6. CORPORATE CITIZENSHIP

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Until 2016 Telekom, throwing in a broad array of its telecommunication services, promotes the attainment of the goals of the HOC and the preparation of Hungarian athletes for the Rio de Janeiro Olympic Games as platinum sponsor and supported the HOC’s logo design contest for the bid for the organization of the Olympic Games in 2024 in Budapest.

Magyar Telekom is also a sponsor of big summer festivals in Hungary, like the VOLT in Sopron, the Balaton Sound, the Sziget festival, the Campus and the EFOTT. In relation to sponsoring festivals we revised some of our BTL activities and realized them together with the organizers in order to reduce our energy consumption both in terms of human resources (i.e. traveling and number of hostesses) and assets. As a result we mainly support the events with our info-communities and digital assets. As a result we mainly support the events with our info-communities and digital assets.

As another important element of the sport sponsoring strategy Magyar Telekom is the main sponsor of Ferencvárosi Torna Club’s football team, one of the most prestigious and internationally successful Hungarian teams, but also supports the development of the Hungarian football player succession program.

As the most loyal sponsor of the MVM Veszprém handball team the company has been sponsoring the club for 18 years thereby contributing to the success of the world-elite club, like playing in the Champion’s League finals or winning the SEHA league. In November 2015 we extended the term of our cooperation agreement with the MVM Veszprém handball team. Magyar Telekom believes that such world-class achievements and accomplishments significantly help promoting sports and a healthy lifestyle among young people.

Magyar Telekom also finds it important to support mass sports and has been sponsoring the Telekom Vivitóra city run where – besides professional sportmen – a lot of amateurs and families take part to popularize sports and leading an active lifestyle.

Our close cooperation with the organizers of festivals helped us to optimize the number of trucks used to manage the logistics of our BTL activities and transport of brand tools to festivals without unnecessary trips, whereby we managed to reduce carbon dioxide emission.

As the committed sponsor of the Hungarian Swimming Association, Magyar Telekom supported Hungary’s successful application for the organization of the 2017 FINA world championship in Budapest.

Crnogorski Telekom’s sponsoring platform focuses on sports, music and culture – which is perfect for underlining our brand promise “Life is for sharing” and providing a wide range of memorable moments to share.

Within Crnogorski Telekom’s sponsorship strategy, sports have a special place since this is an important area for developing a healthy, modern and advanced society. The company is the golden sponsor of the Montenegrin national football team and a general sponsor of the Telekom Montenegro Football First League. Additionally, in 2015 Telekom supported and sponsored Bludnici Basketball Club.

Music is one of the main areas within Crnogorski Telekom’s sponsorship strategy since music is considered to be the universal language for all generations. It sponsored numerous musical events and activities in 2015. The company partnered with organisations across Montenegro and supported the Southern Soul Festival in Ulcinj, Sea Dance in Budva and After Beach Parties along the Montenegrin coast. In September 2015, with the support of Deutsche Telekom, Crnogorski Telekom organised Electronic Beats, a festival of electronic music in Podgorica.

In the field of culture, Crnogorski Telekom was sponsor of FIAT, the festival of alternative theatre in Podgorica.

In its sponsoring activity the Company plays a role in the implementation of social initiatives in a manner and to an extent worthy of its economic significance.

Magyar Telekom has been the committed supporter of the Hungarian sport life for decades, and considers sport a cornerstone of its sponsoring strategy. The Company is proud to have contributed to many prominent international sport success as a sponsor. Part of its support was its sponsorship of the Hungarian team and the Hungarian Olympic Committee (HOC) in the 1996 Olympic Games in Atlanta, and later in Sydney, Athens, Beijing and London, too.
6.2 COMMUNITY INVESTMENTS

Development of communities, consciousness forming

Telekom Smart Digital Program: digital education for children and adults

We believe that as a responsible large corporation we not only have to provide services but also help their use and bridge the digital gap between certain areas of Hungary. A way of fulfilling this mission is education: we convey our knowledge on the digital world by giving free lectures to children, adults, parents and teachers. Within the frame of our Smart Digital Program 52 Telekom volunteers gave 485 lessons in more than 300 schools across Hungary. Only last year 12,576 children attended our interactive presentations on the safe use of the internet and mobile communication.

Further information on Smart Digital Program is in 2.1 Closing the digital divide chapter.

Become an IT expert! – career guidance program

Currently more than 20,000 IT experts are missing from the Hungarian labor market and the lack of professionals has a serious impact on the performance of the national economy - generating a loss of several hundreds of billions of HUF per year - and at the same time we experience that not enough young career entrants see perspective in this profession. Magyar Telekom’s Become an IT expert! program wishes to turnaround this trend and within the frame of the initiative IT experts working at the company volunteer to meet young people and present them the advantages of an IT career. The most important objective of the Become an IT expert! Program is to bring down stereotypes and obstacles and make parents and children more open to the IT profession. An integral part of the Become an IT expert! program is the dedicated www.legyelteisinformatikus.hu website where visitors may find useful tips on the profession, competitions and trainee position advertisements.

Corporate volunteer work is an integral part of the company’s social strategy and the CSR as well. The term of CSR - Corporate Social Responsibility - means that companies voluntarily incorporate social and environmental considerations into their business activities and their relations with business partners. Within Telekom there are several voluntary programs out of which the professional knowledge based voluntary program was closest to me and this is where I wanted to test my skills. Within the frame of the program I can convey my knowledge and expertise to children. I find it important to teach this generation how to connect to the online world or safe and consciously. I would like to call their attention to risky areas of the internet and teach young people how to properly communicate through online channels. This generation was raised in the online world and they might work in positions in the future that do not yet exist so they have to be careful about creating their own image in the online space. During the training sessions I try to call their attention to spend their online time useful and in a creative way and not just to “hang out” on the internet. If we show them what the web is good for they will spend less time on browsing harmful content. They need to consciously build their online personality and I would like to give them all the help that I can. The voluntary program for me is a dream that came true as I always wanted to be a teacher.

Chris Mattheisen, Magyar Telekom’s CEO at the Become an IT expert! training
In 2015 we organized the “It is good to give!” cookie campaign for the fifth time on the international volunteer day, together with the members of the Sustainability Media Club. The beneficiary of the initiative this year was the Autistic Art - Smile Fund that supports special homes for autistic young people and organizes art therapy sessions to help young autistic people, who mainly suffer from impaired social and communication skills, to express their thoughts and feelings through drawing, painting and visual arts. Within the frame of the event, organized in multiple company sites, the Fund raised almost 1.7 million HUF from selling homemade cookies and the company gave another 3 million HUF donation to supplement the proceeds.

Telekom employees, representatives from the NGO area, media and the local UNDP office participated in the selection of the winning projects.

These are winning projects:

1. “Website Star” – development of website for elderly people
2. “Accessibility and Montenegro” – accessibility of public institutions for people with disabilities
3. “We want to socialize” – project supporting inclusion of children and youth with special needs
4. “Calendar of child development” – online application of calendar of child development from birth until 15 years old
5. “Robotic laboratory for talented children and youth” – laboratory for talented children and youth to practice robotics
6. “This is my responsibility too” – project supporting arise of awareness of environmental protection

At traditional Annual Award Ceremony for Philanthropy, Iskra, in December 2015, Telekom received recognition for our donation project “Za svako dobro”.

Besides the donation contest Za svako dobro, in 2015 Crnogorski Telekom supported a number of initiatives dealing with problems of socially vulnerable groups or promoting good causes for our society. Some of those are:

- donation for the purchase of a sterilizer for the Danilovgrad Primary Health Center and donation for the purchase of a telephone exchange for a Special Hospital in Risan. Both devices were urgently needed for the daily activities of the public medical institutions. National Breast Cancer Awareness Month Campaign in Montenegro was supported too.
- The company also participated in disaster relief activities by supporting collection of aid for migrants in Southeast Europe, through a

In 2015 Crnogorski Telekom organized donation contest “Za svako dobro”, which is supporting socially responsible projects of special importance for the community, for the second year in a row. Total amount of funding for this year’s contest was 35,000 euros, which is an increase of 67% compared to the previous year. The contest was open to all non-governmental organizations from Montenegro that could apply their projects in the fields of education, arts and culture, environmental protection and the creation of equal opportunities for inclusion in digital society. From 50 NGOs that applied for grants, six projects were selected and awarded funds for implementation.

In 2015 Crnogorski Telekom awarded all pupils that won on state competitions for elementary and high schools with access to internet free of charge for one year.

In 2015 Makedonski Telekom donated medical equipment to the Institute for Respiratory Diseases in Children in Kocle. The equipment is essential for faster and more effective diagnosis, as well as the treatment of children with respiratory diseases. The Institute for Respiratory Diseases in Children in Kocle treats 38,000 children per year, of which 4,000 are hospitalized and 35,000 are treated in the outpatients’ ward.
Corporative Citizenship

In 2015 the e-Engagement educational caravan project ended with the closing conference at the Telekom Innovation Center, an event organized by the NGO Youth Union with the support of the Foundation e-Macedonia set up by Makedonski Telekom. The aim of the project was to encourage young people to use digital tools for self-improvement and creating positive changes in society.

During 2015 12 one-day workshops were organized in 12 cities. In the two years of its existence, the educational caravan visited 16 cities around the country and over 1,500 young people were actively engaged. Through these workshops young people were encouraged to become leaders and creators of the future, both in the civil society and in youth cooperation, creating positive social change by applying the knowledge, skills and technological benefits generated.

The closing conference on December 12, which was attended by 15 lecturers and the most motivated and active young people, produced many useful conclusions and recommendations about how the young people’s most motivated and active young people, The partnership between UNICEF and the Telkom for Macedonia Foundation aims to raise social life.

Corporative Citizenship

The core element of the renewed program was the Supplemented Individual Donations in 2012. This name was given to the Initiative because in addition to financial donation, employees are also expected to commit themselves to the supported NGO with voluntary work. The hello holnap! supplemented voluntary donations program is to enhance the culture of corporate citizenship among the employees, strengthen the relationship between the individual and the NGOs, raise awareness of the support objectives of Magyar Telekom and, last but not least, increase employee loyalty.

Voluntary work beyond working hours at the chosen NGO is a compulsory element of the program. The employee is requested to describe the voluntary work, as part of his voluntary donation, in the annex of the form provided under the hello holnap! website. The voluntary work may be physical or intellectual contribution, but the request to do voluntary work must come from the supported NGO.

For the purpose of the financial support of the above voluntary work we set up two categories:

- The employee’s own initiative - in this case the maximum amount of company support is 50,000 HUF. Supplementary support is provided as follows:
  - employee donations up to 15,000 HUF the company matches with twice this amount;
  - employee donations between 15,000 HUF and 50,000 HUF the company donates an equal amount.
- Collective initiative of employee groups - in this case the maximum amount of company support is 200,000 HUF.
- Supplementary support is provided as follows:
  - in case of the collective initiative of employee groups, where fewer than 4 Telekom employees are involved in the donation and the connected voluntary work, and the amount of the donation paid by the employees is minimum 25,000 HUF, the company supplement will be 100,000 HUF;
  - in case of the collective initiative of employee groups, where fewer than 4 Telekom employees are involved in the donation and the connected voluntary work, and the amount of the donation paid by the employees is minimum 25,000 HUF, the company supplement will be 100,000 HUF.

In December 2015 we provided discount priced fixed connection fee and monthly fee to public benefit organizations that provide Internet access service without parental care, children with special needs, impaired hearing and vision or other physical disabilities, and children from socially vulnerable families. A special New Year’s play was staged and gift bags handed out to the children. The caravan was made possible by 649 Magyar Telekom volunteers who participated in 4412 hours. With these programs we provided 21.8 million HUF worth of theoretical contribution to the society.

In 2015 10 such programs were organized and upon these occasions altogether 649 Magyar Telekom volunteers participated in 4412 hours. With these programs we provided 21.8 million HUF worth of theoretical contribution to the society.