OUR VISION FOR AMCHAM IS TO BE AN INDISPENSABLE PARTNER IN ENHANCING HUNGARY’S COMPETITIVENESS.

TO BE THE MOST EFFECTIVE REPRESENTATIVE OF THE BUSINESS COMMUNITY IN HUNGARY, WHILE PROMOTING THE GLOBAL COMPETITIVENESS OF THE COUNTRY.
Dear Members,

Perseverance pays off. And let me tell you, we are persevering.

In 2004, AmCham Hungary published a position paper on taxation, highlighting that the most immediate improvements to national competitiveness may be made through reform of the Corporate Income Tax (CIT). Thirteen years later, the government announced a 9% CIT rate – the lowest among OECD member states – and Minister of Foreign Affairs and Trade Péter Szijjártó referenced and thanked AmCham as a persevering partner, which had consistently urged such a reduction.

The above example is only one of the dozens of advocacy recommendations AmCham Hungary’s community has proposed to the government since 1989. We have clear messages in a number of areas – investment, competitive workforce, innovation, digitalization or the regulatory environment – and we continue to develop positions and recommendations that we share with our government partners during over 50 meetings annually. Our structured dialogue with the government allows us to keep the most pressing issues of our corporate members on the table. (For our comprehensive advocacy summary, please turn to pages 10-21.)

Highlighting only one of these platforms for dialogue, I am honored to represent the AmCham community at the newly established Competitiveness Council, as per the invitation of the Minister for National Economy. The mere existence of such a council is a very positive sign that the government considers national competitiveness a key issue. However, this panel of experts also functions as a professional workshop, discussing topics such as company formation or the widening of the labor pool, training reform or enhancing the country’s innovation potential.

That said, such platforms would be meaningless without the robust content and input coming from our membership. We are thankful for the growing commitment and engagement of our volunteer experts – including our board, our PTF and committee leadership and our members – in our various advocacy projects, working groups and events, where we gather and synthesize membership input.

This advocacy work has led to a number of success stories (see full list on page 16) we are proud of in areas such as R&D, taxation, labor mobility and industry 4.0. However, the list of our recommendations is long; there is still a lot to do. We see that the global economic race is heavily focused on digitalization and a competitive workforce. And there is no magic wand, no foolproof solution; we must figure out our own ways, together.

With that, I wish our community a productive 2018, with many more success stories!

LETTER FROM THE PRESIDENT
Dr. Farkas Bársny
Dear Members,

Our Chamber is about to conclude a very successful year, a year of stabilization. We strengthened our portfolio serving our members and we continued to work towards our common aim: making Hungary more competitive.

We have closed the cycle of the first “Policy Agenda 2015-2017” and published the second “Policy Agenda 2017-2020”, as we revisited the direction of our advocacy work for the next three years to come.

As AmCham continuously strives to lead by example, our new Policy Agenda was launched with the support of a special “woman”, called Mónika – a robot developed by university students in Debrecen.

Mónika symbolizes several aspects of our advocacy work. Digitalization became a new focus area in the Policy Agenda according to our members’ interest; education in general has become a new focus area in the Policy Agenda. Digitalization Mónika symbolizes several aspects university students in Debrecen.

We would like to thank our interns in 2017: Dóra Divinyi, Gergely Kovács, Márton Lázár, Gábor Szabó, Éva Szántner.

As we look back and see all we have accomplished during the year, my most important task is to say “Thanks” for all your support and input. It is such a great feeling to be part of this active community, where everybody has a vested interest and shared responsibility in moving things forward. I would like to also express my appreciation to my team, whose restless efforts and dedication guarantees the quality and success of all what we do.

It has been great to work with you in 2017, and I am eager to see all of the great things we will do together in 2018!

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It has been great to work with you in 2017, and I am eager to see all of the great things we will do together in 2018!
As Secretary Treasurer, I am pleased to report that, thanks to the expanding activity of AmCham, our financial performance remained stable in 2016. AmCham in 2016 was able to reach a slight profit of THUF 255 as opposed to the THUF 70 profit planned in the annual budget. On the revenue side, we achieved MHUF 179.2 (118% of the 2015 figure) and our expenditures were MHUF 178.9 (119% compared to 2015).

Revenues from membership fees along with those from the many events not only provided sufficient income for the day-to-day operations in 2016, but also made the further development of the AmCham website and CRM possible, and further contributed to the sound financial stability of the chamber. 2016 was an exceptional year, as the organization of the Election Night Party with 1,200 participants modified the usual revenue and cost structure of AmCham.

In April 2017, our auditor, BDO Magyarország Tanácsadó Kft. (BDO) reviewed the financial statements, contracts and board minutes for 2016 and, after consulting with our accounting company (Memolux), issued an unqualified auditor’s report. This affirms that the procedures of AmCham are done in a veritable and professional manner; the balance sheet and financial report gives a clear and accurate account of the organization. (Please see pages 64-85.) There was no need to address any issues in the management letter.

I would like to thank Memolux Kft. and BDO Magyarország Tanácsadó Kft. for their professional work and continued help.

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## AmCham Revenue Structure (MHUF)

<table>
<thead>
<tr>
<th>Source</th>
<th>Total 2015</th>
<th>Total 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership fees</td>
<td>119.3</td>
<td>117.6</td>
</tr>
<tr>
<td>Net sales/ events/ other</td>
<td>39.2</td>
<td>37.9</td>
</tr>
<tr>
<td>Income from financial activities</td>
<td>3.5</td>
<td>3.5</td>
</tr>
<tr>
<td>Grants and other items</td>
<td>1.2</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
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AmCham’s total revenue increased in 2016 (MHUF 157.9 compared to MHUF 152.3 in 2015) due to the organizing of the Election Night Party.

The membership fee income was slightly higher than that of the previous year’s (MHUF 117.4 in 2016 compared to MHUF 115.3 in 2015). In 2016, 65.5% of the chamber’s income was derived from membership fees, as opposed to 75.7% in 2015.

The net sales tab (MHUF 56.1) includes revenues from:
- Events: MHUF 51.6 (in 2015: MHUF 26.4)
- Further sources of income from entrepreneurial activities, resulting in a total of MHUF 4.45 income (ads, sport/social events). Our income derived from entrepreneurial activity is separated from income from our basic activity. In 2016 the proportion of income from entrepreneurial activity was 2.64% of all activities.

Income from financial activities totaled MHUF 3.5 (interest from government bonds, treasury notes, etc.). The change of ratio in the mix of short- and long-term bonds resulted in an altered revenue from these sources. Other items (MHUF 2.2) include subsequently deductible VAT, reversal of impairment loss and subsidies.

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## AmCham Expenditure Structure (MHUF)

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<tr>
<td>Material expenses</td>
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<td>Other expenses</td>
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AmCham’s total expenditure increased in 2016 (MHUF 178.9 vs. MHUF 149.5 in 2015) due to the organizing of the Election Night Party.

Personnel type expenditure slightly increased because of internal restructuring (in 2016 MHUF 87.3 vs. MHUF 86.3 in 2015). Personnel expenditure includes wages, payroll taxes, and cafeteria payments. Costs of services (related to committees, board meetings, and exclusive events for patron members) that are provided to members for free are also included here. The amount of material expenditure in 2016 was higher (MHUF 77.0) than in 2015 (MHUF 51.0).

The most significant items under other expenditure (MHUF 10.5 in 2016 and MHUF 8.7 in 2015) are non-deductible VAT, write-off of receivables and company car tax.

The expenditures of financial activities (THUF 130) include realized exchange rate difference related to securities.

Year end result in 2016 THUF 255

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Year end result in 2016 THUF 255

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Year end result in 2016 THUF 255
We are proud of the success stories of our community. On the following pages we would like to highlight some of these stories on:

- Advocacy
- Flagship Events
- Projects
- And Communications

"Our vision for AmCham is to be an indispensable partner in enhancing Hungary’s competitiveness."
AmCham’s advocacy activity is based on an annual cycle of consultations, events, and publications. Policy Task Forces (PTFs) and committees provide the input for the advocacy topics through their projects, events, and regular, well-planned discussions with the government.

In 2014, AmCham decided to revisit the way it operates in order to:

• communicate to members and all other stakeholders its vision, mission, goals, and strategies
• channel the opinions of members on a planned, structured manner to the government
• create the platforms for our members to contribute
• establish regular, well-planned and documented discussions with the decision makers.

As a first step, in fall 2014, AmCham Hungary reconfirmed its mission: “To be the most effective representative of the business community in Hungary, while promoting the global competitiveness of the country.” And defined the World Economic Forum Competitiveness Report to be the measurement in reviewing progress made in this area.

Through deep analyses of the 12 Pillars of the Report, AmCham identified the 4 areas where it can make the biggest difference: Investment, Talent, Innovation, Healthy Nation. A strategic document, called the “Policy Agenda 2015-2017,” was compiled to detail the challenges, recommendations, and commitments in these respective areas.

In June 2017, AmCham Hungary issued its second Policy Agenda 2017-2020 with the following focuses:

• Investment
• Competitive Workforce
• Innovation
• Digitalization

As a result of this more organized and structured advocacy flow, our activities are easier to plan and explain to key stakeholders. Our members have a better understanding of our next steps and where they can tap into advocacy topics. Our government partners also welcome the structure, as they can now count on our recommendations, making it easier to plan the discussions and prepare ahead.

The AMCHAM WAY OF WORKING
In December 2016, AmCham along with its board members and partners completed and sent AmCham’s “Cooperation For A More Competitive Hungary 2017” recommendation package to Prime Minister Viktor Orbán and his cabinet. Highlights included creating a more balanced industrial portfolio, enabling Hungary to climb up the value chain, the introduction of an R&D grant scheme to attract new R&D centers and stimulate the expansion of the existing setups of larger corporations, the continued cutting of red tape and the need for more cloud-based e-government solutions.

Minister of Foreign Affairs and Trade Péter Szijjártó was appointed by Prime Minister Viktor Orbán to discuss these recommendations in detail with AmCham. Minister Szijjártó and the AmCham delegation met in March 2017, where the minister reflected on AmCham’s proposals and asked for further elaboration of certain recommendations, which were developed and sent to him in April 2017. The dialogue about our recommendations also continues at the AmCham-Ministry for National Economy (NGM) working group meetings with State Secretary István Lepsényi and representatives of the relevant departments.
SUCCESS STORIES AND POLICY PROGRESS IN 2017

The “Cooperation For A More Competitive Hungary 2017” recommendation package was signed in December 2016 and AmCham is proud to report that we have made considerable progress in many areas since then. As a result of expert level consultations, we recognize several new policy measures and government initiatives to which we added some amendments and changes to our recommendations.

The following list provides an overview of these measures:

- Reduction of Corporate Income Tax to 9% was a game changer for Hungary.
- Gradual, continued and predictable reduction of the labor tax burden.
- Significant and favorable changes were introduced in the non-refundable cash incentive system with the purpose of retaining R&D activities and technology-intensive investments in Hungary.
- We see a very positive trend in technology-intensive investments supporting R&D activities.
- Significant and favorable measures implying reduction of the labor tax burden.
- Gradual, continued and predictable reduction of the labor tax burden.
- Increased focus on raising the threshold lifted from 5 to 10% on different areas of law within the implementation process of GDPR.
- Simplified licensing procedure threshold lifted from 5 to 10% on employment of non-EU (third country) residents.
- Industry specific Sector Skill Councils have been established so that industry players can provide regular and structured input for a more competitive and up-to-date vocational training system and curriculum.
- Planned legislation of the modification of the Law on Labor Safety, impacting the regulatory framework of remote work, reflects AmCham’s input.
- A formal expert level consultation between AmCham and the Ministry of Justice on the draft legislation of GDPR, a dialogue with the Ministry to provide a forum for inter-ministerial consultations and to help develop further legislative pieces in different areas of law within the implementation process of GDPR.
- Following an expert level meeting on human resource tax burden, representatives of AmCham also supported the ministry’s activities by contributing to the organization of its events and projects, for example: Automotive Hungary, the EURUS online job fair, and the establishment of the industry specific Sector Skill Councils.

PARTNERSHIPS

We are proud of our meaningful and structured partnerships with key stakeholders.

Ministry For National Economy (NGM)

Strong cooperation and regular consultations between AmCham and the Ministry for National Economy have taken place. Meetings and events were organized with the ministry, the Competitiveness Council meeting, in March, July and October; the “Business Meets Government Summit” in September; the third “Competitiveness Conference” and State Secretary meetings with Gáborné Polikósi Deputy State Secretary for vocational and adult education. AmCham participated in several expert level meetings on the electronic manufacturing industry strategy; the Industry 4.0 strategy; implementing the regulation of R&D&I activities; and is also committed to continue supporting implementation of the GDPR legislation.

Ministry Of Foreign Affairs And Trade (KKM) and the Investment Promotion Agency (HIPA)

Cooperation is based on the Strategic Agreement signed in 2011. Events and projects include the “Business Meets Government” summit series and the “Competitive Education Conference” series. HIPA representatives actively contribute to the work of AmCham Policy Task Forces and committees. AmCham supports HIPA’s efforts to find new potential projects and participates in the official visits organized by the ministry. In 2017, AmCham participated in business consultations with representatives of the Site Selectors Guild (SSG), as a proxy for our members, to help identify the current and present Hungary’s potentials as an investment location.

Ministry Of Human Capacities (EMMI) and the Hungarian Investment and Development Office (NKFIH)

AmCham is dedicated to support implementation of the aforementioned new measures and is also committed to continue dialogue with our partners about those topics where consensus has not yet been reached. AmCham would like to thank members for sharing their expertise and for their contribution toward developing policy recommendations.

Ministry Of Human Capacities (EMMI) and the Hungarian Investment and Development Office (NKFIH)

We open the conference and attend a roundtable, respectively. Cooperation and consultation took place at a number of other meetings, including the “Business Meets Government Summit”, and a State Secretary Roundtable on vocational training and education in April. An expert level consultation took place about the possibilities of extending summer internships programs in Hungary for students studying abroad.

Ministry Of Justice (MI)

AmCham has a well-established formal cooperation framework with the Ministry of Justice based on the Strategic Partnership Agreement that was first signed in 2011 and re-confirmed in 2014. In February, Deputy State Secretary Zoltán Nemessáncsa, a high-level governmental expert at AmCham’s extraordinary committee meeting to present the Ministry’s legislative agenda for 2017. During the year, AmCham, its Regulatory Committee sent its professional input to the MI in a number of legislative areas, and several professional consultation took place between Regulatory Committee members and ministry experts providing AmCham the position on the implementing GDPR legislation.

Competitiveness Council

A National Competitiveness Council was established by the government and Minister for National Economy Mihály Varga invited AmCham President Dr. Farkas Bársony to join. Council members include the minister, the President of HIPA, the President of the German-Hungarian Chamber of Industry and Commerce, and the President of the Hungarian Chamber of Commerce and Industry. The government created the Competitiveness Council to align the government and the private sector. AmCham’s recommendations will have influence on the work of the Council, and the government will incorporate them into its next year’s plan.

Ministry’s legislative agenda for 2017.

Simplified licensing procedure threshold lifted from 5 to 10% on employment of non-EU (third country) residents.

AmCham cooperates with the U.S.-Hungary Business Council (USHBC) which is a platform for dialogue between U.S.-based corporate executives and the top governmental leaders on the U.S.-Hungary bilateral relationship. Following last year’s successful visit, in June 2017 representatives of AmCham and USHBC met the government’s leadership to discuss economic ties between Hungary and the United States of America.

U.S. Embassy, Budapest

AmCham cooperates with the U.S. Embassy in Budapest, organizing high-level events. Patron Members of AmCham met Chargé d’Affaires David J. Kostelancik in April for a Patron dinner. AmCham also hosted a Business Forum with President Barson Bársony, Kostelancik and Dr. László Szabó, then the delegate Ambassador of Hungary to the United States, which was their first official address together. Before their podium discussion, AmCham Patron members had opportunity to meet with Dr. Szabó. During the AmCham General Assembly in 2016, U.S. Ambassador Colleen Bell and Hungarian Ambassador Réka Szermerényi were awarded the Dr. Izabella Vágócs Award, recognizing individuals who made significant contribution to the ties between Hungary and the United States and the development of U.S.-Hungarian business relations.

Hungarian Association Of Customs Affairs (Magyar Vámszövetség)

In April 2016, AmCham and the Hungarian Association of Customs Affair signed a cooperation agreement in order to facilitate our members’ professional collaboration on international trade regulations. In November 2016, the Hungarian Association of Customs Affairs (Magyar Vámszövetség) and the Hungarian Ministry of Justice co-signed a cooperation agreement to facilitate our members’ professional collaboration on international trade regulations. In November 2016, the Hungarian Association of Customs Affairs (Magyar Vámszövetség) and the Hungarian Ministry of Justice co-signed a cooperation agreement.
relations was followed by a State Secretary panel discussion on the main challenges that various investors may face when considering Hungary. Eventually, high level representatives of AmCham’s membership sat down with government officials to seek solutions together.

AmCham President Dr. Farkas Bársony stressed that considerable progress has, indeed, been made since the regular structured dialogue with the government started; cutting the corporate income tax to 9%, for example, was a game changer. Other achievements include improving dual education, providing R&D incentives and putting an increased focus on language training. Such measures must have contributed to the fact that Hungary has advanced nine places in the World Economic Forum’s latest annual global competitiveness ranking, released just prior to the event.

We believe that the event served AmCham’s advocacy goals, especially to make Hungary more competitive globally, more attractive to investors and to think ahead of the game in the current economic race, in areas such as innovation, digitalization and education. We will continue the dialogue with our members, the business community at large and our government partners to find new inflection points for the development of our economy and to achieve further success stories, similar to those of 9% CIT, reduction of labor taxes, and the “Invented in Hungary” paradigm shift.

In September 2017, AmCham and the Hungarian Investment Promotion Agency (HIPA) organized the third “Business Meets Government Summit” with the aim of setting out proposals on how to improve education, taxation, the regulatory environment, innovation, and digitalization. The primary objective of the conference has, since its inception, been to develop a coherent national strategy to make Hungary a more competitive place to invest in. Leaders representing business and government discussed what had been achieved from the 17-point recommendations and the mutual commitments, and to highlight new challenges that need to be addressed as a matter of urgency.

In his opening remarks, HIPA president Róbert Ésik praised the results of previous years as several proposed items have been implemented. Hungary has also moved up the value chain and improved its FDI ranking in comparison to other V4 countries. “We at HIPA will make sure that constructive ideas will continue to get support,” he concluded.

The speech by Minister of Foreign Affairs and Trade Péter Szijjártó on U.S.-Hungarian economic relations was followed by a State Secretary panel discussion on the main challenges that various investors may face when considering Hungary. Eventually, high level representatives of AmCham’s membership sat down with government officials to seek solutions together.

AmCham President Dr. Farkas Bársony stressed that considerable progress has, indeed, been made since the regular structured dialogue with the government started; cutting the corporate income tax to 9%, for example, was a game changer. Other achievements include improving dual education, providing R&D incentives and putting an increased focus on language training. Such measures must have contributed to the fact that Hungary has advanced nine places in the World Economic Forum’s latest annual global competitiveness ranking, released just prior to the event.

We believe that the event served AmCham’s advocacy goals, especially to make Hungary more competitive globally, more attractive to investors and to think ahead of the game in the current economic race, in areas such as innovation, digitalization and education. We will continue the dialogue with our members, the business community at large and our government partners to find new inflection points for the development of our economy and to achieve further success stories, similar to those of 9% CIT, reduction of labor taxes, and the “Invented in Hungary” paradigm shift.
scale Hungarian Youth Research survey conducted by the New Generation Center (Új Nemzedék Központ) in 2016 examined questions regarding starting a family and career development of young adults.

The presentations were followed by a plenary panel discussion with Deputy State Secretary for Vocational Training and Adult Education Gáborné Pölöskei, Deputy State Secretary for Public Education Zoltán Maruzsa, university professors, students and company representatives on the survey results and the main questions addressed by the conference.

During the conversations, numerous ideas and suggestions were formulated. From the ideas touching upon the field of education, it is crucial to emphasize that, in many cases, attending a foreign university does not necessarily guarantee better and more valuable qualification than a Hungarian degree program. On one hand, it is definitely rewarding to spend 3-5 years at a foreign university if the students specialize in a particular topic and get admission to a top university focusing on that field of research. On the other hand, a semester-long international exchange program might not only be an adventure, but also a great learning experience that can be used later at work. International experience offers the best way for students to develop skills that the Hungarian education system is not focusing properly on yet. These include presentation skills, project and teamwork, and digital education.

During the second part of the Conference participants had discussions with high level government representatives covering four topics: how young people can be inspired to return to Hungary, how Hungary could be made attractive to upcoming talents, how companies could adapt to the new demands and expectations of the employees, and what the education system can do to reduce the gap between the skill level of graduates and company expectations. The recommendations collected from these roundtable discussions will be channeled into the “Cooperation For A More Competitive Hungary 2018” recommendation package.
AmCham launched the Business Meets Universities project in January 2017 to focus on enhancing cooperation between business and academia in R&D&I programs, and on improving our innovation ecosystem. In this project, AmCham’s Innovation Policy Task Force is dedicated to initiate a dialogue that creates a mutually beneficial advantage, and cooperation with measurable benefits for both the academic and the business spheres.

The importance of the effort is highlighted by the fact that Hungary fell from 50th to 80th in the World Economic Forum’s global competitiveness ranking. One of the main reasons for the decline is that innovation has been losing ground, whilst relationship between the business and academic sector has been poor.

The scope of the project involves university interviews, a corporate survey and a workshop. First a corporate survey analyzed the status and challenges of business-university cooperation from the industry’s perspective, then in May 2017 a workshop was organized with all the stakeholders: corporate representatives, university professors and government officials to exchange ideas. Since June, AmCham has been organizing small group discussions with distinguished representatives of university partners to understand the processes and influencing factors that shape research and innovation activities in the academic sphere. This dialogue will continue in 2018.

We run numerous successful programs, in line with our advocacy goals. The following is a summary of our flagship projects:

- Business Meets Universities Project
- Language and Career Ambassador Program
- 10,000 steps global challenge
- Board simulation
- Start Your Business!
AmCham Hungary has been part of the “10,000 Steps” health awareness campaign since 2015 and once again continued the world’s biggest and most successful health initiative in 2017. The challenge kicks off a 100-day journey; employees compete in teams of seven, tracking their activity (primarily steps, but cycling, spinning and swimming can all be converted) with a daily target of 10,000 steps. The program also contains phases of nutrition, sleeping, balance, stress-management, etc. The goal of the program is to improve employees’ health and also to make them more competitive, engaged, motivated and productive.

By this year, 62 of our member companies had successfully taken part in the challenge, engaging more than 2,100 employees since late 2015. In the spring challenge starting in May of this year, 89 teams from 20 AmCham companies participated. AmCham Hungary also took part in the competition with three teams comprised of AmCham staff members and the AmCham Board.

The teams of AmCham’s member companies collectively covered 552,709 kilometers, which breaks down to 777,477,421 steps. As for the evaluation of the program, 75% of the participants say they are now “aware”, “very aware” or “highly aware” of their physical activity levels. Before the program, 59% of the participating employees rated their overall health as either “good”, “very good” or “excellent”, while after the 100 days, 82% of them did so! Also, 84% of your employees now meet the recommendation of 10,000 steps per day versus the 19% before the 10,000 steps challenge.

The challenge will continue in May 2018, so get on board!
The Board Simulation educational case study series was designed to present real-life business and ethical dilemmas faced by boards of directors at various types of companies to professors and students. Each fictional case study focuses on corporate governance decisions in interesting circumstances. A role-playing simulation is acted out by volunteers from the AmCham membership, who draw upon their own experiences to enrich the classroom. This educational program serves as an important pillar of engagement between AmCham and academia. To date, two cases have been conceived, debated and eventually crafted into a theatrical setting by members of the Governance and Transparency Committee. The first case study debuted in 2011 and presents a board of directors meeting of a fictional large stock exchange-listed company. In this enactment, six or seven volunteer G&T Committee company. In this enactment, six or seven volunteer G&T Committee members discuss a board scenario revolving around various real-life strategic decisions. The audience can watch how these decisions are influenced by various facts, personalities and circumstances, and how the potential consequences are considered. Best practices are explored and students get to experience firsthand how a typical board meeting occurs. The topics discussed at the meeting are designed in a multi-layered way in order to complement the studies of both undergraduate and graduate students. Discussions are playacted with deliberate intensity when sensitive issues and difficult decisions are discussed. This case has been playacted in Hungarian and English numerous times at six universities in Hungary (BCE, BGE, BME, PTE, ELTE, and CEU) as well as two universities abroad (Wirtschaftsuniversität in Vienna, Austria and Comenius University in Bratislava, Slovakia). Overall, this case study will have reached about 900 students by the end of 2017. The second case study debuted this year and focuses on a small- and medium-sized enterprise scenario. In this case, the debate between the privately held company’s board of directors emphasizes the dilemma faced by a formerly fully family-owned business now having to negotiate its future strategy with a venture capital investor. Family tensions complicate the debate, as do other considerations. Here, again, corporate governance best practices are drawn upon. The pilot event took place in English at the Central European University, with more than 50 students in attendance, to positive acclaim. A Hungarian version will be debuted at other universities in Hungary. Both simulations were created at the request of Hungarian professors who lacked real-life case studies for teaching tools. The mission of the Governance and Transparency Committee is to improve the accountability, governance, integrity and transparency of private, non-profit, and public-sector practices; to foster a better next generation of leaders; and to encourage and to boost competitiveness, entrepreneurial and sustainability in Hungary. Educating tomorrow’s leaders in corporate governance best practices is an important step to achieving that goal.

We encourage the reader to follow the "Jövő Vezetői" Facebook page to receive advance notification of where the next Board Simulation event will be held.

The "Start Your Business!" program is a panel lecture series and joint effort by AmCham and the Hungarian Venture Capital Association to promote the spirit of entrepreneurship and contribute to the fostering of a new generation of domestic entrepreneurs. It allows successful entrepreneurs to share firsthand their passion and drive with students and with other aspiring entrepreneurs. It also helps demonstrate that a garage-to-success entrepreneur can work successfully both locally and globally. The speakers discuss what traits make up a successful entrepreneur and give a sense of the challenges an entrepreneur might face. The initiative was created and is driven by AmCham’s Governance & Transparency Committee. The program was repeatedly hosted at a diverse segment of Hungarian universities including BCE, BGE, BME, DE, EKE, Ő, PPKE, PTE, SE, SoE, SZE, SzIE, SzTE in Budapest, Debrecen, Eger, Sopron, Pécs, Komárom, Gyor, Gődöllő and Szeged. In 2017, the program crossed the border for the first time into Komárno, Slovakia where we were hosted by the Selye János University. By the end of 2017, the program will have reached more than 2,000 students. First and foremost, the program is directed at aspiring entrepreneurs and those who are weighing different career options. The actual audience is comprised not only of university students but has also included university professors, entrepreneurs, as well as corporate employees who all seek to understand the challenges and the mindset. The feedback is that the program has proven to be educational for a wide range of stakeholders. The format has two established entrepreneurs share their stories on how they got from idea stage to launching an actual business; what difficulties they encountered during this process; and how they overcame these difficulties. The presentations are followed by a panel discussion of professionals, including legal experts, venture capitalists and the entrepreneurs themselves. The event always concludes with a networking event for the entrepreneurs, experts, professors and students. We encourage the reader to follow the "Jövő Vezetői" Facebook page to receive advance notification of where the next SYB! event will be held.
COMMUNICATIONS

As a transparent organization AmCham Hungary strives to maintain easily accessible communications channels, with clear, structured messages to report on our key activities. These channels not only report on our advocacy activities, but also engage students on social media and help create a buzz around our social and professional events.

OUR COMMUNICATIONS CHANNELS

We are targeting distinctly different audiences with a plethora of projects and events each year; therefore we have developed different channels with different content and strategies over the years.

Our primary means of communicating with our members is, of course, face-to-face, at our regular events and meetings; however, we also have online and print platforms to keep all members up-to-date. In 2017, we printed six issues of Journal – The Voice of AmCham Hungary, our official print publication. Journal complements the regular updates and news on the website and social media, as well as the annual report.

Our most important advocacy-related publication in 2017 was the Policy Agenda 2017-2020, which details the priority areas where the chamber is concentrating its efforts.

AmCham members receive “FRESH - Your Weekly News and Events Update from AmCham”, our e-Newsletter every week.

This one pager gives a quick update on events, news, business offers, committees and more.

AmCham is also active on a number of social media channels. On Facebook, we communicate with more than 1,800 followers on a daily basis, generating regular activity on the page by sharing event galleries, media clippings and invitations to our upcoming events. We also target students via our “Jövő vezetői” Facebook page, with programs such as the “Start Your Business!” or “Board Simulation” roadshow. A LinkedIn page was launched this year – replacing what was previously a group – and we have a Twitter page with more than 600 followers. We also recently launched an Instagram account, for our visual content.

AMCHAM IN THE PRESS

Between November 2016 and November 2017 events, activities and statements by AmCham received regular and wide-scale coverage in the Hungarian printed and electronic media. The number of published articles in connection with AmCham numbers more than 250 in this time frame, while several of our events, conferences and press conferences received TV and radio coverage as well. The most outstanding press coverage was generated by the “Business Meets Government Conference”, the “Competitive Education Conference” and our regular Business Forums. In 2017, we also had the privilege to be interviewed by Világgazdaság, Magyar Hírlap and Manager Magazin on competitiveness and investment trends.
Advocacy input from our membership is channeled most effectively through our PTF network, while our committees provide an excellent platform for networking and knowledge exchange. The following pages are a brief summary of the key achievements of the following professional groups:

**Policy Task Forces:**
- Investment
- Competitive Workforce
- Innovation
- Digitalization

**Committees:**
- Electronic Manufacturers
- Facilities Management
- Governance and Transparency
- HR
- Membership
- Regulatory
- Taxation
INVESTMENT POLICY TASK FORCE

MISSION
“To increase Hungary’s global competitiveness by enhancing the country’s attractiveness for investments.”

OVERVIEW AND OBJECTIVES
Members of the Investment Policy Task Force (Investment PTF) represent a wide range of sectors and work closely to foster the mission. According to the Global Competitiveness Index prepared for National Economy, the Ministry for National Economy to discuss the development plans of the electronic manufacturing industry. In March, AmCham along with CEOs of SSG member companies, presented an overview and insight on the global trends and opportunities and challenges specific to the SSG sector. In February, a joint survey with the Hungarian Association of Customs Affairs was conducted on industry experiences with Hungarian export control and authorization procedures for dual-use items.

MAIN ACHIEVEMENTS AND ACTIVITIES IN 2017 “Cooperation For A More Competitive Hungary 2017” Recommendation Package
The essence of a series of professional discussions within AmCham in 2016, was summarized and published in a document entitled “Cooperation For A More Competitive Hungary 2017”. The document, incorporating 17 recommendations and commitments, was published and sent to the Prime Minister and the government in December 2016. This document served as a key instrument and guide for the chamber’s advocacy activities and consultations of the Investment PTF throughout 2017.

Cooperation With The Ministry For National Economy
The Ministry for National Economy and AmCham established a Strategic Working Group in 2015 led by Secretary of State for Economic Regulation István Lőspányi. Driven by the Investment PTF, three high-level working group meetings were organized in 2017, where participants discussed a great number of competitiveness related issues, in line with AmCham’s 17-point recommendation package, including tax issues, simplification of regulation of R&D qualification of project groups, the vocational training system, industry-university cooperation, labor supply, the implementation of the EU’s General Data Protection Regulation (GDPR), the education and training support system of SMEs, the establishment of industry specific Sector Skill Councils, and many more.

In February, consecutive professional meetings were organized with the Ministry for National Economy to discuss the development plans of the electronic manufacturing industry. In March, AmCham along with CEOs of SSG member companies, presented an overview and insight on the global trends and opportunities and challenges specific to the SSG sector. In February, a joint survey with the Hungarian Association of Customs Affairs was conducted on industry experiences with Hungarian export control and authorization procedures for dual-use items.

Consultation And AmCham Recommendations On Industry 4.0. Strategy
In July, AmCham representatives were invited to the Ministry for National Economy to give their opinion and share their comments on the ministry’s draft Industry 4.0. Strategy and proposals. Following the meeting, AmCham compiled and sent its members’ comments to the strategy. In the document, AmCham stressed the importance for such a comprehensive strategy and among other things, suggested that Hungary should focus even more on innovation and technology-intensive investments. In 2017, the following two flagship events were organized jointly by AmCham and HIPA: the “Third Business Meets Government Summit” and the “Third Competitive Education Conference”.

In November, the Hungarian Association of Customs Affairs organized an expert-level dialogue between R&D centers and value-added investments.

The government’s strategic economic development plan “Innreni Plan” considers electronics manufacturing to be a strategic industry and increased focus is paid to sector specific development plans.

Government strategy has been developed to enhance Industry 4.0 related innovation and cooperation among large corporations and startups. A new accreditation framework and corresponding qualification methodology and qualification system have been worked out [Accredited Industry 4.0 Corporate Qualification System]. Partnership with HIPA: Based on the Strategic Partnership Agreement signed with the Hungarian Investment Promotion Agency (HIPA) in 2015, a regular, meaningful dialogue has been maintained between the two organizations. The Investment PTF in partnership with HIPA is pledged to support decision makers in appreciating corporate business processes and company procedures (including global decision-making process). In 2017, the following two flagship events were organized jointly by AmCham and HIPA: the “Third Business Meets Government Summit” and the “Third Competitive Education Conference”.

“Business Meets Government Summit”
AmCham together with HIPA organized this flagship event for the third time to, and continue the dialogue on key challenges and priorities for improving Hungary’s competitiveness and attracting more investments to Hungary. Similarly, to the previous summits, one of the main goals of the event was to develop a tangible list of recommendations in four selected areas: Business Environment, Digital Economy, Labor Market and Innovation and R&D. In his opening remarks, HIPA president Rábert Ésik praised the results of previous years as several proposed areas and items have been implemented. AmCham President Dr. Farkas Bársony stressed that, indeed, considerable progress has been made since the regular structured dialogue started in 2015.

FUTURE GOALS
The Investment Policy Task Force is committed to:

• Continue structured consultations with strategic partners (HIPA, NGM, IM and key government partners, Ministry of Foreign Affairs and Trade, Ministry of Human Capacities and Gáborné Pölöskei, Prime Minister’s Office, Ministry of National Economy) on the important issues for business, government bodies and business community; organize the fourth “Business Meets Government Summit” in 2018;

• Provide a platform for regular expert-level dialogue between government bodies and business community;

• Support policy-makers in better understanding key local and global issues; support decision-making processes;

• Support decision-making by conducting impact assessments before measures are introduced;

• Enhance government bodies’ and policy-makers’ understanding of the current and prospective foreign investors.
COMPETITIVE WORKFORCE
POLICY TASK FORCE

MISSION
To represent the needs of businesses regarding the Hungarian talent pool in order to improve Hungary’s long-term competitiveness.

OVERVIEW AND OBJECTIVES
At the annual AmCham Policy Agenda Strategic Discussion, the AmCham leadership decided to consolidate two highly interrelated Policy Task Forces (PTFs) – Talent and Healthy Nation – by creating the new Competitive Workforce PTF.

The Competitive Workforce PTF has the following objectives:
• Widen labor supply and make the labor market more flexible, in order to ensure business continuity;
• Support wide-scale promotion of key competencies and skills in education;
• Support programs enhancing mental and physical health awareness;
• Make Hungary an attractive employer brand.

MAIN ACHIEVEMENTS AND ACTIVITIES IN 2017
The Competitive Workforce PTF organized regular meetings for member company representatives to discuss advocacy issues and share best practices.

Regular Dialogue Continued With Decision-makers
The Competitive Workforce PTF continued its dialogue with key decision makers from the Ministry of Human Capacities (EMKI), the Ministry for National Economy (NGM) and the Hungarian Chamber of Commerce and Industry (MKIK) on how to make the public education and vocational training system more competitive in Hungary, in line with the below recommendations incorporated in the “Cooperation For A More Competitive Hungary 2017” package (among others):
• to widen the labor market supply
• to change the vocational training contribution system
• to extend the digital labor market
• to support with an appropriate budget the transformation of the public education system in order to enhance focus on developing key competencies
• to revise the training aid system
• to support with an appropriate budget the transformation of the public education system in order to enhance focus on developing key competencies
• to ensure business continuity

In April, AmCham’s Competitive Workforce PTF organized meetings with State Secretary for Labor Market and Training Péter Cseresnýs and with Gáböry Pilótskei, Deputy State Secretary for Vocational Training and Adult Education of the Ministry for National Economy, to discuss AmCham’s recommendations and areas of future cooperation with the participation of member companies.

In May, AmCham supported the execution of research that was conducted by the Ministry for National Economy to survey the scope and focus of corporate training at large international companies. The ministry planned the revision of the adult education system by identifying the needs and the best practices of the corporate sector.

In September, AmCham also supported the establishment of industry specific Sector Skill Councils. The main objective of the ministry is to better incorporate industry expertise and labor market expectations into the system of vocational training and adult training. By creating this platform industry representatives can provide structured input. AmCham will closely follow the work of the Skill Councils, which are coordinated by the Hungarian Chamber of Commerce and Industry.

Need For Flexible Employment Schemes
Several member companies are considering, or already have introduced remote work schemes for their employees. Understanding this trend, AmCham presented its concerns about the current regulatory environment to State Secretary István Lepsényi at its regular working group meeting with the Ministry for National Economy in July. As a follow-up, the State Secretariat for Labor Market worked out modifications to the Act XCIII of 1993 on Labor Safety. The Competitive Workforce PTF, together with the Regulatory Committee, reviewed the planned modification, and suggestions were sent to the ministry in early September. The ministry was very open and accepted several of our arguments. The planned legislation, which is in the pipeline, will reflect AmCham’s input. The new law would provide clearer guidelines on the scope of responsibility, with special regards to the obligation of the employer for preliminary evaluation of suitability of home office working conditions and would grant exemption of responsibility for the employer in a situation where the employer has no influence over certain circumstances.

Policy Progress In Several Areas
As a result of high level and expert level consultations with decision makers, we recognize several new policy measures and government initiatives that are in line with our recommendations.
• Increased support for dual education in higher-level education.
• Increased focus on raising the efficiency of language learning in public education
• Introduction of a Career Orientation Day in public education.
• Industry specific Sector Skill Councils have been established so that industry players can provide regular and structured input for a more competitive and up-to-date (vocational) training system and curricula.
• The planned legislation of the modification of the Law on Labor Safety impacting...
COMPETITIVE WORKFORCE
POLICY TASK FORCE

Continued from page 35.

Summer Internship
For Hungarian Students
Studying Abroad
AmCham has been advocating for the need for reducing the administrative barriers that Hungarian students studying abroad face when applying for internship positions in Hungary. Based on consultations with the Ministry for National Economy in October, AmCham’s position is that an increased availability and a more favorable administrative framework of summer internship programs would be an important factor to maintain ties with Hungarians studying abroad and therefore can be an effective instrument in attracting talent back to Hungary.

Flagship Event: The Third “Competitive Education Conference”
In May 2017, AmCham together with HIPA organized the third “Competitive Education Conference” titled "How To Sell Your Company To Your Future Employees", with the professional support of the Ministry for Human Capacities and the Ministry for National Economy.
The half day conference was highly successful in attracting more than 200 participants from relevant stakeholder groups and in providing a platform for constructive dialogue on a number of topics, including: how to inspire young people to return to Hungary, how Hungary could become more attractive for young talents, how companies could adapt to the new demands and expectations of the employees, and what the education system can do to reduce the gap between the skills of the graduates and company expectations. For more on the conference, please see pages 20-21.

Sharing Best Practices
In February, Fanni Szigeti, representative of the "Women In Science" Foundation gave an inspiring presentation to members of the Competitive Workforce PTF and discussed best practices on how all stakeholders can help the successful orientation of girls and women to STEM careers.

Family Friendly Companies
Campaign And Award
AmCham has been a supporting partner of a campaign to find Hungary’s most Family Friendly Companies for many years now. The competition, run by the Három Királyfö, Három Királylány Mozgalom (Three Princes, Three Princesses Movement), is open to both multinationals and domestic businesses. The prize is awarded to companies that have humanistic and supportive company cultures and which, furthermore, are committed to support work-life balance within their own organizations. They should take particular care of their employees with small children. AmCham endorses the Three Princes, Three Princesses Movement and regularly shares information with its members on the Family Friendly Company competition and award.

Disability-Friendly Workplace Award
AmCham endorses and supports the Disability-Friendly Workplace Award that was initiated and organized by the Salva Vita Foundation with the aim of bringing together job seekers with disabilities and those employers who are ready to employ them. The award is granted jointly by the Ministry of Human Capacities, AmCham Hungary, the EFQM Hungarian Partner and Salva Vita for employers who meet the tender criteria.

The award recognizes those employers who are committed to permanently improving their practices concerning the recruiting, employment, and retaining of people with disabilities. It may include the preparation of executives and staff for integrating people with disabilities; the improvement of accessibility, and the defining of guiding principles concerning co-workers with disabilities.

FUTURE GOALS
In 2018, the Talent Policy Task Force plans to:
• Continue to work closely with our government partners (Ministry for National Economy, Ministry of Human Capacities, HIPA);
• Provide a platform for regular and meaningful dialogue between all stakeholders on education and labor market issues;
• Advocate for a more competitive labor force and education system, based on recommendations prepared at the third “Business Meets Government Summit”, and the third “Competitive Education Conference”;
• Organize a Competitive Workforce event in 2018;
• Present and share best practices and focus on activities/projects that show the right track towards the future;
• Promote active participation of companies in collaborative programs with educational institutions;
• Develop programs and activities to attract and help integrate young Hungarian graduates of foreign universities to the Hungarian labor market.
The Innovation Policy Task Force has defined four main objectives for the 2017-2020 period:
• Focus on innovation as a cornerstone of macroeconomic policy;
• Encourage long-term cooperation between large enterprises, SMEs and academia on R&D projects;
• Stimulate high-value-added R&D projects that lay a solid groundwork for sustainable growth after 2020;
• Create scalable pilot opportunities driven by future technologies and innovation.

MAIN ACHIEVEMENTS AND ACTIVITIES IN 2017 “Cooperation For A More Competitive Hungary” 2017 recommendation package
As a follow-up to the second AmCham-HPCA “Business Meets Government Summit” held in 2016, a detailed list of R&D-related suggestions and commitments were developed in the following four key areas, and were incorporated in the “Cooperation For A More Competitive Hungary” recommendation package:
• The support of high-value-added manufacturing and services, and the promotion of product and service innovation.
• A coordinated government approach to stimulate corporate R&D spending and to attract new R&D centers to Hungary.
• Suggestions specific to the current R&D grant system.
• Encourage cooperation between large corporations, universities, investors and startups.

Policy Success And Progress
We recognize several new policy measures and government initiatives that are in line with our recommendations. These include:
• AmCham also recognized that corporate R&D spending could also be increased if, beyond the current project based R&D qualification, R&D project groups could be qualified as R&D, thereby reducing the administrative burden of R&D qualification of companies with a large number of R&D projects each year. Our members have participated in various technical discussions with the Ministry of National Economy, and the government decree on R&D qualification was amended early in November 2017, making R&D qualification of project groups possible as from 2018. AmCham would like to thank members of the Policy Task Force for sharing their expertise and for their contribution to developing policy recommendations.

The “Business Meets Universities” Project
In line with our commitment to encourage long-term cooperation between large enterprises, SMEs and academia on R&D projects, the Innovation PTF launched the “Business Meets Universities” project in January 2017 with the mission to initiate a dialogue that creates a mutually beneficial advantage, and cooperation with measurable benefits for both the academic and the business spheres.

In March, the PTF conducted a short, corporate survey among member companies to assess ongoing and completed joint university-industry R&D&D projects (typical types of joint projects, experiences of companies, challenges, etc.). Based on the findings of this survey, a list of priorities and discussion topics have been developed for the project.

In May, the PTF conducted the “Business Meets Universities Workshop” to examine key elements of the “Invented in Hungary” paradigm shift, by focusing on how to enhance cooperation between business and academia in research, development and innovation programs, and enhance the development of the innovation ecosystem. Read more on page 23.

“Business Meets Universities Workshop”
The “Business Meets Universities Workshop” brought together representatives of universities, corporations, startups and government to examine key elements of the paradigm shift from the “Made in Hungary” approach to the “Invented in Hungary” approach by principles on how to enhance the development of the local innovation ecosystem. The event started with presentations of two internationally well-known guest speakers, Christopher Ball, Director of the Central European Institute and speaking on behalf of Quinnipiac University and Prof. Dr. Aard Groen, Professor of Innovative Entrepreneurship & Innovation at the University of Twente and the University of Groningen. They shared their experiences in industry-university collaboration and best practices and delivered some key messages, such as the importance of recognizing the need to adjust timing and deadlines, finding a “champion” to drive the projects, networks and policies. In the second part of the workshop, all participants joined working groups and discussed how to identify best practice projects of business-university cooperation, and how to retain high level intellectual property rights.

INNOVATION POLICY TASK FORCE

Policy Task Force Lead: Csaba Márkus (PwC)
Policy Task Force Co-Lead: Jaeger Bauer (GE Hungary)
Board Representative: Bea Előd (Citi)
Chair: Judit Szilágyi

FUTURE GOALS
In 2018, the Innovation Policy Task Force plans to:
• Prepare innovation and R&D related recommendations and positions;
• Work closely with our government partners: Ministry for National Economy, National Office for Research and Innovation Office, Hungarian Investment Promotion Agency, Hungarian Intellectual Property Office;
• Organize an innovation flagship event – where key findings and recommendations of the “Business Meets Universities” project can be discussed with all stakeholders;
• Organize an innovation flagship event at the “Business Meets Government Summit 2018”;
• Share international and local best practices for a stronger local innovation system.
Digitalization Policy Task Force

To help the Hungarian business community realize the tremendous business value brought by digitalization and to help companies in this revolutionary transformation.

Overviews and Objectives

In February 2017, the AmCham Board together with Policy Task Force (PTF) and committee leaders and Patron members gathered to analyze AmCham’s strategic goals and position, as well as possible future development plans for the chamber. One of the most important inputs from the membership was a greater need to focus on new trends, mainly positioning Hungary in the digital era. Therefore, a new, digitization Policy Task Force was established.

The Digitalization PTF has defined four main objectives for the 2017-2020 period:

- Support structural change in the Hungarian education system for a digitally competent society along well-defined output metrics;
- Adapt innovative digital technologies based on sector specific best practices to create a more effective business environment, and identify a “moon-shot” project to foster Hungary’s world-wide reputation across the digital ecosystem;
- Support the development of an enabling digital infrastructure in Hungary, ensuring that the digital economy and digital society can grow;
- Support the government in becoming more efficient in providing one-stop shop e-government services to companies and citizens.

Main achievements and activities in 2017

Formulation of the PTF

At the kick-off meeting, members decided to create the following working groups to give special focus in key areas:

- Digital Education
- Digital Economy and Infrastructure
- Digital Government and Policy

Starting Dialogue with Decision-makers

In the “Cooperation For A More Competitive Hungary 2017” conference in partnership with AmCham Hungary, the other organizing partners were the German-Hungarian Chamber of Industry and Commerce, the Hungarian Chamber of Commerce and Industry and the Big Four. The goal of the conference was to call for a sector-wide cooperation addressing the growing issue of the digital labor shortage and the enrichment of digital competencies. AmCham President Dr. Farokas Bársányi participated in a panel discussion and highlighted the role of education: how digitalization and a flexible education system built to develop competencies are the key to produce future employees who are capable of adapting to new situations quicker. The conference was attended by State Secretary Péter Cseresnyés, EU Commissioner of Education, Culture, Youth and Sport Tibor Navracsics, and Commission of the Digital Prosperity Program Tamás Deutsch.

5G Coalition

The 5G Coalition (5GK), initiated by the government, and areas where AmCham could have a real impact for the benefit of the business community it represents. In June, Ádám Horváth, manager of the Digitalization PTF, and Ákos Mácz, presented the goals of the 5GK and its planned activities. The coalition was formally established by the government, and areas where AmCham could have a real impact for the benefit of the business community it represents. In June, the 5G Coalition (5GK), initiated by the Digital Success Program, was formed with the aim to make Hungary a European hub for 5G developments and to take a leading role in the region in 5G-based applications. The goals of the 5GK is to make Hungary one of the centers of 5G development in Europe by 2018, to take a leading role in the region in testing applications based on 5G and to become one of the first countries to introduce 5G technology.

The coalition will create a professional platform for stakeholders and it will contribute to the elaboration and implementation of the Hungarian 5G strategy and testing environment. In June, representatives of AmCham participated in the preparatory meeting held at the Ministry of Human Capacities, where Commissioner Deutsch, along with two experts of the Digital Success Program, Vilmos Both and Akes Mácz, presented the goals of the 5GK and its planned activities. The coalition was formally established on June 19, and AmCham, among 50 other companies, business chambers, universities, research institutes and civil organizations, was a founding member. Two plenary sessions have been held since then and five working groups were established. Members of the Digitalization PTF joined the Applications and Sample Systems group, which is responsible for the identification of 5G-based applications and the involvement of developers.

Working Closely With ICT Association Of Hungary (IVSZ) And The Digital Pedagogical Methodology Center

Several meetings were held with representatives of the ICT Association of Hungary to better understand the challenges of digitalization in Hungary, the initiatives and strategies introduced by the government, and areas where AmCham could have a real impact for the benefit of the business community it represents. In June, Adam Horváth, manager of the Digital Pedagogical Methodology Center, was the guest of the Digitalization PTF meeting, where he discussed issues related to the structural changes of the education system and the introduction of well-defined output metrics. The recommendations formulated during these discussions were channeled into the “Business Meets Government Summit” event and will be incorporated into the “Cooperation For A More Competitive Hungary Recommendation 2018” recommendation package.

Future Goals

In 2018, the Digitalization Policy Task Force plans to:

- Prepare digitalization-related recommendations and positions;
- Support AmCham governmental partners in taking effective measures to expand the digital labor market and in upgrading digital education;
- Work closely with the ICT Association of Hungary (IVSZ) and the Digital Success Program (DJP) with regards to the Digital Workforce Program;
- Share best practices for digital technologies and solutions.

Third “Business Meets Government Summit”

The Digitalization PTF organized a roundtable discussion at the third “Business Meets Government Summit” to discuss the need and possibility for defining a “moon-shot” project for Hungary. The PTF believes that for Hungary’s future development it is very important to identify digital initiatives where Hungary could be a global leader. Our goal is to make Hungary a digital hub (with a special focus on Budapest) and to that end, AmCham supports projects that give a competitive advantage in the digital ecosystem. The representatives of the Ministry for National Economy and the Ministry of National Development acknowledged the importance of such “moon-shot” projects. Further, detailed recommendations have been developed as a result of the discussions and will be incorporated in the next issue of the “Cooperation For A More Competitive Hungary Recommendation 2018” recommendation package.
ELECTRONIC MANUFACTURERS’ COMMITTEE

MISSION
The committee’s mission is to raise awareness and highlight the weight and role of the electronic manufacturing sector in the Hungarian economy, and also to find areas of common interest for electronic manufacturing companies and joining forces in these areas.

OVERVIEW OF 2017
In 2017, member companies of the committee have been actively engaged in AmCham’s advocacy efforts and have represented the priorities of the sector at several high- and expert-level meetings organized with the Ministry for National Economy. The committee has two main objectives:

• Continue sharing best practices among members;
• Continue dialogue with decision makers, with a special focus on competitiveness and education in order to represent the interests of the sector.

ACTIVITIES AND ACHIEVEMENTS
Successful Advocacy For The Better Recognition Of The Sector
In 2015, the government published its strategic plan for innovative industry development called the Irinyi Plan, which was reviewed and discussed in detail by members of the Electronic Manufacturers’ Committee. In 2016, the committee created an electronic industry strategic document to present an overview of the special role the electronic industry plays in the development of the Hungarian economy. Electronic manufacturing is strongly tied to the seven strategic industry segments as defined by the Irinyi Plan, and the committee advocated for the better recognition of the electronic industry. This key message was incorporated in AmCham’s “Cooperation For A More Competitive Hungary” recommendation package issued in December 2016. AmCham sent its proposal on an industry strategy for the electronic manufacturing sector as well as the recommendation package to the Ministry for National Economy; that was followed up with a series of expert level discussions. The February meetings provided an excellent opportunity for key electronic manufacturing industry representatives to share their concerns and suggestions on priority areas for future development. Representatives of the Ministry of National Development, the Ministry of Human Capacities, and the Hungarian Investment Promotions Agency also participated at the meeting. As a result of the consultations, AmCham was informed that the government considers the electronic manufacturing industry to be a strategic industry (and part of the Irinyi plan together with the ICT sector) and increased focus will be paid to sector’s specific development plans. Committee chair László Ábrám represents AmCham and the committee in a strategic working group established by the ministry, whose main goal is to prepare a comprehensive industry strategy.

In October, an extraordinary committee meeting was held at the Tatabánya plant of Sanmina-SCI, a company celebrating its 20th anniversary in Hungary in 2017. Participants had a lively discussion on a number of sector specific topics, and the team was then invited on a company tour around the Sanmina-SCI plant. In September, the Ministry for National Economy with the Hungarian Chamber of Commerce and Industry established industry specific Sector Skill Councils, including one focusing on the electronic industry. The main objective of the ministry is to better incorporate industry expertise and labor market expectations into the system of vocational training and adult training. Several of our committee members have become members of this Skill Council, and through this platform, industry representatives can provide structured input.

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FUTURE GOALS
The committee plans to:
• Continue advocacy activities and meet with government decision-makers to discuss committee recommendations;
• Organize committee meetings and off-site meetings at members’ factories to share best practices;
• Provide input to make training materials more up-to-date and practical, and monitor the activities of the electronic manufacturing Sector Skill Council;
• Conduct education-related activities with the participation of relevant professors and university departments.
maximized when working with interior designers, builders and office furniture suppliers. As any FM who has worked through a reconstruction or refurbishment project can attest, good communication can make all the difference.

For the fourth meeting, committee members were invited to the headquarters and production center of CooperVision, located at the ProLogis Business Park in Gyáli. Barnabás Teleszky, utility and facility manager and Viktor Veres, technical director, gave a presentation on the challenges they face and the solutions they apply at a sophisticated production and logistical unit and a state-of-the-art visitors’ center in a facility mainly intended for cargo storage.

Returning to the Eiffel Palace offices of CBRE, Judit Varga, head of offices, analyzed the latest trends of the office market, and whether the current surge would wear out in the near future. At the center of the analysis was one of the hottest topics of today’s business environment: creating an attractive and accommodating working environment for “Generation Y” employees, while also meeting the needs of the older generations.

At the time of writing, the fifth and last committee meeting in this year was due to be held in late November at the premises of Konica Minolta. With everything going digital, offices will be no exception. From document management to fully digital workstations, the future is something that we should all try to anticipate to the best of our abilities.

PLANS FOR 2018
The committee will remain focused on providing interesting and useful information to its members; the introduction of new trends and handling hot issues within the area of facility management. We wish to keep and strengthen our good working relationship amongst our members within AmCham, as well as other professional organizations. We encourage new companies to join the committee!

OBJECTIVES
The goal of the committee is to provide a platform for facilities management professionals to discuss FM-related matters, learn of new trends, and exchange opinions and experiences with other experts. Special emphasis is given to the topic of integrating FM processes within an organization, and as a result, improving the effectiveness of a company’s primary activities.

OVERVIEW OF 2017
Our first meeting in February was held at EY, where Erika Chiuhan shared her experiences of the European Facilities Management conference in Milan. She gave the members an overview of the latest trends in FM, as well as a general account of the Conference’s atmosphere.

At the second meeting, we hosted the representatives of Leo FM, a professional organization for property and facility managers. They informed our members of their general activities and presented the advantages of their benchmarking methodology – a crucial tool in navigating the complexities of today’s office market.

In April, Krisztina Westermann from Smart Office Solutions and András Dobos from LAB5 Architects discussed with our members how the effectiveness of communication can be
since they lack adequate case studies of real world challenges from the region that can be used to educate the next generation of Hungarian leaders. The G&T Committee seeks to satisfy at least part of this demand by offering meaningful content that can be leveraged by the professors to reach multiple students who are seeking practical knowledge to complement their coursework.

Government Engagement: The G&T Committee also encourages integrity and transparency in both the public and private sectors. One of the key venues that the G&T Committee uses to hold a constructive dialogue on this topic is its annual conference on integrity issues. Most recently entitled “The Corporate Compliance Challenge: Crisis Prevention and Threat Management”, the main message this year was that everywhere the legal framework is getting tougher regarding anti-corruption, and it is also up to businesses themselves to make a difference by promoting fair and open markets by complying with those rules. The opening remarks at this year’s event were delivered by David Kostelancik, Chargé d’Affaires at the U.S. Embassy in Budapest, who stressed that no matter how much of a pro-business attitude a country has, corners cannot be cut when it comes to compliance mechanisms and fighting corruption. The main speaker at the event was Fabien Ganivet, partner at DLA Piper and a former advisor to the cabinet of Homeland Security and of the minister of defence of France. In his speech, Ganivet pointed out that international anti-corruption standards all have a common thread that finds its roots in the U.S. Foreign Corrupt Practices Act of 1977, and that a convergence in regulations is taking place.

Private Sector Engagement: The G&T Committee is working on various projects and creating publications that engage the private sector in promoting best practices and in encouraging entrepreneurship.

MISSION
To improve the accountability, governance, integrity and transparency of the private, non-profit, and public-sector practices; to foster a better next generation of leaders; and to encourage and to boost competitiveness, entrepreneurship and sustainability in Hungary.

OVERVIEW
The Governance and Transparency Committee (G&T Committee) seeks to guide leading stakeholders, including academia, business leaders, entrepreneurs and community stakeholders, by promoting best practices in the areas of governance, transparency, integrity, ethics and entrepreneurship. This is highlighted in AmCham’s Position Brief No. V: “Good Corporate Governance as a Pillar of Hungarian National Competitiveness”. The G&T Committee has forged a strong partnership with academia and gives these educators [at their request] content for their classrooms by providing practical business presentations and discussions, real-life case studies and networking possibilities that are otherwise lacking. This committee also leads AmCham in its promotion of best practice entrepreneurship (and hence innovation) and considers this subject a key factor in increasing the competitiveness of the country. It seeks to spark the entrepreneurial spirit in future generations and to build a better future generation of leaders in Hungary.

The G&T Committee has created and manages numerous projects that support its mission and the goals set down in the AmCham Policy Agenda. The projects also span the three sectors of private, public and not-for-profit. Many of these are done in partnership with academia, involving Hungarian and even some foreign universities, particularly those focused on best practice governance, integrity and entrepreneurship. The committee also works with AmCham Policy Task Forces in topics concerning Hungary’s competitiveness, as well as with the Regulatory Committee on monitoring new legislation. The deliverables from these projects also seek to encourage the use of best practices and promote integrity and transparency.

PROJECTS
Academic Engagement: Nearly every year the G&T Committee seeks to reinforce its direct dialogue with academia. Either special workshops are organized with a focus on a specific topic or professors are invited to attend conferences or events. Professors seek partnership with the business community
Board Simulation: This case study series travels to Hungarian universities to present playacted board meetings that are choreographed to highlight and answer a wide and interesting range of corporate governance questions that may arise in a typical company setting. One of the cases is set in a publicly traded (stock exchange listed) company setting, while the other is focused on a privately held, small/mid-size company environment. One of these cases has also been presented in Austrian and Slovakian Universities. More information on the Board Simulation can be found on page 26.

Start Your Business!: This program has sought to develop a stronger sense of entrepreneurship in Hungary since its launch in 2012. AmCham’s G&T Committee brings interactive seminars to universities across Hungary and even abroad. More information on this event can be found on page 26.

Jövő Vezetői: Our Facebook page is regularly updated with information and events related to G&T Committee activities to create a connection between the present and future generations of the business community.

Monitoring And Commenting on Legislation/Providing Input: The G&T Committee continuously and actively monitors and comments on new legislation, regulations and policies of relevant bodies (e.g. ministries, BSE, etc.) It also cooperates with other AmCham Committees and Policy Task Forces in a number of areas, such as finding solutions to the challenges of innovation policy and boosting national competitiveness through fostering entrepreneurial talent.

PUBLICATIONS
“Vállalkozni Jól!” (”Entrepreneurship is Good!”) is a printed and digital publication containing interviews with 20 legendary Hungarian entrepreneurs. It presents the mindset, passion and approach of the entrepreneurs and the power of putting Hungarian innovation into practice. It explores their personal motivations rather than describing their specific startup company’s evolution. The first, printed booklet version of the publication was prepared by the G&T Committee following a lengthy effort involving nearly 50 volunteers. The committee works to extend the digital version of the publication (available at www.amcham.hu/vallalkozni-jol) by adding two new entrepreneur interviews each year.

Prior Publications also include: • Position Brief No. V: “Good Corporate Governance As A Pillar Of Hungarian National Competitiveness” • “Glossary Of Corporate Governance And Business Integrity Terms: English-Hungarian / Hungarian English” • “Corporate Governance Guidance And Principles For Unlisted Companies In Europe” Hungarian translation • Contributor to “English-Russian/Russian English Business Integrity Glossary”, published by Central European University

Partnerships And Cooperations Many of the G&T Committee’s projects are undertaken in cooperation with other chambers of commerce, academic institutions and NGO organizations including: Budapest Business School, Budapest University of Technology and Economics, Central European University, Corvinus University of Budapest, Debrecen University, Embassy of the United States of America, Hungarian Venture Capital Association (HVCA), Óbuda University, Pázmány Péter Catholic University, Szeged University, Szent István University in Gödöllő, Széchenyi István University in Győr, University of Pécs (Simon) BDC, and Young Entrepreneurs Association Hungary (FIVOSZ).

A more detailed description of the G&T Committee’s projects and activities can be found at www.amcham.hu/committee/governance-and-transparency.
The HR Committee will improve the competitiveness of Hungary and contribute to a better society by supporting members to achieve world-class levels of HR effectiveness and impact.

OVERVIEW OF 2017
Our main goals in 2017 were to:
• Foster and address HR issues that are important to the global workforce currently facing Hungary, such as the lack of skilled blue-collar workers or IT professionals, the wide salary gap between Western European workplaces and Hungary, and the exclusion of 50+ job seekers from workplaces and Hungary, and the gap between Western European professionals, the wide salary gap, and attracting workforce from abroad.
• Address issues impacting the operations of their respective businesses;
• Provide members with an opportunity to actively participate in resolving issues of common interest impacting the operations of their respective businesses;
• Create transparency for HR values towards business leaders;
• Learn from each other.

REGULAR MEETINGS FOCUSED ON SOLUTIONS
In his letter to committee members early in 2017, committee chair Zsolt Fehér wrote: “I believe the challenges are clear; we just need to know how to tackle them and help our members to find the best solutions. During recent years, as part of our competitiveness initiative, AmCham Hungary has already determined the major challenges facing our members. Our fourth and final roundtable session, entitled: “Can Business Solve The Shortage Of Digital Workforce?” discussing the current challenges in IT education, and what answers the private sector has found to tackle the issue with the following invited speakers:
- Gábor Bonyhádi, CMO, CodeCool;
- Barbara Fazekas, founder-CEO, Green Fox Academy;
- Gyula Csifári, founder, Logiscool;
- Szabolcs Filep, CEO, Progmasters.

Our annual agenda was designed around the above concept; therefore, on March 28 we brought seasoned experts to the table to learn more about available solutions. We kicked off the roundtable series with a strategic CEO session on HR’s role in solving business challenges. Our invited guests were Kristizina Varga, regional business operations director of DXC Technology; and Mark Hetényi, chief digital and retail officer of MKB Bank, who put the scope of the issue in a relevant business perspective.

Our next session on May 18 was an IT education roundtable entitled: “Can Business Solve The Shortage Of Digital Workforce?” discussing the current challenges in IT education, and what answers the private sector has found to tackle the issue with the following invited speakers:
- András Nánássy, managing director, Smart Scale;
- Piroska Kerli, representative of WillisTowersWatson.

Our fourth and final roundtable in 2017 aimed to crack the issue of enabling and engaging 50+ workforce with our guest experts:
- Ánikó Petkó, co-founder, Restart-up;
- Zsuzsa Gárdus, managing director, Smart Scale;
- István Kun, president, Pesti Szomszédok Nyugdíjas Szövetkezet;
- Bence Husi, Viapan Group Communication Manager.

As one of our panelists highlighted, there were 87 million 65+ people in Europe in 2012 and this figure will grow to 123 million by 2030 (according to Eurostat data); therefore, we cannot wait to come up with solutions and our panel agreed that a mindset change on both the employers’ and the employees’ side is essential to find a breakthrough. The HR Committee intends to continue the dialogue on issues affecting Hungary’s competitiveness, from the HR perspective.

KNOWLEDGE IMPROVEMENT SESSIONS
We also held regular HR knowledge improvement sessions with the following speakers and topics in 2017:
- September 26: Mindfulness at work with Liz Hall. Our special guest speaker was arranged by Judit Ábri, founder of Coaching Határok Nélkül (CHN).
- November 28: Agile HR - Design Thinking with Hari Abburi. Our special guest speaker was arranged by Judit Ábri, founder of CHN and Csaba Csényi, founder of Ambiance Regional Consulting.

FUTURE PLANS
Next year we will organize our fourth “HR Dream Day” workshop in the spring and will continue to strive to involve non-HR executives in the work of the committee. We will also continue dialogue on AmCham advocacy topics closely connected to the lack of available workforce, such as IT education, salary benchmarking, flexible employment opportunities and 50+ workforce.
and driving power concerning foreign direct investments and innovation.

ACTIVITIES
We organize two events annually, where we report to the membership on AmCham’s activities. One is the Annual General Assembly at yearend where we inform our members about what we achieved in that year. We also share our financial results, and a number of board members are elected.

In order to have another opportunity to give updates on our activities during the year, in June we organize our “Insight” event, where the entire membership is invited. This event provides a platform to inform our members about what we do, the progress we have made and most importantly an opportunity for direct input, questions and feedback. Organizing the “Insight” event during May-June, and the AGA in December, provides an opportunity for regular personal engagement with our members.

This year, “Insight” was a late afternoon event turning into dinner; we invited not only our members but also the representatives of companies who may be interested in our activities and who could enrich our powerful membership base should they decide to join. Besides providing details of professional objectives and commitment of the Policy Task Forces, the event proved to be an excellent networking opportunity for those present.

MISSION
To increase membership by targeting quality companies and to work on the retention of members; to assist the board and AmCham working groups in all areas related to membership with a view of extending the scope of our quality and innovative services and providing value for an increasing range of businesses.

OBJECTIVES
• To host a successful “Insight” event for the full membership with a high number of member representatives and potential companies, where members can give a full and up-to-date status of our mission and the results of Policy Task Forces;
• To maintain and contribute to an up-to-date list of potential member companies;
• To enhance attractiveness and increase awareness of AmCham membership by effectively communicating and representing its Policy Task Forces, to showcase the content of these PTFs and the significance of the AmCham network;
• To enrich the valuable AmCham membership portfolio by strengthening its presence and driving power concerning foreign direct investments and innovation.

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The Regulatory Committee has continued its aim to fulfil its legal supporting function assisting fellow committees and the AmCham Board, and operating as a workshop for many of the most highly skilled practicing attorneys in Hungary and the representatives of AmCham member companies.

The committee continues to consist of various working groups corresponding to the relevant fields of law, each led by a highly reputed expert:
- Constitutional, Administrative & Tax Law – Dr. Péter Nagy; 
- IP, IT, Telecom Data Protection – Dr. István Réczicza; 
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- Property Law, Environmental Regulation – Dr. Győrgyi Viszmeg.

The committee continued its aim to fulfil its legal supporting function assisting fellow committees and the AmCham Board, and operating as a workshop for many of the most highly skilled practicing attorneys in Hungary and the representatives of AmCham member companies.

The committee continues to consist of various working groups corresponding to the relevant fields of law, each led by a highly reputed expert:
- Constitutional, Administrative & Tax Law – Dr. Péter Nagy; 
- IP, IT, Telecom Data Protection – Dr. István Réczicza; 
- Civil, Commercial Law – Dr. János Tóth; 
- Customs, Trade Compliance – Dr. Tamás Lőrinc; 
- Corporate Law – Dr. Zoltán Cseh; 
- Public Procurement Regulation – Dr. Balázs Fazekas; 
- Labor Law – Dr. András László; 
- Economic Hungarian Law; 
- Banking and Financial Markets – Dr. Erika Papp; 
- Competition/Unfair Trade Practices/Consumer Protection – Dr. Tihmér Tóth; 
- Anti-illicit Trade – Dr. Gábor Bacher; 
- Property Law, Environmental Regulation – Dr. Győrgyi Viszmeg.
The Tax Committee focuses on the following objectives:

- Identify and implement changes needed in the Hungarian tax legislation with the aim to make it more competitive;
- Assist members in their advocacy efforts;
- Respond to members’ common requests with direct dialogue with decision-makers;
- Provide members with the opportunity to keep up-to-date with tax changes and key developments;
- Continuously update the AmCham Board about developments in tax law and discuss with the Board on how to comment on these changes.

As a follow-up to the Second AmCham-HIPA “Business Meets Government Summit” held in 2016, the Tax Committee in cooperation with the Investment PTF formulated recommendations on how to attract more investments into Hungary, and how to help increase the country’s competitiveness by creating a competitive, investment-friendly business and tax environment. Recommendations were incorporated into the “Cooperation For A More Competitive Hungary” recommendation package that was published in December 2016. Among business environment-related suggestions, the committee highlighted those aiming to tailor a tax system that provides better support for FDI.

On April 5, the Tax Committee held an extraordinary committee meeting, where a more detailed position was developed, and was sent to Minister Szijjártó later that month. The dialogue about our recommendations also continued at the AmCham-Ministry for National Economy (NGM) working group meetings with State Secretary István Lepsényi and representatives of the relevant departments.

The committee also advocated for the further reduction of bureaucracy and over-regulation in general, as this would improve Hungary’s international competitiveness.

Minister of Foreign Affairs and Trade Péter Szijjártó was appointed by Prime Minister Viktor Orbán to discuss these recommendations in detail with AmCham. Minister Szijjártó and the AmCham delegation met in March, where the minister reflected on AmCham’s proposals and asked for further elaboration of certain recommendations, including tax-related matters.

On April 5, the Tax Committee held an extraordinary committee meeting, where a more detailed position was developed, and was sent to Minister Szijjártó later that month. The dialogue about our recommendations also continued at the AmCham-Ministry for National Economy (NGM) working group meetings with State Secretary István Lepsényi and representatives of the relevant departments.

The committee is very proud that, due to consistent, structured and constructive dialogue with the government, the corporate income tax rate was lowered to 9% in January 2017, which substantially contributes to the improvement of the investment climate and our regional and global competitiveness.

On September 28, the Tax Committee closely followed the OECD’s Action Plan on Base Erosion and Profit Shifting (BEPS), which will fundamentally change the competitiveness strategies countries follow. Profits will be taxed at the place where business activities will be performed.

The committee also advocated for the further reduction of bureaucracy and over-regulation in general, as this would improve Hungary’s international competitiveness. Hungarian regulations are often stricter than the EU standards or requirements. Over-regulation decreases the competitiveness of Hungary against other European countries. It is important to comply, but over-regulating is an additional burden to all stakeholders (government and businesses alike) in terms of time and costs.

FUTURE GOALS

For 2018, planned activities of the Tax Committee include:

- Developing tax and business environment-related recommendations and positions;
- Active involvement in meetings with key decision makers (NGM, HIPA) to follow-up policy recommendations;
- Organization of a State Secretary roundtable discussion with Norbert Leér, Deputy State Secretary of the Ministry for National Economy;
- Developing tax and business environment-related recommendations for the fourth “Business Meets Government Summit 2018”, in cooperation with the Investment PTF.
2017 EVENTS HIGH LIGHTS
With our conference and workshop topics we focus on various aspects of Hungary’s global competitiveness and this year’s events all served this goal.

How does the internet alter classrooms, and what can be done about the digital education of the current and future workforce? These were the most critical questions addressed at a joint conference on May 17 of Telenor Hungary and AmCham, featuring renowned experts. Alexandra Reich, CEO of Telenor Hungary, highlighted the importance of providing more mobile data to facilitate communication on-the-go. But Reich simultaneously warned about the need to educate people about how mobile data can and should be used meaningfully. As Krisztina Varga, a teacher, said, kids are great at technology, but they don’t know how to handle their emotions, solve problems or communicate. Therefore, that all needs be taught. Schools have been equipped with digital devices before, but teachers were left on their own as they often didn’t know how to use those gadgets most effectively.

Jerry Kürti, CEO of Tabello System, a young organization with the mission to increase the use of digital technologies in public and corporate language education, hailed the strengths of online interactive education.

The legal framework is getting tougher regarding anti-corruption worldwide, but it is also up to businesses themselves to make a difference at promoting fair and open markets by strictly complying with those rules – that was one of the main messages of the Corporate Compliance Challenge: Crisis Prevention and Threat Management conference hosted by AmCham on October 3, 2017.

AmCham also proudly held the fully booked Business Meets Universities workshop in June, the third “Business Meets Government Summit” in September and the third “Competitive Education Conference” in May, which you can read more about on pages 18-23.
Our Career School series returned in 2017 with two semesters featuring ten speakers from various fields. As always, we wanted to provide young employees and middle managers with a platform to learn from top business executives and other successful people. During our discussions, moderated by Dr. Andrea Juhasz and Judit Abri, our guest speakers discussed their road to success, their way of work, their failures and even touched on relevant issues such as the migration of young Hungarians to the West, education in Hungary, the future of telecommunication and women in science.

We would like to thank our speakers for sharing their thoughts and experiences with us at the Career School:

**Spring semester:** Csaba László, secretary treasurer of AmCham, former Minister of Finance, Áron Szilágyi, two-time Olympic champion saber fencer; Adél Kováts, director of Miklós Radnóti Theater; Taira-Julia Lammi, CEO of ABB and László Lovász, president of the Hungarian Academy of Sciences.

**Fall semester:** Stefano Longo, country manager of Adecco; David Blunck, CEO of Invitel; Márk Bencsics, quarterback of the Hungarian National American Football Team and the Budapest Wolves, NFL Commentator on Sport TV and Communications Expert at MOL; Zsófia Mautner, blogger, Chili & Vanilia; Ilona Dávid, president and CEO of Magyar Államvasutak.

Our Career School series will return in 2018 with new speakers and a redesigned format.
In 2017, AmCham cooperated with selected Hungarian and international organizations on a number of projects and events. The following are excerpts of the most important cooperations from 2017.

In April, AmCham was a founding partner of the Digital Labor Market 2017 conference organized by the ICT Association of Hungary (IVSZ) in partnership with the German and the Hungarian Chamber of Industry and Commerce and the Big Four in order to call for sector-wide cooperation in addressing the growing issue of the digital labor shortage and the development of digital competencies.

The conference was opened by State Secretary of the Ministry for National Economy, Péter Cseresnyés, Deutsch Tamás, Commissioner of the Digital Prosperity Program, and Tibor Navracsics, the EU Commissioner of Education, Culture, Youth and Sport. In the plenary panel discussion, AmCham President Bársony highlighted the role of education: “In order to remain competitive, effectiveness is quintessential. Digitalization and a flexible education system built to develop competencies are the key to produce future employees who are capable of adapting to new situations quicker. We need to focus on education and training first.”

On May 25, SSC Heroes and Kinnarps hosted the Next Generation Shared Services Day 2 with AmCham CEO Iriss Lippai-Nagy participating as a moderator of a panel, featuring a live interview with Marc Gajgaard, managing director of Friesland Campina Service Center EMEA and Tünde Kis, vice president of the Hungarian Investment Promotion Agency. The goal of the event was to discuss the most important trends influencing the sector with outstanding speakers and representatives and to provide innovative solutions and best-practices that help to take advantage of these trends and promote the development of the shared services industry.

Throughout the year, AmCham cooperated with the Ministry for National Economy on a number of professional conferences, including Automotive Hungary, Euroskills (to be held in 2018) and the EURES job fair. We also joined the following awards as jury members and promoters:

• BBJ Expat CEO Award, run in conjunction with HIPA
• Invented in Hungary Award by HIPA
• Family Friendly Company Award by Three Princes, Three Princesses Movement
• Disability-Friendly Workplace Award by Salva Vita Foundation
• Zynteship Award by Colibri

In 2017, AmCham’s leadership also accepted numerous invitations to speak. President Bársony, for instance, presented at a Világgazdaság conference on the new era in the world economy, spoke at an Industry 4.0 conference arranged by the Ministry for National Economy, and participated in a roundtable on industrial policy organized by the Hungarian Economic Association. Joerg Bauer, co-chair of the Innovation PTF, spoke at an Industry 4.0 summit organized by the Hungarian National Association of Machinery and Power Engineering Industries, and AmCham CEO Iriss Lippai-Nagy talked about digitalization at the annual economist traveling congress and at a Századvég conference on U.S.-Hungarian relations, among many others.

COOPERATIONS

In 2017, we partnered with eight companies to share ideas, discuss the most relevant subjects and inspire people during our seminars.

In February, Reilly Financial Advisors travelled to Budapest from Prague to talk about the financial complexities expats face, and returned in September to give a general financial education using the analogy of a road trip to help participants understand a broad range of financial tools and concepts.

In March, Cor Leonis Films in partnership with Coaching Határok Nélkül brought world renowned motivational speaker and best-selling author Lisa Nichols to “help you realize your potential”.

The experts of CMS Budapest prepared us for the General Data Protection Regulation at the Hungarian Academy of Sciences, and Grant Thornton introduced the Rules of Switching to IFRS International Financial Reporting Standards in April.

May was our busiest month this year: András M. Horváth from Hegymegi-Barakonyi and Partner Baker & McKenzie Attorneys-at-Law provided an update on Competition Law. A week later, former AmCham President William Benkő’s Speak Academy helped our guests find their inner confidence by improving their public speaking skills.

In October, Gergely Dévényi from KÜRT Akadémia explained the latest IoT (Internet of Things) trends in manufacturing, energy, education, telecommunication and startups.

At the final seminar of the year, the experts of Önbizalom Akadémia presented new research about Hungarians and self-confidence.

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Szilárd was definitely not done for the day; he went on to beat Richárd Zakics (Delphi), last year’s juggling champion.

Meanwhile, new names arrived to challenge defending champ Sándor Zakics (also from Delphi) in table tennis, but their efforts were thwarted as he retained his title.

More than a dozen hikers lead by AmCham CEO Irísz Lippai-Nagy weathered the rain in the morning as they reached the top of the Nagy Kopasz hegy to climb the Csergezán Pál belvedere.

The annual Thanksgiving Dinner co-hosted with the Budapest Marriott Hotel was a tremendous success as we managed to shatter our previous records. More than 350 people attended to celebrate a grand old American holiday with traditional cuisine and they raised HUF 4.6 million for SOS Children’s Villages and the AmCham Foundation, who will use this money to support institutions working with underprivileged children.

The world-renowned Attraction shadow theater group, winners of the 2013 Britain’s Got Talent opened the night with a truly spectacular performance. The volunteers of SOS Children’s Villages entertained the children, who could also hang out with Neckermann’s Lollo and Bernie. Even Santa Claus stopped by early bearing gifts!

Guests were lining up all night at SelfieMe’s camera to take the craziest selfies, and the mixers from TGI Fridays kept pouring fantastic cocktails for the festive crowd. Our wonderful donors offered more than 75 prizes, so the silent auction tables were busy throughout the evening and close to 500 raffle tickets were sold, with all proceeds going to the charity organizations.

In order to strengthen the AmCham community, we frequently organize social and family events. The purpose of these occasions is to provide a networking opportunity in a pleasant atmosphere and a relaxed mood where members can have a great time. Strong and continued interest in these events proves their importance for our members.

As always, the first major social event of the year was the Super Bowl Party hosted by TGI Fridays where we witnessed one of the most unforgettable and gripping games of all time, featuring the New England Patriots and the Atlanta Falcons.

In February, the first Business After Hours event of the year was hosted by K&K Hotel Opera near the famous Andrásy boulevard and we spent a delightful evening at The Ritz-Carlton, Budapest in May.

As per tradition, our Independence Day Celebration was hosted in the garden of Gundel Restaurant and in Budapest Zoo; more than 250 people gathered to celebrate the 241st birthday of the United States.

On September 16, AmCham hosted its eighth annual Sports Day at the marvelou Globall Hotel Telki with more than 220 participants. Fifteen teams clashed on the pitch of the official training center of the Hungarian Men’s National Soccer Team and after a gripping series of matches, Ernst & Young emerged victorious. Six teams faced off on the basketball court, defending champions Delphi played against the team of Sykes and a new champion was crowned after a last second shot granted them a one point win.

During the skill challenges, Péter Molnár from Corinthia became the 2017 free throw champion while Szilárd Koczor from Budapest Bank was the last one standing at the penalty spot outside.

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LIST OF EVENTS
Between November 2016 and 2017, AmCham organized more than 70 major events with more than 4,200 participants.

NOVEMBER 2016–NOVEMBER 2017

PROFESSIONAL EVENTS
Professional events bring together middle to senior level executives from the Hungarian business community, delivering exclusive insight and perspectives on a variety of topics from top-level speakers from Hungary and abroad.

BUSINESS FORUMS
• Mihály Varga, Minister for National Economy – February 2017
• Péter Szijjártó, Minister of Foreign Affairs and Trade – March 2017
• Chargé d’Affaires David J. Kestelancik, US Embassy and Dr. László Szabó, appointed Ambassador of Hungary to the United States on the AmCham Podium – June 2017

SEMINARS
• Financial Complexities Expats Face – February 2017
• Lisa Nichols, motivational speaker and best-selling author – March 2017
• The Rules of Switching to International Financial Reporting Standards by IB Grant Thornton – April 2017
• Preparing for the GDPR – Where we are, what we saw, and what comes next – April 2017

EDUCATIONAL SERIES
Start Your Business (SYB!) Program
• SYB at Szent István University – November 2016
• SYB at Budapest Corvinus University – November 2016
• SYB at J. Selye University – April 2017
• SYB at Budapest Business School – October 2017
• SYB at Budapest University of Technology and Economics – November 2017

Board Simulation (BS) Program
• BS at Corvinus University of Budapest – April 2017
• BS at Central European University – June 2017
• BS at Budapest Business School – October 2017
• BS at Central European University – November 2017

CAREER SCHOOL SERIES
• Career School Spring Series – April-May 2017
• Career School Fall Series – October-November 2017

CONFERENCE/FLAGSHIP EVENTS
• Third Competitive Education Conference – “How To Sell Your Company To Your Future Employees” – May 2017
• Business Meets Universities: Cooperation and innovation, the accelerators of the Hungarian economy – May 2017
• Third Business Meets Government Summit – September 2017
• The Corporate Compliance Challenge: Crisis Prevention and Threat Management – October 2017

EXTRAORDINARY MEETINGS
• Mindfulness: a fluffy fad, or sound business sense? – HR Knowledge improvement session – October 2017
• Where is the wage spiral headed? Can increased compensations keep the workforce in Hungary and affordable digital services – May 2017

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• Mindfulness: a fluffy fad, or sound business sense? – HR Knowledge improvement session – October 2017
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Continued from page 69.

• Meeting with State Secretary István Légényi, Gáborné Pölöskei Deputy State Secretary for Vocational Training and Adult Education, Simon Attila István, Deputy State Secretary of Labor Market – July 2017
• Meeting with Zoltán Marczinéké, Deputy State Secretary for Economic Development and Regulation on Industry 4.0 Strategy – July 2017
• Meeting with Dr. László Péter Salgó, Deputy State Secretary for the coordination of legislative drafting and public law legislation on GDPR – September 2017
• Engaging and Enabling 50+ workforce – October 2017
• 7th AmCham-NGM Strategic Working group meeting with Antal Nikoletti, Deputy State Secretary for International Economic Relations – October 2017
• AmCham consultation with Attila Péterfalvi, president of the Hungarian National Authority for Data Protection and Freedom of Information (NAIH) on GDPR – October 2017
• Extraordinary AmCham Electronic Manufacturers’ Committee meeting held at Sanmina-SCI Magyarország, Tatabánya – October 2017
• Innovation Policy Task Force members met representatives of ELTE to discuss business-university cooperation – October 2017
• Innovation Policy Task Force members met representative of Pázmány Péter Catholic University to discuss business-university cooperation – October 2017

PATRON DINNERS
• Róbert Ésik, President, HIPA – January 2017
• David Kostelancik, Chargé d’Affaires, U.S. Embassy – April 2017
• Zoltán Cséfalvay, Ambassador, the Permanent Delegation of Hungary to OECD and UNESCO – November 2017

ANNUAL GENERAL ASSEMBLY AND BOARD ELECTION
– December 2016

INSIGHT – AMCHAM’S DEBRIEFING DINNER FOR TOP EXECUTIVES
– June 2017

SOCIAL EVENTS
AmCham Hungary’s social events provide AmCham members with a range of friendly and enjoyable events, giving them the opportunity to meet new people and share common interests.
• Superbowl LI Party – February 2017
• Independence Day Family Celebration – July 2017
• Annual Sports Day – September 2017
• AmCham-Marriott Charity Thanksgiving Dinner – November 2017

BUSINESS AFTER HOUR EVENTS
• K+K Hotel Opera – February 2017
• The Ritz-Carlton, Budapest – May 2017

AMCHAM FOUNDATION ACTIVITIES
• Visit to Korda Studios in Etyek: Enter the Amazing World of Filmmaking! – December 2016
• Cake and Coke with the AmCham Foundation – March 2017
• AmCham Foundation’s Spring Buzz: Corporate Volunteer’s Day – May 2017
• Cake and Coke with the AmCham Foundation on Children’s Rights – June 2017
• Internet Safety at School and at Home – October 2017
• A Day to Make it Happen with AmCham Foundation and Zsódér Pál Foundation, Snow Angel Foundation of Móra Ferenc Elementary School and Hóangyal Alapítvány – October 2017
• ACF Code Theater – November 2017

Our Sponsors
AmCham Hungary appreciates the engagement of all its member companies and sponsors and is pleased to recognize in particular the following companies who were the most generous sponsors of its programs and activities in the 2017 financial year:

We would also like to thank the following companies for their support:
3M, CBRE, IB Grant Thornton Consulting, Kajtár Takács Hegymegi-Barakonyi Baker & McKenzie Attorneys at Law, Kürt Academy, Önbizalom Akadémia, Reed Magyarország, TATA Consultancy Services, and Virt DB.
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Budapesti Corvinus Egyetem – Corvinus Business School
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Fulbright Commission for Hungarian-American Educational Exchange
Happy Kids International Kindergarten
Hillel Hungary
Hungarian National Trading House
Hungarian-Missouri Educational Partnership
MEMBERSHIP IN NUMBERS

As of November 21*, 2017 AmCham Hungary’s membership
consist of
363 members, from which there are
36 Patron, 120 Corporate, 121 Business, 39 Non-profit, 12 Take-off, 9 Individual and 26 Honorary members.

*Closing of 2017 Annual Report editing

MEMBERSHIP REPORT

KEY FIGURES OF THE AMCHAM MEMBERSHIP IN 2016**

• We represented 232,000 employees of our member companies**
• Our members generated a total net revenue of more than HUF 18.3 trillion**
• Very wide and strong representation of different business sectors in the membership*:
  - eight out of the ten largest banks
  - nine out of ten largest SSCs
  - six out of the ten largest electronics manufacturers
  - nine members among the ten largest international law firms
  - all five of the largest corporate finance consultants

**To be able to report full year on reliable sources, 2016 data is used
AmCham Foundation (ACF)

**Goals:**
- To help children in need of social, mental or physical support
- To provide transparent and ethical charity services for donor corporations and institutional employees and their relatives
- To promote corporate social responsibility and the ethos of volunteerism in the Hungarian business culture

**Activity Report of 2016-2017**

**Getting To Know The Wonderful World of Filmmaking!**

On December 3, 2016, more than 30 disadvantaged children from Bólyai Gyermekotthon, Kézzelfogható Alapítvány, RÉS Szociális és Kulturális Alapítvány, and more than 50 AmCham member company employees visited the Korása Filmpark’s interactive exhibition and attend the studio tour. During the nearly three-hour program, the children were able to learn who does what in a film crew, the process of making a movie from idea to execution, and what sound supervisors actually do, among other things. We were enlightened about the working process in the sound studio. We could simulate the clatter of hoofs from adventure movies, and were shown a number of other film secrets.

The most exciting part was learning how the effects for the film “Giants and Dwarves”, and naturally the “Spring Buzz – We Made It Again!” The goal of the “Spring Buzz – A Day to Make It Happen” Volunteers’ Day on May 20, was to improve the surroundings of two children’s institutes in Budapest (Cseppkő Gyermekotthoni Központ and Bólyai Gyermekotthoni Kózösséggyőző Gyermekotthon). More than 120 volunteers, employees of AmCham member companies (Amis Budget Group, Exxon BSC, Lexmark Hungary, MPR, NCR Hungary, Tata Consultancy, Urmet), students from DME Kétánnyelvű Gimnázium, and social workers of the two children’s institutes spent their day to improve the environment where the disadvantaged children are fostered and educated.

**Indian Summer Brought Helping Hands**

In the beautiful fall of 2016, more than 100 volunteers worked on October 14th in the framework of the “A Day to Make It Happen” corporate volunteer day by joining the ACF’s invitation. Volunteers from Tata Consultancy and NCR Hungary were among the first ones to apply.

Thanks to Exxon, KPMG, Lexmark, Urmet and other individual volunteers, more than 100 people helped the institutional employees and their relatives in the buildings and garden of Zöldkől Pál Foundation, Kézzelfogható Foundation and the Hängfal Foundation (Erd). A few of the involved companies offered more than volunteers and financial help to ensure that the day ran smoothly, bringing supplies of cleaning products, paint, tools and baked goods with them in the morning. Volunteer work is a long tradition at the AmCham Foundation.

**ACF Generosity Award 2017 Winners**

For 28 years, the AmCham Foundation has been helping institutions that are supplying or supporting children who are permanently in need or require help due to extraordinary circumstances. The Foundation established the Generosity Award in 2005, in order to thank those supporters who – compared to their own opportunities – contribute the most to the Foundation’s goals.

In 2017, the AmCham Foundation involved nearly 250 volunteers in helping many different foundations, children’s homes and schools with more than 2,000 working hours. Overall, the AmCham Foundation reached more than 500 children in eight institutions in 2017. The winners of this award, besides their commitment to the good cause, contributed with both funds and volunteer work to the success of the AmCham Foundation.

The winners of this year are: ExxonMobil BSC Hungary and NCR Hungary.

ACF Code-Theater

On November 18, 2017, with nearly 100 children participating, the AmCham Foundation launched its new program named: ACF Code-Theater, with the purpose to teach safe internet/IT usage for children living in state and foster care in Hungary.

Children and teenagers are flooded by information and communication technology. It has become an essential and common part of their daily life. They don’t question the pros and cons; they don’t read the manuals; they just use the technology. Social media is an extension of their social life and a platform to meet one another. They use ICT to meet, to play, to date, to connect, to explore the world and to construct (multiple) identities.

This is a huge problem, especially for children living in state and foster care, because the majority of them are coming from the poorest regions or stay with foster families in isolated small rural communities. Using these devices, they don’t read the manuals; they just use the technology. They don’t question the pros and cons; they don’t use reliable online help pages.

**AmCham Foundation Board of Trustees**

Dr. Péter Komáromi, chairman
Mária Gordon, representative Edit Bencsik member
Secretary: Erika Bosnayaker Founder: Ádám Terták
Representatives of the Supervisory Board: László Hajdú, Balázs Somogyi, Szent-Ívány Agnes

**Charity Tender for the First Time in 2018**

AmCham Thanksgiving Charity Drive

The sophistication and spirit of this event left such a deep impression on her that, upon returning to Budapest, she decided to establish a Thanksgiving Charity Drive for AmCham in Hungary in November 1989. Her efforts bore fruit that same year. The donations – including medical equipment and food – made a difference.

In 2001 the AmCham Foundation was established with the help of Ádám Terták, amongst others. For 16 years, Zsuzsa has been the representatives of the AmCham Foundation. We would like to thank Zsuzsa for everything she has brought to the AmCham Foundation, for the time and work she gave during the 16 years she served as a Representative of AmCham Foundation and the 28 years she has worked on the AmCham Charity Drives. We would like to ensure that Zsuzsa’s work continues to inspire future generations as well, therefore we are introducing a new award: the “Zsuzsa Rajki Award for Young Talent”. We named this award after Zsuzsa, because we want her example to shine and remain with us as long as our Foundation is in operation. The Award will be granted through a charity tender for the first time in 2018.
AMCHAM HUNGARY SIMPLIFIED BALANCE SHEET
DECEMBER 31, 2016

ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Nyitó</th>
<th>Állomány</th>
<th>2015. december 31</th>
<th>2016. december 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Fixed assets</td>
<td>42,058</td>
<td>-8,816</td>
<td>44,165</td>
<td>33,942</td>
</tr>
<tr>
<td>I. Intangible Assets</td>
<td>10,648</td>
<td>-4,603</td>
<td>6,045</td>
<td>5,864</td>
</tr>
<tr>
<td>B. Tangible Assets</td>
<td>22,470</td>
<td>2,234</td>
<td>2,507</td>
<td>2,740</td>
</tr>
<tr>
<td>II. Financial investments</td>
<td>8,100</td>
<td>-2,930</td>
<td>51,095</td>
<td>26,790</td>
</tr>
<tr>
<td>B. Current Assets</td>
<td>136,794</td>
<td>4,413</td>
<td>93,199</td>
<td>111,201</td>
</tr>
<tr>
<td>I. Inventory</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>B. Receivables</td>
<td>16,015</td>
<td>6,015</td>
<td>9,247</td>
<td>7,425</td>
</tr>
<tr>
<td>N. Cash and bank deposits</td>
<td>91,062</td>
<td>-72,810</td>
<td>91,230</td>
<td>17,232</td>
</tr>
<tr>
<td>C. Prepayments</td>
<td>665</td>
<td>6,238</td>
<td>4,285</td>
<td>6,623</td>
</tr>
</tbody>
</table>

Total Assets: 169,537 | 1,725 | 161,649 | 151,295 |

EQUITY AND LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2015. december 31</th>
<th>2016. december 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. Equity</td>
<td>33,992</td>
<td>37,741</td>
</tr>
<tr>
<td>I. Subscribed capital</td>
<td>2,426</td>
<td>2,426</td>
</tr>
<tr>
<td>B. Capital change</td>
<td>23,188</td>
<td>47,934</td>
</tr>
<tr>
<td>B. Fund reserve</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>N. Valuation reserve</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>V. Profit for the year from basic activity</td>
<td>12,373</td>
<td>-11,809</td>
</tr>
<tr>
<td>VI. Profit/(loss) for the year from Entrepreneurial Activity</td>
<td>-3,925</td>
<td>2,914</td>
</tr>
<tr>
<td>C. Provision</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>E. Liabilities</td>
<td>37,440</td>
<td>-12,425</td>
</tr>
<tr>
<td>I. Long-term liabilities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>II. Short-term liabilities</td>
<td>37,440</td>
<td>-12,425</td>
</tr>
<tr>
<td>G. Accruals</td>
<td>78,085</td>
<td>-25,426</td>
</tr>
</tbody>
</table>

Total Liabilities & Equity: 169,537 | 1,725 | 161,649 | 151,295 |

AMCHAM HUNGARY SIMPLIFIED PROFIT AND LOSS ACCOUNT
DECEMBER 31, 2016

<table>
<thead>
<tr>
<th></th>
<th>Basic activity</th>
<th>Entrepreneurial activity</th>
<th>Total</th>
<th>Basic activity</th>
<th>Entrepreneurial activity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Net sales</td>
<td>26,342</td>
<td>2,812</td>
<td>29,154</td>
<td>51,629</td>
<td>4,656</td>
<td>56,285</td>
</tr>
<tr>
<td>2. Capitalized value of own performance</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3. Other income</td>
<td>116,530</td>
<td>0</td>
<td>116,530</td>
<td>119,423</td>
<td>0</td>
<td>119,423</td>
</tr>
<tr>
<td>thereof</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>- Membership fees, payments from Founders</td>
<td>115,297</td>
<td>0</td>
<td>115,297</td>
<td>117,372</td>
<td>0</td>
<td>117,372</td>
</tr>
<tr>
<td>- Subsidies</td>
<td>1,000</td>
<td>0</td>
<td>1,000</td>
<td>776</td>
<td>0</td>
<td>776</td>
</tr>
<tr>
<td>- Other</td>
<td>240</td>
<td>2</td>
<td>242</td>
<td>1,324</td>
<td>755</td>
<td>1,079</td>
</tr>
<tr>
<td>4. Income from financial activities</td>
<td>117,425</td>
<td>0</td>
<td>117,425</td>
<td>120,052</td>
<td>10</td>
<td>120,162</td>
</tr>
<tr>
<td>thereof: income of non-profit activities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>- Membership fees, payments from Founders</td>
<td>117,372</td>
<td>0</td>
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<td>- Subsidies</td>
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<td>- Other</td>
<td>240</td>
<td>2</td>
<td>242</td>
<td>1,324</td>
<td>755</td>
<td>1,079</td>
</tr>
<tr>
<td>5. Material expenditures</td>
<td>48,718</td>
<td>2,276</td>
<td>51,094</td>
<td>73,832</td>
<td>3,791</td>
<td>77,623</td>
</tr>
<tr>
<td>6. Personal expenditures</td>
<td>84,598</td>
<td>1,764</td>
<td>86,362</td>
<td>105,122</td>
<td>2,223</td>
<td>107,345</td>
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<tr>
<td>thereof: benefits granted to executive staff</td>
<td>19,182</td>
<td>3,265</td>
<td>22,447</td>
<td>30,109</td>
<td>591</td>
<td>30,690</td>
</tr>
<tr>
<td>7. Depreciation</td>
<td>3,265</td>
<td>65</td>
<td>3,330</td>
<td>3,792</td>
<td>152</td>
<td>3,944</td>
</tr>
<tr>
<td>8. Other expenditures</td>
<td>8,573</td>
<td>64</td>
<td>8,637</td>
<td>10,322</td>
<td>212</td>
<td>10,534</td>
</tr>
<tr>
<td>9. Expenditures of financial activities</td>
<td>249</td>
<td>5</td>
<td>254</td>
<td>127</td>
<td>0</td>
<td>127</td>
</tr>
<tr>
<td>thereof: expenditure of non-profit activities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>10. Pre-tax result (4-9)</td>
<td>4,034</td>
<td>-129</td>
<td>4,005</td>
<td>1,264</td>
<td>-109</td>
<td>1,155</td>
</tr>
<tr>
<td>11. Tax payable</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>12. After-tax result (10-11)</td>
<td>4,034</td>
<td>-129</td>
<td>4,005</td>
<td>1,264</td>
<td>-109</td>
<td>1,155</td>
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APPENDIX TO THE SECRETARY TREASURER’S REPORT

Budapest, 12.04.2017

AMERIKAI KERESKEDELMI KAMARA
Simplified Balance Sheet

AMERIKAI KERESKEDELMI KAMARA
Simplified Profit and Loss Account

EQUITY AND LIABILITIES

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Ten Rooms – Kempinski Hotel Corvinus’ new events floor

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PRINCETON
PROVIDENCE

SHANGHAI
SILICON VALLEY
WARSAW
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