

Our commitment to biodiversity conservation, water conservation and protection from deforestation

Preserving biodiversity and protecting against deforestation have been important issues for Magyar Telekom for several years. A wide range of measures along our value chain contributes to safeguard natural resources.

One of the main causes of biodiversity loss and species extinction is the increasing consumption of land by industry, agriculture, and transport. As a telecommunications company, we consume little land and water compared to companies in many other industries.

However, our business activities have an impact beyond this in other areas of our value chain. To ascertain these impacts, we conducted a qualitative impact analysis. This involved assessing the positive and negative impacts of Magyar Telekom's business activities on various biodiversity parameters along the upstream and downstream value chain. This includes deforestation, species protection, and protection of oceans and ecosystems.

Our approach to sustainable purchasing

The greatest impacts were identified in the procurement of raw materials in our upstream value chain associated with the products sold by us. Deutsche Telekom rejects any activities, drilling, exploration, or mining in or near areas with globally or nationally significant biodiversity. At the same time, our scope for action is limited because we do not produce our products ourselves. We expect our suppliers to work to protect the environment and have been committed to minimizing negative impacts on biodiversity, deforestation and water scarcity since 2022 as part of the central [Supplier Code of Conduct](#). This is regularly verified on site as part of social audits. Our suppliers should also place the same requirements on their subcontractors.

To minimize the impact in raw materials procurement and promote the circular economy. We have implemented take-back systems for mobile and fixed-network devices. This allows us to extend the useful life and return valuable resources such as precious metals to the materials cycle. We additionally aim to increase the share of recycled raw materials in the products we offer. We monitor the success of these measures using various KPIs. For example, "Take Back Mobile Devices" quantifies the proportion of mobile devices taken back in relation to the number of devices put on the market. Our ambition is to steadily increase this figure.

Our climate strategy

Energy production also has a strong impact on biodiversity, as climate change has a high impact on ecosystems and biodiversity. Thus, Deutsche Telekom's active commitment to climate protection is also a commitment to preserving biodiversity. Climate protection is a key component of our corporate responsibility strategy. This ensures that climate protection measures are closely linked to our core business. Our integrated climate strategy is based on

four pillars: emissions from the value chain, renewable energies, energy efficiency and enablement (positive climate protection effects among our customers). We have defined targets and key performance indicators for each of the four pillars.

In the fight against climate change, we offset our remaining greenhouse gas emissions through various projects. From 2025, we aim to neutralise our Scope 1-2 emissions exclusively through nature-based projects, including forest restoration projects. Trees store carbon, produce oxygen, regulate the water balance, provide a habitat for countless species, and thereby promote biodiversity.

In our Magenta Forest campaign, Deutsche Telekom has now grouped the various projects underway throughout the Group in this context, thereby highlighting the fact that many small efforts can add up to make a big difference. We have already exceeded our target of 100,000 trees planted. By the end of May 2022, 176,580 trees had been planted by Deutsche Telekom and our employees as part of the Trillion Tree Campaign.

Protection from deforestation

However, we see it as our responsibility not only to contribute to forestation, but also to stop deforestation. Magyar Telekom is committed to the responsible use of forests and wood as a raw material. We see our greatest impact in our paper consumption. Our Paperless Office project aims to decrease paper use as much as possible throughout the Group by 2025. To this end, we have introduced print-on-demand systems and provide payroll electronically.

In recent years, we've also gone paperless across our entire store network: we no longer use leaflets in our stores, we sign contracts on tablets, and we only print when we really need to. We only give our customers bags made from recycled paper to go with the equipment they buy. We introduced online invoicing more than 10 years ago, and we encourage our customers to use electronic invoicing and electronic payments with an e-pack discount.

Impact of our services

The provision of our services can also have an impact on biodiversity.

It is important for the Group that its investments are made with the necessary land use, preferably in the original state of the environment, and that its buildings are as in keeping with the appearance of the area as possible.

In the operation of our sites, particular attention should be paid to the impact of outdoor air conditioning systems and diesel-powered emergency generators as potential sources of noise. as a major source of noise.

Electromagnetic radiation measurements are carried out annually at the request of the public, as a contractual obligation, and in response to changes in technical content and modernisation. In all cases, the results of the measurements have been in compliance with the relevant standards.

Our contribution to the preservation of biodiversity

In addition, Telekom considers other biodiversity issues such as water consumption and sustainable buildings and canteens to be very significant. Even though our footprint in these areas is limited:

- Sustainable Telekom buildings that save greenhouse gas emissions and use them optimally. One such building is Telekom's headquarters, which has been awarded BREEAM excellent certification.
- Resource efficiency at work, including sustainable office use and waste reduction.
- We promote flowering meadows at Telekom sites, including a roof garden on the roof of the headquarters, which is irrigated with rainwater.
- We avoid mowing on our Telekom sites wherever possible to protect rare plant species.

We also offer numerous products and solutions to reduce this environmental impact, e.g.:

- ICT solutions support transparency on water consumption and water management systems as well as animal tracking for the protection of endangered species.
- Beehives networked through ICT solutions contribute to biodiversity by having sensors collect data from beehives and transmit it to beekeepers.
- 5G supports the digitization of agriculture.
- One such project was Magyar Telekom's joint project with the Aggtelek National Park to monitor round-nosed horseshoe bats in Baradla Cave and grey wolves. The latest cooperation between Magyar Telekom and WWF Hungary is the support of natural water conservation projects with a monitoring system.