4. CUSTOMER RELATIONS

4.1. Customer satisfaction ................................................................. 29
4.2. Customer feedback management .............................................. 30
4.3. Involvement of our customers ................................................... 30
4.4. Informing our customers ............................................................ 31
In 2017, the methodology of the T*RIM customer satisfaction survey was changed. Adjusting to the changed market conditions, the level of satisfaction with mobile and fixed line communication service providers is no longer measured separately, instead, it is performed within the framework of an integrated measurement. The survey is conducted in the form of telephone interviews, encompassing samples of justified size, composition and weights. The content of the topics has not changed substantially, however, the change of methodology required to start a new timeline in 2017.

### T*RIM - Residential customers

The satisfaction level of Magyar Telekom’s unique proposition both including fixed and mobile services, the Magenta 1 package, reaches the top 10% satisfaction level among European telecommunication indices. Mobile subscribers are slightly more satisfied than fixed line customers whose feedback, however, show improvements compared to last year.

Throughout the year, balanced responses were received from our customers. One of the principal strengths of Magyar Telekom is the renewing choices of fixed services, new tariffs and range of equipments, handsets. There is a steady growth in satisfaction concerning stability and speed of mobile internet connection. This year, Magyar Telekom has improved its results in the efficiency of ordering processes, and also the service ordering and modification processes proved to be more seamless than before. Last but not least, it is also the technical problem solving that has shown promising results.

Flip, the second brand of Magyar Telekom offering a service package including three fixed line elements (telephone, internet and television), was first included in the survey in 2018. The subscribers have voted Flip as the very best telecommunication services provider in Hungary with a substantial lead.

### T*RIM - Small- and medium-sized enterprises

In January 2016, T-Systems Hungary has taken over the handling of small- and medium-sized business (SMB) customer base of Magyar Telekom. T*RIM has remained the measurement tool for customer satisfaction and loyalty, that is to be carried out twice a year. Due to the 2017 change in methodology, conclusions from survey findings can only be made from this date similar to residential market.

As it was highlighted in the residential survey, the level of satisfaction of mobile customers is higher than that of the fixed line subscribers in case of SMBs as well. In 2018, Magyar Telekom subscribers managed by T-Systems have reached a higher satisfaction level in terms of mobile network coverage and mobile internet connection speed. Taking competitive results into consideration, our fixed line customers articulate more how they appreciate theextras that T-Systems provide for loyal subscribers and we also measured higher satisfaction with new fixed offers, tariffs and equipment.

### Strategic satisfaction research

Within the frame of the annual satisfaction research we inquire IT and telco decision-makers of our customers about their satisfaction with T-Systems’ services and customer service.

Within the research we perform personal deep interviews and questionnaire based survey as well. In 2018, the sample targeted by the survey was extended to include the SMB segment in line with T-Systems’s new segmentation structure. The questionnaire based survey is conducted on a random sample of the entire customer base where we contact 746 companies. The deep interviews are taken in the top 50 segment of the large enterprise category. The questionnaires and deep interviews are performed anonymously, but the respondents also have the opportunity to identify themselves with their names during the interview.

The annual satisfaction survey includes industrial benchmark questions too. In order to make a truly independent customer satisfaction survey the measurement and the evaluation is performed by our market research partner.

The results are processed in respect to the entire T-Systems company, service areas and other areas and are presented to the repre-sentatives of the relevant professional areas.

The certain vertical sales and other service areas in T-Systems work on build up action plans based on the strategic satisfaction research results. The result and realization of action plans was summarized in case of every vertical sales and other service areas at the end of the year.

Based on the so far results of the T-Systems satisfaction survey we can state that the overall performance of the company is reliably high and balanced.

### Contact person satisfaction research

The contact person satisfaction survey is performed at the end of each quarter among customers who used T-Systems’ telephone or email based service deficiency reporting and administration processes. Within the frame of the survey we contacted our customers’ contact persons who turned to the Corporate customer support department or the T-Systems Service Desk with fault reports or complaints.

The survey is performed with the involvement of a partner (Magyar Telekom Group’s Strategic Directorate) at the end of each quarter whereby we contact approximately 200 contact persons by telephone; then based on the answers we prepare an evaluation report at the end of the quarter. Upon closing the fourth quarter’s survey we prepare an annual contact person satisfaction report which is presented to the professional areas of the company.

In 2018 both channels performed at and outstanding level and had a specifically positive impact on T-Systems’ perception. Both the administrative processes and the professionalism, competence of the staff as well as the treatment of customers achieved a superior rating. Customers find that the vast majority of administrative processes are easy to follow and are successful. The duration of administrative processes is compliant with the SLAs undertaken by T-Systems as well as the expectations of customers.

### Enterprise customer support unit

We measure our customers’ satisfaction with the activities of the business customer support area on a monthly basis. Within the frame of the measurement any customer can be interviewed who contacted the Call Center within the given period. When interviewing customers we also take into account whether the given customer has a dedicated contact person and whether the contact person agreed to contacting the customer for the purpose of the survey.

Customer satisfaction is measured with a questionnaire prepared on the basis of the ICCA methodology. In order to ensure the independency of the survey the measurement was performed by T-Systems’ market research partner. The partner performs 350-400 interviews per month and provides feedback to T-Systems measured in a scale from -200 to +200.

### ICBA TARGET VALUE IN 2018:

<table>
<thead>
<tr>
<th>CC</th>
<th>CCG</th>
<th>CC</th>
<th>Dedicated</th>
<th>Dedicated</th>
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<th>Fieldwork staff</th>
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<td>166,1</td>
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<td>184,2</td>
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Aggregated report: 144,7 points
Measurement of customer satisfaction with the management of fault reports

The emails sent by T-Systems’ Service Desk notifying customers that their problem is resolved contain customized links to the questionnaire. The answers of customers are monitored and processed every day by a dedicated manager. If it is justified so the manager may initiate immediate investigation or measures. We review the answers and evaluation of our services by our customers on a weekly basis and initiate actions or further measures to improve customer satisfaction.

4.2 CUSTOMER FEEDBACK MANAGEMENT

The customer’s voice and indication in any case it is important for us to maintain the high quality of our services according to customers’ expectations. The feedbacks of Magyar Telekom are continually help us creating our services and processes and finding ways of improving.

At complaint handling we focus on our customers’ satisfaction and ensuring enhanced customer experience which. Our task is to provide qualitative and comforting solution for our customers during the investigation and handling of complaints. Along it is, we form again the continued use of the experience of Magyar Telekom services to the customer with customized solutions.

It is important for us to provide high quality services to our customers and quick solutions when dealing with complaints. In 2018 compared to the previous year the number of complaints decreased by 27%.

In 2018, Magyar Telekom Group completed its fourth consecutive carbon-neutral year. On top of reducing its own carbon footprint to zero, the company successfully engaged its customers in its climate protection efforts, too.

In the first round, it were the residential and the business Magneta 1 services that went carbon-neutral on the customers’ side, too, as the company neutralized the emission of the devices installed at the premises of the more than 150,000 customers concerned.

By launching its first service running 100% on energy from renewable sources, under the name of ExtraNet Green 1 GB, the company enables more customers to take action for climate protection.

Earth Hour

Earth Hour, the largest voluntary initiative to fight climate change, joined communities around the globe on March 24, 2018, from 08.30 pm to 09.30 pm. In a record-breaking 178 countries around the world, including Hungary, many people joined the cause with a symbolic switch-off of lights for an hour, shining a light on climate action. Across Hungary all of the Telekom shops took part in the effort which were open in time of the event. We switched off the lights and projected Earth Hour material on displays in the company’s shops during the day.

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Carbon neutrality

One of the biggest challenges of our age is climate change which is mainly attributable to human activity resulting in carbon dioxide emission. Telekom recognized the importance of climate protection back in the 90s and now it is an integral part of the company’s day-to-day operation. In line with our corporate Sustainability Strategy and by the implementation of innovative solutions the company has gradually decreased its energy consumption and increased its energy efficiency.

ELFOGYOTT A NETED?

VÁLASZD A ZÖLDRÁT ÉS NETEZZ ZÖLDEN A KLÍMÁVÁLTÓZÁS E LEN!

Telemk Community Gardens

Magyar Telekom and the Contemporary Architecture Center (KEK) continued operation and maintenance of the community gardens. The gardening works continued in the Csárdás Garden and Kertházar Community Garden. The two gardens offer an opportunity for urban gardening for more than 150 families in the city.
Sustainability panel discussion and DELFIN Award

The DELFIN Award ceremony took place in June, as part of the 19th Sustainability Roundtable Discussion Day. The professional jury awarded best practices and leading examples in sustainability solutions and sustainable performance of competing companies.

In 2018 any Hungarian enterprise could apply for the DELFIN Award (Award for a Committed, Sustainable and Innovative Generation). The prize was established in 2008 and is open for already implemented projects or operating programs.

In the Climate Protection category, the jury awarded the prize to Budapest Airport Ltd Co.’s “greenairport” project, while in the Sustainable Education category, two prizes were handed out. One prize was awarded to “Kozos labda” Playhouse, where kids and their parents are educated to keep their everyday lives environment-friendly and energy-efficient with the use of creative games developed uniquely for the purpose, and a DELFIN Award was granted to the Waste Hunter program of JÖN Foundation (“eco generation of the future”), which helps eliminate illegal waste deposit sites across the country by means of a dedicated website and an app.

Magyar Telekom also awarded the TOP3 Sustainable supplier. The „Magyar Telekom TOP3 Sustainable Supplier – 2017” award went to Cisco International Limited, Huawei Technologies Hungary LLC. and Capgemini Hungary LLC.

We sustained the Earth once more!

Visitors of Budapest Park got a taste of our Sustainability Day experience, as they were invited to party with us and the Anna and the Barbies band on August 03, 2018. During the concert, we threw our Earth Ball into the audience, members of which were very happy to “sustain the Earth” for the duration of a whole song. Visitors of the FN11 event could meet Anna’s band again at the afterparty, as we concluded the Sustainability Day 2018 event by another spectacular Anna and the Barbies concert.

As part of the roundtable discussions the participants could get to know our sustainability strategy, goals and results, and in the second part of the event, our guests – Dr. Juhos Andrea (Managing Partner Lee Hecht Harrison Hungary), Friedl Zsuzsanna (GIRO Magyar Telekom Plc.), Maatran Zoltia (astro blogger, Chili és Vanilla blog), Stencer Hilda (mountain climber, wall climbing trainer) and Szentesi Éva (writer, anti-cancer activist, Senior Fellow WMN.hu) – discussed careers and lives of several women very much relevant in the context of diversity.

Magyar Telekom Group is making ongoing efforts to simplify its propositions as much as possible and to make them available to the widest possible scope of customers. We offer detailed information about the services and tariff packages of Magyar Telekom on telekom.hu, and information about the services of our most important member companies on T-Systems, Makedonski Telekom websites.

Customers can inquire about Telekom tariff packages and services or even request modifications 24 hours a day through the consumer customer service call center, which can be called toll free from Telekom’s Hungarian mobile network at 1414 or the 1777 (Domino pre-paid center) number. We have made Telekom website more user-friendly, among others by highlighting search keywords and developing the webshop service to enable quick and simple purchase. The services are available on the following website: http://www.telekom.hu/lakossagi/szolgaltatasok/mobil.

Magyar Telekom considers it as high priority to communicate its advertisements to the existing and prospective consumers in compliance with the relevant regulations. We take all measures necessary to ensure that our advertisements deliver our proposals accurately and clearly, excluding any deception. In view of the above, compliance with the consumer protection and GVH (Competition Office) guidelines, and checking regulatory compliance are important requirements of the work processes of producing advertisements is a crucial part of our advertising operations. We convey our proposals to everyone by using the greatest number of communication tools possible and with maximum exploitation of the possibilities offered by the given media. In this way we allow our audience to receive thorough information to be able to make carefully contemplated and responsible decisions.