



**SUSTAINABILITY
REPORT**

2021



**Együtt.
Veled**

OUR APPROACH

This Sustainability Report presents the results of Magyar Telekom Plc, T-Systems Hungary Zrt. and Makedonski Telekom. In the Sustainability Report, references to the Magyar Telekom Group, the „Group” and „Group-level” refer to the group of companies formed by Magyar Telekom Plc, T-Systems Hungary Zrt. and Makedonski Telekom. In the Sustainability Report, the term Magyar Telekom refers to Magyar Telekom Plc. and T-Systems Hungary Zrt. together.

Sustainability approach

Since Magyar Telekom recognized the overall importance of sustainable development long ago, as well as the fact that this is specifically critical for future business operations, it remains committed to pursuing its operations, corporate governance and other activities in the spirit of sustainable development in Hungary and in all countries where the Group is present through its operations or partnerships. This is not only a token of our future business success, but one of our major assets in light of the Group’s role in the region and its social, environmental and economic influence.

Sustainable development is not a challenge for a single individual. It affects everyone across the whole corporate Group. Therefore, it cannot be approached as a task dedicated to one organizational unit. The different entities of the Group learn about and then apply the sustainable practices applicable in their respective areas through the policies governing internal operating procedures. Sustainability policies that affect the entire company are recognized and mastered by our new employees as an integral part of the corporate culture. The different tasks often belong to different entities within the Group and require the cooperation of organizations far away from each other. Magyar Telekom’s sustainable corporate governance practice is described in the [Chapter on Corporate Governance](#).

Values identified by our sustainability approach in the environmental, economic and social dimensions:

Economic dimension

- Business venture, integrity, transparency
- Vision, innovation
- Employees, team, dynamism
- Customers

Social dimension

- Democracy, information society
- Future generations, sustainable society
- Diversity, social solidarity, quality of life
- Partnership, talent, creativity

Environmental dimension

- The Earth
- A living and healthy environment
- Nature, biological diversity
- Natural resources

Sustainability Strategy

(2021–2025–2030)

The main goal of Magyar Telekom’s 5th Sustainability Strategy is to remain the country’s leading sustainable company by putting digitalization at the service of the development of people, families and businesses, as well as the protection of the environment. The main guiding principle of the company’s new strategy is to maintain its current leadership role as both a company and an infocommunication service provider. It has therefore set long-term targets for 2030, which it will continuously monitor and update as necessary.

CLIMATE PROTECTION

What we do as a company: We keep our direct and indirect emissions (scope 1+2) at net zero by an 84% decrease (compared to 2015) and reduce the part of the emissions of our suppliers and customers attributable to us (scope 3) by 30%.

What we do to enable others: Our customers to take climate action and reduce emissions by providing ICT services applicable as climate protection (i.e. smart) solutions. At least half of our revenues come from services that support climate protection by 2030.

Emission decrease (2025):

- Keep our direct & indirect emissions (scope 1+2) at net zero by an overall 16% decrease in consumption
- Decrease the emissions of our suppliers and customers attributable to us (scope 3) by at least 20%
- Review the possibility of introducing a „Shadow CO₂ Price”

Decreasing others’ emissions (services for climate protection) (2025):

- At least 20% of our revenues to come from climate protective services

Tasks supporting climate goals (2025):

- Establish and report on climate risk management process (in line with TCFD)
- Impose internal carbon tax and establish internal carbon market

Resource efficiency goals supporting climate goals (2024):

- Take back used mobile devices from customers, 10% increase
- Take back and sustainably manage used CPEs from customers
- Zero technological waste disposal
- 100% sustainable packaging

Emission decrease (2030):

- Keep our direct & indirect emissions (scope 1+2) at net zero by 84% decrease compared to 2015
- Decrease the emissions of our suppliers and customers attributable to us (scope 3) by 30%
- Take into consideration the carbon footprint in the process of supplier selection

Decreasing others’ emissions (services for climate protection) (2030):

- At least 50% of our revenues to come from climate protective services

DIGITALIZATION

What we do as a company: We work on the digitalization of the country and make gigabit access available to 100% of our customers

What we do to enable others: We help 6 million people to achieve responsible digital maturity.

Digitalization of Hungary (2025):

- 4 million gigabit-ready households (access independent)
- 67% 5G coverage

Digital responsibility (2025):

- More than 4 million people whose digital maturity we have promoted

Digitalization of Hungary (2030):

- Gigabit access available to all our customers
- Nationwide 5G coverage

Digital responsibility (2030):

- 6 million responsible digitally mature people

DIVERSITY

What we do as a company: we create a 100% inclusive workplace.

What we do to enable others: we provide 100% accessible services.

Inclusive workplace (2025):

- 100% accessible workplace
- Ratio of female management: minimum 35%

Accessible services (2025):

- 100% WCAG compliance

Inclusive workplace (2030):

- Ratio of female management: minimum 40%

Accessible services (2030):

- 100% accessible services

Sustainable Development Goals (SDGs)

In 2015, the UN adopted its sustainable development blueprint to be implemented by 2030. These 17 goals and 169 targets determine the main direction towards resolving the most urgent problems posing a threat to humanity and the planet. Magyar Telekom also elaborated its Sustainability Strategy encompassing the period from 2021 through 2030 in line with these SDGs.

