines as the fundamentals of their own professional behavior and operations. Nevertheless, the company is aware of the fact that there could be situations in which it is harder to tell appropriate from inappropriate. In order to assist employees in making the right choices in these situations, the company offers secure internal whistleblower channels, operated by the Corporate Compliance Department. "Kérdezz!" ("Ask me!") advice portal has been set up to help resolve uncertainties as far as compliance-relevant behavior is concerned. Serious misconduct must be announced for prevention purposes and for appropriate sanctions. For this reason the "Tell me!" whistleblower portal has been established. Questions about equal opportunity are to be addressed to the company's Equal Opportunity Specialist. The main principles and the detailed description of the internal inspection process is detailed in employee directives available on all employees on the shared intranet platform. Throughout the inspection process the whistleblowers' anonymity, personal and data privacy are guaranteed and handled with utmost discretion.

### Diversity and Equal Opportunities

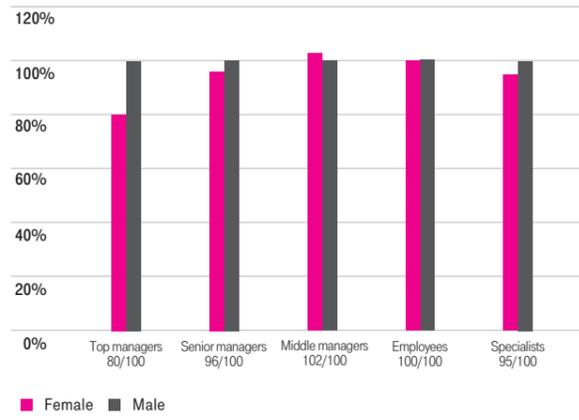
One of the targets of our 2016-2020 Sustainability strategy was to measure and improve the diversity culture of Magyar Telekom. The results of the anonymous employee survey on corporate diversity culture that was conducted in January 2018, with almost 1300 participants served as a basis for the development of the Diversity & Inclusion Concept.

Next to the maintenance of relevant corporate governance routines and policies the task include emphasis on culture development and the implementation of gender equality and equity-based processes in the structure of corporate operations. In relation to the employee lifecycle the following processes are being adjusted to these values: recruitment, maternity leave and return, development of work-life balance solutions sensitive to the specific needs of employees coming from vulnerable social backgrounds, increase the number of women in leadership through the improvement of talent management and succession planning processes.

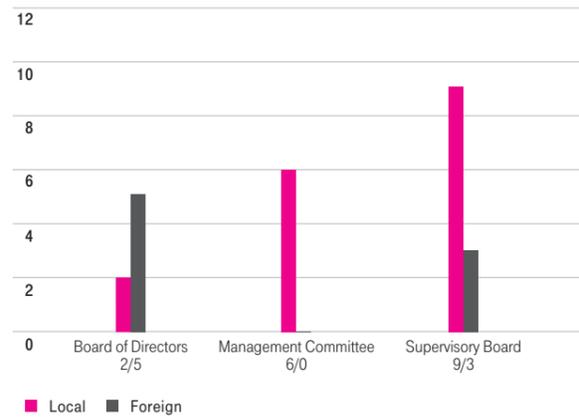
### Employee expectations and equal opportunities

The pillars of our People Strategy are based on the development of an adaptive structure and culture, the efficient support of the transforming workforce and the development of a diverse and attractive workforce. Our employees require security, stability, opportunities for advancement and competitive compensations. Magyar Telekom, as a company committed to provide equal opportunities to its employees, finds it especially important to harmonize wages and to terminate unjust wage gaps. Our tiered wage system, built on the Hay methodology, serves the above purpose. Our remuneration system is fully transparent thus our base wage tables and the relevant policies are available for all employees. We pay special attention to avoid gender pay gap and any unjust discrepancies between the wages of colleagues doing similar jobs. We and that potential differences should solely be based on their performance and achievements.

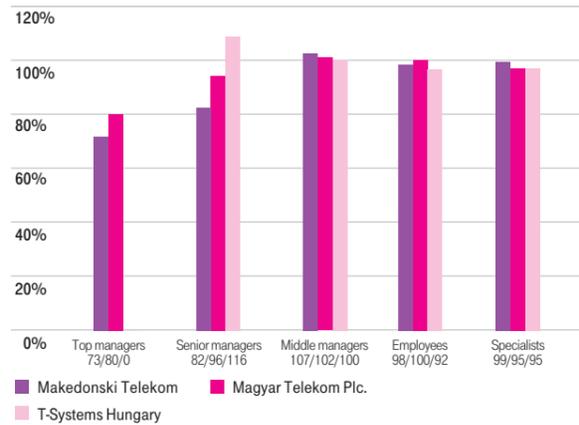
**BASE WAGE COMPARISON BY JOB GRADES AND GENDER, MAGYAR TELEKOM PLC., 2018**



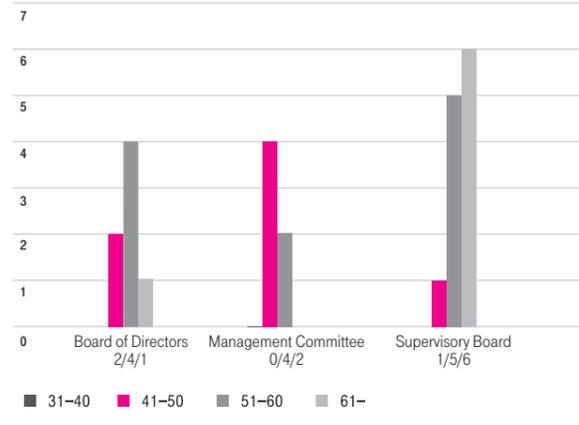
**BREAKDOWN OF THE MEMBERS OF MAGYAR TELEKOM PLC. MANAGEMENT BODIES IN 2018**



**PROPORTION OF BASE WAGES OF FEMALE EMPLOYEES COMPARED TO THE BASE WAGES OF MALE EMPLOYEES (100%) BROKEN DOWN TO JOB CATEGORIES, MAGYAR TELEKOM GROUP, 2018**

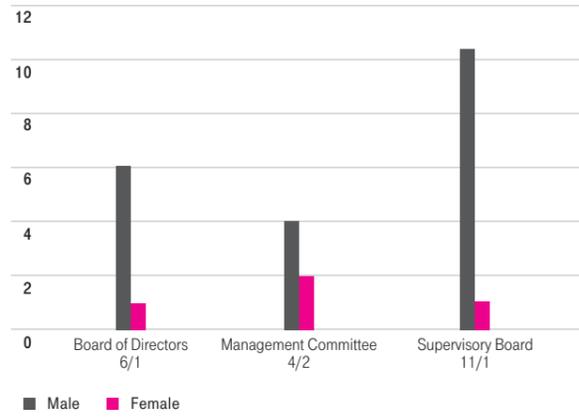


**AGE BREAKDOWN OF MAGYAR TELEKOM PLC. MANAGEMENT BODIES IN 2018**



**Raise in the amount of women in leadership positions**

**GENDER MIX OF MAGYAR TELEKOM PLC. MANAGEMENT BODIES IN 2018**



As an employer dedicated to maintain diversity as a core value, Magyar Telekom finds it important to raise the amount of women in leadership positions. As a member of Deutsche Telekom Group the objective in 2010 was to increase the proportion of female managers to 30% by 2020. Along the aim to contribute to reaching the defined target, the company strives to utilize the actual business benefits inherent to the advancement of corporate diversity culture.

2018 witnessed an increase in the number of women in leadership resulting in a 33.33% ratio in the executive board. There was also an increase in the proportion of female management of Magyar Telekom Plc. to 27.50%. By the end of 2018 the female ratio of overall management workforce was 21.94%. Our aim is to bridge the divide between different leadership levels and contribute to the promotion of more talented female leaders in the company. A way to achieve this is to further improve the gender equity basis of our succession planning processes. In executive succession planning we work on finding suitable highly qualified female candidates to all positions possible. There are

some areas of company operations affected by prevalent social stereotypes in which this is not possible at the moment but we aim to minimize the number of these areas by further stretching the scopes of our succession management practices and by contributing to the de-gendered opening of all relevant fields.

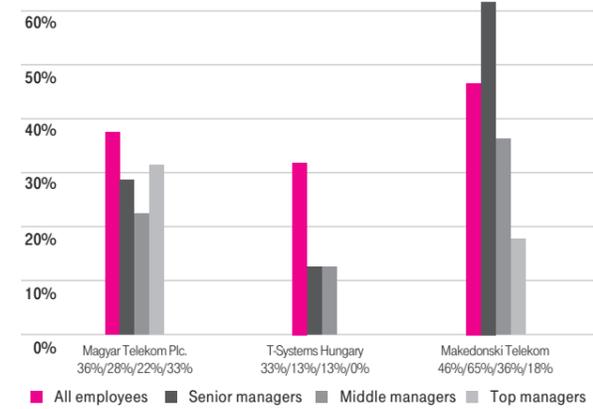
Our policies, charters and initiatives do not only aim to ensure equal opportunities for employees but also to strengthen our engagement in this field, in line with our corporate sustainability strategy. The Equal Opportunities Principles (2016-2020) of Magyar Telekom Plc. and T-Systems Hungary Plc. are:

1. Enforcement of requirements pertaining to equal treatment and the prohibition of differentiation
2. Equitable and flexible treatment, diversity
3. Respect for human dignity, securing healthy and safe working environment
4. Partnership, cooperation
5. Social Solidarity

Plan for the period of 2016-2020 the employers especially plan to take measures to improve the situation of the following employee target groups:

- a. Women
- b. Employees with families in particular those who:
  - Raise three or more children under 18 years of age
  - Raise their children alone
  - Raise disabled children, and
  - Employees who care for a permanently ill family member
- c. Employees on maternity leave or childcare benefit (GYES/GYED)
- d. Disabled employees or whose ability to work has deteriorated
- e. Career entrants
- f. Employees above the age of 5
- g. Female employees in leadership positions

**RATIO OF WOMEN IN MEMBER COMPANIES IN 2018**



On May 6, 2009 the company joined the UN Global Compact initiative and its 10 principles in the areas of human rights, labor, environment and anti-corruption. Our measures to maintain gender equity among employees are consistently taken in the spirit of the following Global Agreement Principles:

- (1) Support and respect the protection of internationally proclaimed human rights
- (2) Make sure that they are not complicit in human rights abuses
- (4) The elimination of all forms of forced and compulsory labour
- (6) The elimination of discrimination in respect of employment and occupation

Magyar Telekom joined the "Girls' Day" international initiative several times. Within the frame of the initiative various introduction programs were offered for secondary school-girls at the Magyar Telekom and T-Systems Magyarország headquarters as well as at Kitchen Budapest. We aim to provide attractive introductions to the IT related professions, provide insights on how to manage a digital project, what is it like to be part of a working team as a female IT expert and we are also here to provide practice driven guidance to choosing the right career path within the IT universe.

The "Girls' Day" is an interactive, open day, organized on the same day in all countries of the European Union, when girls interested in technical sciences can spend a day at a leading technical company or university laboratory. Participants may meet women who are successful in the field of research or engineering sciences.

**Labor force inclusion of underprivileged groups**

In the course of the implementation of the equal opportunities plan for the years of 2016-2020, the company as an employer has taken the following measures in 2018 to improve the situation of the employee groups.

As a mentor company we continue to support roma workforce integration programs Integrom and HRom to contribute to the equal labor market opportunities of our fellow citizens from the Roma community. We support the program participants with job application counselling, job interview-practices, CV writing and editing skill practices.

To advance the workforce integration of employees from vulnerable social groups the recruiter team of Magyar Telekom Plc. has received a professional training in 2018 and our recruitment practices were revisited to be in line with our equity principles. Accordingly, to further support the young Roma applicants applying to Magyar Telekom from any of these programs we have introduced the following protocol: applicants from these programs may decide to state the name of the integration program they have participated in in their CV-s. They are also provided with the opportunity to contact the corporate D&I officer through the dedicated program coordinator, asking

for additional support of their application. In these cases, their application process is closely supported by the recruitment team. In case of not getting hired they receive a detailed written feedback and suggestions for improvement. If hired and upon request, we also provide internal mentors for the entrants.

As member company of the Hungarian Employers Forum on Equal Opportunities we have contributed our experiences and best practices to the paper edited by Autonomia Foundation (HU-only) **'Diverse and inclusive workplaces for roma and others'**.

#### Disability-friendly Workplace



The 2017 Disability-Friendly Workplace Recognition awards were distributed at "The World is Better with Us" Gala the Gala Event organized on the International Day of Persons with Disabilities. There are already 50 Hungarian that have been found eligible to receive the award, and Magyar Telekom is proud to be one of them, being entitled to use the logo in 2018 as well.

The award was being given by Salva Vita Foundation, the advocating organization aiming to bring disability-friendly employers and job seeking people with disabilities together. Employers may apply to this title by expressing their commitment to the conscious improvement of their inclusive recruitment, employment and staff retention practices concerning people with disabilities.

To ensure equal opportunities for our future employees with reduced capacity to work or disability (since 2010) applicants with disabilities using Magyar Telekom's electronic **recruitment interface** are invited to state if they have any special request based on their needs or circumstances in order to secure full accessibility of our career selection process.

In order to contribute to our aim in building an accessible and safe workplace for all we drew conclusions from the accessibility-related answers of our corporate Diversity Culture Survey from January 2018. There were also specific questions directed towards our employees living and working with disabilities that served as valuable feedback evaluating our work towards this goal.

The Budapest based offices of Magyar Telekom group have moved in together in our new HQ building in the fall of 2018. The building is thoroughly wheelchair-accessible and the rest of the accessible infrastructure development is being carried out in compliance with the BREEAM Standard. In November, after moving in the new building we have conducted an internal accessibility audit with the help of our visually impaired and disabled employees to define the most important points for improvement.

Sensitization and promotion of involvement is an important part of the company culture. The annual 'Have you ever tried?...' sensitization program organized with the help of NGOs and associations was available at the Lets Move It! Telekom family and sports day where our colleagues could gain personal experiences about the everyday challenges of people living with disabilities in an able-bodied environment.

Besides these activities – following the tradition of past years – the company organized very successful thematic employee fairs (Christmas Fair, „It Is Good To Give” cookie event) at various company sites. Magyar Telekom employees could give donations and buy items manufactured by persons with disabilities through the involvement of NGOs that support employment of people with autism.

#### Workforce Reduction and Redeployment

Magyar Telekom – in order to ensure the resources related to the Company's strategic objectives - has reached an agreement with the trade unions in 2018 on headcount reduction and wage increase measures for 2019.

According to the terms of the agreement, the Company plans to make ca. 400 parent company employees redundant. The majority of the employees to be made redundant are expected to have left the Company by the end of 2018 or by March 1st, 2019. The company shall provide active job search, labor market training and one-on-one counselling to the colleagues laid off, in the framework of Program Chance, which has proven its success in the past years, and trusts that the above support these highly-trained employees of up-to-date professional expertise in finding employment elsewhere as soon as possible.

It is planned to reinvest a significant proportion of the expected employee cost savings in resources related to the Company's strategic objectives.

As from April 1st, 2019, employee salaries at the Company will rise by an average of 5%.

#### Work-life balance

Magyar Telekom considers stress, overload and burnout related risk-reduction as its priority duty in relation to its employees. In order to take charge of these risks by securing an empowering environment to develop and maintain a healthy lifestyle, employees are also provided with coaching and training opportunities that help in the advancement of their task-management skills.

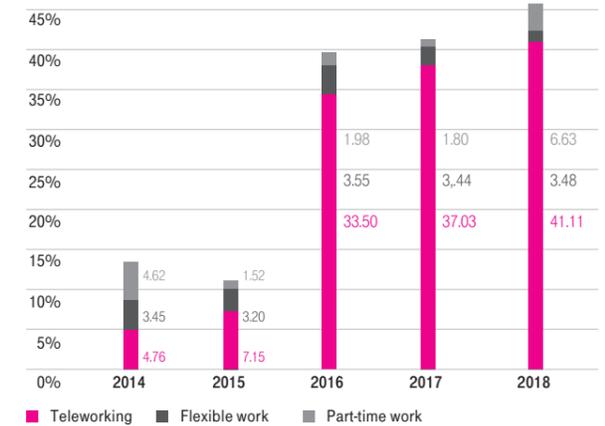
Through the implementation of particular forms of non-regular employment the company aims to provide support to maintain a healthy work-life balance and is also dedicated to reduce the possibilities of working overtime. While offering flexible working hours through part-time, flexible-time and unrestrained employment it is strategically important for the company to build teleworking into the company's culture.

The workspace design of the new HQ building of Magyar Telekom is based on shared-desk principle, its social and creative lounge spaces and well equipped digital conference rooms also support the highest level of telepresence flexibility. Teleworking is also supported by the continuous maintenance and development of a solid digital office network access. Employees receive mandatory courses to manage potential accessibility and/or data privacy risks related to teleworking.

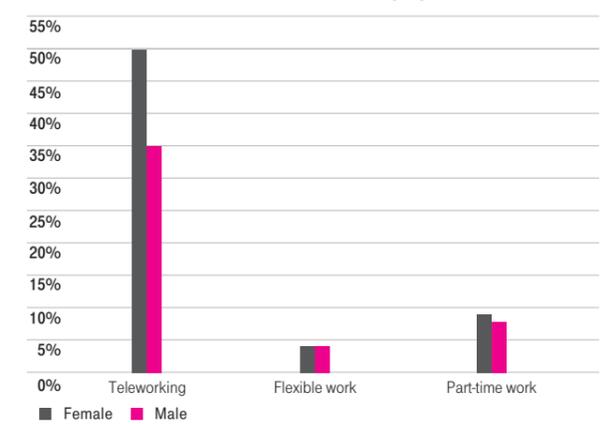
**In 2018 our employees have worked a total of 143 396 days remotely, saving nearly 5 million kilometers or 25 years of travel.**

With regards on our employees' private and family circumstances (e.g. necessity of homecare of a permanently ill or elderly close relative) our colleagues may go on a permanent leave without pay. In accordance with Hungarian labor legislations we provide our employees with extra days off after their children, and after blood donation. In cases of more than 40% health damage employees have the right for additional annual 5 days off for rehabilitation. Additionally, we credit the voluntary social contribution of our employees by providing days off, the proportion of which is being precisely regulated in internal corporate directives.

#### NON-TYPICAL FORMS OF EMPLOYMENT AT MAGYAR TELEKOM PLC. IN PERCENTAGE OF THE TOTAL HEADCOUNT (%)

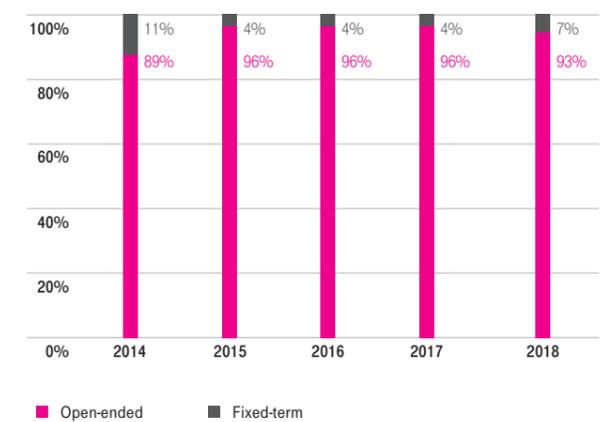


#### GENDER MIX OF NON-TYPICAL FORMS OF EMPLOYMENT AT MAGYAR TELEKOM PLC. IN 2018 (%)

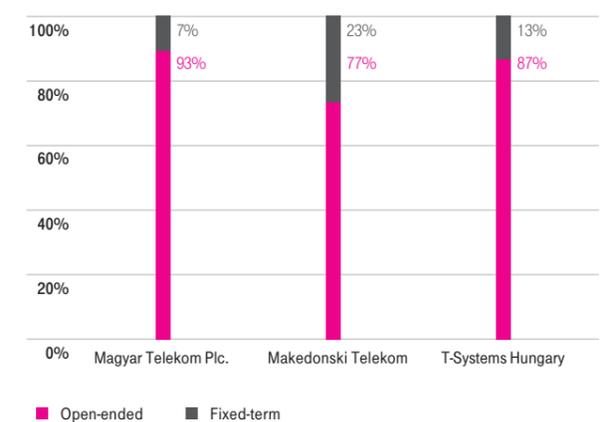


In order to prevent cases of burnout and support the restoration of work-life balance, the company offers the partly financed opportunity of a "sabbatical" leave for a period of 1-6 months, since 2016.

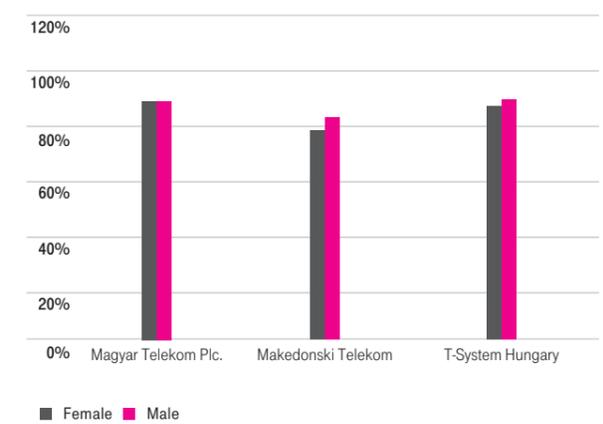
#### RATIO OF FIXED-TERM TO OPEN-ENDED EMPLOYMENT AT MAGYAR TELEKOM PLC.



#### RATIO OF OPEN-ENDED EMPLOYMENT CONTRACTS BY GENDER AT MAGYAR TELEKOM GROUP



#### RATIO OF OPEN-ENDED EMPLOYMENT CONTRACTS BY GENDER AT MAGYAR TELEKOM GROUP



From 2018, we employ our trainees in the status of employees, while in 2017 and in the previous period they were employed as lessees, through student cooperatives. Internship contracts are either part-time or fixed-term ones, so this change is reflected in charts showing atypical forms of employment and contract types.

#### Family friendly Telekom and T-Systems Hungary

In 2017, in order to support employees on maternity leave (young parents on child care allowance/child care benefit/maternity leave), the „Young Mother” program supported young parents to stay in contact with the company. Telekom continuously informs inactive colleagues through newsletters, the regularly updated Young Mother information intranet-page, dedicated e-mail accessibility and a closed Telekom private social media group “Families at Telekom”. Colleagues with children can take part in numerous company events together with their families. We have used the opportunity of meeting our colleagues with young families in the Move It! Telekom Family Day to ask their opinions about the possible ways of the improvement of our stay-in-contact system for employees on leave. Their answers served as a baseline for our improvement processes.

In order to support a healthy balance between work and private life it is necessary to reorganize the workload within families. The „Daddy, it begins!” program tries to raise awareness of the father’s role within the family. The internal communication portal of the company has published an information kit for young fathers („Daddy News”) since 2010, collecting useful information and tips for young fathers. All new-Fathers of our company receive a congratulating e-mail and are informed about the extra holiday available for newborn-care.



Both in 2014 and 2015 Magyar Telekom and T-Systems Magyarország jointly and successfully applied for the Family Friendly Company award and the Three Princes and Three Princesses Movement gave a special “Family Friendly” award to the company as an acknowledgement of its family-friendly initiatives and efforts. The Group elevated the qualification into a higher level and concluded a strategic frame agreement with the Movement. As a result, we have shared our best practices on the Family Friendly Workplace Gala and Award Ceremony in November 2018.

In 2018 Dimenzió Mutual Insurance and Self-help Association’s Family Support initiative provided assistance to the families in the Telekom community by offering discounted summer camp opportunities for their children during the long summer holiday season.

In order to support the needs of employees who need to manage childcare situations during their office related duties Magyar Telekom provided 1 family friendly office space in Debrecen and 3 offices on its Budapest sites. The later 3 have been closed down due to moving together from all Budapest office sites to one shared HQ building in the fall of 2018, but the Debrecen-office is still available. In order to support the smooth re-organisation of family related duties and obligations we have provided a thorough list of available nurseries, kindergartens and schools in the neighborhood of the HQ building and we have started to develop the most convenient office-related childcare support system that meets the needs of the employees working in the HQ.

Efficient work-life balance of employees with families is further supported by tax-free nursery and/or kindergarten financial support that could be selected from our cafeteria benefit scheme, thus contributing to the reduction of expenses.

A considerable proportion of employees in the company group take advantage of telework thus actively working parents and still actively working grandparents can successfully harmonize their family life and professional duties.

The company employs various generations simultaneously thus personal fulfillment and the realization of the full potential of our colleagues is an important goal for Telekom.

#### LONG-TERM LEAVE AND RETURN TO WORK FROM MATERNITY LEAVE ✓

	MALE	FEMALE	TOTAL
Employees on long-term leave	1	205	206
Employees returning after long-term leave	4	118	122
Employees returning from long-term leave, after having been employed at least for 12 months upon joining the company	4	110	114
Employees returning from long-term leave with continued employment	100%	93%	93%

#### Generations at Magyar Telekom

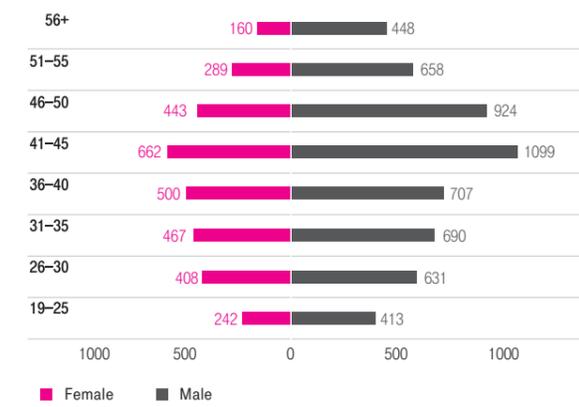
As a part of the well-designed internship program, the Group offers jobs to many young people starting their career.

The family-friendly atmosphere of the company offers various ways of support to young employees with families and it also tries to help them in the challenging times of becoming a parent. Teleworking is not just attractive for colleagues taking care of a baby, but it also offers a flexible way to manage work and life to our single colleagues as well, who can thus be more successful while managing their time in a flexible way.

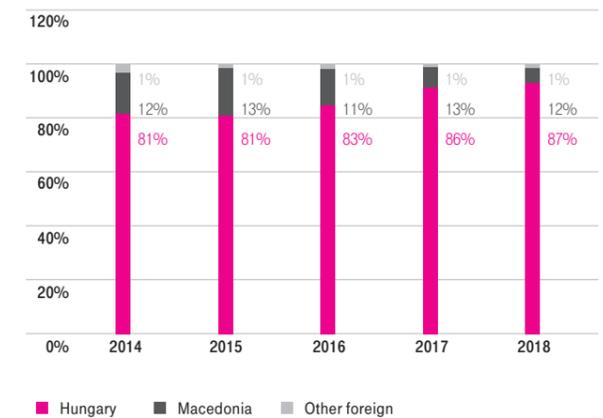
The majority of our employees fall into the mid-aged category of experienced professionals. They experience a slightly narrowing career path, while also having opportunity to obtain marketable experience along various horizontal career tracks. This is supported by the company’s significant resources for external- and internal trainings and in-house job advertisements. Telekom expresses its appreciation towards the experienced workforce with numerous acknowledgments, like the Loyalty Award and the Lifetime Achievement Award.

In certain cases those who approach retirement age (50+) may choose to enter the company’s standby pool. With this initiative, among others, Telekom would like to take care of its employees and provide an interim solution for the period between work and retirement. Thus the employee could be reactivated from the standby pool if their extended employment is of mutual benefit for both parties.

#### AGE TREE OF MAGYAR TELEKOM GROUP, DECEMBER 31, 2018 ✓



#### DISTRIBUTION OF EMPLOYEES BY REGION ✓



## 5.2 INVOLVEMENT OF EMPLOYEES

#### Telekom Volunteer Day

Magyar Telekom and its affiliate, T-Systems Hungary organized a Volunteer Day on October 13, 2018. More than 900 employees of the Group participated in the nationwide action, in the frame of which we provided digital and traditional support at 38 locations.

In its Sustainability Strategy 2016-2020, the Group’s objective is to further increase the contribution to the society: the Group plans to contribute about 50 thousand dedicated volunteer hours by the end of 2020.

In the framework of Telekom Volunteer Day 2018, traditional forms of volunteer work were performed at 25 locations nationwide. In the Budapest region, Telekom’s volunteers worked on the gardens of Heim Pál Pediatric Hospital and Tűzoltó Street Pediatric Hospital, among others. The Normafa and Széchenyi Hegy stations of the Hungarian State Railway Children’s Railway, as well as 18 kennels of Ebremény Association’s Strázsza Dog Shelter were also cleaned up and renewed in their appear



ance. Efforts to push back invasive species of plants that spread to the detriment of native ones took place at several nature reserves simultaneously, and volunteers also visited three boarding homes supported by Autistic Art Foundation (Kozármisleny, Szakáld, Miskolc) to help out in maintenance of the homes.

2018 was the first year when digital classes were held at primary schools as part of Telekom Volunteer Day. We provided digital training to approximately 2000 pupils aged 10-14 in 13 schools across the country.



#### It is good to give! charity cookie market

As part of the World Volunteer Day initiative, on 5 December 2018, several Magyar Telekom office buildings have welcomed our "It is good to give!" charity cookie market. Employees of the company and the members of the Sustainability Media Club were selling homemade cookies in the office buildings. The income was donated to the Autistic Art – Smile Foundation thus buyers supported autistic young people and their art therapy. A total of HUF 1.2 million was raised in 9 venues for the fund.



#### Volunteer Program in December

Between 5 and 21 December, 2018, our back-office employees could take the opportunity to experience the challenges of their front-end colleagues by offering their volunteer hours to support the work of customer-contact professionals, working in our stores, at our call-centers or the Network Service Directorate. 76 Telekom volunteers contributed their workforce in 608 hours and had thus the chance to engage in customer related services that is at the core of our company activity.

**In 2018 two registered charitable team buildings were organized and 356 colleagues donated blood at least once during 29 organized blood donation events in Budapest and in the countryside. The record number of donors that showed up at T-Systems Hungary's workplace blood donation event put the Company at a very prestigious place on the ranking of the Hungarian National Blood Transfusion Service. In 2018 1059 Magyar Telekom volunteers contributed their workforce in 11,988 hours. With these programs we provided HUF 42 million worth of theoretical contribution to society.**

#### Sustainability survey among employees

In 2018 our employees were surveyed for the eighth time on sustainability issues. The survey is performed in November each year and this year 95% of the respondents answered that Telekom is a leading company in the field of sustainability. The awareness on sustainability is currently at 80% within the company.

#### TeleBike

The employees of the company can use TeleBikes from March 30 until October 30, in the springtime there is a longer availability of the bikes from 7:30 AM to 6:30 PM. In 2018 the bikes were used on 2147 occasions between Telekom office buildings traveling a distance of 3220 kilometers thereby preventing the emission of 0.6 ton of CO<sub>2</sub>.



#### We presented the awards of the hello holnap! point collection campaign

Each year, employees can attend sustainability-themed events, and collect "hello holnap!" points in return. Since the program's start, close to 11 000 former and existing colleagues collected a total of 29 351 "hello holnap!" points. In the period between April 01, 2017 and March 31, 2018, a total of 10 486 points were credited to employees. The Management Committee congratulated and handed out the Feldobox gift cards to the award winners in person on April 24. As part of the same event, in addition to the winners of the 2017/2018 period, a colleague was also recognized who had collected the most points in the past 5 years.



#### Move Telekom! Sports and Family Day

Following previous years' tradition in 2018, we organized a corporate family and sports day event under the name of "Move it, Telekom! Day". The event was aimed at exercise and fun for



employees and their family members. Move it, Telekom! Day 2018 took place on June 19 and was attended by 2200 colleagues and their family members, as part of which colleagues could compete in sports, try special sports and new types of exercise, as well as have their health condition checked.

#### Earth Hour

Magyar Telekom has been actively participating in the WWF initiative since 2008. On March 24, 2018 between 8:30 PM and 9:30 PM the employees turned off the lights in Telekom shops and properties.

#### Mobile Market

The Mobile Market visited the company's headquarters first in December 2014 where the employees could buy agricultural products directly from the farmers. As the initiative received a very positive feedback from the employees, we have continued with the events in support of buying local products from local farmers. In 2018, employees could buy fresh farm-food in two company facilities and T-Systems's headquarter building, as well as at Magyar Telekom Könyves Kálmán krt. headquarters building from November on.