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Telekom CR-facts

Principles for donations in the political arena

The Deutsche Telekom Group is subject to special statutory restrictions regarding donations to political parties and holders of offices due to the Federal Republic's stake in the company:

Donations to political parties

- The Deutsche Telekom Group is not permitted to make donations to political parties, as the government's stake in the Deutsche Telekom Group is currently over 25 %. The calculation of the government's stake includes both the stake held by the Federal Republic and the stake held by the Reconstruction Loan Corporation [KfW]. Donations for this purpose include both monetary payments and non-cash benefits.
- So-called genuine sponsoring does not represent a donation, i.e., a donation in return for a demonstrably adequate consideration. The consideration may, for example, be advertising for the company or its products at party conferences. The consideration must be adequate – i.e., at usual market level – in proportion to the benefit. Genuine sponsoring as part of party events does not represent a donation to the party as defined by the Political Parties Act and is thus generally permitted in the Deutsche Telekom Group.

Donations to holders of offices

- The Deutsche Telekom Group is also not permitted to make monetary donations to members of the Bundestag, where the government's (Federal Republic and Reconstruction Loan Corporation [KfW]) stake in the company is over 25 %. Non-cash benefits to members of the Bundestag are also generally

not permitted.

Donations to holders of public offices

- Donations shall not be offered, promised or granted to holders of public offices for the performance of the duties of such offices or for specific actions performed while in such offices.

Measures must also be taken to ensure that the Deutsche Telekom Group only makes correct, politically unimpeachable donations in the political arena. Those acting on behalf of the Deutsche Telekom Group therefore observe the applicable legal framework conditions for donations and benefits in the political arena in Germany and abroad. In addition, the Deutsche Telekom Group has defined various additional procedures and processes that must be followed in connection with sponsoring party conventions, event invitations and the procedure in each individual case.

Sponsoring of party conventions

- The Deutsche Telekom Group is only permitted to sponsor a party convention by granting a political party a monetary payment or non-cash benefit if the donation is in return for a demonstrably adequate (i.e., at usual market level) and permitted consideration.
- The consideration may, for example, be that Deutsche Telekom is permitted to carry out valuable advertising activities and PR measures/ sales promotion at the party convention (presentation space, etc.).
- Inquiries regarding the sponsoring of party conventions must be treated in a uniform and politically balanced manner. This requires conduct that is coordinated throughout the Group in addition to the legal review of each individual case. The Deutsche Telekom Group does not support any extremist political parties.

Invitations to events

- Deutsche Telekom is only permitted to issue invitations to events that are

subject to charge to political parties in the case of genuine sponsoring. The same applies to members of parliament unless these non-cash benefits are granted “for participation in events to present the position of the Bundestag or that of (one of) the parliamentary groups within the Bundestag”. Invitations to holders of domestic and foreign public offices, foreign members of parliament and holders of offices in international organizations should be refrained.

Information und decisions on individual cases

- Before donations are made in the political arena each individual case must be reviewed. Legal interpretation or issues of doubt (including those reaching beyond the legal aspects discussed above) should be submitted to DT Law & Integrity, and political issues of doubt to DT GPRA for a decision.

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