

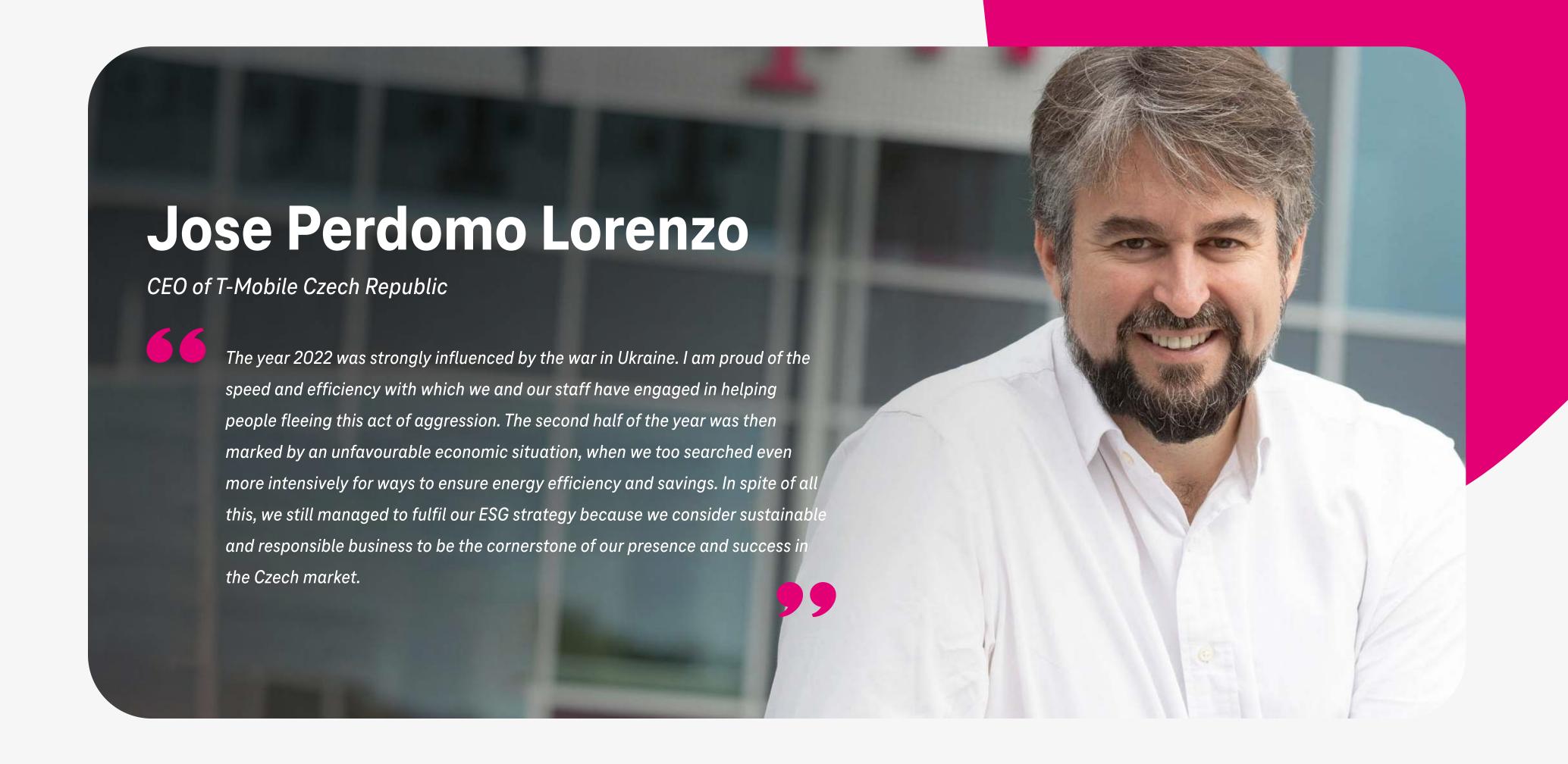
ESG INTRODUCTION

Sustainability, responsibility and ethics. Through our ESG agenda, we at T-Mobile Czech Republic monitor the broad implications of the impact of our business on nature, society and our employees. ESG is an increasingly popular term which is not only gaining more and more attention in the media, but one which society is also placing more and more emphasis on across the business sector. This is after all a driver of change which can truly change society for the better.

The acronym ESG encompasses three concepts - environmental, social and governance. These are three absolutely crucial areas which no responsible company should neglect or ignore. It is also important that the company does not focus on one area to the detriment of others.

At T-Mobile Czech Republic, we pay adequate attention to care for the environment, society, our employees and corporate governance. As the largest operator in the Czech Republic with almost 6.5 million customers, it is important for us to adhere to the principles of sustainability, go beyond them and set an example for others.

That is why in the Sustainability Report 2022 you will find not only the main areas which we are focusing on, but also a full range of data resulting from the activities performed by T-Mobile Czech Republic.



VIRONMENT

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ESG STRATEGY OF DEUTSCHETELEKOM GROUP

Be the leading global sustainable, digital telco



Building a climate-neutral future

Leading the way with net-zero GHG emissions by 2040 and enabling customers and society to follow towards net-zero



Striving for full circularity

Becoming fully circular around technology and devices by 2030, taking the whole value chain along



Being the best team in the industry

Becoming an employer of choice, promoting diversity, equity and inclusion in our teams and investing in future skills



Shaping the digital society

Overcoming the digital divide and enabling society, while making the digital world a safe and tolerant space for everyone



Good corporate conduct integrated into strategy, targets and governance systems

You manage what you measure – constant steering and measuring of progress towards sustainability targets

GOVERNANCE

ESG STRATEGY OF T-MOBILE CZECH REPUBLIC

Moving a connected Czech Republic in the right direction.

Build partnerships • Aim for systemic change • Think long-term
We search for synergies with business • Use our superpower • We initiate dialogue

Climate change and resource efficiency

2

Progress through connectivity and digital inclusion

5

Personal well-being in a digital world

THE UN SUSTAINABLE DEVELOPMENT GOALS WHICH WE FOCUS ON

Sustainable Development Goals (also known as SDGs) were adopted by the United Nations in 2015 and provide a basic global framework for sustainable behaviour by nations and companies. For T-Mobile Czech Republic, these SDGs are the cornerstone of sustainable business. For example, our activities contribute to better quality education, gender equality, decent working conditions or the sustainability of towns and villages.

We work with all segments of society to meet our sustainability goals with specifically targeted content. We enjoy collaboration with public administration, professional and sectoral associations, academia, non-profit organisations, the media and other companies. We build on the belief that if we truly perceive the world and society around us, we will have credible overlap to address social issues. This will make us more economically stable and enable us to grow faster.



WE ARE MEMBERS OF THE FOLLOWING ASSOCIATIONS AND BODIES:































ENVIRONMENT

We focus on minimising our environmental impact through innovation, investment in renewable energy and digitalisation. We search for ways to reduce emissions and measure our carbon footprint. We strive to adhere to the principle of circularity and recycle as much as possible.

2021 mmmm 2025 mmmmm 2030 mmmmm 2040

100% of electricity from renewable sources

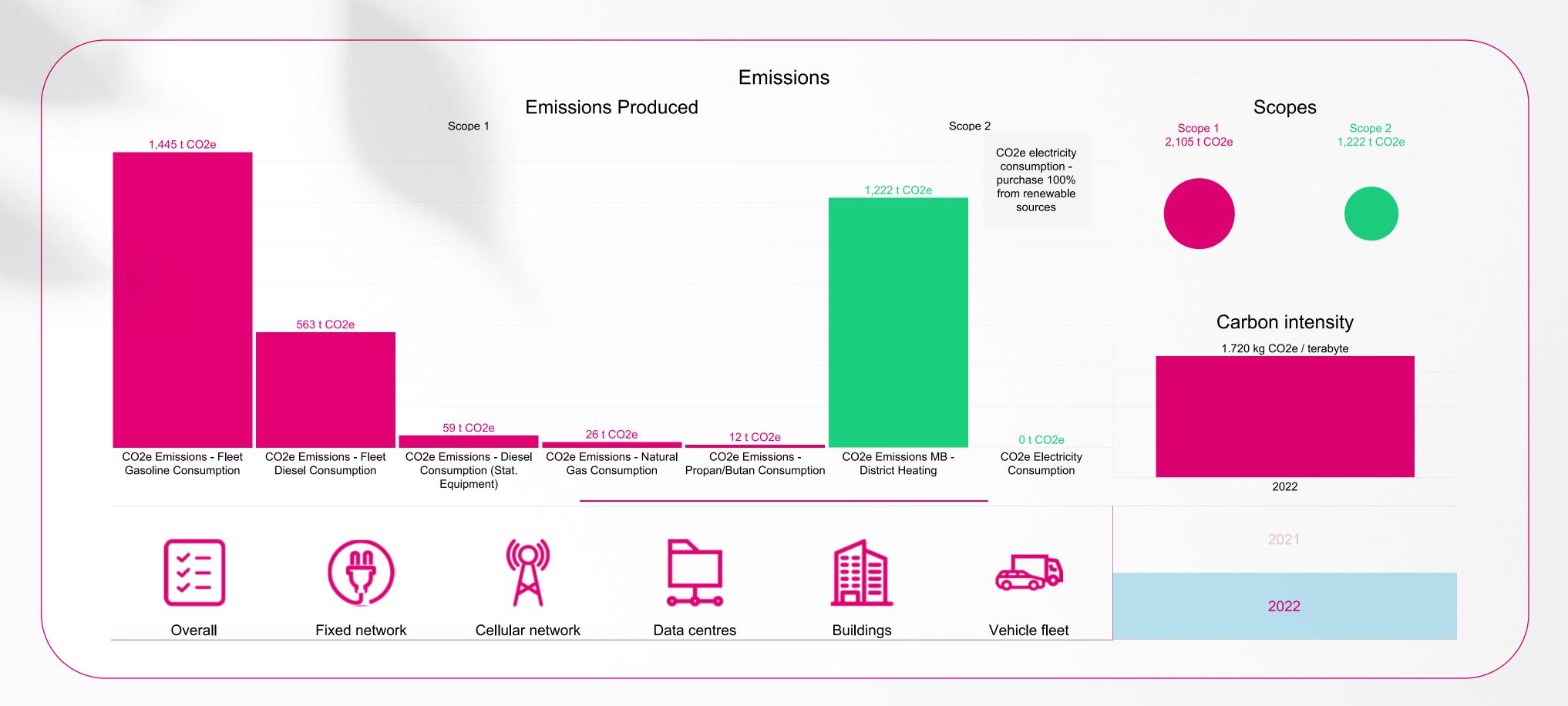
Scope 1–2 climate neutrality

Full circularity of technologies and equipment

Scope 1–3 climate neutrality

Carbon footprint

ENVIRONMENT

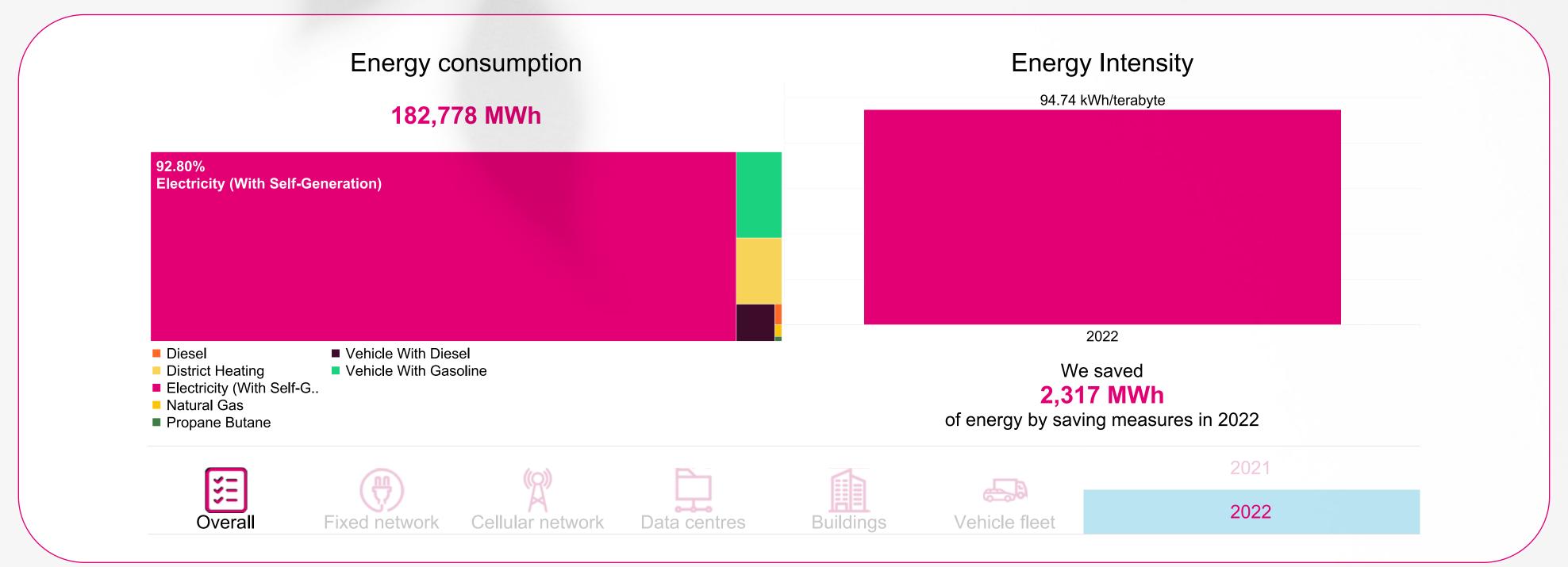


Measures to mitigate climate change are a priority for us. We are ISO 14001 (EMS) certified and are audited annually by the accredited certification company TÜV SÜD.

As part of the Deutsche Telekom Group, we are committed to a substantial reduction in our carbon footprint by 2025 and to climate neutrality by 2040 at the latest.

Energy

ENVIRONMENT



In total, we consumed 169,621 MWh of electricity for operations in 2022. Running our mobile network is particularly energy intensive. In 2022, our mobile network consumed 101.6 GWh, while the fixed network consumed only 3.9 GWh, data centres 49.9 GWh and buildings 14.3 GWh of electricity.

We cover all of our electricity consumption by purchasing from renewable sources. We are also working on pilot projects to produce our own electricity from renewable sources.

We focus on keeping our energy consumption as low as possible and managing it efficiently. We rent premises which are not currently in use, upgrade equipment and introduce free cooling instead of active cooling as well as replace power units and power supplies. We have launched the ECCO2 programme which allows all of our employees to suggest changes and cost-saving measures which will help us reduce energy consumption and CO2e emissions. We analyse each idea and gradually implement those which lead to real savings.

We are now building a fibre-optic gigabit connection which is an energy-saving solution. At the end of 2022, 363,468 households had access to our fibre-optic internet.



ENVIRONMENT

Stores

We are eliminating unnecessary paper and single-use plastics in our stores. All stores use only paper bags, e-price tags and we print contracts only subject to request. In 2022, 98.9% of our invoices were sent electronically.

We include items made from recycled materials and local producers with a social and environmental focus in our range of promotional items. Staff clothing is made of Ökotex 100/GOTS certified materials. We are replacing printed posters with electronic content and have reduced window stickers by 95% since 2020. We stopped printing the quarterly magazine and the monthly catalogue. This saves approximately 6,120 kg of paper per year, i.e. 252 trees. This also helps us to reduce emissions from transport to our stores.

Logistics

We have reduced the volume of printed documents and paper contracts we send to customers. This reduces paper consumption and emissions from transport. 50% of contracts are now signed by customers completely digitally without the need for a courier to visit them.

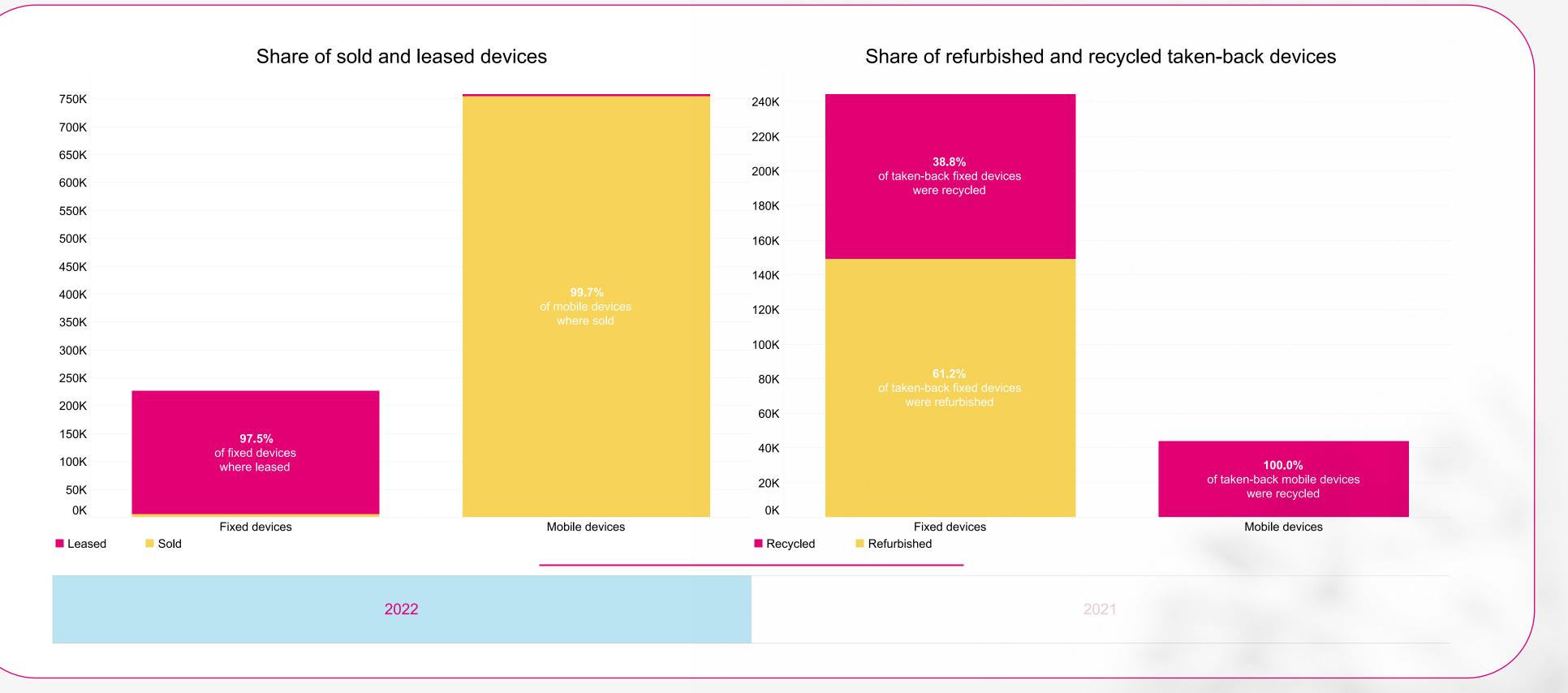
We use reusable containers to supply our stores and reduce the use of disposable packaging.

We also encourage our logistics partners to adopt environmentally friendly delivery methods.





ENVIRONMENT



We support the collection and recycling of old electrical equipment. We are a member of the ASEKOL collective system and collect end-of-life electrical equipment at all our stores. In cooperation with Remobil and ASEKOL, we ensure efficient recycling of returned phones and accessories. We also lease equipment such as modems and routers to our customers, which we refurbish and reuse when returned. This means that we achieve the maximum possible circularity in this field.

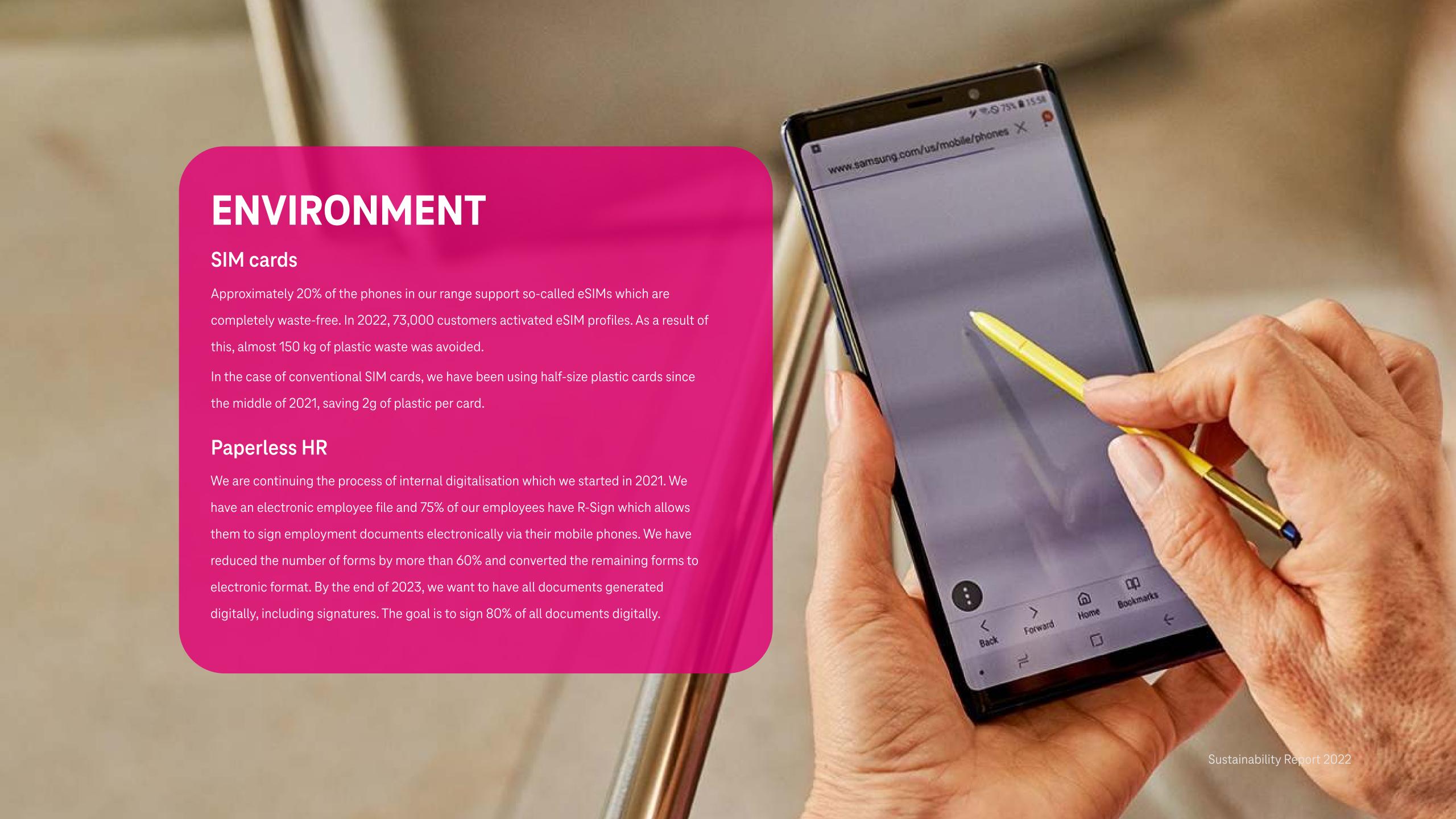
Employees have the opportunity to drop off e-waste and batteries directly in our buildings. We sort waste in our offices and kitchens.

We participate in the EKO-KOM system. Our contribution to this scheme in 2022 enabled the recovery and recycling of 18 tonnes of packaging waste. We managed to save more than 500 GJ of energy and 20 t of CO2e emissions.

Waste

ENVIRONMENT





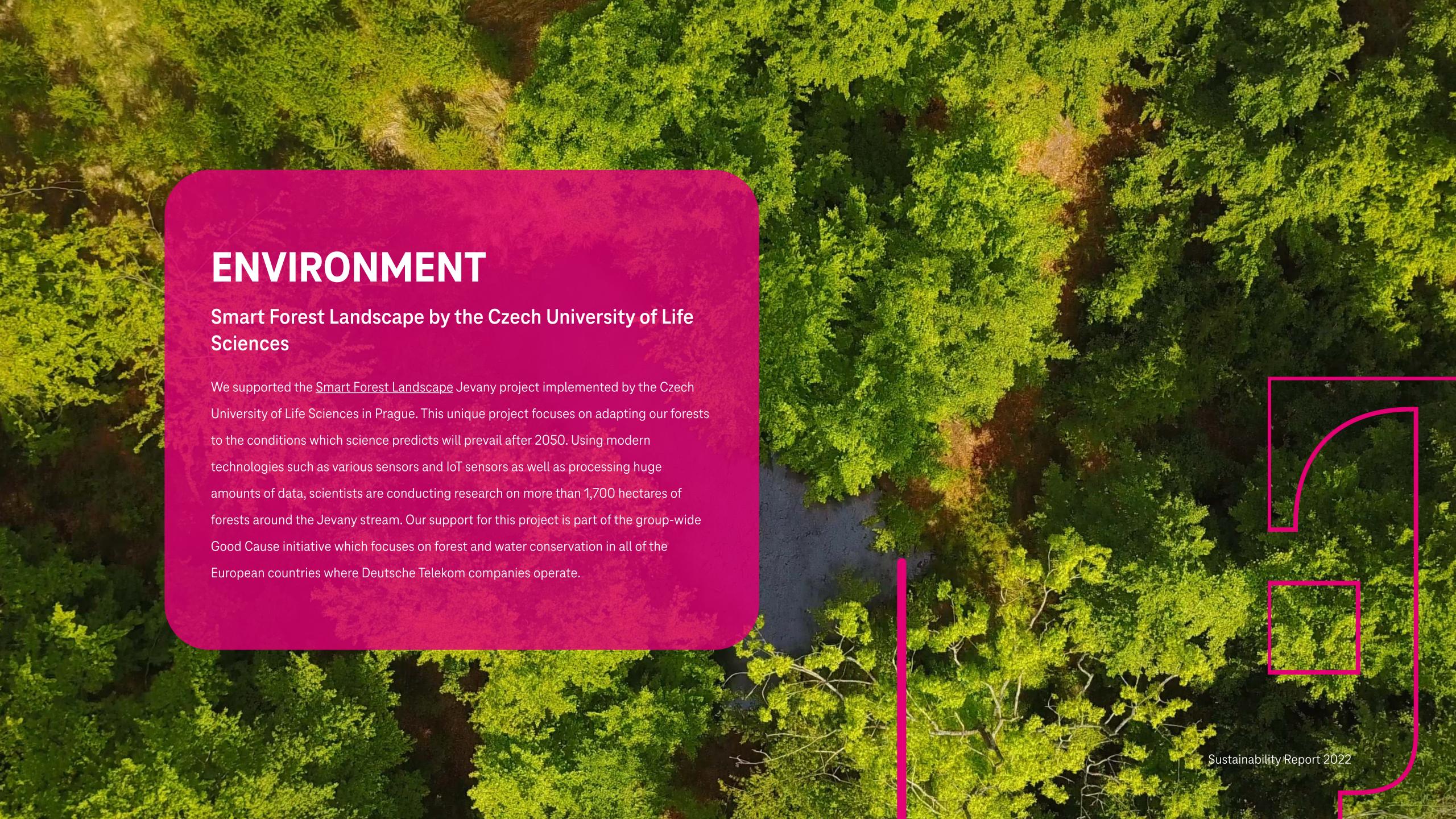
ENVIRONMENT

Telephones

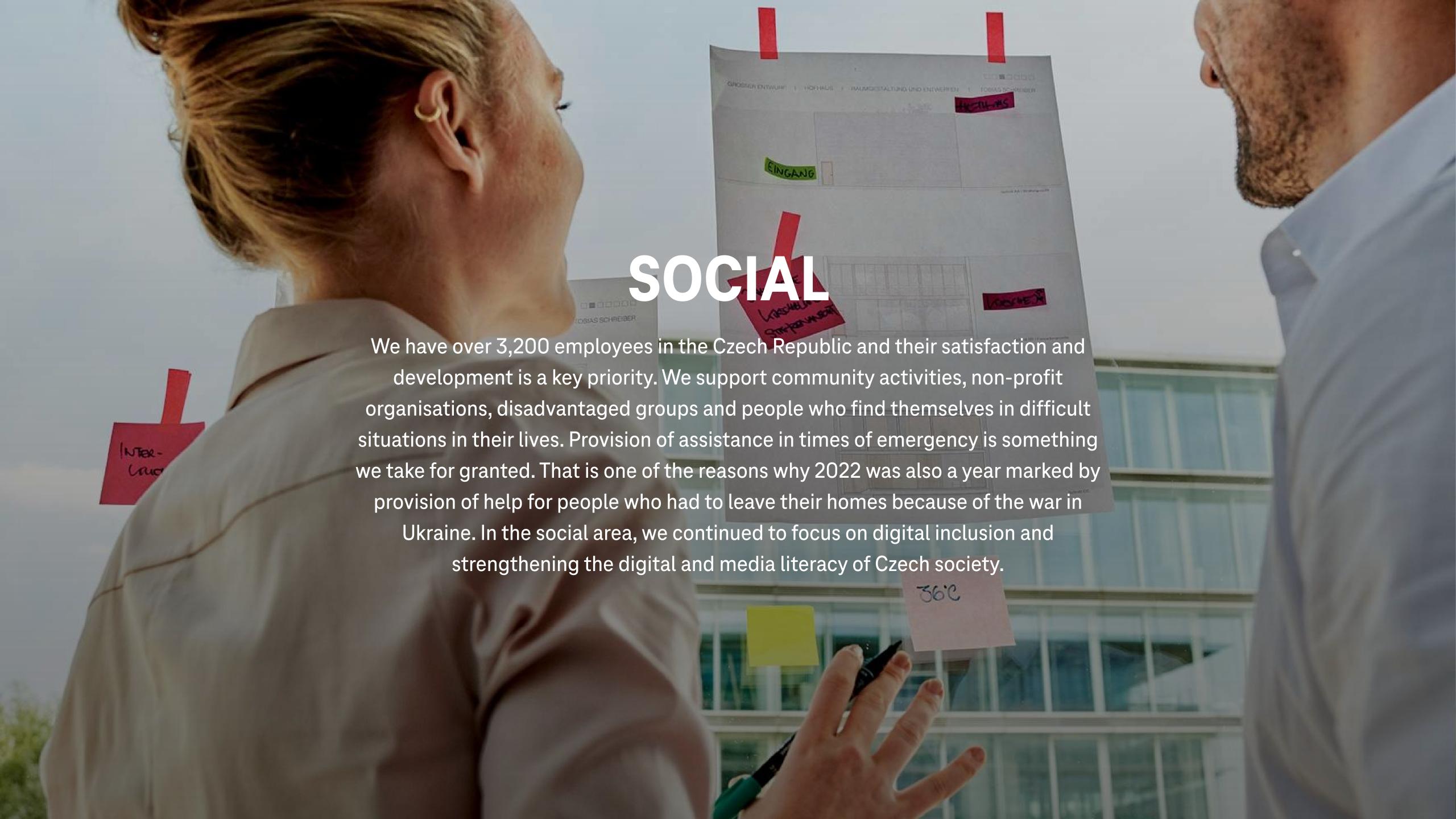
Our offer includes used iPhones which have undergone complete inspection and have the original components. These recycled phones are a convenient alternative for customers looking for high-quality technology at a more affordable price. During 2022, we sold 1,545 of these devices, each with a two-year warranty.

We use the <u>Eco Rating</u> system which rates the environmental impact of manufacturing, use, transport and disposal of mobile phones. This system helps customers better understand how their phone choice affects the environment. Based on various criteria such as durability, repairability, recyclability and resource efficiency, each phone is given a rating from a maximum of 100 points. In 2022, we introduced our own smartphone under the T Phone brand, which achieved an Eco Rating score of 74.









Magenta Experience Center

This key digital inclusion project educates the Czech population in digital, technical and media literacy on a daily basis (we focus specifically on pupils, students, teachers, senior citizens and our customers). We are involved in supporting non-profit organisations, organising our own beneficial projects for the general public, and at the same time, thanks to digital technologies such as streaming platforms and podcast studios, we connect the offline and online worlds, bringing education to people outside the region. In 2022, we organised over 760 events for 12,000 participants. These activities included 110 workshops for primary schools with the participation of more than 2,500 pupils and 250 teachers.

For customers who are hard of hearing

It is not only customers who are hard of hearing who appreciate our helpline with online transcription of communication. This is also welcomed by senior citizens or foreigners who are not 100% confident when talking on the phone. We offer T-Mobile e-Transcription in all of our own and partner stores to make in-person appointments easier. We also took part in the Communication Week for the Hard of Hearing, where we were inspired by new developments and current trends in services for the hard of hearing.





The future of education in the digital age

We consider high-quality education to be one of the key goals of sustainable development. We take inspiration from different places and work together across sectors to bring high-quality infrastructure to education in the form of truly high-speed internet. This enables hybrid education and new approaches and practices which will reflect the needs of education in the digital age. We also focus on the still underestimated topic of media literacy.

In 2022, we supported the future-edu conference which looked at the Czech education system, challenges, local and international trends, and good and bad practices from different perspectives.

Digital academy for non-profit organisations

Our conviction that digitalisation has a positive impact on society has led us to offer free webinars, workshops, seminars, e-learning programmes or downloadable and self-study materials to non-profit organisations. Our colleagues also provide their help and professional support in the role of expert volunteers. In 2022, we held 15 courses and webinars for non-profit organisations on topics such as digital content creation, graphic design, media literacy, IT security and Excel. More than 160 participants from almost a hundred different organisations attended. We offered dozens more places to non-profit organisations in seminars and webinars from our in-house university.

Keys to Media

We focus on the long-term strengthening of media literacy among Czech schoolchildren and students. The Keys to Media project was created in collaboration with journalists and offers videos, podcasts and worksheets for teaching. It focuses on topics such as the role of the media, disinformation, news production and social networks. In 2022, the project offered 45 videos, 12 podcasts, 2 major live events and a competition, and we interacted with over 300 secondary schools.

Televisions from our stores as a donation to retirement homes

When replacing nearly 200 LCD TVs from all our stores with new ones, we faced the question of how to dispose of the used ones. In the end, we gave them a new lease of life and they are now enjoyed by senior citizens all over the country. We moved the TVs to retirement and nursing homes, where their size allows even clients with impaired vision to enjoy their favourite programmes. We cooperated with the Grandchildren of Jesus project by the Czech Radio Foundation

Single parents

We have been helping single-parent families who have found themselves in difficult situations in their lives for a long time via the <u>Šatník Foundation</u>. We provide them with free HW and services.

Click for Peace of Mind

Growth in cybercrime and increasingly sophisticated fraud are the reasons behind the creation of this educational project aimed especially at senior citizens. They are an extremely vulnerable group which is frequently targeted by various scams. As part of the project and in cooperation with the Police of the Czech Republic and the Ministry of the Interior, a series of videos, live lectures and a microsite were prepared.

Young Academy

What is the impact of digital technology on our lives? This was the brief for the Young Academy 2022 director's workshop, which we supported. The winning films were dedicated to a family split over misinformation and the search for balance between online and offline life.

#WhatWeValue

The global digital platform #WhatWeValue was a Deutsche Telekom Group initiative to promote volunteering among young people across Europe. Two projects from the Czech Republic were among the 10 winners, which among other things were awarded € 35,000 in funding for their volunteering activities, and successfully overcame the competition among 165 entries. These were CCBC At The School and Home 4 Pets. The other two successful projects that finished just below the winners' podium were awarded CZK 100,000. These were Save Turtle and Pet Heroes.

<u>Nedoklubko</u>

In 2022, we supported World Prematurity Day, and not just financially. We handed over tablets and smartphones with data plans to the Neonatology Department of the General Teaching Hospital in Prague on Apolinářská. These devices allow parents to have virtual contact with their premature babies at times when they cannot be with them physically. Each baby has its own device and the staff uses it to take photos and make video calls with parents.

Mental health

We are aware that the use of technology can affect our mental health. In addition to that, 2022 was another challenging period which brought with it a lot of psychological stress. Echoes of the pandemic and above all uncertainty, fear and difficult new situations relating to the conflict in Ukraine were all issues which arose. All this meant psychological difficulties and often trauma for many people. Thanks to our long-term strategic partnership with the Nevypust' duši organisation, we are involved in the implementation of preventive care programmes in the field of mental health in schools. In 2022, 146 programmes were run for 3,650 pupils in 40 secondary schools. Together, we also conducted a unique public opinion survey on children's mental health from an adult perspective.

Sluchátko therapy line

We have donated hardware and services to support the Sluchátko therapy line. This platform provides free and anonymous psychotherapeutic help over the phone to anyone who needs it. In 2022, Sluchátko helped in connection with the war in Ukraine. Overall, there were 4,092 incoming calls to the helpline for a total of 623 hours and 1,516 psychotherapeutic discussions.



Volunteer hours worked SOCIAL



Together with employees

Let's help the stories

In the tenth year of our traditional collection among employees to help their loved ones who have found themselves in difficult situations in their lives, we helped 20 stories with a total of CZK 1,003,500 thanks to the generosity of colleagues who donated over CZK 500,000 and multiplication of the proceeds by the company. This help was intended for people such as a single mother with cancer, severely burned siblings and a family where the father suffers from incurable amyotrophic lateral sclerosis.

Petra Hézlová Memorial

A sporting event for the whole family in Louny, co-organised annually by our employees in memory of a deceased colleague. Proceeds from visitors and our financial donation help the Oncology Department at Chomutov Hospital.

Three Kings Collection

The Three Kings Collection, the largest Czech charity collection event organised by our long-standing partner, Caritas Czech Republic is a traditional event in which we participate. We supported it financially with CZK 1 million and a communication campaign reaching out to our clients and the public with information about how to contribute to the collection.

Day for a Good Deed

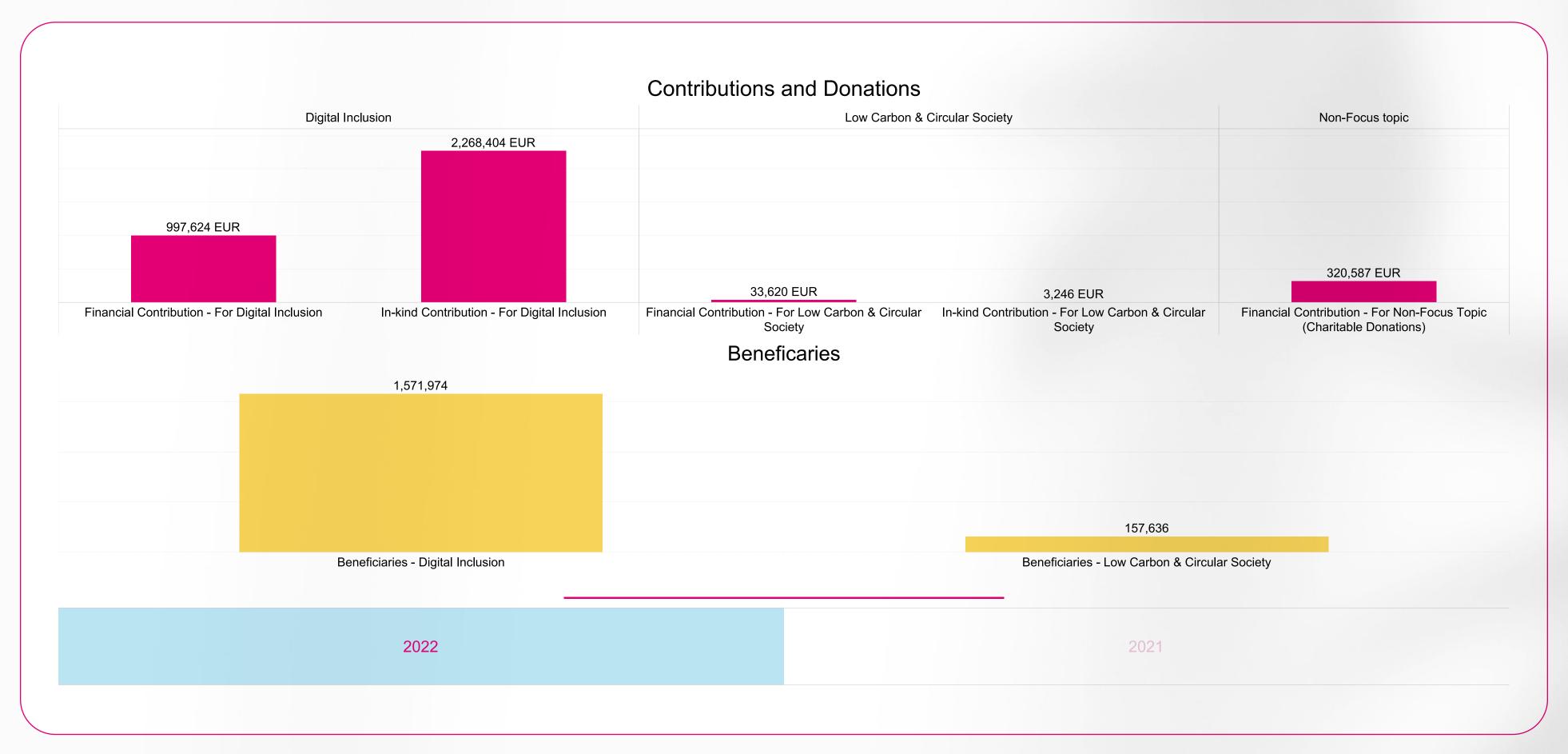
Every year, our colleagues help out in many organisations over the course of one day dedicated to performing good deeds. 2022 was no exception and our colleagues didn't hesitate to take part. They also helped refugees in connection with the war in Ukraine.

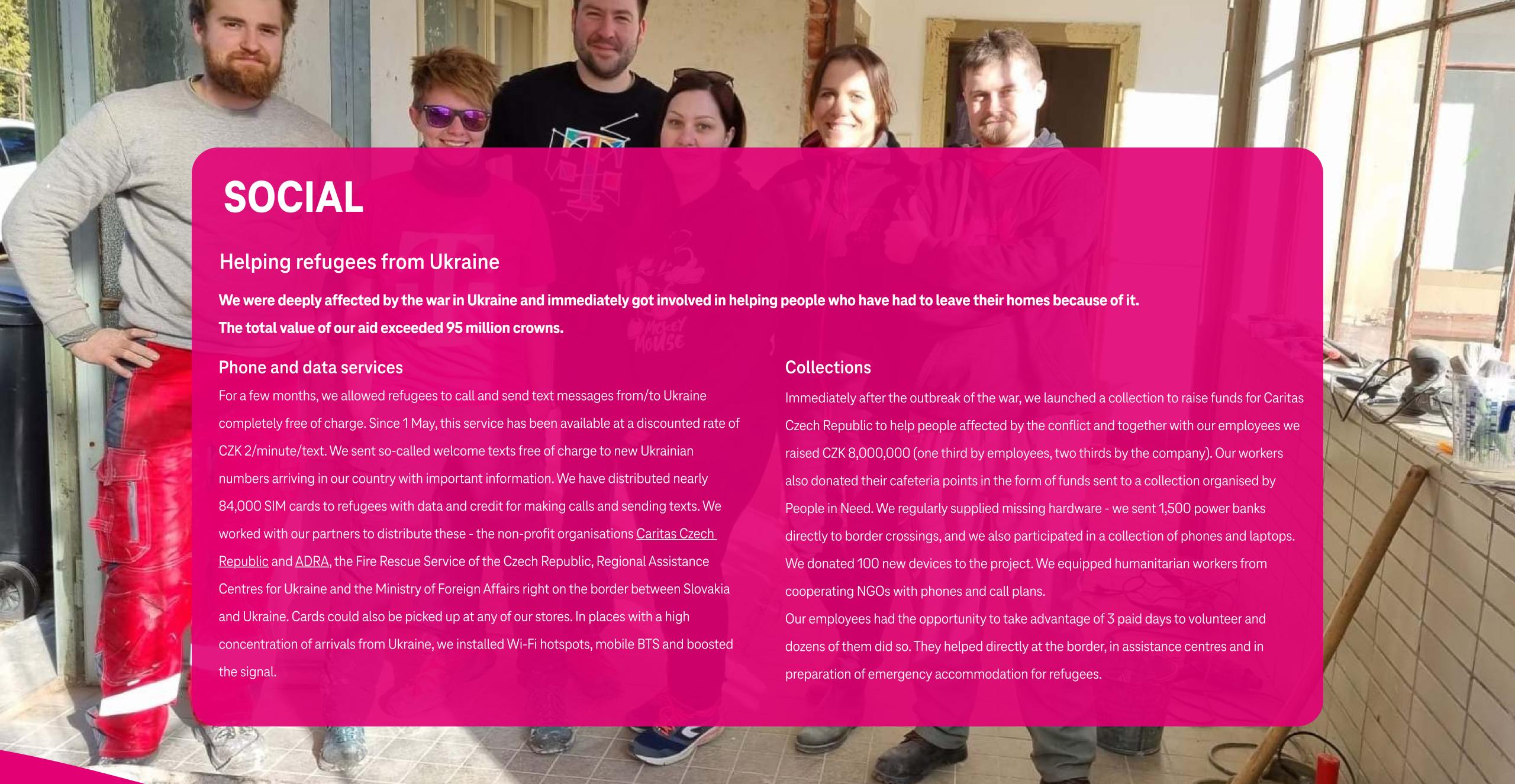
A total of 301 employees volunteered in 26 non-profit organisations and donated 2,408 hours of their time, enthusiasm and experience to a good cause. Above and beyond the framework of the Day for a Good Deed, other employees trained senior citizens on how to use modern technology properly or went to the Ukrainian border with humanitarian aid.



Contributions and Donations







Helping refugees from Ukraine

SOCIAL

Personal and psychological help

The mental health of people affected by the conflict has been severely tested, which is why we supported a helpline offering psychological help. Together with experts, we prepared a series of materials with psychological help for both refugees and our citizens. We financially supported online interpreting for Ukrainians, which has proven to be useful for visits to authorities, doctors or schools.

We also provided services, material assistance and volunteers to a community centre and nursery school for Ukrainian children in the immediate vicinity of our headquarters in Prague.

It goes without saying that we blocked pro-Russian disinformation websites and removed Russian TV channels from our TV offer.

How we supported Ukraine and Ukrainians

95,000,000 CZK

was the total value of the aid

84,000 SIM cards

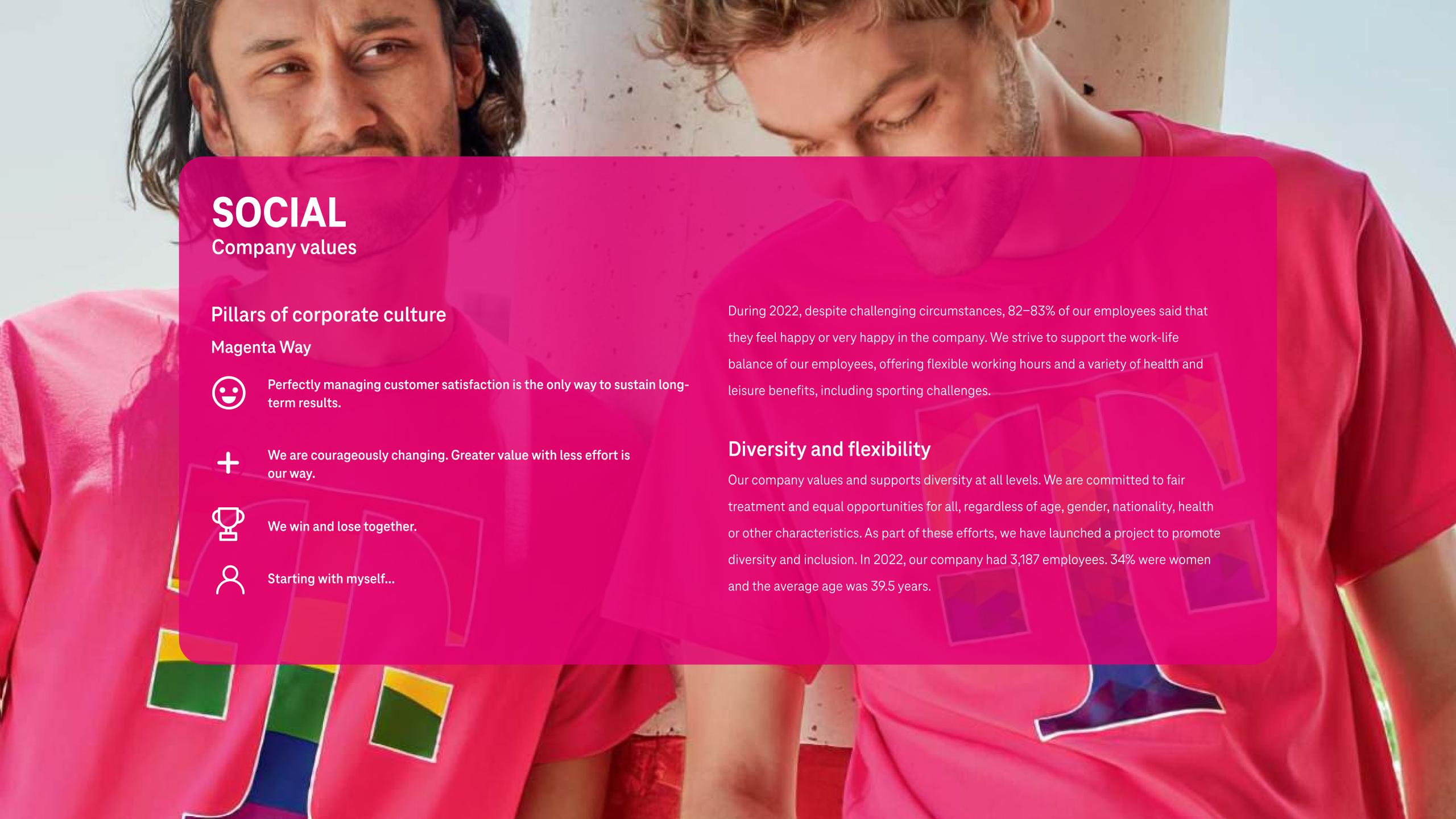
with credit and data donated

8,000,000 CZK

raised in our fundraiser

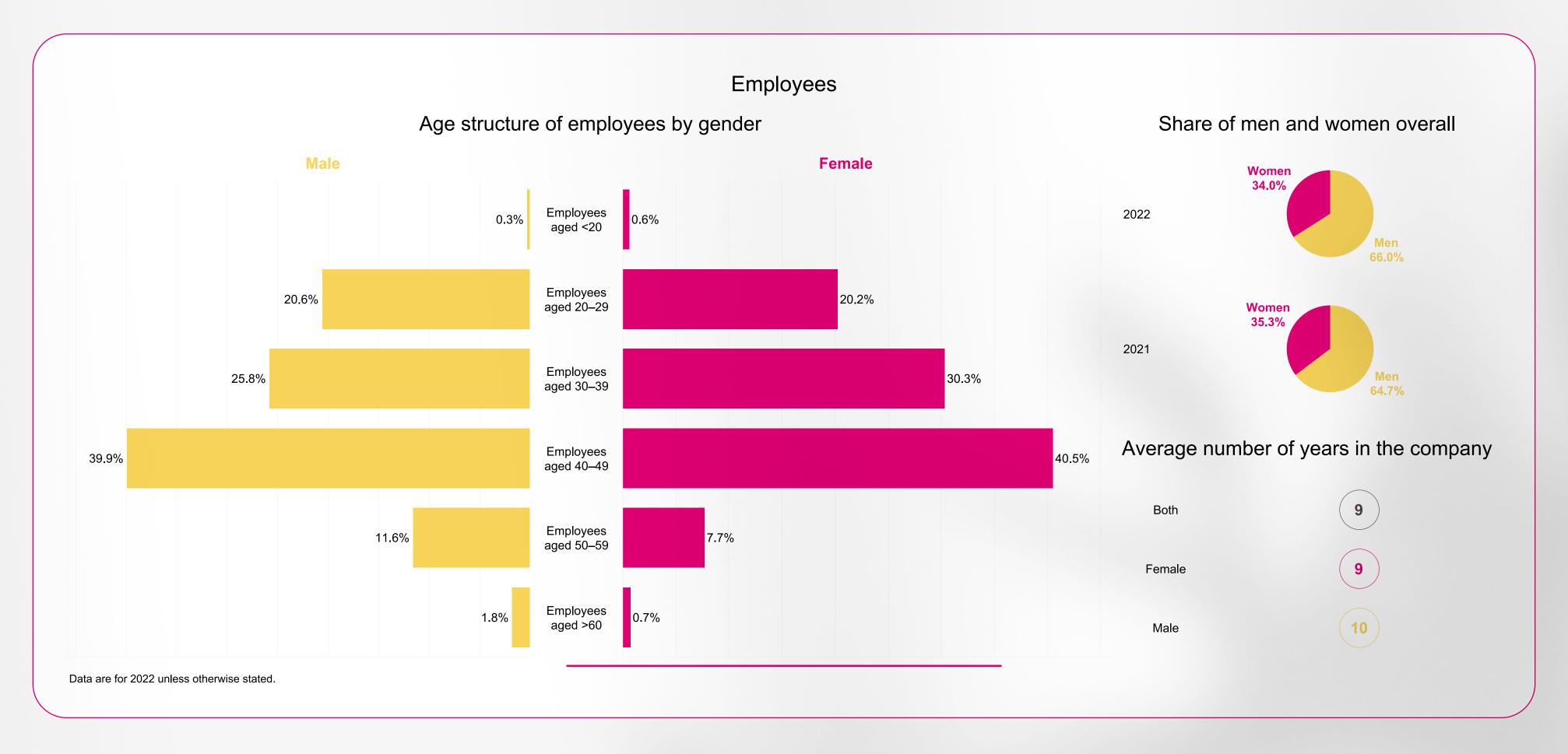
3 work days

dedicated to volunteering per employee



Diversity and Flexibility

SOCIAL



Training and development

T-Challengers

We offered all talent programme participants the opportunity to participate in the specific T-Challengers programme. To be nominated, they had to propose an innovation or an interesting idea. Its implementation in concrete form then became the focus of the programme. 23 people from T-Mobile Czech Republic are participating in the programme and are involved in a total of 6 innovative projects.

Trainee programme

In 2022, we had 17 participants in our trainee program. The aim of this programme is to integrate participants into fully-fledged positions in our company. During this period, participants were involved in a number of projects and two of them have even become full-time employees.

Training and development

We believe in lifelong learning. That is why the T-University platform was created, which enables employees to develop their personal and professional competencies.

In 2022, we held 118 training sessions across the University, attended by 1,855 employees. The greatest interest was in courses focused on agile management, brand and corporate identity, change management, brain and memory training.

Employees health

Health and well-being

We provided employees with a free <u>uLékaře.cz</u> app for health consultations and preventive care. We organised health days and various thematic events focused on health and preventive care (physical conditioning, ergonomics and dental hygiene, etc.). We expanded the range of exercise and massage services and increased the number of points in the cafeteria for health and wellness services. We also handed out vouchers for vitamins and medicines.

Talent programme

In 2022, we launched a talent programme for approximately 65 people. We focused the programme on development of skills in digital thinking, health and well-being, the agile approach and networking support. Each participant also underwent a personality diagnosis and consultation.

Mental health

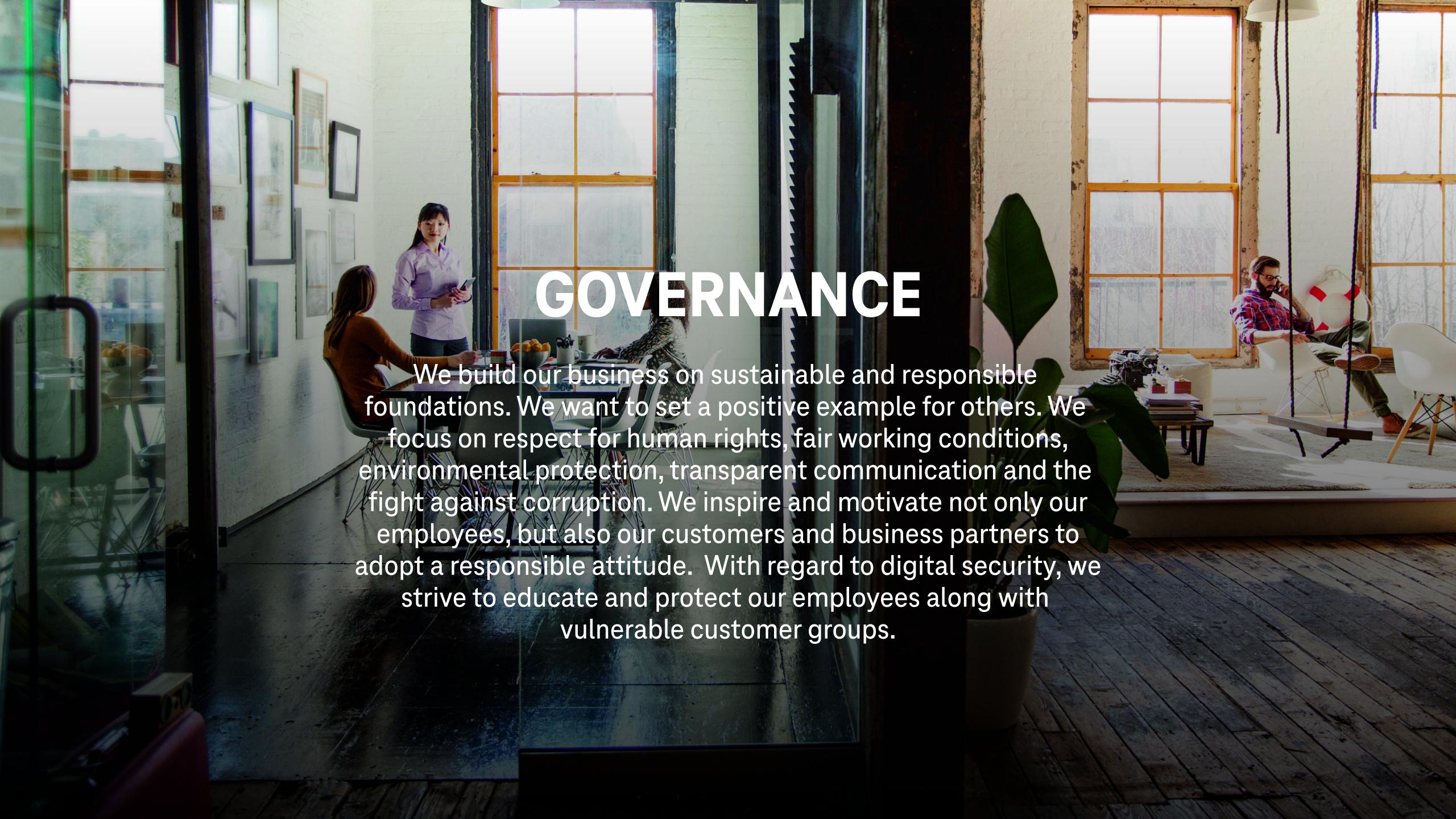
Promoting the mental health of our employees is a priority for us. We offer psychological help, consultations and webinars. In 2022, we held 302 consultations and 12 webinars on various topics with an average attendance of 14 people. On average, 25 employees contact us on the psychology line every month. After the outbreak of the conflict in Ukraine, we also started to offer consultation in Ukrainian.



Awards

We were recognised by university students through the <u>Top Employers</u> in Telecommunications award, where we were ranked 1st.





GOVERNANCE

Prevention of corruption

We make sure that we comply with all laws applicable to doing business in the Czech Republic. We place emphasis on the conduct of all our employees in accordance with the company's Code of Ethics and all laws, standards and relevant internal regulations. Rules for preventing corruption and avoiding conflicts of interest, accepting and providing benefits (including invitations to events), sponsorship or cooperation with consultants are defined in the Guidelines on Measures to Prevent Corrupt Practices. The aim is to achieve the highest possible level of transparency, openness and moral integrity, i.e. ethical behaviour of all our employees. The company's Compliance Management System (CMS), as an integral part of the Deutsche Telekom group-wide CMS, was successfully re-certified in 2021 in accordance with the applicable standards by means of an external audit performed by KPMG.

Ethical behaviour

The <u>Code of Ethics</u> applies to our employees and all employees of the Deutsche Telekom Group without exception. The Code summarises the philosophies and visions of the company and all those who constitute it. It promotes the implementation of corporate values in the company's daily life, while linking them to the standards set by existing legislative and internal rules. Employees, customers and third parties are able to contact the company's <u>Compliance Department</u> with any questions regarding the Code of Conduct or to report suspected violations of this policy.

As a major purchaser of goods and services, we look for ways to make the best use of our purchasing potential across the Deutsche Telekom Group. We therefore monitor the market closely and are very sensitive to and evaluate aspects of our partners' business such as long-term sustainability, environmental impact and social responsibility.

Precisely these things - together with an emphasis on prevention of corruption, money laundering and protection of competition - are reflected in the binding Supplier Code of Conduct which we require all partners to adhere to. Read more at: www.t-mobile.cz/oddeleni-nakupu.

We are a proud partner and supporter of the NGO <u>Transparency International Czech</u>

<u>Republic</u>. Its mission is to map the state of corruption in the Czech Republic and actively contribute to its reduction.



GOVERNANCE

Security and digital inclusion

Security is a key aspect for us. We focus on protecting client data, ensuring employee safety, and supporting network stability and security. As part of digital inclusion, we focus on senior citizens, disadvantaged groups, children and students. We have special educational materials covering security for children which are tailored to their age and level of understanding.

In 2022, we worked intensively on implementation of the Firewall 2.0 project with the aim of introducing a technical solution which allows us to control incoming calls online and to allow or block incoming calls based on defined rules. This means simply defining a set of rules, and if any fraud is detected, reacting immediately and blocking the number.

Negative trends which we focus on and proactively protect our customers from:

Wangiri

Podvodníci pozmění identitu svého telefonního čísla a vystupují jako reprezentanti banky nebo například policie s cílem vylákat ze zákazníků peníze. Pro ochranu našich zákazníků před tímto podvodem spolupracujeme s bankami a Policií ČR tak, abychom zabránili zneužívání jejich telefonních čísel.

Phishing

Scammers try to extort customers' e-banking login details, credit card numbers and other sensitive data. To protect our clients, we prevent the possibility of downloading fraudulent malware from our network. In doing so, we limit its spread and also adopt other measures.

Customers can report and forward suspicious messages free of charge to 7726, where the text is analysed and the number is blocked if fraudulent behaviour is confirmed.

Wangiri

Scammers change the identity of their phone number and pose, for example, as representatives of a bank or the police in order to extort money from customers. To protect our customers from this fraud, we work with banks and the Czech Police to prevent the misuse of their phone numbers.

We follow the rules determined by the certifications we hold (to the extent indicated on the certificate):

ISO 14 001 ISO 14 001 Environmental Management System (EMS)

ISO 50 001 Energy Management System (EnMS)

ISO 9 001 Quality Management System (QMS)

ISO 20 000-1 Service Management System (SMS)

ISO 22 301 Business Continuity Management System (BCMS)

ISO 27 001 Information Security Management System (ISMS)

ISO 27 018 Data Protection in the Cloud

In 2022, we successfully passed recertification audits for ISO 50 001 and ISO 22 301 and surveillance audits for ISO 9 001, ISO 14 001, ISO 20 000–1, ISO 27 001 and ISO 27 018.

These certificates prove to our customers and partners that we meet demanding quality requirements not only in the field of safety. They are also used for tenders or as a supplement to contractual relations.

ODE OF

SUPPLIER CODE

SOCIAL CHARTER

ISO MA RTIFICATION

INTEGRATED
MANAGEMENT
SYSTEM

DIVERSITY, EQU OPPORTUNITIE AND INCLUSIO POLICY











T-MOBILE IN NUMBERS

6.423

million

Total number of customers

1.956

million

Number of prepaid card users

237,000

Number of viewers of T-Mobile TV

1,929,310.38

TB

Mobile data consumption

4.87

billion CZK

Investment

30.1

billion CZK

Revenue

12.349

billion CZK

EBITDA (AL)

47%

of the population

5G network coverage

363,468

households

Access to fibre-optic internet

108

Number of stores

1.68

billion CZK

Taxes (8th largest corporate taxpayer in 2022)

Sustainability Report 2022

FINAL WORD

"Our goal is to transparently communicate T-Mobile strategy for sustainable development and the impact of our business on the environment and society. We strive to continuously improve and unify our data collection in order to provide relevant information to our customers, employees and suppliers.

Because of our commitment to you, we are dedicated to providing high-quality services and protecting our planet for future generations."

More about Sustainability



SUSTAINABILITY REPORT 2022

ESG Web Report