6. SOCIAL ENGAGEMENT

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6.1 COMMUNITY INVESTMENTS

Development of communities, consciousness forming

Telekom Smart Digital Program - Informed media use - for adults and minors

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. The objective of the Telekom Smart Digital Program is to provide internet literacy and hands-on online safety education to as many customers as possible and to further facilitate the use of electronic communication tools.

We strive to ensure that future generations should not simply use the internet but also be able to take all the advantages and opportunities offered by the digital world in a smart and knowledgeable way.

The Smart Digital presentations were delivered to more than 2300 children in 64 schools across the country.

Within the frame of the Telekom Smart Digital Program the company’s volunteers visit various schools trying to reduce the potential threats and risks of mobile and internet use of minors by showing them ways in which these risks could be avoided in a safe and responsible way. The success of the program is further enhanced with the Q&A panel after each session in a safe and responsible way.

Our achievements in 2016:

- 11 438 children took part in our presentation sessions
- 58 settlements and
- 195 schools were involved

The Telekom Smart Digital program was part of the Digital Theme Week events and during the summer holiday the program was taken to the Interchurch summer camp, too. This November our colleagues took part in the “Parents’ Academy” open education series, organized for parents by the local municipality of a district in Budapest.

For more details on the program please read chapter 2.1. of this Report - Closing the digital divide - or visit http://okosdigitalis.hu/

Become an IT expert! - career orientation program

Currently more than 20 000 IT experts are missing from the Hungarian labor market and the lack of professionals already has a serious impact on the Hungarian economy, generating a loss of several hundreds of billions of HUF per year. Meanwhile we experience that the number of young career entrants choosing this profession significantly lags behind the ideal.

With Become an IT expert program, Magyar Telekom and T-Systems Hungary has developed a concept that is in line with the Hungarian government’s objectives to advance the digital skills. The program provides career guidance and contributes to the promotion of professional career development within the IT sector with the objective to mitigate the shortage of IT experts in the Hungarian and European labor market.

The most important objective of the program is to provide a scope of opportunities within the choice of an IT-related career for the young, career entrant generation, using our expertise and volunteer initiatives. Our Become an IT expert! (www. legezeliisinfomatikus.hu) is an organic part of the program offering useful information on the IT profession, expert competitions and new trainee positions. Through the Become an IT expert Facebook site we continuously provide information on the technological developments of our digital future.

The program was launched in November 2015 with the announcement of the program and the delivery of the first presentation by Chris Mattheisen, Magyar Telekom’s CEO. Since then 148 volunteers joined the program, who received a full cycle training in the curriculum to be able to visit schools across the country as role models and ambassadors to help the students’ orientation through the world of IT careers.

T-Systems Hungary has developed a concept that is in line with the Hungarian government’s objectives to advance the digital sector with the objective to mitigate the shortage of IT experts in the Hungarian and European labor market.

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Our achievements in 2016:

- 11 438 children took part in our presentation sessions
- 223 presentations were delivered at schools
- 58 settlements and
- 195 schools were involved

The Become an IT expert! program was a great success at the Digital Theme Week, at the EU Code Week, and at Girls’ Day events, too. Besides delivering presentations at schools the project was also present at the EDUCATIO International Education Expo, the EFOTT summer music festival and the Play IT event. During the summer holidays we visited several “Excelbet” summer camps where- besides classic presentations - children could try the VR version of the program.

This March the Information Technology Education Conference was organized under the name of the Become an IT expert! and the conference’s theme was also built around the concept of Magyar Telekom’s program.

In the spring of 2016 we launched intensive online campaigns for parents, supported by press releases and engaging two popular vloggers. The program was also promoted by numerous online and printed media releases. The primary objective of the campaign was to drive the attention of our audience to IT career opportunities. Next to sharing useful information our goals we also had awareness raising programs for parents who wanted to orient their children towards this exciting and future-proof career.

Our Become an IT expert! program was awarded in various Hungarian and international competitions like the Prizma Creative PR Award, the Effie Award and the European Excellence Award.

In the spring of 2016 Telekom entered into a partnership with the Autistic Art Foundation. During the year we supported the Foundation through various channels financial and technical
aid, sensitization of the society, organization of an exhibition, family creative day, online auction, microsite, autism quiz on the intranet.

Sustainability is at our heart in Magyar Telekom thus we pay particular attention to persons with disabilities and commit ourselves to make their lives easier. As one of the largest employers in Hungary we would like to be front-runners when it comes to the support disadvantaged groups and helping their acceptance within the society.

The Autistic Art Foundation’s mission is to improve the living conditions in autistic homes and to improve the autistic persons’ social acceptance. In the frame of the art program autists can take part in art therapy workshops in six autistic homes. Sometimes art is the only way to express themselves because in most cases their communication skills are limited and special.

The exceptional pieces of art created in their workshops could be purchased under the Autistic Art brand, uniquely merging art, design, charity and raising funds to maintain autistic homes.

Each year the Foundation invites acclaimed contemporary artists to develop design products for charity auctions that are inspired by the unique art of autistic persons. Before each auction an exhibition is organized to display the items up for bids. The entire income of the auction is donated to the development and maintenance of autistic residences.

In 2016 Magyar Telekom’s head office gave home to the auction and the exhibition. Within the frame of the program our colleagues could visit the exhibition and the exhibited contemporary pieces of art. Our employees, together with their children, could also take part in an interactive exhibition tour and a family crafts day. The visitors of the exhibition were invited to get in closer contact with autism, engage with the exceptional style of the artists and inspired by the exhibited pieces of art they could also prepare their own jewelry and small gifts, items.

Further to their support Magyar Telekom also wishes to take part in the contribution to a more sensitive and diverse society. In cooperation with two TV channels we made short, one-minute films with the artists living in autistic homes and these films are not featured as advertisements when broadcasted on TV. From this autumn we will supplement the work uniform of our female staff members in our shop network with a silk scarf with graphics designed by autistic artists.

T-Systems Hungary Plc. also takes part in this effort. At the T-Systems Symposium organized for the Hungarian ICT sector’s stakeholders the participants could not only exchange information on the latest IT trends influencing the future development of the industry but they also had the opportunity to support the Autistic Art Foundation by taking part in an online auction through an application developed specifically for the event.

During the morning staff briefing sessions Telekom shop managers educated their staff members about autism in a playful way and the employees were also informed on how they can help communication with autistic persons. We have developed an Autistic Art page on our intranet website to publish information, education presentations, book- and film recommendations on this topic to our colleagues, together with an exciting quiz game. Those who take part in the quiz and are lucky, could win theatre tickets to watch a show featuring an exciting quiz game. Those who take part in the quiz and are lucky, could win theatre tickets to watch a show featuring the life of a young autistic person.

It is good to give! cookie campaign

On December 5, 2016 we organized our traditional charity cookie campaign with the members of the Sustainability Media Club on the International Volunteer Day. 60 volunteers welcomed our colleagues - and their cookies, donations - in 15 locations.

We raised HUF 1 723 645 further extending last year’s amount. The money was donated to the Autistic Art Foundation.

Telekom added HUF 100 to the income of each sold cookie for each photo uploaded to Instagram with the #suitakod hashtag or a greeting sent through the dedicated postcard sending website thus the amount raised by the employees was supplemented with an additional HUF 4 million by Telekom.

T-Systems supported a cause in 2016 in compliance with Magyar Telekom Group Sustainability Strategy, with the goal of the program and its implementation supporting a renewing society and environment. In cooperation with the Ecumenical Aid Organization with a HUF 4 million worth investment, we supported the installation of an IT room in a new Social Center to be created and that is located in the Csepel Children’s and Youth Development House.

For the third year in a row, Cognosni Telekom organized the social responsibility contest “Za svako dobro” (For all Good!), which supports and funds socially responsible projects of special importance to the community. The goal of the project is to support projects that are contributing to the welfare of the community, engage important stakeholders, gain their trust, and also increase transparency in the company’s social engagement. In order to ensure transparency and the selection of the best projects, besides Telekom employees, representatives from the NGO Fund for Active Citizenship, the Montenegrin Telekom, Telekom, Finanzblatt, and the Montenegrin Telekom TV station “TV Vijesti” (TV news) and the local UN office participated in the selection of the winning projects.

The total amount of funding for this year’s „Za svako dobro” (For all Good) contest was EUR 30 000.

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 a digital society.

Out of 33 applicants, six projects were selected and awarded with funds for implementation:

- “Udruženje ljubitelja Gorice i prirode” (Mediterranean garden) - project to preserve natural beauty of Gorica Hill
- “Udruženje ljubitelja Gorice i prirode” (Gorica nature lovers’ association) - project to preserve natural beauty of Gorica Hill
- “Odred izvidaca Njegoš” (Scouting for all) - ecological camps for socially challenged children
- “Cyclotrans” (Blicklio.me) - crowdsourcing web service for improvement of cycling experience in Podgorica
- “Budi human” Equal chance for all - online crowdfunding service, donations go to people who need help for medical treatment
- “Fondacija Ognjen Rakoci” (Sun for you, sun for me) - expert support for kids with autism
- “Nova nada Zabljak” (Together for speech therapy cabinet) - expert support for kids with developmental challenges

Besides the donation contest „Za svako dobro”, in 2016, Telekom supported a number of initiatives dealing with the problems of socially vulnerable groups or promoting good causes for our society.

Our support to the Montenegrin health system, and Clinical Center of Montenegro, the most important public medical institution in the country was continued with important donations:

- EUR 12 500 for adaptation of Center for digestive chirurgy
- EUR 2500 for laparoscopy instruments for „GAK”
- EUR 1500 for restoration of lobby of Institute of children diseases
- EUR 1000 for reconstruction of Chemo-oncology clinic within Institute for Child disease

In cooperation with Foundation “Budi human” (LEGY TE IS HUMAN), the company opened donation line 14543 to provide support to citizens of Montenegro that need help in collecting funds for medical treatments.

In November 2016, the Employee’s Union of Montenegro awarded Cognosni Telekom the Annual Award for Social Responsibility in 2016, in the area of community support, for the project “Za svako dobro”.

A Makedonski Telekom donated computer equipment for the “Goce Delchev” Dormitory (State Dormitory “Skopje”). The computer equipment, TV sets, printers and telecommunication services are available for all students in the reading room in the renovated block “B”.

The value of the donated equipment is over MKD 900 000. Moreover, 20 new desktop computers, two TV sets and two printers were installed and networked. Also, wireless internet equipment and packet services of Makedonski Telekom such as Telekom HotSpot, MaxTV packages and two MaxSport+ TV packages were provided.
Makedonski Telekom in line with its strategy for connected life and work, supports projects for support and development of the digital society and promotion of the life and the education of young people.

Telekom New Media takes part in the donation efforts at company level each year. Our colleagues are strongly committed and involved in the support of disadvantaged children and those who live with Down syndrome.

Civil and CivilNET Tariff Package

Magyar Telekom launched its Civil Tariff Package service in March, 2004. The Civil Tariff Package provides 500 minutes of free calls without monthly fee and connection fee in the domestic wireline network. The tariffs of usage exceeding 500 minutes contain an average of 30% discount on the call charge.

Telekom extended its Civil Tariff Package service to Internet of the basic package. The organizations can use the money so saved for their socially useful programs.

In 2009 - responding to the demands of the NGOs - Magyar Telekom extended its Civil Tariff Package service to Internet access as well, by launching its CivilNet tariff package, which provides Internet access service without connection fee and monthly fee to public benefit organizations selected through applications. Applications can be submitted for the CivilNet tariff package along with the Civil tariff package.

In 2016 we provided discount priced fixed line telephone and internet services to 21 organizations for 12 months in the value of HUF 1.5 million.

6.2 OUR EMPLOYEES AND SOCIAL RESPONSIBILITY

What does volunteering mean to us?

Telekom, as a responsible large enterprise, employing several thousands of employees, promotes and encourages volunteering within the company.

Volunteering is of key importance for us because we believe that our common work for others has a very strong community building effect. It distances us from the everyday routine and releases positive energies which can be used within and outside the company.

Our primary goal is to offer a range of volunteer activities; our colleagues may choose from to find the form of contribution that best fits their preferences. This nurtures the spirit of “Together with you”; because volunteering is a real community experience for us: both for those who give and for those who are being given.

Magyar Telekom, as a responsible and best workplace, helps its employees to carry out their good intentions and encourages them to do so with the collection of hello holnap! points.

We record and count employee volunteer work by way of computing and awarding the points collected. Our company’s contribution to social, environmental efforts upholds Telekom’s sustainability values thereby increases the business and brand value of the company.

Our biggest volunteering event

In 2016 the Telekom Volunteer Day was a great success where more than one thousand employees took part in 29 locations.

On Saturday, October 15, 2016 - which happened to be a workday - our volunteers helped cleaning and renovating 29 sites in 15 settlements, including public spaces and social buildings, facilities and surrounding green areas too. We also planted 1000 trees and shrubs in gardens and public parks as part of the hello holnap! pagony initiative thereby having the day to mark the milestone of transforming Telekom a year ago, in 2015 into a carbon neutral company.

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:

In 2016, 17 such programs were organ-ized. On these and other occasions more than 1500 Magyar Telekom volunteers contributed their workforce in 11 412 hours. With these programs we provided 56.3 million HUF worth of theoretical contribution to society.

Chris Mattheisen, Magyar Telekom’s CEO at the Telekom Volunteer Day

In the hello holnap! supplemented voluntary donations program we leverage the power of communities. We support the initiatives of the local communities so we encourage our colleagues to help some civil program in their own neighborhood by offering voluntary work.

The employee’s own initiative - in this case the maximum amount of company support is HUF 50 000. Supplementary support is provided as follows:

- employee donations up to HUF 15 000 the company is adding double of the amount;
- employee donations between HUF 15 001 and HUF 50 000 the company donates an equal amount.

Collective initiative of employee groups - in this case the maximum amount of company support is HUF 200 000.

Supplementary support is provided as follows:

- in case of the collective initiative of employee groups, where at least 4 Telekom employees are involved in the donation and the connected voluntary work, and the amount of the donation paid by the employees is at least HUF 50 000, the company supplement will be HUF 250 000;
- 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 at least HUF 25 000, the company supplement will be HUF 100 000.

PUBLIC

Éva Somorjai, chief HR officer summarized the significance of the day as follows: “Each year we ask You what kind of volunteer work You would like to do - as our primary objective is to ensure that each and every of you perform the volunteer work that you think is best for you and the community. Planting trees has always been among your top priorities! This is how this year’s initiative has become the largest voluntary effort in the history of Telekom both in terms of the number of participants and the locations involved.”

“We do believe that common work for others releases positive energies and is a small community experience for us, both for those who give and for those who are given. This is why we encourage volunteer work within the Company and appreciate our colleagues’ eagerness to make things better” – said CEO Chris Mattheisen who did his share of volunteer work in Mocsa.

With its Supplemented Individual Donations initiative of Magyar Telekom merges two levels of commitment: financial donation and employee volunteer work in support of an NGO.
Skopje Marathon - donation for awareness raising about Wilson Disease

This was the third year that the Magenta Team of Makedonski Telekom participated in the Skopje Marathon for a humanitarian cause. The runners in our team dedicated the race to increase awareness of Wilson Disease. The team raised a total of 5,000 euros for the Citizen’s Association for Support of People with the rare Wilson Disease Macedonia (CAWDIM).

CAWDIM will use the donation to provide resources for genetic testing of Wilson Disease. Purchasing essential resources will help to identify the disease quickly. Early diagnosis allows people suffering from the disease to live normal lives along adequate therapy and provision of appropriate nutrition.

Humanitarian New Year Caravan run by the Telekom for Macedonia Foundation

This is the 14th consecutive year that the Telekom for Macedonia Foundation has organized a humanitarian New Year’s Caravan directed toward the most vulnerable groups of children in December 2016. The caravan visited more than 2,000 children 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 goody bags were handed out to the children. The caravan was run by about 50 volunteers from Makedonski Telekom and they visited 45 institutions. The Caravan brightened the lives of these vulnerable children and also raised awareness among our employees about the importance of corporate volunteering.

Humanitarian action for the people affected by the floods in Skopje

Skopje, the capital of Macedonia, was hit by a “water bomb” storm on 6 August 2016. 21 people lost their lives, dozens were injured or went missing, and roads, houses and infrastructure were damaged. Apart from collecting food and toiletries, our colleagues also visited the municipality Stojkovci which had been most severely affected by the flood. They helped to remove snow, ice, and debris that had been deposited by the flood waters. Alongside the volunteers work carried out by our employees, we also donated EUR 32,000 toward reconstruction of homes in the municipality Gazi Baba. We provided mobile banks and mobile units for local citizens in the affected areas. Our mobile phone network was fully operational.

The Telekom for Macedonia Foundation and the Red Cross started a donation hotline and this collected more than EUR 100,000.

In 2016 Omagorski Telekom continued to organize blood donor activities. In cooperation with the Montenegrin Centre for Blood Transfusion, our employees donated blood and helped to raise awareness of this important social issue. CT joined the action, “And summer is the giving season!” bearing in mind that the blood supply in the summer months decreased and that a voluntary action can significantly contribute to the efforts of the Department to maintain the necessary reserves of blood.

Also, during 2016, employees organized three charity initiatives, in order to support people in need. Employees collected food on the occasion of the International Family Day. The collected goods were given to the Red Cross in Podgorica, which distributed it to families in need. Also, in April 2016, on the occasion of International Book day, employees organized collection of books for School library in Biocce. Within traditional New Year party, employees organized Charity lottery and collected funds for reconstruction of Children’s Hematology Clinic in Podgorica.

6.3 SPONSORSHIP

The goals of the Company Group’s sponsoring activities are the creation of experience and value for customers and business partners.

The Group, as a major sponsor of Hungarian culture as well as musical and social life, is devoted to support high profile events, performers and productions that represent top quality in their area or genre. Its goal is to provide unique experiences for our packages with an innovative technology. Through the egyekvagyunk.hu website anyone could express their support and cheer Hungarian athletes with Telekom cheering hearts.

As the most loyal sponsor of the handball team formerly known as MVM Veszprém, the company has been sponsoring the club for 19 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 2016 we elevated our cooperation to a higher level and have been sponsoring the handball team as Telekom Veszprém. Magyar Telekom believes that such world-class achievements and accomplishments significantly help promoting sports and a healthy lifestyle among young people.

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

Telekom Cheering Hearts

Magyar Telekom started a sports campaign in May 2016 through the summer to bring athletes and fans closer together with an innovative technology. Through the egyekvagyunk.hu website anyone could express their support and cheer Hungarian athletes with Telekom cheering hearts.

Magyar Telekom is also a sponsor of big summer music festivals in Hungary, like the VOLT in Sopron, the Balaton Sound, the Sziget Festival, the Campus and the EFFOTT. In relation to sponsoring festivals we reviewed 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-communication devices and services while observing sustainability considerations. We called all our partners’ attention that it is essential to perform their work in accordance with all three pillars of sustainability.

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

As another important element of the sport sponsoring strategy Magyar Telekom is the main sponsor of 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.

Magyar Telekom supported Hungary’s successful application for the organization of the 2017 FINA world championship in Budapest.

Hungarian athletes with Telekom cheering hearts.
Similarly to the reduction of our trucks’ mileage we successfully reduced the use of paper: the majority of our formerly printed documents (e.g. regulations, promotion material) was released in a digital form. Almost 80% of the furniture that we used in festivals were recycled items: they were built from old palettes and used interior-design elements of Telekom shops.

At Makedonski Telekom music, sports and culture were in focus of sponsorship in 2016. With our support, we continued the cooperation with our best handball and football club “Vardar”, with the Basketball Club MZT Skopje, as well as with the Macedonian Tennis Federation. Besides sports, we also supported our most popular musicians as well as the most recognized music events. For many years we are partners with the one and only Skopje Jazz Festival and in 2016 we continued our partnership with Karolina, Elena and Adrijan Gaxha – famous Macedonian music stars. In 2016 we also supported the most important cultural events: Ohrid summer festival, Novel of the Year, Milingona e Arte and many others.

Within the company’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 Montenegrin Football First League. Additionally, in 2016 Telekom supported and sponsored Budućnost Basketball Club.

Music is one of the main areas within our sponsorship strategy since music is considered to be the universal language for all generations. We sponsored numerous musical events and activities in 2015. We partnered with organizations across Montenegro and supported the Southern Soul Festival in Ulcinj and After Beach Parties along the Montenegrin coast.

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The sponsoring platform of Crnogorski Telekom 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 the company’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 Montenegrin Football First League. Additionally, in 2016 Telekom supported and sponsored Budućnost Basketball Club.

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