

Corporate Responsibility Bericht 2020

GRI-Index

**Global Compact
Communication on Progress**



LIFE IS FOR SHARING.

General Disclosures

Indicator	Reference	Checked	Indicator	Reference	Checked
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GRI 102: General Disclosures

Organization profile

102-1 Name of the organization

- Management & facts > Strategy > CR strategy & management > Business activities and organization
- www.telekom.com/en/company/company-profile

102-2 Primary brands, products and services

- Management & facts > Strategy > CR strategy & management > Business activities and organization
- www.telekom.com/en/company/company-profile

102-3 Headquarters

- www.cr-report.telekom.com/site21/publication-details

102-4 Countries where the organization operates

- www.telekom.com/en/company/worldwide

102-5 G4-7 Nature of ownership and legal form

- www.telekom.com/en/company/company-profile

102-6 Markets served

- www.telekom.com/en/company/worldwide
- <https://report.telekom.com/annual-report-2020>
- Management & facts > Strategy > CR strategy & management > Business activities and organization

102-7 Scale of the organization

- Management & facts > Strategy > CR strategy & management > Business activities and organization
- 2020 annual report: Deutsche Telekom at a glance

102-8 Total workforce

- Headcount and part-time work

In Germany, 14 percent of employees under collective agreements and 18.5 percent of civil servants at Deutsche Telekom took advantage of part-time models (as at December 31, 2019). In addition, a total of 29 executives throughout Germany were working part-time (as at December 31, 2019).

102-9 Supply chain

- Supply chain management

102-10 Significant changes regarding size, structure, and ownership

- Business combination of T-Mobile US and Sprint

102-11 Precautionary Principle

Risk management, compliance management, and the ESG KPIs provide approaches for preventive action at Deutsche Telekom.

- Management & facts > Strategy > CR strategy & management > Risk and opportunity management
- Management & facts > Strategy > Compliance > Compliance
- Management & facts > Strategy > CR strategy & management > ESG Key Performance Indicators

102-12 External charters, principles or other initiatives

- Management & facts > Strategy > Sustainability standards > Global Compact Communication on Progress
- Management & facts > Strategy > Sustainability standards > German Sustainability Code
- Management & facts > Strategy > CR strategy & management > Values and Guiding Principles
- Management & facts > Strategy > Stakeholder management > Overview of memberships and collaborations
- Management & facts > Economy > Suppliers > Our approach for sustainable procurement

102-13 Memberships of associations and advocacy organizations

- Management & facts > Strategy > Stakeholder management > Overview of memberships and collaborations
- Management & facts > Strategy > Political advocacy > Political advocacy

Due to reasons of confidentiality, it is not possible to list our memberships and collaborations based on strategic aspects. Our policy on political advocacy applies to our involvement in committees and associations.

Indicator Reference Checked

Strategy and analysis

102-14 Statement of the Board of Management

- Management & facts > Strategy > Foreword > Statement by the Chairman of the Board of Management

102-15 Impacts, risks and opportunities

- Management & facts > Strategy > CR strategy & management > Risk and opportunity management

SASB-Topics & key figures

TC-TL-230a.2 TC-TL-520a.3 TC-TL-550a.2

Ethics and integrity

102-16 Values, principles, standards and norms of behavior

- Management & facts > Strategy > CR strategy & management > Values and Guiding Principles

102-17 Internal and external procedures on ethical and lawful conduct and procedures for reporting concerns regarding non-ethical or unlawful conduct

- Management & facts > Strategy > Compliance > Holistic compliance management system
- Management & facts > Strategy > Compliance > Systematic handling of infractions

Governance

102-18 Governance structure

- Management & facts > Strategy > CR strategy & management > Business activities and organization
- www.telekom.com/en/company/company-profile

102-19 Delegating authority

- Management & facts > Strategy > CR strategy & management > Business activities and organization
- www.telekom.com/en/company/company-profile

102-20 Responsibility for sustainability topics

- Management & facts > Strategy > CR strategy & management > Business activities and organization
- www.telekom.com/en/company/company-profile

102-24 Selection processes for the highest governance body and its committees

All skills and abilities required and useful in effectively enacting the responsibilities of a position are taken into consideration during the selection process. The requirements of a position are identified using a skills list.

The selection process is conducted by the Supervisory Board, which acts in the interests of stakeholders and shareholders.

Indicator Reference Checked

Stakeholder engagement

102-40 Stakeholder groups engaged

- Management & facts > Strategy > Materiality > Material sustainability topics: systematic process

102-41 Employees covered by collective bargaining agreements

As of December 31, 2020, 72 percent of employees in Germany were covered by collective agreements. We record the Group-wide coverage rate every two years. As of December 31, 2020, it stood at just under 46 percent.

102-42 Identification and selection of stakeholders

- Management & facts > Strategy > Stakeholder management > Formats for stakeholder engagement

102-43 Approach to Stakeholder Engagement

- Management & facts > Strategy > Stakeholder management > Formats for stakeholder engagement

We work with various feedback formats that are difficult to classify due to their variety. Because we have informal discussions with our stakeholders at dialog events, the feedback cannot be broken down according to the stakeholder groups.

102-44 Key topics and concerns raised by stakeholders

- Management & facts > Strategy > Materiality > Material sustainability topics: systematic process
- Management & facts > Strategy > Stakeholder management > Formats for stakeholder engagement

Identified material aspects and boundaries

102-45 Entities included in the consolidated financial statements

- www.telekom.com/en/company/worldwide

102-46 Defining report content and topic boundaries

- Management & facts > Strategy > Materiality > Key issues for sustainable business development
- Management & facts > Strategy > Materiality > Material sustainability topics: systematic process
- Management & facts > Strategy > Materiality > Material topics matched with GRI aspects

102-47 List of Material Topics

- Management & facts > Strategy > Materiality > Key issues for sustainable business development
- Management & facts > Strategy > Materiality > Material topics matched with GRI aspects

Indicator	Reference	Checked
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102-48 Restatements of Information

> www.cr-report.telekom.com/site21/about-this-report

There was no cause to restate information within the reporting period.

102-49 Changes in Reporting

There were no changes in reporting in the reporting period.

> Management & facts > Strategy > Sustainability standards > Link to SASB entry

Report profile

102-50 Reporting period

> www.cr-report.telekom.com/site21/about-this-report

102-51 Date of most recent report

> www.cr-report.telekom.com/site21/about-this-report

102-52 Reporting cycle

> www.cr-report.telekom.com/site21/about-this-report

102-53 Contact point for questions regarding the report

> www.cr-report.telekom.com/site21/about-this-report

102-54 Claims of reporting in accordance with the GRI Standards

> Management & facts > Strategy > Sustainability standards > GRI Index

102-55 GRI content index

> Management & facts > Strategy > Sustainability standards > GRI Index

102-56 External assurance

> Management & facts > Strategy > Sustainability standards > GRI Index

> Independent assurance report

Topic-specific Standards

Indicator Reference Checked

GRI 203: Indirect Economic Impacts

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Economy > Network expansion > Our approach to infrastructure expansion

203-1 Infrastructure investments and services supported

- Management & facts > Economy > Network expansion > Our approach to infrastructure expansion

GRI 204: Procurement Practices

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Economy > Suppliers > Our approach to sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > Responsible raw materials sourcing

204-1 Proportion of spending on local suppliers at significant locations of operation

As an ICT company, Deutsche Telekom works with suppliers worldwide. That is why we do not have Group-wide policies giving priority to local suppliers at our locations.

- Management & facts > Economy > Suppliers > 2020 spend analysis

GRI 205: Anti-corruption

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Strategy > Compliance > Holistic compliance management system

Indicator Reference Checked

205-1 Total number and percentage of operations assessed for risks related to corruption and the significant risks identified

The following risks of corruption were identified as the most likely within the scope of our risk analysis:

- Acceptance of a benefit in connection with a specific business decision (e.g., a supplier invites an employee to a prestigious sports event, where there is a close material and temporal correlation between the event and the upcoming renewal of an existing agreement).
- An employee formulates selection criteria in favor of one supplier/consultant. Procurement has no choice other than to include this supplier/consultant in its selection. Alternatively, an employee influences an auction/tender in favor of one bidder. In return, the employee receives a benefit from the supplier/consultant.
- An employee makes an agreement with a supplier to add 10 percent to a bill. The supplier pays half of the extra amount charged into a private bank account of the employee.
- A benefit is granted to a business partner's employee or representative in connection with a specific forthcoming business decision in order to gain an unfair competitive advantage (e.g., inviting a decision-maker on the customer side to a prestigious sports event in order to sway them into renewing the existing framework agreement that is coming up for renewal).
- An employee awards a contract in return for something without first obtaining a comparative bid from a competitor, which represents a breach of duty. It makes no difference whether or not the competitor's bid would actually have been lower.

Each year, we carry out a Group-wide compliance risk assessment (CRA) to determine compliance risks and develop tailored compliance measures. In 2020, the CRA included 80 companies and thus covered just over 97.27 percent (based on the number of employees).

205-2 Communication and training on anti-corruption policies and procedures

We use regular training measures to inform and raise awareness among our employees about compliance. In addition to classroom courses, we also use various interactive e-learning formats. In addition, customized classroom courses on compliance and anti-corruption are given to members of the management boards and executives. Managers are addressed about their extraordinary responsibility and informed about trends and changes in the law.

Indicator Reference Checked

E-learning training in Germany

In 2020, more than 68,000 employees in high-risk positions (sales, procurement) in Germany completed the anti-corruption e-learning course, around 37,500 employees received a certificate for completing a compliance e-learning course, 5,565 employees received a certificate for completing an ethical leadership e-learning course, and 1,045 employees took the e-learning course on consultant services. A total of 569 employees completed the e-learning training on anti-trust law.

Implementation of Group Policy throughout the Group

Deutsche Telekom has introduced the Group Policy on Avoiding Corruption and Other Conflicts of Interest, which sets out the relevant responsibilities and duties and includes a list of possible conflicts of interest. We also introduced our Group Policy on Accepting and Granting of Benefits, which clearly specifies which benefits may be granted to and accepted from business partners. Both policies have been rolled out and communicated throughout the Group and approved by the managing boards at the various companies. A further important initiative over the past six years has been Tone from the Top, which members of the Board of Management regularly use to make anti-corruption statements.

Providing information and training to business partners

Our business partners are required to accept the Deutsche Telekom General Terms and Conditions for Purchasing before entering into a business relationship with us. These include a Supplier Code of Conduct incorporating our principles for avoiding corruption. In addition, we ask our business partners questions regarding their compliance management systems as part of the supplier self-assessment process. Deutsche Telekom has been offering online compliance training to external business partners and suppliers since September 2014. The training particularly focuses on small and medium-sized German business partners and suppliers. This encourages our partners even more to conduct their business ethically and in compliance with relevant laws and regulations. The training addresses specific compliance-relevant topics such as corruption prevention, anti-trust law, and sustainability and introduces Deutsche Telekom's compliance management system.

Communication campaigns

To mark the worldwide UN Anti-Corruption Day on December 9, Deutsche Telekom is committed to implementing Group-wide communication campaigns and further activities relating to this issue at its companies.

205-3 Confirmed incidents of corruption and actions taken

Deutsche Telekom engages in extensive compliance management activities to prevent and fight corruption. Any violations we uncover during our investigations are punished appropriately. In some cases, employment relationships have even been terminated for good cause. The total number of incidents of corruption resulting in sanctions is confidential.

GRI 301: Materials

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach. ✓

Indicator Reference Checked

Management & facts > Economy > Sustainable and innovative products > Our approach to sustainable products and services

301-3 Reclaimed products and their packaging materials

- Management & facts > Environment > Waste management & recycling > Used mobile device collection
- Management & facts > Environment > Waste management & recycling > Deutsche Telekom's Used Mobile Device Collection ESG KPI
- Management & facts > Environment > Our environmental program > Environmental program

GRI 302: Energy

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Environment > Climate strategy > Our approach to measuring our progress in climate protection
- Management & facts > Environment > Energy consumption & efficiency > Our approach to energy-efficient networks
- Management & facts > Environment > Energy consumption & efficiency > Energy efficiency in buildings
- Management & facts > Environment > Mobility > Our strategy for climate-friendly mobility

302-1 Energy consumption within the organization

- Management & facts > Environment > Energy consumption & efficiency > Total energy consumption

Energy consumption at Deutsche Telekom primarily pertains to the consumption of electricity, district heating, fossil fuels, and fuel for our vehicle fleet. The amount of energy sold by Deutsche Telekom is not significant and generally not included in our energy and fuel consumption values.

SASB-Topics & key figures:

TC-TL-130a.1

302-3 Energy intensity ✓

- Management & facts > Environment > Energy consumption & efficiency > Energy Intensity ESG KPI

Indicator Reference Checked

GRI 305: Emissions

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Environment > Climate strategy > Climate strategy
- Management & facts > Environment > CO₂e emissions > Scope 3 emissions along the value chain
- Our approach to sustainable products and services

305-1 Direct GHG emissions (Scope 1) ✓

- Management & facts > Environment > CO₂e emissions > Carbon Intensity ESG KPI
- Management & facts > Environment > CO₂e emissions > Total CO₂e emissions (Scope 1 & 2 emissions)

305-2 Indirect GHG emissions (Scope 2) ✓

- Management & facts > Environment > CO₂e emissions > Carbon Intensity ESG KPI
- Management & facts > Environment > CO₂e emissions > Total CO₂e emissions (Scope 1 & 2 emissions)

305-3 Other indirect GHG emissions (Scope 3) ✓

- Management & facts > Environment > CO₂e emissions > Total CO₂e emissions (Scope 3)

305-5 Reduction of GHG emissions

- Management & facts > Environment > Climate strategy > Climate strategy
- Management & facts > Environment > Our environmental program > We Care for Our Planet

GRI 401: Employment

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Social > Training and development > Our approach to training and development
- Management & facts > Social > Fluctuation & staff restructuring > Staff restructuring in a socially responsible way
- New way of working > New world of work page

401-1 New employee hires and employee turnover

- Management & facts > Social > Headcount and part-time work > Development of headcount worldwide
- Management & facts > Social > Fluctuation & staff restructuring > Staff churn rate

Indicator Reference Checked

- Management & facts > Social > Fluctuation & staff restructuring > Share of civil servants in the Group workforce
- Management & facts > Social > Fluctuation & staff restructuring > Staff restructuring in a socially responsible way

The number of employees entering retirement, an important component of natural employee churn, is not recorded within the scope of the annual workforce structure report. We therefore cannot provide a breakdown of natural churn according to gender and age. The time and effort involved in more detailed data collection would exceed any insights gained.

GRI 402: Labor/Management Relations

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Social > Employee relationships > Our approach to employee relationships

402-1 Minimum notice periods regarding operational changes

This indicator cannot be used for Deutsche Telekom as a global corporation because of the extensive effort involved in compiling all country-specific regulations, an effort that exceeds the benefit of such activities. The relevant works council committees are informed of significant operational changes and involved according to the legally applicable provisions such as the German Works Constitution Act (Betriebsverfassungsgesetz). We also regularly engage in dialog with employee representatives at a national and European level.

GRI 403: Occupational Health and Safety

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Social > Occupational health and safety > Our approach to health and occupational safety

403-1 Workers representation in formal joint management-worker health and safety committees

Deutsche Telekom in Germany has created a number of committees for occupational health and safety management:

At Group level, the Central Health Working Group comprises employer representatives from Group headquarters and Group companies, occupational health and safety experts, and also representatives of the Group and General Works Councils and of employees with disabilities. At Group company level, General Health Working Groups have been established with equal numbers of representatives from additional local occupational safety committees and Health Working Groups.

Indicator Reference Checked

The national companies around the world are responsible for and manage occupational health and safety issues autonomously, based on the relevant national legislation. In recent years, the national companies have gradually been incorporated into a certified health, safety, and environmental management system based on the international standards ISO 45001 and ISO 14001 that ensures uniform Group standards on an international level. The management system covers all Group companies in Germany and 99 percent of employees at the affiliated national companies around the world (December 31, 2020).

403-2 Types of injury and rates of injury at the organization

- Management & facts > Social > Occupational health and safety > Health rate
- Management & facts > Social > Occupational health and safety > Work accidents in Germany

GRI 404: Training and Education

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Social > Training and development > Our approach to training and development

404-1 Average hours of training per year per employee by gender and by employee category

Vocational training (Group in Germany)

	Total hours 2020	Women	Men
Apprentices	6,706,800*	2,076,108*	4,627,692*
Students on cooperative study programs	3,162,132*	758,912*	2,403,220*
Total	9,868,932*	2,838,020*	7,030,912*

(* Calculations based on average values for 2020.)

Skills development (Group – international)

Our employees around the globe spent some 2.5 million hours on training and skills development in 2020, 67.7 percent of these in digital format, which is 21 percent more than in 2019. Each employee spent an average of 3.4 days training. The impact of the COVID-19 pandemic on classroom training meant that an average of 2.3 training days took place in digital format

- Management & facts > Social > Training and development > Our approach to training and development

Indicator Reference Checked

404-2 Programs for upgrading employee skills and transition assistance programs

Programs for lifelong learning

- Management & facts > Social > Training and development > Our approach to training and development

Training and development

Departure from the company and career perspectives

Depending on the situation, we use various tools to help affected employees leave their job at the Group in a socially acceptable manner. This includes options such as outplacement consulting and severance payments. In addition, Vivento, the service provider for staff restructuring in Germany, offers assistance to civil servants when transferring to a public-sector employer. In many cases, the job change can be accompanied by financial incentives. In 2020, as in previous years, Vivento offered civil servants appropriate posts at national, federal state, and municipality level. A total of 149 civil servants made a permanent switch to a government agency in 2020.

The Post/Telekom welfare service offers seminars on “Getting ready for retirement” in which Deutsche Telekom employees are invited to participate. Participants work on ways in which they will be able to fill their retirement years with meaningful activities and enjoy their retirement for years to come.

- Management & facts > Social > Employee relationships > Flexible working models for a wide range of needs at Deutsche Telekom in Germany

404-3 Percentage of employees receiving regular performance and career development reviews

We use various tools to assess the performance and career development of our employees.

- “Compass” for employees covered by collective agreements and civil servants in Germany
- “Lead2Win” for managers in executive positions worldwide, employees not covered by collective agreements in Germany, and employees of national companies
- PPR4ALL (Performance & Potential Review) in T-Systems International countries

Our performance management is currently undergoing further development, with a clear focus on feedback discussions and transparency meetings.

Performance management tools and employee category & number and proportion of employees whose performance and career development are assessed

- Compass (employees covered by collective agreements in Germany): approx. 60,000 employees (76 percent of target group)
- Lead2Win: (executives, employees not covered by collective agreements in Germany, employees of the national companies): approx. 16,500 employees (75percent of target group)
- Performance & Potential Review (T-Systems International): approx. 15,500 employees (86 percent of target group)

In each case, the performance management tools apply for entire employee groups and therefore employees of any gender in equal measure.

Indicator Reference Checked

GRI 405: Diversity and Equal Opportunity

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Social > Diversity > Our approach to diversity and equal opportunities

405-1 Diversity of governance bodies and employees: Percentage of individuals within the organization's governance bodies in each of the following diversity categories: gender, age group, other indicators of diversity where relevant (such as minority or other vulnerable groups)

- Management & facts > Social > Diversity > Commitment to increasing the proportion of women
- Management & facts > Social > Diversity > People with a disability
- Management & facts > Social > Demography and company pension scheme > Age structure

Deutsche Telekom is an international corporation that is only represented by a majority interest in some of its national companies. For that reason it is not possible to break down these values based on employee category.

405-2 Ratio of basic salary and remuneration of women to men

We have been comparing the pay of male and female employees for several years now. We were unable to identify any significant gender-based differences in pay for our employees in Germany. In the past, studies (e.g., Logib-D, "eg-check") confirmed that women and men who do the same job receive the same pay.

In March 2021, we received the "eg-check" certificate from the Federal Anti-Discrimination Agency of the German Confederation. The "eg-check" took into account key requirements such as knowledge, skills, communication, cooperation and responsibility - criteria that are also part of Telekom's evaluation procedures. The methods used included statistics, pairwise comparisons, and a detailed regulation check.

It was not possible to record the pay of our male and female employees at all of our international locations due to data unavailability, relevance to competition, and the time and effort involved.

GRI 406: Non-discrimination

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Social > Human rights > Our approach to protecting human rights
- New way of working > Human rights > Human rights page

Indicator Reference Checked

406-1 Incidents of discrimination and corrective actions taken

- Management & facts > Social > Human rights > Human Rights & Social Performance Report
- Management & facts > Social > Human rights > Information and questions about human rights

GRI 407: Freedom of Association and Collective Bargaining

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Social > Human rights > Our approach to protecting human rights
- New way of working > Human rights > Human rights page

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk, and corrective actions taken

To our knowledge, there are no cases of this nature. Deutsche Telekom recognizes the fundamental right to freedom of association and the right to collective bargaining within the scope of national regulations and existing agreements. These principles form an integral part of the Code of Human Rights & Social Principles, are binding for the entire Group, and must be confirmed in writing annually by the Group companies. We likewise expect our business partners and suppliers to comply with these principles as long as they do not contradict national legislation.

GRI 409: Forced or Compulsory Labor

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Social > Human rights > Our approach to protecting human rights
- Management & facts > Social > Human rights > "Code of Human Rights & Social Principles"
- Good stewardship > Supply Chain > Supply chain page
- Management & facts > Economy > Suppliers > Our approach to sustainable procurement
- Management & facts > Economy > Suppliers > Improving sustainability in the supply chain

Indicator Reference Checked

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor, and corrective actions taken

Deutsche Telekom utilizes a range of tools, methods, and measures to quickly identify and eliminate risks of this kind. No significant risk of forced or compulsory labor was identified at our business facilities. Risks relating to forced or compulsory labor are combated, among other things, by regularly auditing selected strategic and particularly high-risk suppliers.

GRI 412: Human Rights Assessment

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Social > Human rights > Our approach to protecting human rights
- New way of working > Human rights > Human rights page

412-1 Operations that have been subject to human rights reviews or impact assessments

In 2020, Deutsche Telekom subjected 104 companies in which it has a majority interest to a human rights review or impact assessment. This corresponds to 100 percent of such companies.

- Management & facts > Social > Human rights > Our approach to protecting human rights
- New way of working > Human rights > Human rights page

GRI 414: Supplier Social Assessment

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Good stewardship > Supply Chain > Supply chain page
- Management & facts > Economy > Suppliers > Our approach to sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > 2020 audit results

414-1 New suppliers that were screened using social criteria

To meet the growing requirements of our stakeholders, we changed the way we measure the sustainability of our procurement in 2020. To this end, two new ESG KPIs have been defined. The Procurement Volume Without CR Risk – Target: 95 Percent

Indicator Reference Checked

by YE2025 ESG KIP represents the procurement volume from suppliers for whom nothing negative or out of the ordinary was reported in relation to sustainability-relevant issues. The share of this procurement volume subjected to a risk assessment amounted to 99.6 percent in 2020. The Procurement Volume Verified as Non-Critical – Target: 60 Percent by YE2025 ESG KIP, on the other hand, measures the share of suppliers whose compliance with social and environmental criteria was verified by means of dedicated reviews. In 2020, the share of these CR-verified suppliers was 62 percent. In the future, these new indicators will replace the existing Sustainable Procurement and CR-Qualified TOP 200 Suppliers ESG KPIs.

- Management & facts > Economy > Suppliers > CDP Supply Chain Coverage ESG KPI
- Management & facts > Economy > Suppliers > Procurement Volume Without CR Risk – Target: 95 Percent by YE2025 ESG KPI
- Management & facts > Economy > Suppliers > Procurement Volume Verified as Non-Critical – Target: 60 Percent by YE2025 ESG KPI

414-2 Negative social impacts in the supply chain and actions taken

- Management & facts > Economy > Suppliers > 2020 audit results

GRI 416: Customer Health and Safety

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary. Explain how the organization manages the topic. Explain how the organization evaluates the management approach.

- Management & facts > Economy > Consumer protection > Our approach to consumer protection
- Management & facts > Economy > Consumer protection > Our approach to secure mobile communication
- Our approach to sustainable products and services

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

- Management & facts > Strategy > Compliance > Systematic handling of infractions

Indicator Reference Checked

GRI 418: Customer Privacy

GRI 103: Management Approach

103-1,103-2,103-3 Explain why the topic is material and provide its boundary.
Explain how the organization manages the topic.
Explain how the organization evaluates the management approach.

- > Our approach to data protection
- > Management & facts > Economy > Consumer protection > Our approach to consumer protection

418-1 Substantiated complaints regarding breaches of customer privacy and losses of customer data

- > Management & facts > Strategy > Compliance > Systematic handling of infractions

GRI 419: Socioeconomic Compliance

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary.
Explain how the organization manages the topic.
Explain how the organization evaluates the management approach.

- > Management & facts > Strategy > Compliance > Holistic compliance management system

419-1 Non-compliance with laws and regulations in the social and economic area

- > Management & facts > Strategy > Compliance > Systematic handling of infractions

Further GRI aspects reported

Indicator Reference Checked

GRI 201: Economic Performance

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary.
 Explain how the organization manages the topic.
 Explain how the organization evaluates the management approach.

www.telekom.com/en/company/companyprofile/company-profile-625808

201-1 Direct economic value generated and distributed

Management & facts > Economy > Financial performance indicators > Net added value

201-3 Defined benefit plan obligations

Management & facts > Social > Demography and company pension scheme > Company pension schemes

GRI 306: Effluents and Waste

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary.
 Explain how the organization manages the topic.
 Explain how the organization evaluates the management approach.

- Management & facts > Environment > Circular economy & resource efficiency > Our approach to resource conservation and environmental protection
- Management & facts > Environment > Our environmental program > We Care for Our Planet
- Management & facts > Environment > Waste management & recycling > Waste reduction and recycling

306-2 Waste by type and disposal method

Deutsche Telekom has a Group-wide waste management policy in place (e.g., for recycling copper) to handle the major types of waste produced by its business activities. We also use our Used Mobile Device Collection ESG KPI to determine the relationship between the number of mobile devices such as smartphones and cell phones brought to market and the number returned to us (returned mobile devices in thousands / number of mobile devices brought to market in millions). Devices that are suitable for refurbishing and further use are subsequently reused, which

Indicator Reference Checked

gives them a longer life span. Cell phones that are no longer functional are properly recycled in an environmentally friendly manner. Data collection regarding disposal methods is complex, and the amount of time and work involved could not be reasonably justified based on the benefit this type of data collection would bring.

We comply with all legal requirements in all countries when disposing of hazardous waste.

We are a service provider with low amounts of effluents as a result. We don't collect data on effluents, as the amount of time and work involved could not be reasonably justified based on the benefit this would bring.

GRI 308: Supplier Environmental Assessment

GRI 103: Management Approach

103-1, 103-2, 103-3 Explain why the topic is material and provide its boundary.
 Explain how the organization manages the topic.
 Explain how the organization evaluates the management approach.

- Management & facts > Economy > Suppliers > Our approach to sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > 2020 audit results

308-1 Percentage of new suppliers that were screened using environmental criteria

To meet the growing requirements of our stakeholders, we changed the way we measure the sustainability of our procurement in 2020. To this end, two new ESG KPIs have been defined. The Procurement Volume Without CR Risk – Target: 95 Percent by YE2025 ESG KIP represents the procurement volume from suppliers for whom nothing negative or out of the ordinary was reported in relation to sustainability-relevant issues. The share of this procurement volume subjected to a risk assessment amounted to 99.6 percent in 2020. The Procurement Volume Verified as Non-Critical – Target: 60 Percent by YE2025 ESG KIP, on the other hand, measures the share of suppliers whose compliance with social and environmental criteria was verified by means of dedicated reviews. In 2020, the share of these CR-verified suppliers was 62 percent. In 2020, 71 percent of our purchases from emission-intensive suppliers were covered by the CDP Supply Chain Program. We will be replacing the CDP Supply Chain Coverage ESG KPI in 2021.

Indicator	Reference	Checked
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The new indicator will be as follows: Coverage of the Procurement Volume Using the CDP Supply Chain Program by Means of Verified Responses to Scope 1, 2 & 3 Emissions – Target: 70 Percent by YE2025.

In the future, these new ESG indicators will replace the existing Sustainable Procurement, CR-Qualified TOP 200 Suppliers, and CDP Supply Chain Coverage ESG KPIs.

- Management & facts > Economy > Suppliers > CDP Supply Chain Coverage ESG KPI
- Management & facts > Economy > Suppliers > Procurement Volume Without CR Risk – Target: 95 Percent by YE2025 ESG KPI
- Management & facts > Economy > Suppliers > Procurement Volume Verified as Non-Critical – Target: 60 Percent by YE2025 ESG KPI

308–2 Significant actual and potential negative environmental impacts in the supply chain and actions taken

- Management & facts > Economy > Suppliers > 2020 audit results

GRI 408: Child Labor

GRI 103: Management Approach

103–1, 103–2, 103–3 Explain why the topic is material and provide its boundary.
 Explain how the organization manages the topic.
 Explain how the organization evaluates the management approach.

- Management & facts > Economy > Suppliers > Our approach to sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > 2020 audit results

408–1 Operations and suppliers at significant risk for incidents of child labor, and corrective actions taken

- Management & facts > Economy > Suppliers > 2020 audit results

No significant risk of child labor was identified at our direct business facilities, business partners, and suppliers.

GRI 415: Public Policy

GRI 103: Management Approach

103–1, 103–2, 103–3 Explain why the topic is material and provide its boundary.
 Explain how the organization manages the topic.
 Explain how the organization evaluates the management approach.

- Management & facts > Strategy > Political advocacy > Political advocacy

Global Compact Communication on Progress

Principle 1: Support and respect for internationally proclaimed human rights

- Management & facts > Social > Human rights
 - Management & facts > Strategy > CR strategy & management > Values and Guiding Principles
 - Management & facts > Strategy > Compliance
 - Management & facts > Economy > Data protection and data security
 - Management & facts > Strategy > Political advocacy
 - Management & facts > Social > Human rights > Code of Human Rights & Social Principles
 - Management & facts > Social > Employee relationships > Fair pay and benefits
 - Management & facts > Economy > Suppliers > Our approach for sustainable procurement
 - Management & facts > Economy > Suppliers > Supply chain management
 - Management & facts > Economy > Suppliers > Auditing procedures
 - Management & facts > Economy > Consumer protection
 - Management & facts > Social > Occupational health and safety
 - Management & facts > Social > Diversity
- 2020 Annual Report > Management report > Employees
- 2020 Annual Report > Management report > Group strategy
- 2020 Annual Report > Management report > Management of the Group

Principle 2: No complicity in human rights abuses

- Management & facts > Strategy > CR strategy & management > Values and Guiding Principles
- Management & facts > Strategy > Compliance
- Management & facts > Strategy > Political advocacy
- Management & facts > Economy > Consumer protection
- Management & facts > Economy > Suppliers > Our approach for sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > Auditing procedures
- Management & facts > Social > Human rights > Human Rights and Social Performance Report

Principle 3: Uphold freedom of association and the right to collective bargaining

- Management & facts > Strategy > CR strategy & management > Values and Guiding Principles
- Management & facts > Social > Employee relationships > Dialog and cooperation with employee representatives
- Management & facts > Strategy > Compliance
- Management & facts > Economy > Suppliers > Our approach for sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > Auditing procedures

Principle 4: Elimination of all forms of forced and compulsory labor

- Management & facts > Strategy > CR strategy & management > Values and Guiding Principles
- Management & facts > Strategy > Compliance
- Management & facts > Strategy > Political advocacy
- Management & facts > Economy > Suppliers > Our approach for sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > Auditing procedures

Principle 5: Abolition of child labor

- Management & facts > Strategy > CR strategy & management > Values and Guiding Principles
- Management & facts > Strategy > Compliance
- Management & facts > Strategy > Political advocacy
- Management & facts > Economy > Suppliers > Our approach for sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > Auditing procedures

Principle 6: Elimination of discrimination in respect of employment and occupation

- Management & facts > Strategy > CR strategy & management > Values and Guiding Principles
- Management & facts > Strategy > Compliance
- Management & facts > Social > Diversity
- 2020 Annual Report > Management report > Employees
- 2020 Annual Report > To our shareholders > Corporate Governance Report

Principle 7: Support a precautionary approach to environmental challenges

- Management & facts > Strategy > CR strategy & management > CR strategy
- Management & facts > Strategy > CR strategy & management > Our management tools – the ESG key performance indicators
- Management & facts > Strategy > CR strategy & management > Governance
- Management & facts > Strategy > Political advocacy
- Management & facts > Strategy > CR strategy & management > Risk and opportunity management
- Management & facts > Environment > Climate strategy
- Management & facts > Environment > Our environmental program > We Care for our Planet
- Management & facts > Environment > Circular economy & resource efficiency
- Management & facts > Environment > Energy consumption & efficiency
- Management & facts > Environment > Additional ecological information > Protecting biodiversity
- Management & facts > Environment > Mobility > Our strategy for climate-friendly mobility in Germany
- Management & facts > Economy > Sustainable and innovative products
- Management & facts > Economy > Suppliers > Our approach for sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > Auditing procedures
- Management & facts > Economy > Suppliers > Responsible procurement of raw materials
- Management & facts > Environment > CO₂e emissions > Carbon Intensity
- Management & facts > Environment > Energy consumption & efficiency > Energy Intensity
- Management & facts > Environment > Waste management & recycling > Waste management and volume

- Management & facts > Environment > Waste management & recycling > Mobile device collection
- Management & facts > Environment > Additional ecological information > Additional ecological information
- 2020 Annual Report > Management report > Risk and opportunity management

Principle 8: Undertake initiatives to promote greater environmental responsibility

- Management & facts > Strategy > CR strategy & management > Values and Guiding Principles
- Management & facts > Strategy > CR strategy & management > CR strategy
- Management & facts > Strategy > CR strategy & management > Our management tools – the ESG key performance indicators
- Management & facts > Strategy > CR strategy & management > Governance
- Management & facts > Strategy > Political advocacy
- Management & facts > Environment > Climate strategy
- Management & facts > Environment > Our environmental program > We Care for our Planet
- Management & facts > Environment > Circular economy & resource efficiency
- Management & facts > Environment > Energy consumption & efficiency
- Management & facts > Environment > Additional ecological information > Protecting biodiversity
- Management & facts > Environment > Circular economy & resource efficiency > Our approach to resource conservation and environmental protection
- Management & facts > Economy > Suppliers > Our approach for sustainable procurement
- Management & facts > Economy > Suppliers > Supply chain management
- Management & facts > Economy > Suppliers > Auditing procedures
- Management & facts > Economy > Suppliers > Responsible procurement of raw materials
- Specific absorption rate
<https://www.telekom.de/hilfe/geraete-zubehoer/handy-smartphone-tablet/allgemein/sar-werte?samChecked=true>
- Annual Report 2020 > Management report > Risk and opportunity management

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

- Management & facts > Strategy > CR strategy & management > CR strategy
 - Management & facts > Strategy > CR strategy & management > Our management tools – the ESG key performance indicators
 - Management & facts > Strategy > CR strategy & management > Governance
 - Management & facts > Environment > Circular economy & resource efficiency > Our approach to resource conservation and environmental protection
 - Management & facts > Environment > Climate strategy
 - Management & facts > Environment > Our environmental program > We Care for our Planet
 - Management & facts > Environment > Circular economy & resource efficiency
 - Management & facts > Environment > Energy consumption & efficiency
 - Management & facts > Economy > Suppliers > Our approach for sustainable procurement
 - Management & facts > Economy > Suppliers > Supply chain management
 - Management & facts > Economy > Suppliers > Auditing procedures
 - Management & facts > Economy > Suppliers > Responsible procurement of raw materials
- Annual Report 2020 > Management report > Innovation and product development

Principle 10: Work against corruption in all its forms of, including extortion and bribery

- Management & facts > Strategy > CR strategy & management > CR strategy
 - Management & facts > Strategy > Compliance
 - Management & facts > Strategy > CR strategy & management > Risk and opportunity management
 - Management & facts > Economy > Data protection and data security
 - Management & facts > Strategy > Political advocacy
 - Management & facts > Economy > Suppliers > Our approach for sustainable procurement
 - Management & facts > Economy > Suppliers > Supplier compliance
 - Management & facts > Economy > Suppliers > Auditing procedures
- 2020 Annual Report > To our shareholders > Corporate Governance Report
- 2020 Annual Report > Management Report > Risk and opportunity management