



SUSTAINABILITY APPROACH

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Magyar Telekom HU has long recognized the importance of sustainable development and the fact that it is essential for its future business activities, and therefore remains committed to conducting its operations, corporate governance and activities in this spirit at Group level, both in Hungary and in all countries where it is present on its own merit or in cooperation with other entities. This is not only an inherent key for the Group's long-term success, but also a fundamental value in terms of its role in the region and its social, environmental and economic impact through its services.

Sustainable development is not a single-person challenge. It affects everyone personally and permeates the whole company and corporate group. It cannot be treated in isolation as the responsibility of a single organisational unit. Each business unit learns about and applies sustainability practices in its own area through internal workflow policies. The company-wide sustainable operating policies are provided to and acquired by new employees as an integral part of the company culture. Each task is carried out by a different area of the Group and often requires the cooperation of remote units. Magyar Telekom HU's corporate governance practices from a sustainability perspective are summarised in the chapter on Corporate Governance.

SUSTAINABILITY STRATEGY

The main objective of Magyar Telekom HU's 5th Sustainability Strategy is to remain the country's leading sustainable company by putting digitalisation at the service of the development of people, families

and businesses, and the protection of the environment. The main guiding principle of the company's new strategy is to maintain its leading role in sustainability, both as a company and as an ICT service provider. It has therefore set long-term goals up to 2030, which it will monitor and update as necessary in line with the emerging trends.

At the beginning of 2023, Magyar Telekom HU revised its strategic objectives in order to respond to the changing external and internal circumstances and to set its objectives along even more accurate calculations. This is because the strategic sub-objectives are affected by risks related to the price and availability of fuels, as well as the increased energy demand for 5G services and data centres. In addition to external changes, there have also been changes in the structure of Magyar Telekom Plc: T-Systems Hungary Ltd. Co. has undergone a transformation. Despite the changes, Magyar Telekom Plc is still subject to the 2019 renewed emission reduction commitment - approved by the Science Based Target Initiative (SBTi). For more information, see the Climate and environment protection chapter.

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 HU also elaborated its Sustainability Strategy encompassing the period from 2021 through 2030 in line with these SDGs.

* The present Sustainability Report presents the results of Magyar Telekom Plc, Telekom Rendszerintegráció Ltd. Co. (formerly T-Systems Hungary Ltd. Co.) and Makedonski Telekom. Magyar Telekom HU refers to Magyar Telekom Plc. and Telekom Rendszerintegráció Ltd. Co. collectively. In this Sustainability Report, the term Magyar Telekom Group refers to Magyar Telekom Plc, Telekom Rendszerintegráció Ltd. Co. and Makedonski Telekom collectively.

STRATEGY

CLIMATE PROTECTION

Magyar Telekom HU (Magyar Telekom Plc. and Telekom System Integration Ltd. Co.) has set a target to reduce its extended scope emissions (see Climate and environment protection section) - direct (scope 1) and indirect (scope 2) - by a total of 80% by 2030 compared to the 2015 base year.

The above is to be achieved by the following steps:

- Reduction of electric power consumption of **55%** by 2030 compared to 2015 base year through modernisation of the fixed network
- **Green transition of data centres** following the EU Taxonomy* recommendations
- Continue to cover **100%** its electric power demand from renewable sources
- Efforts to further increase the share of **local renewable energy**
- **Energy efficiency investments** in Magyar Telekom HU buildings and infrastructure
- Gradual **green transition of the vehicle fleet**

Decrease other indirect emissions (Scope 3):

- Strive to reduce Magyar Telekom HU suppliers' emissions associated with the Group by **30%** by 2030
- Striving to lead the way to **implement a circular economy** by 2030

DIGITALIZATION OF HUNGARY

Magyar Telekom HU's contribution as committed:

- **4,5 million** households and businesses to be **Gigabit-enabled** by 2027
- Achieve **99%** outdoor **5G population coverage** by 2026
- Provide various programs to **support digital maturity**

DIVERSITY AND INCLUSION

Magyar Telekom HU's committed:

Inclusive employer (2025):

- **100%** accessible workplace
- Ratio of women in management to reach minimum **35%**
- **100%** WCAG-compliance

Inclusive employer (2030):

- Ratio of women in management to reach minimum **40%**
- Introduction of an internal **education program** for Telekom HU employees to promote inclusion and the related mindset change.

*Decree 2020/852 of the European Parliament and the Council (EU)