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Compliance: acting lawfully and fairly

Deutsche Telekom is committed Group-wide to compliance with applicable law and to the ethical principles set out in its internal regulations. These principles guide us in our daily actions and form the binding framework for our decisions.

We deal with the topic of compliance in more detail in our Sustainability statement 2025 and on our website.

How we understand compliance

Deutsche Telekom has implemented a compliance management system (CMS) to minimize risks from systematic violations of legal or ethical standards. These risks can lead to administrative or criminal liability of the company, its board members or employees or cause significant damage to their reputation. The CMS is based on three building blocks: culture, trust and simplicity.

Culture

Culture is the basis of our cooperation. Compliance cannot be successful without a good and open corporate culture in which each and every individual is willing to take responsibility, deal constructively with mistakes and point out risks.

Trust

Trust goes in two directions: Our compliance team provides trustworthy advice and works together with the business units to find solutions for dealing with compliance risks. Conversely, however, trust also means that compliance requirements are focused on those areas where it is necessary from a risk point of view.

Simplicity

Simplicity means that we want to make it as easy as possible for everyone in the company to follow the rules and implement compliance requirements. This includes that rules should be clear and simple and reduced to the essentials.

Compliance in a dynamic business environment

Increasing regulatory requirements, new digital business models, intensified international competition – all of these are influencing our compliance strategy. That is why we have to constantly review, develop and adapt our CMS. Our goal: We want to build a “Leading Digital Compliance Management System” (Leading Digital CMS). A Leading Digital CMS

- integrates compliance requirements into business processes as seamlessly as possible,
- shows existing compliance risks in an up-to-date and transparent manner,
- and actively embraces new regulatory or business developments, addresses these changes and uses the findings for continuous improvement.

Compliance management: digital into the future

Under the heading “Compliance Digital Transformation”, we are further developing our compliance processes with the help of IT tools and AI applications. The aim is to make these processes even more efficient. This is supported by the “ICARE Check” – a simple self-test with five questions for critical situations. The test is designed to help our employees navigate difficult situations and assess whether advice should be sought before deciding how to proceed.

Success with networking

The compliance officers in the international Group companies exchange views on strategic compliance topics. In 2025, Deutsche Telekom’s International Compliance Days took place in Budapest.

Other examples of compliance work across divisional and company boundaries include:

- There is a regular exchange between central and decentralized compliance departments.
- At the international level, virtual “Compliance Community Calls” are held on compliance strategy and current projects. The central and decentralized compliance officers take part in this.
- Deutsche Telekom’s compliance officers are also part of cross-company expert groups on compliance issues and contribute to the further development of compliance standards and management systems with specialist lectures, publications and other contributions.

Involvement in anti-corruption initiatives

Deutsche Telekom is actively involved in national and international associations and organizations that focus on compliance issues – such as the German Institute for Compliance (DICO e.V.). For years, we have taken the United Nations’ International Anti-Corruption Day on December 9 as an opportunity to draw attention to the issue of bribery and corruption within the Group.

Looking ahead

Responsibility, vigilance and dialogue within and outside Deutsche Telekom make our compliance management fit for the future. On this basis, we are continuously developing our CMS and strengthening our culture of integrity and transparency.

Deep Dive for Experts

Management & Frameworks

- Our compliance management system (CMS) is based, among other things, on the Compliance Risk Assessment (CRA), a procedure that can be used to identify and evaluate compliance risks and initiate appropriate preventive measures. The companies participating in the CRA are selected on a risk-based basis.
- Deutsche Telekom regularly has its CMS audited by independent auditing firms in accordance with the Institute of Public Auditors’ Auditing Standard 980 (IDW PS 980) for its effectiveness against corruption. After audits at Deutsche Telekom AG and eight of its subsidiaries in 2024, further audits of twelve international subsidiaries followed in 2025. In addition to compliance processes, the focus was on other activities with an increased risk of corruption (e.g., in the areas of purchasing, sales, events, donations, sponsoring, mergers & acquisitions and human resources). As in the previous audits, the effectiveness of the CMS with a focus on anti-corruption was once again confirmed by all audited companies.

Other sources of information on compliance

ⓘ Compliance Deutsche Telekom

Risks and opportunities

Deutsche Telekom has a Group-wide risk and opportunity management system. With this system, we systematically record and evaluate risks and opportunities as well as emerging risks for the company. It helps us manage potential threats, seize opportunities, and increase resilience to unpredictable events. In addition, the system supports strategic decision-making.

You can find more detailed information on the risk and opportunity management system in our Annual Report 2025.

Taking a closer look at emerging risks

New or foreseeable risks for the future, the risk potential of which is not yet known with certainty and whose effects are difficult to assess, are referred to as emerging risks. These include, for example, geopolitical tensions, new technologies or macroeconomic factors. While these risks may already be impacting our business today, their effects may increase within three to five years and affect us much more severely in the future.

If we want to protect our company and our customers from emerging risks, we must identify and evaluate them at an early stage and initiate risk mitigation measures as part of our risk and opportunity management system. In order to reduce negative impacts, we may also need to adapt our strategy or business models.

Our 5 Emerging Risks

Cyber attacks

New technologies, in particular AI

Geopolitical instability

Climate change

Increasing regulatory complexity

Cyber attacks

Cyberattacks and cybercrime continue to increase and become more complex and effective. Rapid technological progress, for example, through artificial intelligence (AI), can favor increasingly efficient and sophisticated attack methods that could partially overtake existing security measures. At the same time, the number of possible points of attack is increasing because companies are increasingly networked and data and processes are increasingly running via digital systems, external service providers and Internet-based applications. Geopolitical tensions, evolving threat actors, and the ongoing cybersecurity skills shortage can exacerbate the risk landscape and make it difficult to effectively manage cyber risks.

The potential effects of this risk include, but are not limited to:

- System failures and business interruptions
- Loss of customer data, which can lead to loss of trust, reputational damage, and legal consequences
- Financial losses, particularly due to ransomware attacks and related ransom payments
- Rising costs for cybersecurity, such as prevention and protection measures, responsiveness and qualified personnel

Our risk mitigation measures include:

- To further develop integrated cyber and AI risk governance and strengthen prevention, detection and response, including AI-powered security solutions
- Secure and regularly update IT systems, identity and access management, and reduce the attack surface.
- Promoting a risk-aware security culture, cooperation along the supply chain and supplementary protection against financial risks, for example through cyber insurance

You can find more information on cybersecurity here in the CR report.

New technologies, especially AI

New technologies such as AI are rapidly gaining in importance and are increasingly influencing how business models are designed, processes are controlled and decisions are made. AI can open up new opportunities, but it can also bring with it risks, such as automated decisions that are difficult to understand, inadequate protection of sensitive data, and increasing regulatory and liability requirements. The rapidly growing volume of data could make it even more difficult to control and monitor data sets consistently. In addition, AI-enabled applications could facilitate the spread of misinformation, enable new forms of cybercrime and have an environmental impact due to their energy requirements. If technological change is not properly managed, opportunities cannot be exploited effectively.

The potential effects of this risk include, but are not limited to:

- Increasing cyberattacks, amplified by new technologies
- Liability and compliance risks due to non-transparent or distorted AI systems
- Increasing skills gaps due to new qualification requirements

Our risk mitigation measures include:

- Strengthening governance and security measures for the use of new technologies, in particular AI
- Continuous investments in the qualification and further development of our employees as well as the promotion of a risk-conscious corporate culture

Geopolitical instability

Increasing geopolitical tensions and political unpredictability are threatening the stability of the global economy and financial markets. Economic nationalism, protectionist measures and strategic technological rivalries between states can create new trade barriers and affect international supply chains. At the same time, geopolitical alliances are constantly changing. Existing and potential conflicts can increase the risk of further market dislocations, supply shortages and a global economic slowdown.

The potential effects of this risk include, but are not limited to:

- Destruction or impairment of network infrastructure through political uprisings, sabotage, or geopolitically motivated attacks
- disruptions or delays in the supply chain, for example as a result of geopolitical conflicts, trade restrictions or protectionist measures; this concerns, among other things, the availability of critical raw materials
- Increased uncertainty in strategic and financial planning, coupled with rising costs and increasing market volatility

Our risk mitigation measures include:

- Close monitoring of policy developments and adaptation of our shoring strategy
- Integrating geopolitical risks into the company-wide risk assessment and developing/validating corresponding contingency plans
- Development/review of scenario planning activities

Climate change

Advancing climate change can increase the frequency and intensity of extreme weather events. This is associated with phenomena such as warming of the oceans, higher temperatures and humidity, as well as severe storms and heat waves. These developments can promote natural events such as floods and droughts.

The potential effects of this risk include, but are not limited to:

- Damage to the network infrastructure
- Higher costs due to increasing regulatory requirements and necessary investments in physical protective measures
- Delivery delays and rising delivery costs due to disrupted supply chains

Our risk mitigation measures include:

- Further development of the business model to reduce CO_2 emissions, in particular through the expansion of circular economy approaches such as recycling and waste avoidance as well as through the most resource-efficient product and network design possible
- Prepare and regularly review contingency and preparedness plans, including the assessment of critical systems and resources
- Implementation of physical protective measures at our own sites as well as along selected parts of the supply chain with regard to extreme weather events

Further information on our approach to environmental and climate protection can be found under Climate protection and Circular economy here in the CR report and under “Climate change” and “Resource use and circular economy” in our audited Sustainability Statement.

Increasing regulatory complexity

The regulatory requirements for telecommunications companies are continuously increasing and at the same time becoming more complex. In addition to traditional regulatory fields, new areas such as AI, digital markets, data protection and environmental, social and governance aspects (ESG) are gaining in importance. Different national requirements, stricter audits and new enforcement mechanisms can increase the pressure to adapt, legal risks and compliance costs.

The potential effects of this risk include, but are not limited to:

- Additional financial burdens due to fines, sanctions and rising legal and procedural costs
- Limited strategic room for maneuver and distortions of competition due to different regulatory requirements in individual markets
- Increased operational effort and need to adapt processes and business models as a result of new regulatory requirements

Our risk mitigation measures include:

- Early monitoring of regulatory developments and continuous dialogue with the relevant regulatory authorities
- Further development of our compliance management system, including clear responsibilities, sufficient resources and regular review
- Integration of regulatory requirements into company-wide risk and continuity planning in order to address impacts at an early stage

Looking ahead

In order to strengthen Deutsche Telekom's resilience and minimize the risks described, we are taking targeted measures. At the same time, we use the early understanding of these topics to further develop and strengthen our ecological, social and economic sustainability performance in the long term.

Deep Dive for Experts

Management & Frameworks

- Our Group-wide risk and opportunity management system is organized in a decentralized manner. The methods for the system and for the associated reporting, in particular the Group Risk Report, are specified by the Group Risk Governance department. All operating segments as well as the Group Headquarters & Group Services segment are connected to the central Group system via their respective risk and opportunity management systems. In the segments, the respective managers are responsible for identifying, evaluating and continuously monitoring the risks. Opportunities are taken into account by management in the annual planning process and continuously developed in the course of the operational business.

Other sources of information on risks and opportunities

Annual Report 2025 – Risk and Opportunity Management

Compliance and internal Group rules

Cybersecurity and data protection: secure systems, protected privacy

On average, third parties try to gain access to Deutsche Telekom's systems up to 45,000 times per minute. Not least in view of AI-generated attacks, cybersecurity and the protection of personal data are essential fields of action for us. The highest standards of IT and data security as well as data protection are part of our brand identity.

We cover privacy and security issues in detail under "Consumers and End Users" and "Cybersecurity" in our audited Sustainability statement 2025.

Evaluating attacks with AI

With the help of artificial intelligence (AI), our security experts analyze around 5 billion security-relevant data from around 1,400 data sources every day. They detect attacks in real time and immediately take the necessary steps to neutralize or ward off attacks. In 2025, we registered around 65 million attacks per day on our honeypot systems. Honeypots are intentionally set traps for attackers. In Europe, we are a pioneer in the proactive fight against botnets in the Deutsche Telekom network. This is how we protect our infrastructure – and thus also the data of our customers. In this way, we contribute to trust in our networks and systems.

You can find out more about cybersecurity in our

Sustainability statement in the Annual Report 2025

In 2025, we employed more than 280 cybersecurity analysts and more than 30 specialists in our Cyber Defense and Security Operations Centers (SOC) worldwide. Among other things, they work on the detection of threats, the treatment of security incidents and digital forensics, i.e., the analysis of digital traces in order to be able to understand and solve security incidents.

Security and commitment combined: Deutsche Telekom Security GmbH

We also offer our services against cyber attacks to other companies: More than 150 DAX and medium-sized companies in Germany use the services of Deutsche Telekom Security GmbH for their own protection. As one of the world's largest providers of digital security and the market leader in Germany, Austria and Switzerland, Deutsche Telekom Security GmbH bundles cybersecurity expertise throughout the Group and has been securing our own infrastructure and that of our customers for many years. In order to further improve cooperation in digital hazard prevention, Deutsche Telekom Security GmbH is involved in numerous organizations and associations. It also works with other ICT service providers in Germany and at EU level.

We also address the topic of children's online safety through offers from Deutsche Telekom Security GmbH. These include educational offers such as AwareNessi, which are intended to teach children basic skills for the safe use of online media. More information on our approach to protecting minors when using digital media can be found here in the CR Report under Consumer protection.

Deutsche Telekom Security GmbH offers part-time training to become a cyber security professional and other career opportunities. Detailed information on this topic is provided in the CR report under Employee development.

Training for employees: targeted qualification

In order to sensitize our employees to data protection, information protection and cybersecurity, we use various learning formats that we regularly develop. For example, every two years (most recently in 2025), employees are obliged to protect data and information. Participation is mandatory for full- and part-time employees and takes place throughout the Group (currently excluding T-Mobile US). In the reporting year, this mandatory training course consisted of content on data protection (4 modules) and information protection (2 modules).

You can find out more about training and awareness measures on our

website

Progress in 2025: impact of our actions

In the latest update of our mandatory training on data and information protection, we have integrated a systematic evaluation of the level of data protection – both at the Group level (excluding T-Mobile US) and at the level of the individual companies. On this basis, strengths and concrete fields of action can be identified and targeted improvement measures can be derived. The new evaluation replaces the “Data Protection Award” last recorded in 2022, which we used to evaluate our data protection measures. In the year under review, more than 80 % of our employees successfully completed the mandatory training at the first attempt. This result serves as an indication of the effectiveness of our measures to raise awareness of data protection issues.

We also conduct regular surveys to determine the security awareness of our employees on a random basis. On this basis, we evaluate the effectiveness of our cybersecurity measures (excluding T-Mobile US). A central instrument is the Online Awareness Survey (OAU). We derive the Security Awareness Index (SAI) from their results. The SAI maps how employees perceive and assess IT security in the Group. A higher percentage stands for a more positive rating.

The OAU was last held in 2024. The SAI increased from 80.6 % in 2023 to 81.0 % in 2024. No survey was conducted in the year under review, as we systematically reviewed and further developed content and issues after OAU 2024. On this basis, it is planned to restart the revised OAU in 2026. In this way, we want to derive measures from the results in an even more targeted and data-based manner in the future.

Looking ahead

Our intentional traps for cybercriminals were attacked 65 million times a day in the reporting year. This figure underscores the importance of continuously improving our cybersecurity activities. With innovative processes, the increased use of AI and the expansion of our protection centers, we are committed to protecting our infrastructure and the data of our customers in the future.

Deep Dive for Experts

Management & Frameworks

- We have established a security organization centrally and in all entities of the Group. The “Security” policy establishes fundamental principles for data protection and cybersecurity and is aligned with the ISO/IEC 27001 standard. In addition, the Group’s information security management system as well as the majority of Deutsche Telekom’s Group entities are certified in accordance with ISO/IEC 27001 and are subject to regular internal and external audits (excluding T-Mobile US).
- Since 2020, CERT has been officially certified according to the SIM3 (Security Incident Management Maturity Model) standard.
- Our group companies are subject to specific data protection regulations, such as the GDPR in the EU. Where national legal requirements permit, the companies in the Group have also committed themselves to complying with the “Binding Corporate Rules Privacy”. This guideline is intended to ensure a uniformly high level of data protection in accordance with ISO/IEC 27701 for our products and services.
- On our website, we provide comprehensive information about our data protection activities. We also publish an annual Transparency Report. In our Status Report on data privacy, we also report on major data protection-related processes and corresponding measures.
- Our customers in the United States receive information about the data protection practices of our U.S. subsidiary via the Privacy Center of T-Mobile US. It provides consumers with information about how the company collects, uses, shares, and protects personal customer information; additional information about the types of data collected and the programs that individuals can enable and disable; what types of data are used internally and under what circumstances data may be sold or disclosed to third parties; and more information about how data is stored and backed up.
- T-Mobile US has policies, procedures, and review processes, including a structured intake process for cybersecurity service requests, to ensure data security. T-Mobile US also conducts a comprehensive data inventory of its systems.
- We want to ensure the lawful processing of personal data while respecting general human rights. In our Code of Human Rights, we (excluding T-Mobile US) are committed to the fundamental right to data protection and informational self-determination that applies in the EU and would like to promote its recognition worldwide.
- In our Guidelines for the ethical use of AI, we (excluding T-Mobile US) have set out how we use AI responsibly in our products and services. T-Mobile US is steering the issue with its Responsible AI Policy and Guidelines.
- We expect our suppliers to comply with all applicable data protection and data security requirements. By recognizing our Supplier Code of Conduct, they commit to transparently documenting their data processing and AI processes and disclosing them upon request. They must also ensure that their AI systems are non-discriminatory, transparent and barrier-free and can be stopped or switched off at any time by a responsible person.

Relevant Standards

Sustainability Accounting Standards Board (SASB)

- TC-TL-230a.2 (Data security)

Other sources of information on privacy and security

- Deutsche Telekom’s data protection and security activities
- Laws and corporate rules
- Corporate Responsibility Reporting Hub from T-Mobile US
- T-Mobile Privacy Center

Consumer protection: ensuring safety and transparency

With our commitment to consumer protection, we want to minimize legal risks and strengthen the trust of our customers. We are continuously working to ensure that consumers can use our products and services as safely as possible. We are also committed to the protection of fundamental digital rights and other consumer policy issues with various initiatives.

You can find more detailed information on the topic of consumer protection in our Sustainability statement 2025.

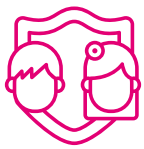
Our most important topics in terms of consumer protection

Our commitment to the interests and protection of our customers has various focal points. In doing so, we are always guided by the requirements and challenges of the countries in which we operate.

Data protection and data security are extremely important to Deutsche Telekom. That is why we take strict requirements for the protection and security of data into account both in the development of our products and services and in the use of them by our customers. For more information, please see our Sustainability statement, on our website and here in the CR Report under Cybersecurity and data protection. There we also discuss how we measure the impact of our measures.

We continuously take into account new scientific findings on the topic of mobile communications and health. When planning and operating our mobile networks, we are guided by the recommendations of the International Commission on Radiological Protection. We take appropriate precautions to ensure that the electromagnetic fields always remain below the legal limits. The aim is to meet legal requirements and make a contribution to health protection. In addition, we provide understandable and professionally verified consumer information on the effect of electromagnetic fields – both on our mobile network and on the use of mobile devices.

For the mobile phones and smartphones we sell, we provide information on specific absorption rates (SAR values), among other things. The SAR value is a measure of the electromagnetic fields recorded in the head, which are emitted by a mobile phone or smartphone during a phone call. This is how we provide information about compliance with the applicable device safety requirements. For more information, please see our Sustainability statement and our website.



We want to protect children and young people when using digital media and support them in handling digital content safely. To this end, we provide age-appropriate offers and provide parents or guardians with additional information and guidance. In addition, we work closely with law enforcement agencies, NGOs and other partners from business, politics and society. Further information on our measures can be found in our Sustainability statement, here in the CR report under Digital inclusion and on our website.

Digital fundamental rights and protection of minors online

In the reporting year, the European Commission commissioned Deutsche Telekom and the Swedish ID specialist Scytáles to develop a prototype for a privacy-compliant app for age verification. This app is intended to enable users to prove their age online without revealing personal data. This is intended to help protect minors when using age-restricted online content. The app was completed in 2025 and published as an open-source reference application at EU level.

In addition, we are committed to strengthening fundamental digital rights and respectful interaction in the digital space – for example as part of our “No hate speech” initiative. For more information, see Digital values here in the CR report.

Consumer policy commitment

We are politically engaged in helping to shape the framework conditions for consumers. Our key consumer policy issues are:

- Simple legal framework as the basis for a positive customer experience in service
- Commitment to consistent and understandable communication with customers
- Protection of customer interests in telecommunications (e.g., when switching providers in fixed networks and mobile communications)
- Strengthening comprehensive and cross-technology protection of minors at national and EU level
- Continuous continuation of consumer data protection (e.g., in the online advertising industry)

In doing so, we stand for a balanced, constructive and solution-oriented approach that is geared to both consumer needs and corporate interests.

For more information about our commitment to consumer policy, please visit our website.

Looking ahead

We remain committed to data and network security and want to further strengthen the protection of minors in particular. To this end, we are developing technical solutions that are intended to enable them to participate safely in the digital world.

Human rights and supply chain: taking responsibility

“Act with respect and integrity” is part of our guidelines and thus a requirement for all Deutsche Telekom employees. We are committed to respecting human rights where we operate – including along our supply chains and with our business partners. We want to continuously develop our commitment. To this end, we have implemented a human rights and environmental due diligence process.

You can find more detailed information on human rights under “Own workforce” and “Workers in the value chain” in our audited Sustainability statement 2025, and on our website.

Milestones achieved, ongoing projects and goals

The protection of human rights and environmental concerns is an integral part of our business activities and corporate governance. What initially began on a voluntary basis is now also subject to legal requirements, especially with regard to the supply chain. As part of our due diligence process, we regularly analyze the risks and impacts of our business activities with regard to human rights and environmental concerns. We use the knowledge gained to systematically address risks.

Where we come from

2000 We became a founding member of the UN Global Compact and were one of the first ICT companies to commit ourselves to complying with social and environmental standards and to disclosing them.

2003 We committed ourselves to acting responsibly in our “Social Charter”.

2007 We put our Supplier Code of Conduct into effect.

2010 Together with two other European telecommunications companies, we founded the international industry initiative “Joint Audit Cooperation” (JAC) (since 2023: Joint Alliance for CSR) for the sustainable development of suppliers in the ICT industry.

2016 For the first time, we introduced a comprehensive human rights and environmental due diligence program.

2017 We further developed the “Social Charter” into the Declaration of Principles “Code of Human Rights and Social Principles”. With the update, we reaffirmed our commitment to the goals of the German Federal Government’s “National Action Plan on Business and Human Rights”.

2023 For the first time, we carried out a risk analysis for 248 Group companies and around 20,000 direct suppliers in accordance with the requirements of the German Supply Chain Due Diligence Act (LkSG). The results were published for the first time in our “Annual report LkSG”, which has been published annually since then. Together with the Human Rights Code, which has been further developed, the “Annual report LkSG” and the Human Rights Code form our basic declaration of human rights.

2023 We updated our existing human rights training and made it available in 12 languages on Deutsche Telekom’s online training platform (excluding T-Mobile US).

2024 134 Group companies implemented the “Human Rights Code” and thus updated their human rights policy statement. In addition, we have published a legal report on the implementation of due diligence obligations in accordance with the LkSG (BAFA report).

Where we stand in the reporting year

2025

Since the introduction of the updated human rights training, we have recorded a total of around 30,000 training completions. In response to positive feedback from the participants, we are making the training available in two more languages, bringing the total to 14 languages.

2025

At the end of 2025, 141 Group companies had implemented the updated Human Rights Code – that is 97 % of all Group companies over which Deutsche Telekom AG exercises decisive influence within the meaning of the LkSG. For more information, please see "Own workforce" in our audited Sustainability statement.

2025

We want to further develop how we deal with human rights risks in grid expansion in Germany and to this end, we are participating in the Energy Industry Dialogue of the Federal Ministry of Labour and Social Affairs with guest status.

Where we want to go

2026–2027

We will prepare for the further development of human rights due diligence processes in line with the European Supply Chain Act (CSDDD) and explore participation in other industry initiatives to jointly address identified human rights risks.

Creating awareness: training for employees and suppliers

In order to sensitize all Deutsche Telekom employees (excluding T-Mobile US) to human rights and to enable them to actively protect others and themselves in their own working environment, we offer human rights training on our online training platform. The training also includes information on complaint and redress procedures for discrimination and harassment.

Selected suppliers receive training on our human rights and environmental requirements. In addition, procurement employees are trained on risks in the procurement process.

You can find out more about our human rights training in our audited

Sustainability statement in the Annual Report 2025

Audits: results in 2025

Through our auditing programs, we regularly review the working conditions at our suppliers' production sites. The audits are carried out, among other things, as part of the Joint Alliance for CSR (JAC) industry initiative, which enables broad coverage of relevant suppliers. The figures for 2025 at a glance:

166 Audits
- 127 on-site social audits as part of JAC
- 24 audits as part of the Validated Assessment Program (VAP) of the Responsible Business Alliance
- 15 surveys

Supplier levels of the JAC and VAP audits
- 59 direct (Tier 1) suppliers
- 92 indirect suppliers (75 Tier 2, 16 Tier 3 and one Tier 4 supplier)

Suppliers in 31 countries
(Focus: Asia)

794 Anomalies
in terms of supplier requirements (2024: 661)

The audits found anomalies in the following areas: 392 anomalies in the area of occupational health and safety, 117 in the area of working hours, 92 in the area of environmental protection, 80 in the area of business ethics, 56 in the area of wages and performance-related pay, 47 in the area of working conditions, six in relation to freedom of association, three in the area of discrimination and one anomaly in the area of disciplinary measures.

As part of the industry-wide collaboration, all identified anomalies are recorded in a corrective and preventive action plan and their timely implementation is tracked.

The results of the audits are incorporated into our annual risk analysis in accordance with the LkSG. Anomalies in Deutsche Telekom's area of responsibility are recorded, prioritized and followed up on the basis of binding action plans in audit management: At the end of 2025, 95 % of our suppliers' corrective measures had been fully implemented, while 5 % were still being implemented.

In addition, in the year under review, we also carried out independent audits of identified risk areas within the meaning of the LkSG, such as grid expansion in Germany.

You can find out more about the audits under the JAC initiative in our audited

Sustainability statement in the Annual Report 2025

Key figures: Human rights and environmental protection in procurement

We use various measures and processes to address human rights and environmental risks along the supply chain. We use various key figures to monitor and control progress.

For more information on our approach along the supply chain, please see our audited

Sustainability statement in the Annual Report 2025

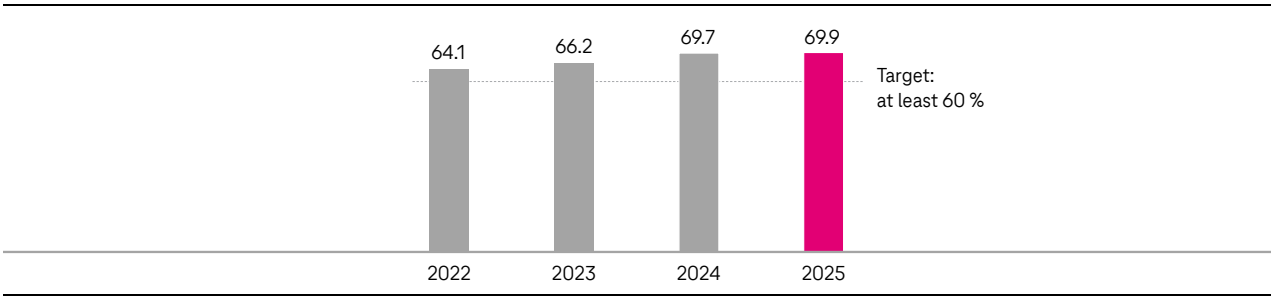
Key figures for purchasing volume

We use the KPI "Purchasing Volume Verified as Non-Critical" to measure the proportion of our purchasing volume from suppliers that have been audited for social and environmental criteria – for example, in the course of standardized sustainability assessments such as EcoVadis, CDP, social audits or other supplier visits. The target of 60 % by the end of 2025 was exceeded again in the year under review with a share of 69.9 %.

We calculate this KPI using data from the uniform purchasing reporting system for the audited Group-wide purchasing volume (excluding T-Mobile US and excluding the "Network Capacity" category).

KPI "Procurement Volume Verified as Non-Critical"

in %

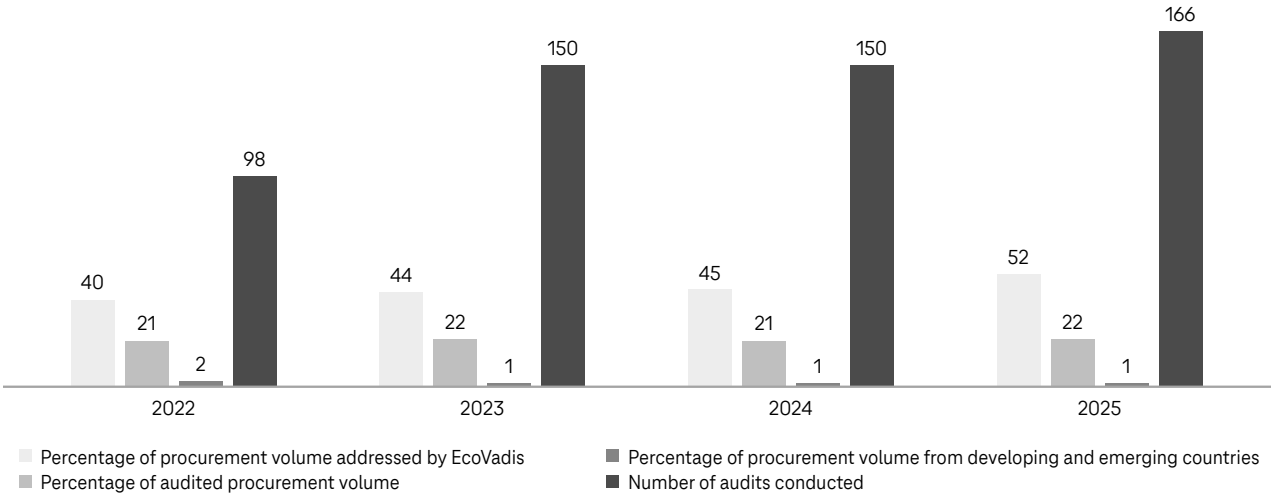


Other key figures we collect include the number of audits, the proportion of the procurement volume audited in the course of audits and the proportion of the procurement volume covered by EcoVadis. The number of audits in the year under review was 166 (2024: 150). Audits include both internal and external reviews, including surveys, on-site social audits and follow-up-audits.

The share of the procurement volume audited rose from 21.1 % in the previous year to 22.3 % in 2025. The share of procurement volume covered by EcoVadis increased to 52.3 % in the reporting year (2024: 45 %).

Audited purchasing volume and number of audits

in % and number



Excl. T-Mobile US and without the category “Network Capacity”.

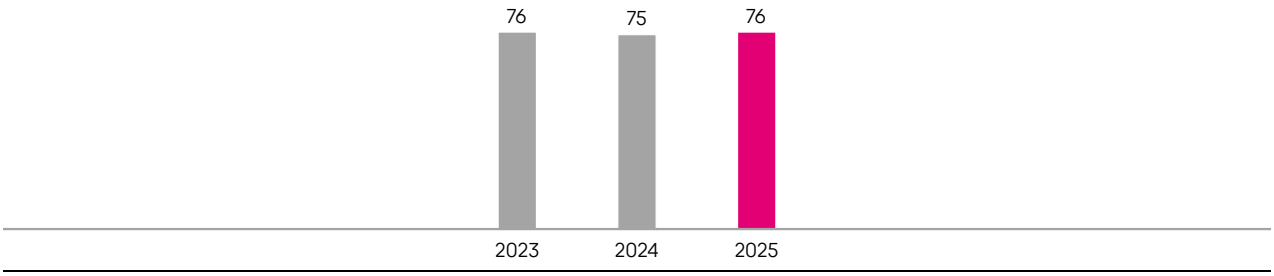
KPI on risks related to direct suppliers

To implement the legal requirements of the Supply Chain Due Diligence Act (LkSG), we introduced the “LkSG Supplier Risk Score” KPI in 2024. The KPI is used to identify potential human rights and environmental risks at Deutsche Telekom’s suppliers (excluding T-Mobile US). The basis for this is the risk assessment of an external data provider.

In the year under review, 76 % (2024: 75 %) of our direct suppliers were classified as low-risk. The share of direct suppliers with increased risk was 24 % (2024: 25 %).

KPI “LkSG Supplier Risk Score”

in %



Against the backdrop of regulatory developments on corporate due diligence, we want to further develop the underlying KPI system for the risk-based assessment of suppliers. At the same time, we are examining how the existing KPIs can be further developed in order to map social and environmental audits in the supply chain in an even more differentiated way in the future.

In addition to these issues, climate protection is also a central field of action in our supply chain. In this context, we determine the KPI “CDP Supply Chain Program”, which we report here in the CR report under Climate protection.

Looking ahead

Prevention is becoming increasingly important in our human rights due diligence processes. In doing so, we are focusing in particular on supplier industries with a higher risk profile. Through exchange with stakeholders, participation in industry initiatives and other joint activities, we are further developing our prevention approaches.

Deep Dive for Experts

Management & Frameworks

- Our Human Rights Policy Statement consists of two parts: our Human Rights Code and the Annual report LkSG. The principles and expectations described in the Code of Human Rights are aimed at employees, suppliers and business partners. In the Annual report LkSG, we publish prioritized human rights and environmental risks and the measures and expectations derived from them every year.
- In addition to human rights standards, the Supplier Code of Conduct also regulates environmental requirements for suppliers: This includes, among other things, the more economical use of resources, the reduction of emissions, the safe handling of chemicals and waste, and compliance with relevant environmental laws and standards. In addition, we expect suppliers to continuously minimize their environmental impact and provide transparent data on their greenhouse gas emissions.
- Both the Human Rights Code and the Code of Conduct for Suppliers are based on the requirements of the German LkSG.
- T-Mobile US does not fall within the scope of the LkSG and has its own Human Rights Statement and Supplier Code of Conduct. In addition, the T-Mobile US Responsible Sourcing Policy covers the procurement of goods that use raw materials that are potentially mined in conflict-affected or high-risk regions. As a U.S. listed company, T-Mobile US also conducts a company-specific enterprise risk assessment using its own methodology.
- Via the whistleblower portal "TellMe" and the T-Mobile US "Integrity Line", all employees and outsiders can report violations of legal provisions and internal company regulations – anonymously if desired. This also includes references to human rights or environmental risks and violations.

Relevant Standards

Global Reporting Initiative (GRI)

- GRI 406 3–3 (Non-discrimination)
- GRI 407–1 (Freedom of association and the right to collective bargaining)

GSM Association (GSMA) Indicators for Telecom Providers

- GSMA-SUP-02 (Supplier assessment)

Other sources of information on human rights

- Sustainability statement in the Annual Report 2025
- Human rights at Deutschen Telekom
- Social and environmental aspects in the supply chain
- Corporate Responsibility Reporting Hub from T-Mobile US

Sustainable finance: decisions for the future

Investors pay attention not only to financial performance metrics when selecting stocks, but also to ESG criteria: that is, they consider how a company acts in the areas of environmental (E), social (S) and governance (G). In order to create transparency for financial market participants, we have our sustainability performance assessed by external rating agencies. We also incorporate ESG criteria into our own investments. When it comes to taxes, we rely on transparency and trust vis-à-vis the tax authorities.

Our approach

As a public limited company, we are dependent on the capital market and the financial market participants. We want to respond to this target group in a forward-looking and transparent way. To this end, we map our performance using environmental, social and governance indicators, participate in ratings and rankings, and regularly participate in investor dialogues. We also take environmental, social and governance aspects into account in our own financing decisions – for example when making capital investments or investing in research and development initiatives.

Our focus areas in sustainable finance:

- Climate protection
- Circular economy
- Cybersecurity
- Artificial Intelligence (AI) and ESG
- Social aspects (e.g., equal treatment, fair pay)
- Corporate governance

The T-share in sustainability ratings

For more than two decades, we have been successfully participating in various ESG ratings with our share (T-share). The ratings we select depend on their financial market relevance, independence, analysis quality and the strategic relevance of the results. If Deutsche Telekom receives a good ESG rating from rating agencies, the T-share will be listed in corresponding sustainability indices on the financial market.

In 2025, the T-share was again listed in important sustainability indices. These included the Climate A list and CDP's classification as a "Supplier Engagement Leader".

Listings of the T-share in sustainability indices or predicates

		Successfully listed in index			
Rating agency	Indexes/ratings/ranking	2025	2024	2023	2022
CDP	STOXX Global Climate Change Leaders	✓	✓	✓	✓
	Supplier Engagement A-List	✓	✓	✓	✓
MSCI	ESG Universal Indexes [a, b]	✓	✓	✓	✓
	EMU Climate Action Index	✓	✓	✓	✓
ISS-ESG	Prime Status (Sector Leader)	✓	✓	✓	✓
Bloomberg	Gender Equality Index [c]	✓	✓	✓	✓
	ESG "Leading" status	✓	✓	✓	✓
Sustainalytics	STOXX Global ESG Leaders [a]	✓	✓	✓	✓
	STOXX® Europe ESG Leaders 50 Index	✓	✓	✓	✓
	DAX ESG Target	✓	✓	✓	✓
FTSE Financial Times Stock Exchange	FTSE4Good Index Series [a]	✓	✓	✓	✓

✓ listed

a Listed in other indexes in the relevant universe.

b Renamed in the reporting year.

c Classification for the reporting year is based on the evaluation from 2023.

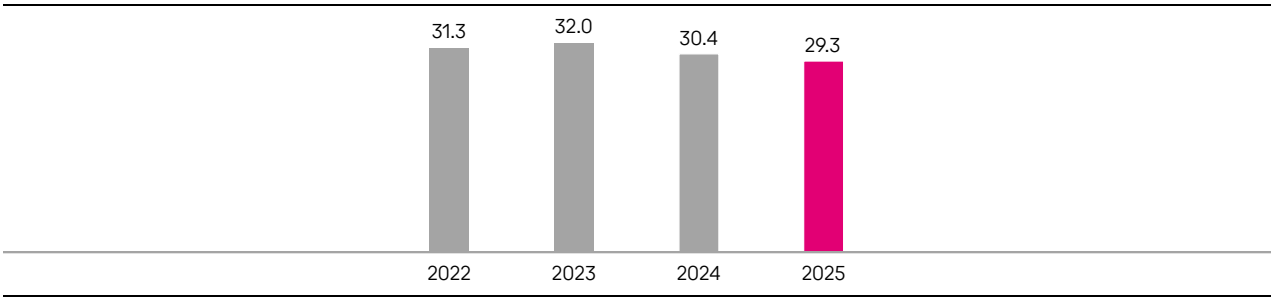
T-share in sustainability-oriented investment strategies

Investment products in the area of SRI (Socially Responsible Investments) consist of securities of companies that are successfully screened according to ESG criteria. The development of demand for the T-share in this investment category serves as an indicator of how our sustainability performance is perceived by investors.

The ESG KPI “Sustainable Investment” indicates the proportion of T-shares held by institutional investors with SRI investment intentions. As of December 31, 2025, this stake was around 29.3 % of T-shares (Source: Nasdaq).

KPI „Socially Responsible Investment (SRI)”

in %



T-shares held by institutional investors that consider environmental, social and governance criteria in their investment choices.To ensure comparability with other companies, we relate the total number of these shares to Deutsche Telekom’s free float.

ESG criteria for investments

We want to make our investments financially attractive and at the same time in line with ESG criteria – both for funds that we invest as an investor and for bonds that we use to raise debt capital for investments. To this end, the Corporate Responsibility and Treasury (financial management) divisions regularly evaluate sustainable and attractive financing models.

Since 2019, Deutsche Telekom’s capital investment (the so-called DT Trust) has been based on ecological and social standards. DT Trust is guided by the criteria of the National Pension Fund of Norway (“Norges”). In doing so, we exclude, among other things, companies that violate human rights, produce banned weapons such as nuclear weapons, or whose core business is considered harmful to the environment.

Our commitment to research and development

As a future-oriented telecommunications company, we work closely with universities, other industries and partners and also participate financially in innovations, including a focus on AI. Here is a selection:

- Together with Nvidia, we started building an industrial AI cloud (“AI factory”) in Germany in the year under review and developed a partner ecosystem with companies and research institutions for this purpose. You can find out more about the AI factory under Energy here in the CR report.
- At the end of 2025, we announced a multi-year collaboration with OpenAI to be able to offer advanced AI applications in Europe. In close cooperation, we will design new AI-powered products and expand communication options for customers. The first pilot projects started in the first quarter of 2026.
- As part of the Global Telco AI Alliance, we agreed in 2024 together with international partners to establish a joint venture to develop telco-specific, multilingual Large Language Models (LLMs) for applications such as digital assistance and customer service solutions.

For more insights into specific AI use cases at Deutsche Telekom, please visit our

website

- Climate change increases the risk of heavy rainfall events. Together with the software specialist Spekter, we have developed an IoT-based early warning system for cities and municipalities that collects precipitation and water level data and is intended to inform the population and emergency services at an early stage in the event of critical developments.
- Together with companies from the high-tech, hardware and chemical sectors, we have developed an approach to reuse components from old equipment for the production of new equipment. A first prototype is the NeoCircuit router: It uses central electronic components from old smartphones. More details about the router can be found here in the CR report under Circular economy.

Further information on our innovations can be found in the Annual Report 2025.

Managing taxes transparently

Deutsche Telekom AG and its Group affiliates companies comply with applicable tax regulations in all countries and territories in which they conduct business. This means that tax compliance requirements are met in the respective countries and taxes owed are paid properly.

Group Tax and local tax functions ensure that the Group affiliates companies have an efficient tax structure within the framework of German and foreign tax laws as applicable in each country. In the view of Group Tax, it is essential to cooperate transparently and trust-based with local tax authorities to achieve sustainable tax efficiency, for example, in connection with operationally advisable company reorganizations.

In addition, the aim of the tax strategy developed by Group Tax is to contribute as much as possible to the success of Deutsche Telekom's operations, e.g., by providing detailed advice regarding new business models or innovative technological developments. In particular any unresolved issues related to tax law are clarified directly and practical solutions to meeting all applicable tax requirements are provided.

This tax strategy (incl. tax policy) – "Tax Compliance, Sustainable Tax Efficiency, Tax as Valued Business Partner" – has been approved by the Deutsche Telekom AG Board of Management.

For detailed information on the work of Group Tax, its principles, and its responsible approach to taxation, please refer to the detailed document "Tax Strategy."

Further information with regard to taxation of Deutsche Telekom

Additional information with regard to such taxes – for example, about our country-based reporting, and additional details about tax rates – is provided in the documents on Country-by-Country Reporting and the Cash Tax Rate Reconciliation.

For some years now, Deutsche Telekom has determined "Total Tax Contribution" figures for our key national companies in the telecommunications sector. This specialized approach and further information are explained in the document on Total Tax Contribution. These reports will also be prepared and published in the coming years.

Looking ahead

In the future, we will continue to have the T-share evaluated in sustainability ratings and rankings and take ESG criteria into account in our investment decisions. We want to further intensify the dialogue with investors, analysts and relevant initiatives in order to exchange best practices, address expectations at an early stage and contribute to the further development of standards in the capital market.

Deep Dive for Experts

Management & Frameworks

- Deutsche Telekom is guided by the EU Sustainable Finance Disclosure Regulation (SFDR). It primarily applies to financial companies that are required to incorporate sustainability factors into their investment decision-making processes and collect corresponding data on the sustainability impact of their investments. However, companies outside the financial sector are also affected. For this reason, we have tabled the most important potential adverse impacts (PAIs) on sustainability aspects for our investors and financial service providers. In view of the ongoing review and possible revision of the SFDR at EU level, we closely followed regulatory developments in the year under review in order to be prepared for future requirements at an early stage.
- The EU Taxonomy Regulation aims to promote investment in companies that are responsibly managed and engage in environmentally sustainable economic activities. Its goal is to create a uniform understanding of sustainable activities and investments. Currently, the EU Taxonomy does not include criteria for the economic activity “Provision and operation of electronic communications networks and services”, which is the essential part of our business model. Therefore, we have not yet been able to demonstrate our contribution to climate protection in the area of network expansion and operation for fixed networks and mobile communications within the framework of the EU Taxonomy. Consequently, we welcome the easing of reporting requirements for companies whose business activities are not significantly covered by the EU Taxonomy, which has been in force since January 2026. In line with the materiality thresholds set out in the Omnibus Regulation, we have refrained from reviewing our taxonomy-eligible economic activities, which together account for only 2.5 % of our revenues and 1.6 % of our investments, for taxonomy compliance in 2025. In addition, we have refrained from disclosing taxonomy-relevant operating expenses for 2025, as these are not material to our business model. We are closely monitoring a possible expansion of the EU Taxonomy to include additional economic activities in order to prepare for the fulfilment of new regulatory requirements at an early stage. Detailed information on the EU Taxonomy can be found in our Sustainability statement 2025.

Relevant Standards

Task Force on Climate-related Financial Disclosures (TCFD)

- Key metrics for measuring and managing climate-related opportunities and risks

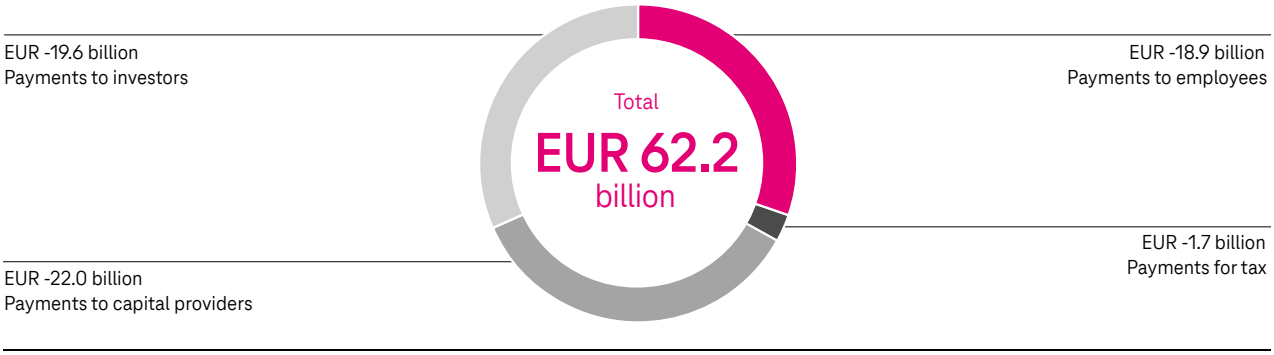
More about taxes

- Tax strategy
- Country-by-Country Reporting
- Cash Tax Rate Reconciliation
- Total Tax Contribution

Net value added

In the year under review, we recorded a net value added of EUR 62.2 billion. The year-on-year decline (EUR 65.2 billion) is mainly due to significantly lower repayments to investors. In contrast, payments to employees increased. The increase is mainly due to the United States operating segment, due to higher average headcount and higher restructuring expenses. In the Germany operating segment and the Group Headquarters & Group Services segment, lower headcount had a negative impact on personnel expenses. Overall, investments in intangible assets and property, plant and equipment were at the previous year’s level. In the case of intangible assets, capital expenditures decreased due to the high level of investment in spectrum licenses in the previous year. Investments in property, plant and equipment, on the other hand, increased due to further network modernization and network expansion (broadband, fiber-optic and mobile communications infrastructure).

Net value added



In contrast to the income statement, only actual cash flows are included in the net value added account. This means that, for example, deferred tax expenses and the recognition of provisions do not affect the net value added in the reporting year. Although these expenses reduce the consolidated net income in the income statement, they are not associated with a payment to a stakeholder group, as is the case with net value added. The payments for this will only be made in the future and can therefore only be taken into account in the net value added in the following years.

Other sources of information on sustainable finance

- Sustainability statement in the Annual Report 2025
- Key financial figures in the Annual Report 2025
- Special Innovation | Deutsche Telekom

Political advocacy

Deutsche Telekom stands for political advocacy based on ethical principles and legal requirements. We are committed to the core interests of our company – in terms of business models and operational concerns. The focus will also be on topics such as digital innovations or the interaction between climate protection and digitalization. Our claim: We always act in accordance with our values and guidelines.

We deal with our consumer policy commitment separately under Consumer protection here in the CR report. We address other stakeholder groups such as employees and investors in our Sustainability statement 2025.

Our approach

In principle, all employees are obliged to comply with our existing Group guidelines. The following requirements apply in particular to employees in the field of political advocacy:

- Principles for donations in the political sphere
- Acceptance and Granting of Benefits Policy
- Anti-Corruption and Other Conflicts of Interest Policy
- Consultant Policy
- Sponsoring Policy
- Donation Policy

This overall set of rules forms the basis for open, transparent and legally compliant political representation of interests.

Values and instruments for political representation

When working with parliaments, governments and social organizations, objective communication, competence, credibility and integrity are important to us. Our Code of Conduct states that our partners in politics, associations and other social groups must maintain their independence and integrity. Donations to political institutions, parties and elected officials, for example, are prohibited.

Deutsche Telekom is registered in the EU public transparency register for interest representatives. In Germany, we have been registered with the German Bundestag and the Federal Government since the introduction of the lobby register for the representation of interests. As part of our participation in associations and corresponding committees, we are of course committed to complying with ethical principles and legal requirements.

Central topics for our advocacy in 2025:

- Fiber-optic and 5G expansion
- Public safety/resilience and cybersecurity
- European and sovereign cloud ecosystem
- Platform regulation
- Green ICT
- Fair Share (fair cost distribution in grid expansion)
- Artificial Intelligence
- Future of digital network infrastructure
- EU Taxonomy
- Industrial electricity price

Transparency on lobbying expenditures

Through membership fees and donations, we support associations and other associations, for example, financially. So far, there is no overarching definition of lobbying expenditure. That is why we publish our lobbying expenditures in accordance with the applicable transparency requirements:

- In Germany at the federal level (in accordance with the Act on the Introduction of a Lobby Register for the Representation of Interests vis-à-vis the German Bundestag and the Federal Government [Lobbyregister Act – LobbyRG – only available in German]) and
- in the federal states of Baden-Württemberg and Bavaria (in accordance with the Transparency Register Act [TReg – only available in German] in Baden-Württemberg and in accordance with the Bavarian Lobby Register Act [BayLobbyRG – only available in German]),
- in Brussels (in accordance with the Interinstitutional Agreement of 20 May 2021 on a mandatory Transparency Register), and
- in Washington for T-Mobile US (under the Lobbying Disclosure Act [LDA]).

An overview of our lobbying expenses can be found on our **website**

Support for associations

Active participation in associations is a central component of our representation of interests. Therefore, most of the expenditure in this area is accounted for by membership fees for top, professional and industry associations. In the following overview, we transparently show our highest contribution payments over the past three years:

Category	Institution	2025	2024	2023	2022
Annual total monetary contributions/ donations (in EUR)	Trade associations	< 5,000,000 [a]	< 5,000,000 [a]	< 5,000,000 [a]	< 5,000,000 [a]
	Political parties	–	–	–	–
Largest single annual contributions (in EUR)	(Deutsche) Industrie- und Handelskammer (IHK/DIHK)	3,061,847	3,649,643	2,908,695	2,608,477
	Bundesverband der deutschen Industrie (BDI e.V.)	450,007	474,995	474,995	476,928
	Bundesvereinigung der Deutschen Arbeitgeberverbände (BDA)	443,789	443,000	443,000	400,407
	Bitkom e.V.	399,124	376,833	376,833	368,284

[a] The above figures for contributions to trade associations mean “less than 5 million euros per year” (the actual values may vary from year to year; the value given is a rounded maximum value). Deutsche Telekom does not make contributions, grant advantages or give benefits of any kind, directly or indirectly, to political parties, political movements, or trade unions or their representatives or candidates, except as required by applicable laws and regulations.

Our commitment to an open Internet

We are committed to the EU regulations for an open Internet. In order to cope with the rapidly growing data traffic and enable innovation, we are constantly expanding our infrastructure. This will enable us to meet the increasing demand for high-quality services and meet the expectations of online content and application providers.

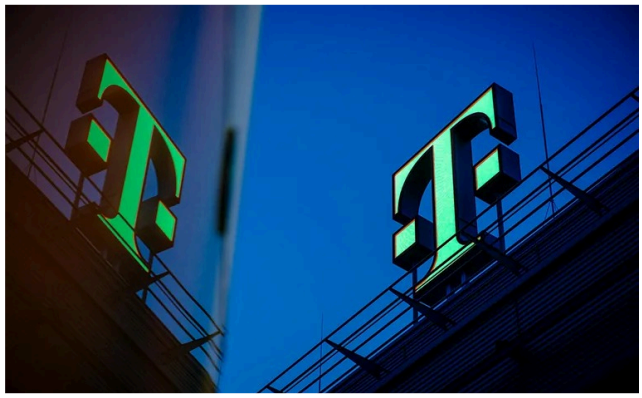
Together with other telecommunications companies, we offer the latest network architecture – 5G networks – nationwide, which use network slicing to better and more flexibly map the different transmission quality requirements of specific services. In this way, we meet the expectations of business and politics and promote innovation in the services offered via our networks. There is no control of content. In the future, we will continue to rely on cooperation with competitors for services with guaranteed quality features.

Our contribution to the EU Green Deal

The telecommunications industry can use innovative technologies and modern digital infrastructure to promote sustainable solutions and help reduce greenhouse gas emissions. In this way, telecommunications companies are also contributing to the goals of the EU Green Deal. Our ambitious climate targets support the principles of the Green Deal. We are continuously investing in grid expansion and enabling the development of a resilient infrastructure – the basis for digital solutions to protect the climate. We are also constantly improving the Energy and resource efficiency of our grids and data centers and are working on circular products. Further information can be found here in the CR report under Products and services.

Looking ahead

Against the backdrop of upcoming reforms at EU level, the EU is currently preparing adjustments to key telecommunications law frameworks. The amendment concerns in particular the Digital Networks Act and the further development of existing telecommunications laws and is expected to require adjustments to the respective national legal frameworks. We would like to support these legislative processes with our expertise in order to help shape reliable and innovation-friendly framework conditions.



Deep Dive for Experts

Overview of Memberships and Cooperations

Business and industry associations

- Bitkom e.V.
- Federation of German Industries (BDI)
- Connect Europe
- Forum for Sustainable Development of the German Economy (econsense)
- GSM Association (GSMA)
- Next Generation Mobile Networks (NGMN)
- International Telecommunication Union (ITU)
- TM Forum

Climate and environmental protection organizations

- B.A.U.M. e.V.
- Climate Neutral Data Center Pact
- Eco Rating Consortium
- European School of Management and Technology (ESMT)
- Global e-Sustainability Initiative (GeSI)
- Joint Alliance for CSR (JAC)
- RE100
- UN Global Compact

Social organizations

- Aktion Deutschland Hilft e.V.
- Amadeu Antonio Foundation
- Bundesarbeitsgemeinschaft der Seniorenorganisationen (BAGSO) (German Association of Senior Citizens' Organizations)
- Alliance against cyberbullying
- Business Council for Democracy (BC4D)
- Diversity Charter
- Charta digitale Vernetzung e.V.
- CORRECTIV
- The NETZZ
- Germany Safe on the Net (DsiN)
- Digital Heroes
- DKMS
- EDAD Design für Alle e.V.
- Employers for Equality GmbH
- eSports Player Foundation
- feelee
- FemTec
- Freunde fürs Leben e.V.
- Show your face! For a cosmopolitan Germany e.V.
- HateAid
- hatefree
- ichbinhier e.V.
- JUUUPORT e.V.
- Competence Center Technology-Diversity-Equal Opportunities (kompetenzz)
- Malteser Hilfsdienst e.V.
- Managerfragen.org
- 100% HUMAN
- Number against grief
- REspect! Reporting office
- Sozialhelden e.V.
- Telephone Counselling
- UN Women Deutschland e.V.
- Violence Prevention Network
- WEISSER RING (German WHITE RING)

Research institutions

- Ben-Gurion University
- German Aerospace Center
- Fraunhofer
- Leipzig Graduate School of Management
- Fraunhofer Heinrich Hertz Institute
- Leipzig University of Applied Sciences
- Environmental Campus Birkenfeld
- University cooperation: University of Freiburg, University of Paderborn, University of Stuttgart, Technical University of Munich, Technical University of Berlin, Technical University of Dresden

Relevant Standards

Global Reporting Initiative

- GRI 2–28 (Membership associations)
- GRI 2–29 (Approach to stakeholder engagement)
- GRI 3–3 (Management of material topics); GRI 415: Political influence
- GRI 415–1 (Political contributions)

Other sources of information on political advocacy

Code of Conduct Deutsche Telekom